MARRAKECH – DNS Industry in the Middle East
Tuesday, March 08, 2016 – 16:30 to 18:00 WET
ICANN55 | Marrakech, Morocco

UNIDENTIFIED MALE: This is the DNS Industry, Middle East, Palmeraie. March 8th, 16:30 to 18:00 hours.

BAHER ESMAT: Okay. Good afternoon, everyone. Welcome to our DNS Industry update for the Middle East. My name is Baher Esmat. I work for ICANN. I'm part of the Global Stakeholder Engagement team.

Just before we start, I'd like to note that we have interpretation service in the room. We have English, Arabic, and French, so please, I would encourage you to use them and speak the language of your choice.

Today, you're not going to hear from ICANN, for a change. You're going to hear from our community members and supporters and partners who have been working with us and helping us in our efforts in the region to further develop the domain name industry.

We have five speakers today, if I'm not mistaken. We're going to try to limit the presentations to the first half of the session and

keep the second half for Q&A. I'll introduce the speakers quickly, and then we'll go straight to the presentation. I'll take them by the order of speaking. To my left, Hadia El Miniawi. Hadia is the Director of the DNS Entrepreneurship Center in Cairo, and she's going to talk to this new initiative that we launched last year.

Second speaker is Tom Barrett. Tom is the CEO of EnCirca. EnCirca is one of the ICANN accredited registrars working out of the US, and Tom has been working with us in many activities over the past year. In particular, he was the one who developed or designed the business track of the DNS Entrepreneurship Center.

Third, we're going to be hearing from EURid and Emily Taylor, two in one slot. Both EURid and Emily Taylor Consulting have conducted a DNS market study in the Middle East, and they're going to share with us the results of this study. The final report has been posted on the ICANN website last week.

Then we're going to move to two of our experts in the region who have been in this business for quite some time. They're going to share with us some of their experiences. We have Mohammad Zeidan. Mohammad is the General Manager of .shabaka. .shabaka is one of the New gTLDs. It's an IDN gTLD, and he's going to talk to this experience.

We also have Hamza Aboulfeth. Hamza is from Morocco, and he is the CEO of Genious. Genious is one of the ICANN accredited registrars, as well.

Without further ado, I'm going to turn it over to Hadia to talk about the DNS Entrepreneurship Center.

UNIDENTIFIED FEMALE: Could you please say that there, provide their names and [inaudible]

BAHER ESMAT: Yes. Please, for the record, make sure you provide your name, affiliation. This also applies to anyone who's going to make an intervention afterwards. Also, [Milena] is helping with the presentations and the chat room and all of this, so if you want to scroll your slides, please just ask her to do so.

I did mention the interpretation. Thank you. Hadia.

HADIA EL MINIAWI: Good evening, everyone. My name is Hadia El Miniawi. I'm the newly appointed Director for the DNS Entrepreneurship Center. The agenda is I'm going to talk about the DNSsc vision and mission, both of which have been revisited recently. Then I will

talk about what we are doing currently. Then we'll look at what we are looking ahead. Then it's a Q&A session.

A brief background. This center is a result of a partnership between ICANN and the National Telecommunications Regulatory Authority of Egypt to foster the Domain Name System in the region. ICANN provides the mentors and training programs, and NTRA incubates the center during its early stages, providing facilities and hiring a small team, which is me.

The vision. Our wider view is to help in the success and growth of the start-ups and entrepreneurs that want to enter the business. We want to provide them with mentorship and expertise, and help networking among entrepreneurs and their coaches.

Mission. We have two strategic goals. Our first strategic goal is to develop a robust and healthy domain name ecosystem in Africa and the Middle East. The second strategic goal is to act as a repository for the industry in the region. We want to be like a container for all information and resources related to the industry.

What we aim to do. We want to see a healthy and competitive DNS market in the region. We want to see more resellers, more registrars, more ICANN-accredited registrars work on the policies to have international registrars. We want to work on building the industry as a whole. Of course, networking between

TLD operators. We want them to share their challenges, their success stories, their business models. Work on points of interest. That could be, for example, policies. I can say here that maybe we started our very first meeting yesterday. Also, encouraging start-ups, as I said in the beginning, is very important. We want new players to be in the market. As I said, it needs to be healthy, free of monopoly.

Another very important goal of ours is partnership. We would like to partner with industry leaders. We want them to help us build the industry in the region. In return, they benefit engagement with the region and advertise themselves. When we talk about capacity building, we also definitely have in mind building a network of decision makers that can later contribute to ICANNs policies and decision making.

Current work. First, I would like to highlight some of the factors that were mentioned in the EURid study. First, I would like policies. Many of the registries have complex policies and procedures, both for registration and for accrediting registrars. Prices, we can see in many cases very high prices for registrations. We are talking about $150 or more. Many of the international registrars refrain from entering the market due to the policies that exist today, and also due to the technical visibilities and infrastructure that exists. Many of the registrars in the region have challenges with developing successful business

models. Sales, the sales are very weak, as well, in the region. That's why registrars refrain from entering this market.

Currently, we are working on building the domain name industry in the region. We are working with registries, with registrars, with businesses interested in the domain name industry as a whole. What we are doing with registries currently in building capacities and expertise. When we say capacity and expertise, we talk about all aspects of operation. We talk about policy. We talk about marketing. We talk about technicalities. Also, it's very important for the registries to engage with the registrars to have a dialogue. Cooperation also between the registries. These are all aspects that we are working on.

What we expect to see out of this is, of course, a growth in the top-level domain registrations. Also, maybe after liberalizing the policies and having better infrastructure, we could have international registrars, which would definitely have a competitive impact on the market. It could lower the prices. It could better the services. These are all things that we are looking to see out of working with the registries.

Registrars. We talk about registrars in the region. I must mention that some countries don't have registrars at all. They work through direct registrations. I'm not necessarily saying that this is good or bad, but I'm just stating what it is. ICANN-accredited

registrars, I think we have about 24 in the region. We have eight in Turkey, five in South Africa, four in UAE, one in Morocco, Tunis, Kuwait, Nigeria, Cameroon, Ghana, Jordan, and Pakistan.

Definitely working with the registrars to develop capacities is a target. We want to help them to develop their business models because many of them are struggling to have successful business models. Help them maybe develop resellers packages.

Again, what we expect out of this is to have a more competitive market, have more registrars and resellers in the region, better the services, lower the prices, and maybe this will build up the users' confidence because users in the region currently prefer to register their domains outside of the region.

Next, businesses interested in the industry. We would like to work with them, let them know more about the industry, help them build expertise. Also, if there are applicants who are interested to become generic top-level domain registries, we are very happy to keep them informed about the future rounds and maybe assess them through the whole process when it's time.

Again, what we look to see after this is impacting the market directly, having new players in the market, having the market free of monopoly, having more people engaging in ICANNs policy, growing the market.

The workshops that the center has conducted so far. The first one was a DNS business development workshop. It was in April 2015. Topics were DNS business and policy overview, DNS industry overview, DNS business development overview, DNS operations overview, DNS new business consideration. The instructors were Thomas Barrett from EnCirca Registration and Michele Neylon from Blacknight Solutions.

The second workshop was Registry Best Practice. The topics covered were registry policies and procedures, registry/registrar relations, marketing and communication activities, registry social responsibilities. The instructors were Giovanni Seppia, EURid Registry, and Emily Taylor. We had also trained a trainer workshop in June 2015, out of which came nine certified trainers, two of which participated later in the following workshop, which was the DNS Operation and the DNSsec. July 2015, we had the DNS Operation and DNSsec Workshop. We had one legal workshop, which talked about uniform dispute resolution mechanisms.

Also, four SWOT analysis workshops were conducted for local markets in Tunis, Doha, Muscat, and UAE. During these workshops, the registries engaged with their registrars and they came out with some recommendations. The registries are still implementing or on their way to implement these recommendations, so maybe after the implementation of the

recommendations, we can get feedback on the effect of those SWOT workshops. These are some pictures for the workshops.

What we look ahead for. Of course we will continue to build capacity and expertise throughout the region. We want to continue to raise awareness through videos, seminars, outreaching to people. Raise awareness about IDNs. As I said before, seek partnerships. This is very important and crucial to us. We look ahead to provide consultancy, which is one thing we want to do, as well. Thank you.

BAHER ESMAT: Thank you. Thank you, Hadia. We're going to move on to the next presentation, and we're going to keep questions and comments to the end. Tom, over to you.

TOM BARRETT: Thank you, and thank you, Hadia, for that great intro.

I want to talk about the business track for the DNS Entrepreneurial Center. I already covered some of this back in Dublin and Singapore meetings, but our first workshop was a five-day workshop held in Cairo where we basically attempted to cover everything a business might need to develop a new business plan. It covered marketing research. It covered

marketing programs. It covered the technology you need to be a registry or registrar. It covered policy. It covered legal issues.

That was five days. We had 25, 30 attendees from about 12 different countries. I think some of the lessons learned from that first workshop was, first of all, five days is a lot of time, and there's a lot of material to cover. Second of all, they weren't start-ups who were people interested doing start-ups who attended the workshop. They were, for the most part, employees of the country code registry or some other government agency, or they were resellers or registrars who supported the ccTLD. So a slightly different profile of attendee for that meeting.

As an outcome of that, we decided to basically do a road show, break this five-day business development class down to a two-day workshop that focused on the marketing and branding aspects of creating or starting a DNS type of business. Hadia mentioned we did something in Doha, in Tunis in October, and then just a month or so ago, we did ones in Dubai and Muscat.

I'm just going to give you an idea of what this two-day workshop looks like today on the next slide. We're using this acronym SWOT, which I'll explain in a second. It's a way to take an existing organization, in this case a ccTLD registry in particular, and look at the capabilities of that organization. What is it good

at? What is it not good at? Then look at its market – in this case, a national DNS market, be it Egypt or Qatar or Tunisia – and say, "What are the opportunities of this market and what are the potential weaknesses or competitors that the ccTLD faces in this market?"

Day one consists of focusing on this national market, asking the attendees to break out into small-sized groups and basically do brainstorming, doing the capabilities of their organization and what the organization faces in the marketplace. We have them all come back together. They present what they developed, what they came up with for their brainstorming. We then go through a consolidation exercise. We prioritize what everyone came up with for their various brainstorming exercises. At the end of the day, you have what we call a SWOT analysis of the top four or five strengths, weaknesses, opportunities, or threats for that ccTLD registry.

Then day two, we start to get into strategies on how to leverage their strengths, minimize their weaknesses, and really pinpoint what are the best opportunities they should be pursuing based on the capabilities of their organization.

On the next slide, just in case it's not clear, SWOT stands for strengths, weaknesses, opportunities, and threats. The first two, strengths and weaknesses, focused internally on the

organization itself. You have to be somewhat candid about how's the organization's technology, for example. How does it compare to the competition? How about the expertise of their people? How does that compare to the competition? They go through an exercise of these different groups to identify what they think are the best strengths and weaknesses of the ccTLD. Then they look at the external factors. What are the new revenue and market opportunities for the registry? What are the threats in terms of competitors? That's what we call the SWOT analysis. That's day one.

You'll notice day two is flipping that upside down. We call it TOWS, which is simply looking at the same thing they did on day one, but now we're trying to pair them up and say, "Based on the strengths you identified yesterday, what opportunities should you pursue?" Maybe you identified an opportunity, but you don't have any particular expertise or strength that really would allow you to capitalize on that opportunity.

On the next slide, you can just see an example of day one, basically. This is a SWOT analysis for day one. In this case, this is what we did in Muscat for the .om country code registry. We probably had 20 or so items that they identified in all these different boxes, but we had them prioritize and identify the top four that the group agreed would be the top four threats, top

four opportunities, top three (in this case) strengths, and top four weaknesses.

That's an example of what they come up with on day one. Again, what's valuable about this is very specific to their national market. It's not a one size fits all. I'm not coming in here and saying, "Here's what we know worked in Canada. It will work for you, too." They're able to really just address their market, how they deal with their resellers, and how they deal with their local laws and regulatory policies, and come up with something very specific to their market.

That's day one. On day two, as I mentioned, is now looking at what they came up with on day one and saying, "You've identified all these strengths. Which of the opportunities should you pursue?" So we map the strengths to opportunities. Basically, your strengths. How can you avoid or minimize the threats that you see in the marketplace? For example, if you're seeing a new entry into the marketplace who's going to start to compete with you, what strengths do you have that allow you to minimize that threat? Likewise, we do the same thing for weaknesses and opportunities, and weaknesses and threats.

An example of what comes out of day two. We take that SWOT analysis, and now we make it larger. It goes from a two-by-two matrix, now it's a three by three. You basically have at the top

the opportunities and threats. On the left-hand side, you can see strengths and weaknesses. Remember, those are the internal capabilities. Across the top are the external factors. Then we do a comparison for strength one. Can you do something about opportunity one? Is that something you should pursue? For strength one, how about opportunity two, etc.? They come up with a set of strategies that fit their particular national market and their organization.

Again, you can see an example of how this turned out. A one-page picture of here are the strategies that, in this case, the .om ccTLD registry could do to improve the operations and effectiveness of their registry. For example, ST at the top left stands for strengths versus threats. One way to leverage one of their strengths to minimize a threat is to emphasize their local identity of being a local registry and start to brand .om within the local market as the country's Internet brand for domain names. The other example is focus on the fact that they believe they have high security in their registry. That will justify the higher prices you pay for .om domain names versus .com domain names.

This is an example of what a group created after day two. They then can sit back and say, "What's our road map for the upcoming year? How do we take these strategies and actually

implement them into new development or marketing programs and so forth?"

That's just an overview of the type of workshops we've been doing. I think the attendees have been pretty satisfied with the fact that they've been able to walk away with something useful for their organization. Some of the observations that we've had after doing four of these, a lot of these country codes registries are part of a government agency. In many cases, they're a very small part of a government agency, but nonetheless, they are bureaucratic enough in many cases. They don't think commercial. They're not proactively recruiting registrars. They're not proactively helping their registrars do marketing and promotional campaigns. So they need to compete with commercial registries. They need to develop more of a commercial, for-profit mindset.

Engage their distribution channel. One of these workshops, the registry was meeting their registrars for the first time ever, which kind of stunned us. They had been in business for ten or 15 years, never met face-to-face with registrars. Clearly, they just did not have that commercial mindset that they should engage their channel.

We also think there's not enough data. You need to have some perspective as a business in terms of, "How is our product being

used in the marketplace? How well does our ccTLD compare to .com or other top-level domains?" There is a general lack of data available that would help registries analyze that, that would inform what they should do going forward in terms of promoting their business.

We see that as a big opportunity to help provide that data to these registries. Clearly, they need to tie in with their country's brand. Many countries, for example, brand themselves as a place for tourism, or banking, or medicine. Their Internet brand, I think, needs to be tightly tied into that, as well.

We do see an opportunity, even though we've been looking at ccTLDs primarily, that there now is a new generic level of domains going into this space, and they need some similar help. They need to figure out how they're going to brand and market themselves in this market. There's an opportunity to help them with a SWOT workshop and do a full-blown business development type of exercise.

Thank you very much.

BAHER ESMAT: Thank you. Thank you, Tom. Now we're going to hear from Giovanni Seppia and Emily Taylor.

GIOVANNI SEPPIA: Thank you, Baher, and thank you again for the opportunity to present the final outcome of the DNS study for the Middle East and adjoining countries. As Baher said at the very beginning, this is a study that has been conducted by different parties. The project leader was EURid, the .eu top-level domain registry, which partnership with Oxford Information Labs, OXIL, Emily Taylor Internet Research and AGIP, which stands for Abu-Ghazaleh Intellectual Property. I would like, first of all, to say that it was an extremely interesting experience. We started the study in June 2015, and we delivered a very first draft in late September, early October. Then we went through two rounds of refinements of this study. The current outcome, we believe that shows, without assessing, but we just wanted to really show how the environment is in the different countries we have investigated.

It was a great partnership, and I would like to acknowledge also the great responsiveness and also friendship with which we received the data from local registries and registrars. Without them, we could have never made this study. It was really a great and valuable input that we received regularly from all those registries and registrars in the region. They really contributed soundly to the study itself.

I'd also like to acknowledge that we managed to get a lot of contacts during our participating in the workshop that we had

last year in Cairo, where we were very happy to share our best practices and to also learn from the participants about what were their needs. I believe listening is a great compliment of the job which we have done, so thanks again for the opportunity.

That said, I leave the floor to Emily for the first slides. Thank you, Emily.

EMILY TAYLOR: Thank you very much, Giovanni. We're very short of time. I could talk for the entire 90-minute session on the study itself, but you'll be pleased to hear I'm not going to do that. I'm just going to take you through some very selected highlights from our findings.

Obviously, you can't really have a healthy and vibrant domain name marketplace if you are struggling with the basic connectivity and access. So one of the things that we did to start with was to try and look throughout the region on some basic metrics to let us know how long people were spending online, what percentage of people had connection to the Internet.

Although Internet penetration rates vary greatly in such a diverse region, overall we were finding that 30% of users, or just over, were spending three hours or less online per day. This, I think is quite a significant factor that should be born in mind.

That automatically suggests that many people are not able to use the Internet in their workplace, for example. Otherwise, they would be spending more time, perhaps, online. So yes, we did see a huge range, but that was the average overall.

Going into the study – and I think this really supports the remarks of Hadia and also of Tom – one of the anecdotal things that people were saying about the region, and we have been exchanging with our partners and colleagues for many years, is that local hosting industries, registrar industries in the region are quite weak. This came through in the data. We looked at the most popular websites across each country in the region and found that less than 5% are hosted locally, either in-country or even in the region.

Moving up to the top of this, again looking at the popular websites of the region. Before diving down into the Domain Name System, we found, to our surprise, that English dominates as the language of many of the most popular websites in the region. I'm going to come back to that in a second. That is a very high proportion and is above the global norm, which is 55%. Already, English overrepresented internationally as the language of web content, but for the region, we found this even more so, something that surprised us.

We also conducted a user survey as part of the study. We wanted to know, are users in the region doing the same sort of things as we would expect from international users? The answer is actually yes. For example, we could see that many users had uploaded content to social media, photos, videos, and so on. Interestingly, if you're thinking about the domain name market, 31% of users in our survey had actually uploaded content to a website, which obviously would have a domain name.

We could see that users in the region switch language with immense flexibility, according to context. English and French remain key languages, obviously, for the large part of the population. But nevertheless, users were showing a very strong preference for using their local language, whether that be Arabic, Farsi, Urdu, when interacting with their friends and with their government.

When they're on social media or interacting with shopping, they're much more flexible, would tend to use English, for example. But websites are preferred to social media when people are interacting with governments or with business.

Overall, there are currently just under 2.9 domain names associated with the region. That breaks down to about 1.5 million ccTLD registrations, about one million gTLD registrations that are hosted in the region, and approximately, I would say a

minimum of 0.4 million domain names, gTLDs, hosted outside of the region. That is just 1% of the world's registered domain names. Nevertheless, perhaps it's associated with the comparatively low numbers. We are seeing very high double-digit levels of growth in percentage, year on year, so there are good signs.

When looking at internationalized domain names, a particular interest of EURid we study each year with UNESCO and VeriSign, IDN adoption, and obviously IDNs in the region have a special place, Arabic script. We could only find 21,000 IDNs across the region, of which half are associated with the Turkish ccTLD, .tr, which uses the Latin script.

But in terms of looking at the potential for the market, users told us they are more likely than, in fact, global counterparts to do direct navigation. In other words, to type the domain name directly into the navigation bar when browsing. Also, nearly all users that we surveyed check the domain name before clicking on search results. So memorable domain names definitely have a place. At that, I will pass over to Giovanni. Thank you.

GIOVANNI SEPPIA: Thank you, Emily. Next, a few things I'm going to say about the registries, registrars, and registrants in the region, which we have investigated. As you can read in the slide, the domain name

penetration throughout the region is quite low. Regarding registries, most of the ccTLD in the regions, they are having quite strict policies, or policies that could be refined to become more accessible to international registrars.

There's also another element which is quite crucial in the life of any registry, no matter where it is located, which is the process of the delegation and transfer of the registry management. This is a process that, most of the time, has impact significantly on the domain name penetration of a local TLD in a country. Because usually a transfer of a registry, top-level domain, happens with a series of issues that impact those who are already having the local ccTLD registered and those who like to register, because it takes some times for things to be up and running again.

This is something that we always recommended, and also we recommended during the DNS Entrepreneurship Center workshop, which we attended last spring in Cairo. We always recommend those registries to become more engaged at international level, especially in the regional country code organizations because they are really the bridge to best practices, which can indeed benefit the refinement of policies, the refinement of registrar relations, the refinement of marketing strategies.

There is one important aspect I'd like to underline, that our objective was in no way to criticize, but just to present some facts from the region. Going through the region, what came to my mind was when I started working in this business, 1999. If I think about the European registries in 1999, and if I look at the region now, I find so many similarities.

I'll give you a very, very practical example. I started working in the .it registry in 1999, and at that time, the .it registry was having extremely strict policies. In 1999, it took the Italian registry three letters to the court to do a European Court of Justice before they started changing the policies because until 2000, the Italian registry was allowing only Italian residents to register a .it domain name. Then this was something against the European Union laws, but before making the registry understand this point, it took really letters to the European Court of Justice from registrants and registrars. Then only after the three letters and quite a lot of money invested in legal people, the registry said, "Okay, maybe it's time to move forward and change our policies."

Again, the registry situation which we have seen in this region is as incredible opportunities to further develop and also to become closer to the current international environment of registries.

In terms of the registrar market, what we have seen is that the registrar market in most of the countries we have investigated is quite weak. The main reason is that most of the local top-level domains are registered by local registrars, and there is not much competition coming from international registrars, who usually, they bring a sort of input in the local registrar community to progress, to make changes, to introduce new promotions and to become closer to the customer.

Also, one element has been also highlighted by Tom and Hadia is this lack of dialogue between the registry manager and the registrar. We have seen that if you work anywhere in a registry, registrar, registrant model, the communication with the registrar between the registry and registrar is essential because the registrars are the channel of your sales. Therefore, they need to be well-informed and up-to-speed if you want them to promote your product.

In terms of the registrar market, we have seen that in many countries, domain name is [necessarily] compete a lot with the social media. It's much faster to get the social media account than register a domain name, and it's much easier because of various factors, which we have analyzed in the study. In many countries, there is also the registrants. They were quite complaining about the lack of interaction with local providers. Most of them, they buy just a domain name. They don't buy

other services, but that's because the added services, they are not offered to them at the moment that they buy a domain name.

Many of the registrants we have investigated, they were not able to name the registrar through which they registered a domain name. That's also a matter of branding if you're a registrar, branding the registrar in the local community. Make sure that they know. Via the good sale channel or the good marketing promotions, the registrar becomes a reference point for the registrant in the region.

We have concluded the study with some recommendations. Again, they recommendations which we'll be happy, like we have done during the course in Cairo and via other engagement we had in the region, to further elaborate. We'll be happy not only to leave this as something on paper, but to provide more input. We'll be happy to do that any time in the future.

The recommendations are that there is room for diversity in business models and registry structure. Local operators, no matter if they are registrars or registries, they should look for certain clear strategies with measurable goals. In many cases, liberalizing policies, deregulating policies, can be a good driver for growth, but it should not stop there. There should be, again,

a strategy, should be steps after the deregulation that allow the registry to further grow.

Registrar relationship, we have said that they are key in any registry, registrar, registrant model. It would be also desirable that international registrars, they become part of the sales channel in the region because they can drive faster growth. Again, they can also stimulate the local registrars to do better.

The last point, which is essential, especially for the registry operator, is that we warmly recommend a full engagement in ccTLD regional organizations, as well as in centers like the one that has been recently developed in Cairo, about which Hadia gave the presentation. Because again, only by exchanging best practices and only by learning from other experiences, we can see that it's going to be faster development. I'm saying that probably there's going to be development in any case, but by getting more engaged in this kind of international consortium, you can get the most in a shorter time frame.

That said, I'd like to thank again ICANN for giving us the opportunity to develop this study. It was an incredibly interesting experience. It was a learning process for ourselves, too. As I said, we loved to listen to the experiences, and we would like to not leave these on paper, but to continue to help

all the stakeholders, registries and registrars especially in the region, to further develop. Thank you.

BAHER ESMAT: Thank you, Giovanni. Thank you, Emily. Moving on, we have Mohammad Zeidan from .shabaka.

MOHAMMAD ZEIDAN: Good afternoon, or probably good evening already. Just to start, I'll give you a bit of a brief about .shabaka. .shabaka, actually it is the world's first new top-level domain. It was launched in early 2013 with the objective to provide end-to-end Arabic online experience on the Internet. Just for those who don't speak Arabic, it translates to .web in English.

When we started working on .shabaka and before the launch, I probably said that before many times, but we saw the MENA region as an underserved region with a very small number of companies operating within the domain name space. But at the same time, Arabic was and probably still the fifth most spoken language on Earth. So we looked at the online community in MENA, and we were really seeing them taking the idea, and embracing it, and taking it to the next level, which did not happen.

Pre-launch, as we were moving towards the general availability, we started seeing many issues that needed immediate attention. At that time, it was mainly from us. These issues, the four most important ones I would summarize as follows. Number one would be the lack of awareness of the gTLD program. People within the region, not just of course end-users or those who browse the web, but even the professionals operating within this space did not know enough about the program.

Number two would be, of course, the lack of gTLD registrars. There was a lack of the gTLD registrars within the region. Even if we talk about the global ones, they did not have that big involvement in the region or enough attention on our market. Number three is the lack of understanding in how to sell in MENA. That can be summarized in three different areas. Pricing is one of them, payment methods is number two, and the most important, which is knowing the behavior of the MENA registrant. What do they want? How do they behave? What domains do they register, and above all, what do they do with these domains after registering them?

Number four would be the lack of MENA-related case studies, of course, about the industry, which, at that time, was a big issue. But now my colleagues here have already spoken about the recently launched report, which of course saves a lot of effort

that we invested in the past. We almost got nowhere at that time.

Upon launch and how we started promoting .shabaka and as we started marketing the product, we needed to find some workarounds to deal with these situations. I know Hadia here mentioned the number of accredited registrars in the region, but there are only three who are really active. We have TAG-Domains, we have Genious here, and we have KuwaitNET in Kuwait. With all the issues with gTLDs at that time, we had to work with the global registrars.

Again, these global registrars did not have any Arabic interfaces, which, of course, contradicts with what we were trying to sell and offer in the market. We wanted to provide this inter-Arabic experience, and the very first step was in English. You have to register the domain name. You have to go and search for it, pay, and carry on, all has to be done in English.

Then we started supporting some of the key registrars, key partners in building their Arabic interfaces, and in building landing pages for Shabaka in particular to try to overcome the situation. To deal with the major issue, which is the awareness part, we, at that time, had nothing to do other than investing in advertising and PR, which, again, did not pay back the way that we wanted it to. Some of the activities that we've done, just

when it comes to PR and advertising – we did many – we did invest in direct advertising, online advertising. TV, we did not do. Social media presence, PR coverage, event sponsorship, and we even worked with ambassadors. Ambassadors in the meaning that we approached the big players in the market. I'm talking about the Internet businesses that have massive reach. We tried to bring them on board to convince them to register domain names, to activate them, to promote them, and of course to register more names thereafter.

These are some of the activities that we've done. Each one of them has led to several more complications which required more and more attention. I know everything that has been said before me was positive, and I tend to be the negative person in here.

UNIDENTIFIED MALE: I haven't spoke yet.

MOHAMMAD ZEIDAN: Okay, so there's someone more negative than I.

As a result, we realized that it was more complicated than we anticipated. There are even more issues that need attention, that require attention and should be dealt with. Some of these issues was universal acceptance, which was still an issue, but

apparently we got used to it. At that time, most of the e-mail applications would crash if you used a Shabaka e-mail address. Most of the browsers don't recognize it, and if they recognize it and you try to copy the URL, you get it as an accent, dash, dash, etc., which is Punycode, and many, many more issues.

We also noticed that transliteration could be an issue. We all know that Arabs use Latin characters along with – it's not Latin digits, it's actually English digits – to represent Arabic words. We see the 3, 5, 6, 8, 9 all over the conversations, and even in domain names. There are hundreds of domain names that are using these combinations. We don't really know the implications of transliteration on what we're doing. People might not need us. We might come to this conclusion at a certain stage because they do transliteration.

We also noticed that demand is barely exists, probably because of all these issues. Registrations, at the beginning, were at the peak. Then they started dropping, and they've got linear and then growing at a very small pace.

And we come to the final conclusion, which is education. We learned this the hard way. Educating the audience is mandatory, and it will help us solving all the issues that we encountered. On daily basis, I meet with the audience that we've decided to target after reworking our go-to-market plan several times

throughout the past years. I talk to entrepreneurs. I talk to start-ups. I talk to existing online businesses, and unfortunately and ironically at the same time, some of them don't know what ICANN is. They don't know what we do. We are a registry. "Okay, so you sell domain names?" We don't. You have to take all the way back and start from the very beginning and lose the time allocated for your meeting, and instead of talking about Shabaka, just give awareness session.

We have an issue with awareness. We have an issue with education. The recommendations that I would really like to share with you are just four main points. The very first one of them is that we really need to educate the market about the industry, about what we do, and about the gTLD program overall. The next point, we really need to work closely with industry experts, with industry leaders. When I say I know we're experts, we're experts in what we do. I'm talking about the real Internet industry where these websites talk to the end users and have the real mass audience. We really need to approach these people and bring them on board.

We did, with so many ambassadors. We brought them on board. They registered the domain names. When activating them, the best that they would do is that they would do redirection, 301 forwarding. In order to convince them to do 302, it takes probably two, three weeks. In order to convince them to fully

activate it and use it probably with a landing page or with a microsite, we end up nowhere.

This is what needs to be done at this stage. In addition to these points, I would really love to see more studies, more case studies about the region, about the audience. What has been done is great, especially that we learned the hard way, but what needs to be done over the coming months is more and more important. We need to be more precise with our case studies, and we have to be more precise with the audience segments that we analyze and study.

The last one, which is less important than the first three, is mainly about registrars. I really would like to registrars with inter-Arabic experience, with full purchase [inaudible] that is in Arabic language. I really want to see them offering a variety of solutions, especially when it comes to added value services because that will help teaching the audience how to utilize these domain names, not just register and park the name and learn over time what to do with it or how to do it.

That's it for me.

BAHER ESMAT: Thank you. Thank you, Mohammad. Next we have Hamza Aboulfeth from Genious. Hamza. Last but not least.

HAMZA ABOULFETH: Thank you so much. First of all, thank you for the invitation. Second, I couldn't help but notice that you are actually using a dns-ec.eg domain to develop the ecosystem in Africa and the Middle East. That doesn't work that way. Focus on Egypt. We will focus on Morocco. People from Tunisia will focus on Tunisia, and then we'll connect the dots. This is how we could get there.

I just registered the dns-ec.ma domain, so we will do this DNS Entrepreneurship, and we will need your help to just duplicate the same work you are doing in Egypt, and we'll be doing it in Morocco. I think this thing should be deployed all over the continent. This is how we could really address this issue because this is more of a local issue that needs to be addressed locally, and then we can have a global vision. That was the first thing.

The second thing is more registrars. More registrars. I've been hearing this thing since three years ago, and three years ago, actually, in Addis Ababa, we met with the CEO of ICANN who was just starting back then. He said that he wanted to have 25 registrars in the region in the next three years. Of course, that didn't happen. Back then, I told him that domain names are not drugs. It's not by increasing the number of registrars that you will be selling more domains. That's a fact. People just don't wake up in the morning and start scratching [inaudible] .com. It

doesn't work that way. More domains won't increase the number of registrants. That's a fact.

The third point is marketing. Actually, this is a very important part. This is the problem. [inaudible] this is the problem.

UNIDENTIFIED MALE: I didn't understand either, by the way, and I'm Arab.

HAMZA ABOULFETH: People wouldn't understand what you are selling if they don't what you are selling. He talked about education. We've done tons of marketing. I'm pretty sure that we haven't spent as much as these guys, but we did spend hundreds of thousands of dollars in marketing. It just didn't pay off because people won't or just don't understand what we are selling.

We've tried everything. We didn't do TV because I'm pretty sure that my mom wouldn't understand. My grandma wouldn't understand what a domain name is. My mom, she does, but grandma, not sure. We didn't do TV. We did online stuff. We did street marketing. We did engage directly with people. We say we are selling domains. Domains, don't go there. People won't understand a thing. We are trying to sell domains as websites or as e-mails to get them to register their domains, and still, it didn't work out because it's just not working at all. So we've

stopped doing marketing. The best marketing we do today is that we don't do any marketing. It just pays off much better because it saves us tons of money at the end of the year.

Regarding the fact to be a registrar, we are a registrar. What do we get from this? I have a mic that I'm talking to you. That's the first thing. The second thing is, pricing? Not so much. We pretty much pay much more than resellers. Getting more resellers? For us, in Morocco, people won't just buy domains from us because they see us as competitors. They would buy domains with all the struggles to pay up road, and they would go through all these challenges just not to get domains from us because they see us as competitors. I tried to understand them, but at some point, if getting domains from another company would cost me much less, yeah, I would do that.

We did actually go ahead and get the ICANN accreditation five years ago. Some of our competitors just put the ICANN accredited registrar on their website. We've already reported that three years ago. They're still having it. No issues about that. People just don't understand what ICANN is. We cannot even use that as an argument. Get us, we are like an ICANN accredited registrar, okay?

That's impossible to get people that focus on hosting and domain names to get domains from us. We do have a large

number of resellers, that's for sure, like web agencies, communications agencies. We work with them because they know that we don't compete whatsoever with them. They would rather more confidence getting domains from us than from anybody else.

Last but not least, the ICANN support. We've been working very closely for the last four years. There has been many, many efforts. Baher is doing a tremendous job with [inaudible]. Pierre, as well, is doing an amazing job, but yet, are they really helping us? Of course they do, but there is much more from ICANN that can do to not do marketing for us, but just education. Educate the market, prepare the market for us. Then we'll come and sell domains to them more easily.

At that point, everyone would be interested in this sector because people say, "How much are you getting from a domain?$1? Okay. How much domains you have? 15,000? Okay. How much profit do you make from all this business? No, I don't want this kind of business." Because they won't just make any money from it. But if we are talking about hundreds of thousands of domains or millions of domains like we have in other regions, this is when we can get more registrars. This is when I would love to have more registrars, not just [inaudible] but more registrars that does good for the ecosystem because

it's a work that needs to be conducted with all peers. At the end of the day, we just want to have more light in Africa. Thank you.

BAHER ESMAT: Thank you, Hamza. This was quite encouraging. Now time for questions and comments. Khaled, and then there are other two, and then [Carolina]. Khaled, go ahead. Make sure you say your name for the record.

KHALED KOUBAA: You already said it. My name is Khaled Koubaa. I'm from Tunisia. Thank you so much for the presentations and for the interventions from both the registry and registrar experiences. I have few comments and questions to the speakers. First of all, to the center who presented great presentation about your work, thank you for that. But I have seen that you have focused more on the normal ecosystem, which is registry, registrar, and reseller. I think now it's obvious that we need to think in innovative way, differently, and probably bring people to think about what other new kind of business that we can bring them to. Like we can push them to work on things like domain name, or second market or any kind of new business model that they can work on.

Also, I have been always against the Middle East strategy focusing on bringing people to do business on the Arab world or the Middle East. I think someone who does do Internet business should never be closing himself to small market, like Genious or anyone in the market, in the region should also focus on other – he will be able also to sell domain names to anyone in the Earth. I may be someone residing in the U.S. and be friend with Genious people and buy from them. There's no constraint for you to sell to other people.

UNIDENTIFIED MALE: We already do [inaudible].

KHALED KOUBAA: Just focusing on the Arab world, I think you are limiting yourself.

Question to Emily about the study, or anyone from the team. I have seen the number of 2.9 million domain name, as you stated, to the region. How much this data is accurate? Because I'm not sure about the number of domain name that people are registering today through the resellers that are associated with entities registered based in Europe or in the US. To be honest, I [know] myself I have reseller activity. I'm not based in Tunisia. I'm based in the U.S., I use a U.S. bank card. I sell domain names to anyone in my countries. I'm not sure if they are included in

your 2.9 million. You don't know me. I'm a U.S. incorporated person, so how you be able to say that there is 2.9 million? I think there is more. I'm pretty sure that this data will be difficult to get somehow. I understand that myself is not a [inaudible].

My last comment, and this go to ICANN. I think you guys done a great job by this study. The recommendation are pretty well done and explained. I highly urge you to reach out directly to the ccTLD registry because you are an important player in the region, and this should probably take those recommendation into action in a way or another. This will be probably opening a new door for the business.

I may give you one idea. I know, for example, in Tunisia, .tn has been always been solicited by customers in Tennessee. People in Tennessee are interested to register .tn. Why? Because TN is somehow also the code for Tennessee, but due to legal and policy, we are not able to do it. So is it probably time for our ccTLDs to open their activity to a more business-friendly way? It's a question, and I hope that we can think differently now.

UNIDENTIFIED FEMALE: Yes. I would like to comment about the model that you mentioned. I only mentioned the registries, registrars, and registrants as the defined items of the industry, but that doesn't mean by any means that this is the model that has to exist,

registry and registrar model. Actually, when we talk about business models, we are open to any kind of business model that can work. It doesn't have to be at all the registry, registrar model. Basically, that's what I wanted to comment.

UNIDENTIFIED MALE: Next, Emily.

EMILY TAYLOR: Thank you very much, Khaled, for your question. Of the 2.9 million domain names, they fall into three categories. The first, ccTLD registrations where we got the data direct from the registries. Pretty confident of the accuracy there. The second was the gTLDs hosted in the region where we're looking at the IP address related. Again, pretty confident that we've got those. The big unknown, which I think is in your question, is this 0.4 million hosted outside of the region. I agree with you. I think that's a minimum number, and I would like to see more resource put into trying to identify more accurately the domains that are hosted out.

With the growth of cloud services, the international nature of the business, exactly as you describe, it's very attractive and very simple for people to buy abroad. What we were looking for was clues. From the region, we were looking for clues denoting

Arabic script in the content, Arabic script in the domain name. When you look at popular domains in the region, you see that Arabic language is actually a minority of the popular websites in the region.

That's a complicated thing, but what I'm saying is I think there's more out there. I agree with you, and I think that it's almost a study in itself to try to identify who are the customers of cloud-hosted domains, and where are they? I think it would be a very interesting study to do.

UNIDENTIFIED FEMALE: I wanted to add something about the policies. You mentioned the need to work on the policies. And I totally agree that in the region, we all need to work on the policies and see what works best to foster this industry.

UNIDENTIFIED MALE: One quick reaction to your point about ccTLDs, Khaled. I totally agree. I personally believe that ccTLDs are a main vehicle in developing this industry in the region, and that's why they have been in the core of our outreach and engagement effort. One example of that is the SWOT workshops that Tom presented. We've been working with the four ccTLDs who organized or hosted these workshops on trying to implement some of the

recommendations that they came up with. .tn also is a good example because they started to implement some of those recommendations, as well. We're totally in agreement here.

Next question was a gentleman over there.

UNIDENTIFIED MALE: Hello, everyone. [inaudible] I'm from Morocco and part of the ICANN NextGen program. I'm an Internet user, like everyone else here. I would like to point out to the study shown in the first section. We see that the region lacks, actually, the domain name registrars. For example, I've done a study – not a study. For my presentation would be about registrars here in Africa. In the African region, it's barely 15 registrars. The whole continent has only about 15 registrars, compared to the US, for example. They have over thousands of registrars.

I would like to return to the analogy made by our fellow Moroccan, the CEO of Genious Communication. He said the analogy with drugs. I would say that, even if the analogy was a bit shocking, I would say that when there are more drug dealers, more people know about the drug. We need more registrars here in Morocco. At least, we have to pass the number of telecom operators. We have, here, three in Morocco. We have only one registrar here in Morocco. People don't know about the domain name industry because there are few registrars.

I think that we have here, for example, in Morocco many IT entrepreneurs. They are interested in technology, in high tech, but they aren't as interested in the Internet business. Why? I will return again to the point and the recommendation made by Hamza, which is education. I think that the biggest problem in the MENA region is education. We have to implement, for example, for the DNS-EC, the center of entrepreneur [the] DNS. I suggest making the workshops or extending the activities of the workshops and sessions and presentations about the domain name industry into higher institutions or into universities.

To present myself as a student, I know about the domain name industry, but many of my colleagues, many of other engineers or everything in the field of [inaudible] communications and IT, don't know about this industry. The best thing to start off with is education. I think these workshops for entrepreneurships have to be made first, firsthand, with students. Implement these workshops with students because they are the future. Once we have students, engineers who know about the domain name industry, entrepreneurs who know about the domain name industry, they will have the ability to create new registrars. They will have as many registrars as possible, and we will have the chance actually to use the Arabic language as effective as possible.

Here, for example, in Morocco, the majority of the websites are in French. The problem is, in Morocco, we have two official languages, which is Arabic and Berber. Of course, we have official websites with Arabic and some in Berber. If we have as many registrars as possible, and if the community is in the know about this industry, in the know about the possibility of having domain names in Arabic, for example, .shabaka. If the community knows about this, they will encourage themselves to implement and to have new domain names in Arabic or in Berber, for example, even if Berber isn't in the list. I encourage ICANN, by the way, to add it to the list.

That's it for me. Thank you.

UNIDENTIFIED MALE: Thank you. Any reactions?

UNIDENTIFIED MALE: I challenge you. I challenge everyone in this room to find me one person who tries to register a domain name in whole Africa or Middle East and cannot do it. Because I will sell him that domain name, and problem solved.

UNIDENTIFIED MALE: Actually, that's the problem. That's the problem. People don't know about this, about domain name. The problem is education.

UNIDENTIFIED MALE: So education. Education.

UNIDENTIFIED MALE: Exactly.

UNIDENTIFIED MALE: Again, it's not by a registrar. What does a registrar do? They will just sell domains, but this can be done through resellers. There are tons of resellers.

UNIDENTIFIED MALE: Last comment.

UNIDENTIFIED MALE: We have many questions are the table. Can we take them and then we can come back to you?

UNIDENTIFIED MALE: Okay.

UNIDENTIFIED MALE:	Okay, if there's time. There was a gentleman over there. Can you come closer to the mic?
UNIDENTIFIED MALE:	And can you please limit your intervention or questions maybe to two minutes? Because we are running out of time and it seems that there are many questions and interventions. Thank you.
UNIDENTIFIED MALE:	Thank you very much. My name is [inaudible]. I'm also from Morocco NextGen, and with your permission, I would like to address my question in Arabic language, if it's okay.
UNIDENTIFIED FEMALE:	[inaudible]
UNIDENTIFIED MALE:	As I have said, I will speak in classic Arabic right now. I have realized in some of the interventions that there were some directions and instructions for people working in telecommunications. There was a kind of instructions that we have to follow this kind of targets. That's it. I have talked about the MENA region. This region has many challenges and disabilities, more than the West. I think that we need more

instructions to the telecommunications companies. This is very important. What is happening is different, and what you're saying is another thing. You get the instructions, but you do not implement it. So how come this is happening? I think there are lots of stuff that need to be implemented. It is very good that we say, "Go ahead. Apply these instructions," but are there any punishments or sanctions to prevent the privacy of people, etc.? Thank you.

Actually, and certainly, there are no kind of sanctions or punishments in this request. I am talking about recommendations that have been developed according to certain studies. Any study in this respect, per se, they put recommendations that doesn't have to do with any kind of any instructions, and they are not binding whatsoever. I would like to say that in some regions in the world, they have to implement and enforce these recommendations.

For example, this people in the countries in the ccTLDs, they develop policies and implement them on the registrars or the companies that are trying to adopt them. This is a means of developing recommendations. We cannot do that. What we need to do is that these recommendations must be binding, must be applied, and it should be implemented in the regions. I just wanted to say something. Allow me in a very quick way. You have said that this is not an internal matter in the country, it's

just a kind of challenge. It is not in our interest to put these recommendations and not to develop them or implement them. Thank you very much.

UNIDENTIFIED FEMALE: A very short question. It's about if you, in the study, found out the percentage of domain names in the region that were registered by local registrars.

EMILY TAYLOR: I actually can't remember the answer to that question, but I don't think we did split it down to local registrars. Partly because I think one of the things that is getting blurred here is the difference between a ccTLD-accredited registrar and an ICANN-accredited registrar. In most ccTLDs, we wouldn't have the visibility of that data. Actually, when you look at most ccTLDs, they would tend to have more locally accredited registrars than would be ICANN-accredited registrars. So I'm not quite sure how much it would show you, but I think it's a very good thing to look at and to look at the market share. It would be a different answer, I think, in ccTLDs to gTLDs. But thanks for that.

BAHER ESMAT:	Okay. We have Nadira, [inaudible], and then Mahmoud, Christine and the gentleman over there. Nadira. [inaudible] participant.
NADIRA ALARAJ:	I am not going to make it long. This is Nadira Alaraj from [inaudible] Palestine. Registrar, registration doesn't work as a silo without the web hosting. We are doing another study because I'm trying to formulate a study by myself and discovered there is a weakness. That's why, as Khaled mentioned, that's why people try to host their website outside of the region. That's also, we register outside because the value added services of the hosts in the area where their host is located. That's my comment. That's the future study. It has to be done.
UNIDENTIFIED MALE:	I try to be brief as I can. First of all, I'd like to thank you for this presentation. I'd like [inaudible] to talk about the centers and the workshops, especially the one that was organized in Tunis four months ago, which was really important. It was in which we succeed to solve many DNS and registry issues, especially relationships between the registrars and Tunisian ccTLDs.

Just to be brief, I'd like to mention that Tunisia Internet agency and its team will be ready to be part and to participate and to |

share experience in the MENA program and workshops. Thank you.

UNIDENTIFIED MALE: Thank you. [inaudible] remote participant. I will take the remote participant and come back to Mohammad.

UNIDENTIFIED MALE: We have a question from [inaudible]. He says, "ICANN waived registrar insurance requirement. Is it the case for registries, i.e. Verisign and PIR?" Then he has a follow-up question. I actually answered this question on the chat room, and I said that ICANN waived registrar insurance just for registrars. The contract between ICANN and the registries is different.

He writes back with a follow-up question, saying, "Quoted from PIR website." He says, "This section, 'The registrar is to obtain a comprehensive general liability insurance policy in the amount of at least US $1 million for .org." Then he says, "So even if ICANN waived the insurance, applicants still have to get it to sign agreement with registries. This will not help to increase the number of registrars in the region, nor around the world."

BAHER ESMAT: Will someone from the registrars, take this question? Michele.

HAMZA ABOULFETH: I cannot speak on your behalf.

MICHELE NEYLON: Thanks, Hamza. I'm also Chair of the Registrar Stakeholder Group. Hamza could possibly have spoken to this, but he can go off to strange places with things.

ICANN has had an ongoing dialogue, which is being driven from senior management down, around dealing with what they call underserved regions. There's an entire discussion about what the hell underserved is, which ICANN has failed to answer, but that's another conversation.

The insurance requirement attached to the RAA, which is the contract that registrars have with ICANN, has been removed. The registries have individual contracts and are entitled to impose whatever requirements they like. It's really a case of registrars or people who are interested in becoming registrars engaging in dialogue with the registries and seeing if they'd be willing to change their contracts to remove those requirements.

Bear in mind, some gTLD registries, even if they were to waive the insurance requirements, would have very strict credit terms. They might require you to make large deposits. They might impose other policies that may prove to be a challenge for you,

regardless of what region of the world you're in. But bear in mind, these are contracts between two commercial entities. ICANN may act as a place where if you come to an ICANN meeting, the registries are here, but it is not ICANN the corporation's role to impose any kind of obligation of the registries in that regard. It's outside the scope. Thanks.

UNIDENTIFIED MALE: [inaudible] that same issue [with that].

BAHER ESMAT: It's on the same issue? Go ahead. Quickly, [inaudible] please. But we'll need to go to [inaudible]

UNIDENTIFIED MALE: Just to say that in Tunisia, we have done some work with the insurance companies about the insurance and the ecommerce side. I have chatted with them also on this question of insuring people that would like to do registrar activity. 100% of them – I chatted with ten of the big companies – said they would not be able to do that service. They don't know how to do it. They don't have this kind of service. This is also something that belongs to the ecosystem in general. I don't know how you have done in Morocco, but no insurance company in Tunisia would be able to do it.

BAHER ESMAT: Mahmoud.

MAHMOUD LATTOUF: Mahmoud Lattouf from TAG-Domains, one of the registrars in the region. Two quick comments. I would agree with Hamza that nothing would convince a business or an entrepreneur going and having a registrar business than seeing figures and numbers, whether it's reasonable or not. If we want to bring more registrars to the table – and I'm not saying this because I'm a registrar. I have a different business model than other registrars – you need to have a vibrant and developed domain name industry in the region. Then other players would join and become registrars. But having registrars in the region would not serve really the domain name industry.

Another comment may be for reaching out to ccTLD registries would do everyone, the domain name industry in the region would do everyone a good job because now everyone knows that ccTLD registries have different restrictions and really restrict requirements for their ccTLDs, except few. Maybe I can name three in the Gulf area. Morocco and Tunisia have really [inaudible] requirements, but others are really problematic to work with. You have lots and lots of inquiries and requests to register domain names in those countries, but the requirements

are really acting as a repelling for registrants in the region and outside the region. Maybe reaching out to registries in the region, ccTLD registries, would do a good job for everyone. Thank you.

EMILY TAYLOR: Just a quick comment to agree with that and to highlight that where ccTLDs in perhaps in other regions and in this region have very low barriers to becoming a registrar or easy to register, then that does tend to have a very beneficial effect on the entire ecosystem in that particular local region because the majority of locally accredited registrars of a ccTLD won't be in business just selling those domain names.

What they'll be doing is starting to develop their value-add offering because otherwise they'll go out of business. What that does do is bring in local services which are richer and more diverse into the locality. Some of those then will be tomorrow's ICANN accredited registrars, but they're not the majority at all.

It's really to support your point and fully agree with it. I think that the DNS Entrepreneurship Center is a very good project from that point of view because it opens its doors to the regional ccTLDs and is offering exchanges of best practice. We found it an extremely lively and engaged audience who are really keen to learn from one another as much as anything.

CHRISTINE ARIDA: Thank you very much. This is Christine Arida from the Telecom Regulator in Egypt. I'd like to thank EURid, Emily for the study because I think this is the type of things that we need. We've been talking about the challenges in the DNS ecosystem in this region for years, but I think looking at it from an academic perspective and actually analyzing where the problems are is exactly what we need. I really hope we can have more of that. I really would like to see the DNS-EC Center engage in such studies. Hamza, I assure you we are going to register the .africa and .arab domain as soon as it goes out. So you're not going to compete with us here. Anyways, that was just for fun.

My question is, you've looked at the challenges of the region. You've talked about access on one side. You've talked about hosting and the problems of hosting. Have you looked at the impact of social media? Because it is something that is quite high, I think, usage of social media in the Middle East region. I don't know really about Africa, but I know in the Middle East, it's quite high. Is this something that you've looked at and its impact on domain names? Thank you.

EMILY TAYLOR: Yes, we did look at it. Also, as you, I'm sure, will know, there are some really excellent studies that have come out from the

region about the use of social media in the region, which we looked at. As part of the survey that we did of Internet users, we asked about their social media usage and what sort of environment they liked to use for different activities and for different environments. For example, how do you like to communicate with your friends? Actually, most people preferred social media to interacting in real life. But with their government and with business, they did prefer a website instead. We asked about what sort of uploading of data, of content they were using, and to what destination. The majority, as you would expect from the region, are going to social media. It's very easy. It's very quick. It's very cheap. When you're faced with a complex and expensive and difficult ride to register a domain name, why wouldn't you go to social media?

Certainly one of the striking things about the region is its incredibly vibrant use of social media, incredibly enthusiastic and strong use, versus the not yet mature domain name market. It's one of the anomalies of the region. It's very interesting.

CHRISTINE ARIDA: Thank you, Emily. While I have the mic, just one final and quick comment. Maybe that's also to agree with [Hamoud] and maybe for Hamza as an idea, I think registrars, even if they're low in the region – let's see. We only have three that are active. Maybe you

have more. I think those are in a better position to pressure ccTLDs in the region. Pressure, I don't mean in a negative way, but I mean really in a positive way. You have the experience of the international community, and I think this is something the ccTLDs in the region need. I know you are laughing because probably you have tried this many, many times. I know KuwaitNET has also made that, but we have to continue to do this. That's the only way because as Emily was saying, the complex system of the ccTLDs in the region is putting a barrier. Thank you.

UNIDENTIFIED MALE: We've been trying to push the .ma for the last couple of months, but what I want to see maybe if we meet here in the next ten years, not another study that is saying pretty much the same thing. That's the problem. Even without doing a study, I know the results of the study because we live here so we know exactly how –

UNIDENTIFIED MALE: You do, but others not, and that's the point.

UNIDENTIFIED MALE: Yes, but what we really need is actions. Do this, do this, and actionable actions. Not just another study that will just stay

there and say quoted from time to time that, "A study has shown that there are 1% domain names in Africa compared to 99% of the whole world."

BAHER ESMAT: We have a comment from Giovanni, and then remote participant, and then two last comments from the room. Then we're going to close the queue because we're running over time already. Giovanni.

GIOVANNI SEPPIA: A quick comment regarding the use of social media. What we have seen in the past decade, at least for Europe, is that at some time there was a peak of the use of social media, even by those end users like businesses who, before, they were registering domain names. At some point, they decided to stop registering domain names and go to social media. Again, I'm talking about the category of businesses. What happen now, recent in the past two or three years, businesses, they are abandoning the social media. They are going back to domain names because they have experienced the social media. They know that at some point, having your own domain name is much more valuable. This is probably the kind of education which, for certain kind of customers, must be done anywhere. Not only in this region, but anywhere.

Again, I'm not speaking against social media, but I'm saying that the power that you have in your hands when you have your own domain name is much, much broader than the power when you have a social media account.

Very last and quick points. I hear there is a wish for ICANN for many to do more. Again, I believe that what ICANN is doing is a lot. You should start building from this and step by step moving forward. Do not rush. Just get what you are being offered at present and build on that. I think this would be a good recipe for the future. Again, acknowledge your diversity. Acknowledge the limits. From then, you start building. Thank you.

UNIDENTIFIED MALE: We have a question from Zakir from Pakistan. His question is on the DNS Entrepreneurship Center. He says, "In addition to the technical and business [inaudible], to what extent can we expect the DNS-EC to affect the regional DNS industry policy and regulations landscape, particularly the ccTLD related? Is there any plan at present?"

UNIDENTIFIED FEMALE: Definitely yes. We can set up workshops for capacity building. If he feels that they need policy development, definitely we can have workshops on that, but bearing in mind that we are not the

ones that are going to set these policies. But we can work together and help them find their own policies that would work with them.

UNIDENTIFIED MALE: Thanks. Just for the record, there was some discussions taking place in the remote participation room. It was just discussion amongst the participants who are participating remotely. I had suggested to them that I will not be reading their comments and they were fine with that, so just for the record.

UNIDENTIFIED MALE: I'm [Mohamed] [inaudible] from the National University of Sciences and Technology, Pakistan. Firstly, I would like to acknowledge the effort put in for this research. I would appreciate the way it has been done and the way these statistics which have been presented.

The second part, which I actually would like to know about of this is, so many people getting registrations in the other regions. This thing points out something wrong. You interacted with PKNIC probably for this, must have interacted with PKNIC. PKNIC, they haven't implemented DNS security. That is another concern which probably relates to some of the other things, like

DNS poisoning or certain other areas which probably need more attention.

Then there are some specific forums which can be utilized for sharing such studies for the mutual benefit. Because if you make a study, you probably have less visibility as to the ground realities. In our area, probably Internet finance or Internet banking, that's not on. Most of the thing is inclined towards social media. That is the basic attraction.

If the study is shared with some of our R&D organizations, like ICANN already had conducted some workshops with the National University of Sciences and Technology. So it can actually provide us some insight to what you have identified, and maybe we can also share something for the mutual benefit. In this way, this can be a sort of mutual agreement on certain things.

Second point is, once we [inaudible] registry and registrar and this [inaudible], the fact is [this] person has made a business case in those times once ICANN was not there or these definitions were not defined. It means that he has established his own way of doing business. We also need to study that way of doing business. Just relate it to your way of thinking. You do perceive it like this is the right way, but because of certain reason, there is a different way in which business is being done

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there. Those things can bring more solid content to your study, and it will help to further include its quality. Thank you.

UNIDENTIFIED MALE: We'll take the last comment, and then final reactions from the speakers and we'll close the session. Last comment there.

UNIDENTIFIED MALE: My comment is comprised of two points. The first point is for the registrars. It's quite natural that the registrars here in the region don't want any competition. I get that, but I think that they have to bear in mind that if we have more registrars, it's beneficial for them. Like the lady said, if we have more providers of the same basic service, we will have more competition on value-added services. With that, we'll get the development of the domain name industry in the region. That's the first part of my remark.

The second is, to reiterate my interest in the DNS-EC in the region, is I reiterate here that you have to engage students and academic institutions with workshops and presentations about the domain name industry. That will be all. Thank you.

UNIDENTIFIED MALE: Thank you.

UNIDENTIFIED MALE: For the first question.

BAHER ESMAT: Okay, go ahead.

UNIDENTIFIED MALE: First question. You go to Google. You type ICANN accreditation application, and there you go. You will be the second ICANN – I would love to have you, not as competition, but as a fellow ICANN accredited registrar. Don't ask people to do things. Just do it yourself and get done with it.

UNIDENTIFIED MALE: There was also the two comments from the previous –

EMILY TAYLOR: Yes. I actually wanted to react to the gentleman from Pakistan to say, yes. This is a start. It's certainly not the final word on either the region or the Domain Name System or the development of the Internet. You make a very good point about the importance of the availability of Internet banking, and actually, how much of your population is banked and what sort of payment methods are there. There are some really basic building blocks that need to be in place before a vibrant Internet ecosystem can exist. Totally in favor of exchanges with the academic institutions and

furthering the sum of the knowledge, because having an evidence base for policymaking in whatever environment, I think, is useful, rather than anecdotal advocacy. Thank you.

UNIDENTIFIED FEMALE: It's a simple comment. I totally agree that we have to outreach to education institutes and maybe schools, as well. Hamza, I just want to tell you that by no means do we intend to be the only entrepreneurship center in the region. We encourage other centers to exist as well, and we will cooperate together to build the industry together.

BAHER ESMAT: Okay. Thank you. Thank you very much for coming. I'd like to thank our interpreters who stayed 30 minutes over the hours. Also, please join me in thanking our speakers. Thank you.

[END OF TRANSCRIPTION]