Contractual Compliance @ ICANN

An Overview for Newcomers

11 March 2012
Agenda

- What is **contractual** compliance?
- How we ensure and enforce registry and registrar compliance
- Why it matters?
ICANN Organization Structure

ICANN Multi-Stakeholder Model

Contractual Compliance
Compliance Organization

- 12 members (4 NEW members since ICANN Meeting #42)
- English, French, Arabic, Mandarin, Spanish, Urdu and Hindi

Organization
- Head of Compliance (1)
- Registrar and Registry Compliance (9)
- Risk and Audit Management (1)
- Performance Measurement and Reporting (1)
What is **contractual** compliance?

- Use CONTRACT as a COMPLIANCE tool
- Contracted parties adhere to:
  - a set of rules;
  - a standard of performance set out in a CONTRACT
Registrars

- Companies that register domain names
- 1010 Registrar Accreditation Agreements - RAA
  - 2009 RAA - enhanced protections for registrants and increased level of accountability for registrars
  - 2001 RAA is an older contract
- 8 Consensus Policies
- Link to: Accredited Registrar Directory
Registry Operators

- Companies that keep the master file for all domain names that end in a particular suffix
- 18 Registry Agreements
  - 21 TLDs - for ex: .com, .net, .org
  - 15 registry operators - some operators manage more than one TLD
  - Agreements are slightly different
    - 10 sponsored agreements
    - 8 unsponsored agreements

Link to: Registry Listing
Contractual Relationship Overview

- Registry Agreement
- Registry-Registrar Agreement (RRA)
- Reseller Agreement
- Registrar Agreement
- Registration Agreement

ICANN
Registrar
Registramt
Reseller
Costa Rica
Our Vision, Mission and Approach

**ICANN’s Vision**
One World. One Internet.

**Contractual Compliance’s Vision**
To be a “trusted” Contractual Compliance service provider

**ICANN’s Mission**
To coordinate, at the overall level, the global Internet’s systems of unique identifiers, and in particular to ensure the stable and secure operation of the Internet’s unique identifier systems.

**Contractual Compliance’s Mission**
To preserve the security, stability and resiliency of the Domain Name System and to promote consumer trust

**ICANN’s Approach**
Open and Transparent Equitable Treatment

**Contractual Compliance’s Approach**
Prevention through collaboration
Transparency through communication
Enforcement
Agenda

✔ What is contractual compliance?

☐ How we ensure and enforce registry and registrar compliance

☐ Why it matters?
Contractual Compliance Model

Culture of Compliance
1. Bottom-up
2. Multi-stakeholder

- FORMAL RESOLUTION
- INFORMAL RESOLUTION
  - Inquiries & Warnings
- PREVENTATIVE ACTIVITIES
  - Monitor, Audit, Education & Outreach
- Annual Self-assessment
  - Industry Best Practice

Pilot Phase

11-16 March 2012
Overall Compliance Process

PREVENTATIVE
Monitoring, Audits, Education & Outreach

INFORMAL RESOLUTION

FORMAL RESOLUTION

ENFORCEMENT

1. 1st Inquiry or Notice email
2. 2nd Inquiry or Notice Email Phone call
3. Final Inquiry or Notice Email Phone call Fax

1. Breach Notice
2. Suspension Termination Non-renewal
3. Publish on website

Good Standing

NOT in Good Standing
Three-Year Plan

1. Strengthen program and operation  (Core Operation)
2. Establish performance measures and improve reporting  (Transparency and Accountability)

Assessment Phase
- Stabilize operations
- Assess people, processes and tools
- Develop improvement plan
- Begin implementation of plan

Transformation Phase
- Grow staff in number and expertise
- Standardize operations
- Rollout internal collaboration tool
- Plan and develop global metrics

Future Phase
- Continuous Improvement
- Consolidate Contractual Compliance Systems
- Rollout Annual Audits

2011
- Stabilize operations
- Assess people, processes and tools
- Develop improvement plan
- Begin implementation of plan

2012
- Transformation Phase

2013
Agenda

- What is contractual compliance?
- How we ensure and enforce registry and registrar compliance
- Why it matters?
Why it matters?

Imagine life without the Internet?

Everyone is affected
Domain Registration Issues

- Trademark disputes
- WHOIS inaccuracies
- Transfer issues
- Reseller issues
- Registration restrictions

Please note: RAA does not address issues arising from domain aftermarket activities
Domain Use Issues

Generally are dealt with by law enforcement or consumer protection agencies

Examples:
- Website content
- Spam
- Phishing
- Malware
- Cybercrime
RAA does not allow Contractual Compliance to:

- Address content on websites
- Suspend domain names
- Transfer domain names
- Take over a registrar’s operations
- Immediately terminate a contract without first taking remedial efforts
- Access a registrar’s domain name database
ICANN Consensus Policies

1. Uniform Domain Name Dispute Resolution Policy
   - A fast, cost effective mechanism to resolve cybersquatting claims
   - Neither registrar nor ICANN are parties to proceedings
   - ICANN’s role is to ensure registrars implement UDRP decisions

2. WHOIS Data Reminder Policy
   - Intended to improve WHOIS accuracy
   - Registrars’ obligation is to send an annual reminder to registrants

3. Inter-Registrar Transfer Policy
   - To provide domain portability and better consumer choice

4. WHOIS Marketing Restriction Policy
   - Registrars to provide third party bulk-access to WHOIS under an agreement and set maximum annual fees chargeable by registrars at $10,000
   - Prohibit use of WHOIS data for certain marketing purposes
ICANN Consensus Policies

5. Restored Names Accuracy Policy
   Requires registrars to place “Registrar Hold” status on a domain name until the registrant has provided updated and accurate Whois information under certain circumstances

6. Expired Domain Deletion Policy
   Requires registrars to delete domain names if registrants do not consent to renewal after 2\textsuperscript{nd} renewal reminder, barring extenuating circumstances
   Requires registrars to post on their websites renewal fees and policy

7. Registry Services Evaluation Policy
   Process and criteria for evaluating new registry services proposed by a registry operator

8. Add Grace Period Limits Policy (AGP)
   Intended to curb domain tasting
Compliance Data
Oct 2011 - Feb 2012
Compliance issues across the globe
Oct 2011 - Feb 2012

- 39%
- 34%
- 23%
- 2%
- 1%
- 1% Unknown
## Compliance Activities - T2

**16,778 Complaints Received in T2**

<table>
<thead>
<tr>
<th>Prevention</th>
<th>All Complaints Received by Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service</td>
<td></td>
<td>4,279</td>
</tr>
<tr>
<td>Data Escrow Audit</td>
<td></td>
<td>420</td>
</tr>
<tr>
<td>Data Escrow Miss</td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>Transfer</td>
<td></td>
<td>2,184</td>
</tr>
<tr>
<td>UDRP</td>
<td></td>
<td>221</td>
</tr>
<tr>
<td>WHOIS Access</td>
<td></td>
<td>29</td>
</tr>
<tr>
<td>WHOIS Inaccuracy</td>
<td></td>
<td>9,597</td>
</tr>
<tr>
<td>Law Enforcement</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Total Complaints</td>
<td></td>
<td>16,778</td>
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</table>

<table>
<thead>
<tr>
<th>Enforcement</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Breach</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Suspension</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Terminated/Non-Renewal</td>
<td></td>
<td>0</td>
</tr>
</tbody>
</table>
### Customer Service Complaint Breakdown - T2

<table>
<thead>
<tr>
<th>Complaint Type</th>
<th>Asia</th>
<th>Europe</th>
<th>North America</th>
<th>Oceania</th>
<th>South America</th>
<th>Africa</th>
<th>N/A Region</th>
<th>T2 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCTLD</td>
<td>-</td>
<td>-</td>
<td>0.7%</td>
<td>0.4%</td>
<td>-</td>
<td>-</td>
<td>98.9%</td>
<td>100%</td>
</tr>
<tr>
<td>Contact Update</td>
<td>2.3%</td>
<td>1.4%</td>
<td>2.8%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>93.5%</td>
<td>100%</td>
</tr>
<tr>
<td>CPanel</td>
<td>29.4%</td>
<td>2.9%</td>
<td>17.6%</td>
<td>-</td>
<td>2.9%</td>
<td>-</td>
<td>47.1%</td>
<td>100%</td>
</tr>
<tr>
<td>DN Dispute</td>
<td>5.8%</td>
<td>3.9%</td>
<td>16.9%</td>
<td>.4%</td>
<td>-</td>
<td>-</td>
<td>73%</td>
<td>100%</td>
</tr>
<tr>
<td>Domain Renewal</td>
<td>10.5%</td>
<td>3.4%</td>
<td>8.2%</td>
<td>.7%</td>
<td>-</td>
<td>-</td>
<td>77.2%</td>
<td>100%</td>
</tr>
<tr>
<td>Financial Transaction</td>
<td>10.4%</td>
<td>4.2%</td>
<td>16.7%</td>
<td>2.1%</td>
<td>-</td>
<td>-</td>
<td>66.7%</td>
<td>100%</td>
</tr>
<tr>
<td>Inquiries @ICANN</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Name Password</td>
<td>16%</td>
<td>-</td>
<td>24%</td>
<td>4%</td>
<td>-</td>
<td>-</td>
<td>56%</td>
<td>100%</td>
</tr>
<tr>
<td>Ownership Transfer</td>
<td>17.7%</td>
<td>4.1%</td>
<td>19%</td>
<td>.7%</td>
<td>.7%</td>
<td>-</td>
<td>57.8%</td>
<td>100%</td>
</tr>
<tr>
<td>Redemption</td>
<td>8.2%</td>
<td>6.1%</td>
<td>20.4%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>65.3%</td>
<td>100%</td>
</tr>
<tr>
<td>Registrar Service</td>
<td>7.3%</td>
<td>2.5%</td>
<td>6.2%</td>
<td>.4%</td>
<td>-</td>
<td>-</td>
<td>83.6%</td>
<td>100%</td>
</tr>
<tr>
<td>Reseller Provider</td>
<td>4.7%</td>
<td>4.7%</td>
<td>11.7%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>78.9%</td>
<td>100%</td>
</tr>
<tr>
<td>Spam Abuse</td>
<td>13.2%</td>
<td>4.5%</td>
<td>25.5%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>56.8%</td>
<td>100%</td>
</tr>
<tr>
<td>Website Content</td>
<td>8.2%</td>
<td>1.4%</td>
<td>15.5%</td>
<td>.5%</td>
<td>-</td>
<td>-</td>
<td>74.4%</td>
<td>100%</td>
</tr>
</tbody>
</table>

4,279 complaints
### Registrar Demographics - Complaint Volume vs. Domain volume & registrars- T2

<table>
<thead>
<tr>
<th>Region</th>
<th>Oct 2011 Domain Volume/Million</th>
<th># Complaints</th>
<th>% Complaints per Domain Volume</th>
<th># Registrars per Region</th>
<th># Registrar w/ Complaints</th>
<th>% Unique Registrars with complaints per region</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>95.6M</td>
<td>3,939</td>
<td>.004%</td>
<td>683</td>
<td>117</td>
<td>17.1%</td>
</tr>
<tr>
<td>South America</td>
<td>.4M</td>
<td>11</td>
<td>.003%</td>
<td>10</td>
<td>3</td>
<td>30%</td>
</tr>
<tr>
<td>Europe</td>
<td>20.3M</td>
<td>2,689</td>
<td>.013%</td>
<td>131</td>
<td>62</td>
<td>47.3%</td>
</tr>
<tr>
<td>Asia</td>
<td>15M</td>
<td>2,411</td>
<td>.016%</td>
<td>164</td>
<td>62</td>
<td>37.8%</td>
</tr>
<tr>
<td>Oceania</td>
<td>6.5M</td>
<td>176</td>
<td>.003%</td>
<td>17</td>
<td>12</td>
<td>70.6%</td>
</tr>
</tbody>
</table>

**Legend:**
- Oct 2011 Domain Volume/Million
- # Complaints
- % Complaints per Domain Volume
- # Registrars per Region
- # Registrar w/ Complaints
- % Unique Registrars with complaints per region
Registry Compliance & Locations

Registry operators reported 100% compliance regarding:

✓ DNS Availability
✓ WHOIS Availability
✓ Equal registrar access to the Shared Registration System

No complaints received regarding denial of bulk access to zone file
All registries submitted monthly transactions reports
Questions & Feedback

Please send your feedback to Compliance@icann.org

Subject
[ICANN 43 Costa Rica Compliance Feedback]
Thank You
Registrar Demographics - Complaint Volume vs. Domain volume &

- Africa had .1 million domains sponsored by 5 registrars. There were .001% complaints for all Africa domains and zero % of 5 registrars has complaints filed against them.
- Asia had 15 million domains sponsored by 164 registrars. There were .016% complaints for all Asia domains and 37.8% of 164 registrars has complaints filed against them.
- Europe had 20.3 million domains sponsored by 131 registrars. There were .013% complaints for all Europe domains and 47.3% of 131 registrars has complaints filed against them.
- North America had 95.6 million domains sponsored by 683 registrars. There were .004% complaints for all North America domains and 17.1% of 683 registrars has complaints filed against them.
- Oceania had 6.5 million domains sponsored by 17 registrars. There were .003% complaints for all Oceania domains and 70.6% of 17 registrars has complaints filed against them.
- South America had .4 million domains sponsored by 10 registrars. There were .003% complaints for all South America domains and 30% of 10 registrars has complaints filed against them.