Contractual Compliance at ICANN

Newcomers’ Track

24 June 2012
Agenda

- Contractual Compliance Overview
- Compliance Update
ICANN Organization Structure

ICANN Multi-Stakeholder Model

Contractual Compliance

ICANN Staff

ASO
- Regional Internet Registries
  - AfriNIC
  - APNIC
  - ARIN
  - LACNIC
  - RIPE NCC

GNSO
- gTLD Registries
- gTLD Registrars
- IP interests
- ISPs
- Businesses
- Non-Commercial Interests

ccNSO
- ccTLD registries
- (.us, .uk, .au, .it, .be, .nl, etc.)

At-Large
- Internet Users
- (At-Large Advisory Committee, in conjunction with RALOs)
- ALAC

Nominating Committee
- Per ICANN Bylaws, Article VII, section 2

Board of Directors

ICANN Staff

Governmental Advisory Committee (GAC)

Technical Liaison Group (TLG)

Internet Engineering Task Force (IETF)

Security & Stability Advisory Committee (SSAC)

Root Server System Advisory Committee (RSSAC)

President and CEO
Contractual Compliance Dept

- 12 members
- Arabic, English, French, Hindi, Mandarin, Spanish, Urdu

**Organization**
- Head of Compliance (1)
- Registrar and Registry Compliance (9)
- Risk and Audit Management (1)
- Performance Measurement and Reporting (1)

- 1 new member in July 2012
- 2 open positions
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 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
What is contractual compliance?

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

- ICANN is NOT a government or law enforcement agency
- ICANN’s authority is contractual
Contractual Relationship Overview

Registrars: register domain names (~ 1010)
Registry operators: keep the master file for all domain names that end in a particular suffix (22)
Registrant: Domain name owner
Contractual Compliance Model and Approach

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

FORMAL RESOLUTION

INFORMAL RESOLUTION
Inquiries & Warnings

PREVENTATIVE ACTIVITIES
Monitoring Audits Education & Outreach

SELF-Assessment
Industry Best Practice

Enforcement

Process

Non-Renewal, Suspension, Termination
Breach
Final Inquiry
2nd Inquiry
1st Inquiry
General Compliance Approach

**PREVENTATIVE**
Monitor, Audit, Educate & Outreach

**INFORMAL RESOLUTION**

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

**GOOD STANDING**
Check other non-compliance

**NOT IN GOOD STANDING**

**ENFORCEMENT**

Breach Notice
Suspension (Rr) Termination Non-renewal

**PUBLISH ON WEBSITE**
Three-Year Plan

Strengthen program and operations (Core Operations)
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
- Plan and develop
  - Global metrics
  - Audit strategy
  - System enhancements/process
  - Annual Compliance Report
- New gTLD readiness

Future Phase
- Continuous Improvement
- Consolidate Contractual Compliance Systems
- Rollout Annual Audits
# New gTLD Compliance Readiness Plan

## Staff Readiness 2012

- Dedicating resources to build knowledge on new gTLD Agreement
- Train other staff members
- Hire additional staff

## Operational Readiness

- Enhance the complaint system to capture additional types and metrics
- Review and assess operational needs and changes
- Prepare standard communication templates
- Design an audit strategy
- Plan Outreach activities
Wednesday Outreach Sessions
Palmovka / Rokoska Room

2:00 - 3:00  Compliance Registrar Focus

3:00 - 4:00  Compliance Registry Focus
Agenda

☑ Contractual Compliance Overview
☐ Compliance Update
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
Compliance Update for March 2012 - May 2012
# Complaints per Domain Volume

## March - May 2012

<table>
<thead>
<tr>
<th>LEGEND</th>
<th>Feb 2012 Domain Volume/Million</th>
<th># Complaints</th>
<th>% Complaints per Domain Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># registrars per region</td>
<td># registrar w/ Complaints</td>
<td>% Unique registrars with complaints per region</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Domain Volume/Million</th>
<th># Complaints</th>
<th>% Complaints</th>
<th>Registrars per Region</th>
<th>Registrars w/ Complaints</th>
<th>% Registrars w/ Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>1,384</td>
<td>0</td>
<td>0%</td>
<td>5</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Americas</td>
<td>98.8M</td>
<td>6,498</td>
<td>.007%</td>
<td>697</td>
<td>137</td>
<td>19.7%</td>
</tr>
<tr>
<td>Europe</td>
<td>21.2M</td>
<td>1,596</td>
<td>.008%</td>
<td>141</td>
<td>67</td>
<td>47.5%</td>
</tr>
<tr>
<td>Asia</td>
<td>14.3M</td>
<td>3,067</td>
<td>.021%</td>
<td>161</td>
<td>61</td>
<td>37.9%</td>
</tr>
<tr>
<td>Australia</td>
<td>6.4M</td>
<td>130</td>
<td>.002%</td>
<td>18</td>
<td>11</td>
<td>61.1%</td>
</tr>
</tbody>
</table>
Registry Compliance & Locations
March - May 2012

• All registries submitted monthly transactions reports

• Registries reported 100% compliance regarding:
  ✓ DNS Availability
  ✓ WHOIS Availability
  ✓ Equal registrar access to the Shared Registration System
  ✓ No complaints regarding denial of bulk access to zone file

• 2 compliance inquiries in “preventive” phase
Global Complaint Trend

March - May 2012
Complaint Types and Phases
March - May 2012

15,292 Complaints

<table>
<thead>
<tr>
<th>Prevention phase</th>
<th>All Complaints Received by Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service</td>
<td>2,627</td>
<td></td>
</tr>
<tr>
<td>Data Escrow Audit</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Data Escrow Miss</td>
<td>171</td>
<td></td>
</tr>
<tr>
<td>Transfer</td>
<td>2,463</td>
<td></td>
</tr>
<tr>
<td>UDRP</td>
<td>197</td>
<td></td>
</tr>
<tr>
<td>WHOIS Access</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>WHOIS Inaccuracy</td>
<td>9,728</td>
<td></td>
</tr>
</tbody>
</table>

| Enforcement Phase                 |                                |          |
|-----------------------------------|                                |          |
| Breach                            | 7                               |          |
| Suspension                        | 0                               |          |
| Terminated/Non-Renewal            | 1                               |          |

15,292 Complaints

15.1% Customer Service
0.3% Data Escrow Audit
1.1% Data Escrow Miss
16.6% Transfer
1.3% UDRP
0.4% WHOIS Access
63.2% WHOIS Inaccuracy
**Informal Resolution Phase**

March - May 2012 data

- % of Complaints sent in each phase
- Based on the 1-2-3 compliance approach
- Complaint Notices tracked manually past trimester

<table>
<thead>
<tr>
<th>Complaint Type</th>
<th>Notification Phase %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>Customer Service</td>
<td>N/A</td>
</tr>
<tr>
<td>Data Escrow Audit</td>
<td>77%</td>
</tr>
<tr>
<td>Data Escrow Miss</td>
<td>91%</td>
</tr>
<tr>
<td>Transfer</td>
<td>78%</td>
</tr>
<tr>
<td>UDRP</td>
<td>60%</td>
</tr>
<tr>
<td>WHOIS Access</td>
<td>81%</td>
</tr>
<tr>
<td>WHOIS Inaccuracy</td>
<td>62%</td>
</tr>
</tbody>
</table>

N/A = Not Available
Additional Resources

- Contact us at [compliance@icann.org](mailto:compliance@icann.org)
- Whois Look Up: [http://www.internic.net/whois.html](http://www.internic.net/whois.html)
- File a complaint about a registrar: [http://reports.internic.net/cgi/registrar/problem-report.cgi](http://reports.internic.net/cgi/registrar/problem-report.cgi)
- List of Approved Dispute Resolution Service Providers: [http://www.icann.org/en/dndr/udrp/approved-providers.htm](http://www.icann.org/en/dndr/udrp/approved-providers.htm)
Questions & Feedback

Please send your feedback to Compliance@icann.org

Subject
[ICANN 44 Prague Compliance Feedback]
Thank You
Appendix

2012 Transformation Phase Program Overview
ICANN Consensus Policies
Registrar Data Escrow
Registrar WHOIS Access and Accuracy
UDRP
IRTP
2012 - Transformation Phase

- Grow staff and mature the organization to the next level
- Improve **QUALITY** then speed in complaints handling
- Define and implement metrics based on available data
- Plan for a consolidated Compliance system
- Assess **reporting** and implement improvements
- Design and implement registry and registrar audits
- Develop ICANN referral process to LEA
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^{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
Current Program Overview

- **Prevention**
  - Manage Consumer Complaint Systems
  - Investigate Claims of Non-Compliance
  - Conduct Contract Audits
  - Monitor and Address Compliance Issues

- **Enforcement**
  - Investigate Claims of Non-Compliance
  - Communicate with Contracted Parties to Resolve Outstanding Contract Breaches
  - Establish Remedial Plans and Terms for Suspensions
  - Send Escalated Compliance Notices (Notices of Breach or Suspension, Termination and Non-Renewal)
Registrar Data Escrow (RDE)

- **What** - Each ICANN-accredited registrar (who has names) is required to escrow registration data. The data is released to ICANN under limited circumstances.

- **Why** - Registrant protection
  In case of a registrar failure, the data can be used for a bulk transfer from the failed registrar to another ICANN-approved recipient (gaining) registrar

- **How** - Compliance monitors RDE deposit and data audit reports from Iron Mountain and actively works with registrars to address problems and help them become compliant
Whois Access and Accuracy

- **Access** - All ICANN-accredited registrars are required to provide public access to contact details for names sponsored by the registrar.
  - Port 43 Whois Service Monitoring Tool
  - Audits of Registrar websites

- **Accuracy** - Those who register domain names must provide accurate contact details and registrars must investigate claims that the data is inaccurate.
  - Whois Data Problem Report System
Uniform Domain Name Dispute Resolution Policy (UDRP)

- **What** - The UDRP provides an alternative dispute resolution to address “cybersquatting” problem

- **Why** - A cost effective alternative (to litigation through courts) for resolving disputes for the past 10 + years

- **How** - Contractual Compliance assists IP attorneys or affected parties and actively works with registrars to ensure compliance (maintain status quo, implement decisions, etc.)
Inter-Registrar Transfer Policy (IRTP)

- **What** - The policy sets out a procedure for domain name holders to transfer their names from one ICANN-accredited registrar to another, should they wish to do so.

- **Why** - To promote competition and consumer choice through enhanced domain name portability, resulting in greater consumer and business choice and enabling domain name registrants to select the registrar that offers the best services and price.

- **How** - Contractual Compliance investigates claims of non-compliance with the policy and ensure registrars take corrective actions.