ccTLDs & National Legislation

Regional Organisation collaborative survey

Patrick Myles | ICANN51 (ccNSO) | Los Angeles, October 2014
What the survey looked at

- Legal structure of ccTLDs across the globe
- Extent ccTLD operators are affected by Legislation and ICANN policy
- How ccTLDs interact with Government officials

How can this help

- Provide insights on degree of control and autonomy of ccTLDs
- Knowledge on ccTLDs & help inform other discussions around ICANN or Government
- Comparison on different approaches to interaction with Government
Overview of the Survey

- Initiated by the Regional Organisations AfTLD, APTLD, CENTR & LACTLD
- Background: RO meeting in Brazil early 2014 and discussion on how ccTLDs are treated by National Legislation/Government and their legal structures
- Survey Timing: July – September 2014
- 76 responses from ccTLDs across the 4 Regional Organisations
Thanks to all that responded – you will receive a report based on your region
The Legal Structure of ccTLD operators

Most ccTLDs operate in private sector

- 68% of ccTLDs are either a private company, Association, Foundation or Co-operative
- 20% of ccTLDs are either in a Government department, the Regulator or are state-owned
- 12% of ccTLDs are a part of an academic institution (could be private or public)
Local Presence Requirements of ccTLDs

- 45% of ccTLDs have some form of Local Presence requirements.
- Most common requirement for local presence is a postal address admin/billing/tech contacts.

- All ccTLDs, 45%
- CENTR 39%
- APTLD 62%
- AFTLD 50%
- LACTLD 31%

- Postal address of contact (admin/billing etc), 42%
- Company registered in country, 36%
- Physical presence in country, 36%
- Brand registered in country, 21%
Local Presence Requirements of ccTLDs

% of ccTLDs with some Local Presence Requirements

All ccTLDs 45%

Article in Circle ID “The Online World Is Not Flat: The Need for Geo gTLDs”

- Location is perhaps back in the spotlight particularly with new (geo) gTLDs
- In article demand revolves around:
  - **Adjacency** is proximity of customers to each other. Neighbours tend to go to same on/off-line businesses.
  - **Isolation** is when a consumer wants a product that isn't available locally - Consumers here make a demand niche
  - **Resistance**: The larger the distance to the store, the less likely consumers are to shop there. **Signalling Local Presence has value**

ccTLDs have local presence signalled intrinsically however requirements may reinforce this
Most ccTLDs consider they have a formal basis by which they operate their ccTLD

• 54% of ccTLDs base (at least in part) on National Legislation, contract with Government or Ministerial Directive

• 69% stated they base (at least in part) on either an ICANN contract, MOU or Accountability framework

• 6 ccTLDs stated the John Postel email/letter was one of the basis for the ccTLD. 3 of these stated it was the only basis
Basis for carrying out the ccTLD

Government
27% ccTLDs

- National Legislation
- Government Contract
- Ministerial Directive/Decree

ICANN related
42% ccTLDs

- Exchange of letters
- ICANN Contract
- Accountability Framework
- ICANN MOU

Combination
27%

6 ccTLDs stated the Letter/Email from John Postel as a basis for carrying out the ccTLD.
Basis for carrying out the ccTLD

Government
28% ccTLDs

National Legislation
Government Contract
Ministerial Directive/Decree

Scope of legislation / contract / directive

Service policy - 46%
Reporting - 31%
Accountability - 23%
Tender - 17%
Financial status - 11%
Basis for carrying out the ccTLD

Government Related

54%

- Agreement / MOU with Gov.
- Contract with government
- National legislation
- Directive / decree etc

Which Governments have provision to re-tender for operation of the ccTLD?

ICANN Related

69%

- Accountability Framework
- MoU with ICANN
- Exchange of letters with ICANN
- Contract with ICANN
Where the ccTLD is explicitly mentioned

- 59% of ccTLDs in some Official document/agreement or legislation from Government
- 21% in an operating agreement and 16% of ccTLDs mentioned in Enabling legislation
- Just 2 ccTLDs are subject to a domain name or ccTLD tax
Around 90% of ccTLDs mentioned in Enabling Legislation are either Government agencies, Regulators or private companies with strong link/oversight from government.

<table>
<thead>
<tr>
<th>Where the ccTLD is explicitly mentioned</th>
<th>Percent</th>
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<tbody>
<tr>
<td>Operating Agreement</td>
<td>21%</td>
</tr>
<tr>
<td>Enabling Legislation</td>
<td>16%</td>
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<tr>
<td>Ministerial Directive / Order / Decree</td>
<td>14%</td>
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<tr>
<td>Trade Agreements</td>
<td>7%</td>
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<tr>
<td>Special Tax on Domain Names</td>
<td>3%</td>
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<tr>
<td>Critical Infrastructure Agreement</td>
<td>1%</td>
</tr>
<tr>
<td>Special Tax for ccTLD Operations</td>
<td>0%</td>
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Around 90% of ccTLDs mentioned in Enabling Legislation are either Government agencies, Regulators or private companies with strong link/oversight from government.

4 out of the 5 ccTLDs mentioned in a trade agreement are ccTLDs part of academic institution and located in Latin American region.

Where the ccTLD is explicitly mentioned:

- Operating Agreement: 21%
- Enabling Legislation: 16%
- Ministerial Directive / Order / Decree: 14%
- Trade Agreements: 7%
- Special Tax on Domain Names: 3%
- Critical Infrastructure Agreement: 1%
- Special Tax for ccTLD Operations: 0%
Most ccTLDs with an operating agreement or directive are private sector organisations.

Around 90% of ccTLDs mentioned in Enabling Legislation are either Government departments, Regulators or private companies with strong link/oversight from government – No surprise here...

4 out of the 5 ccTLDs mentioned in a trade agreement are ccTLDs part of academic institution and located in Latin American region.

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How are ccTLDs communicating with Government

- Most ccTLDs whether in private or public sector interact with Government by organising meetings and/or calls with Government Authorities
- 47% of ccTLDs stated they interact with their GAC representative ‘frequently’ and a further 22% stated ‘sometimes’
- 26% of ccTLDs have an Internet Caucus in their country (group of politicians with keen interest in Internet issues). Most ccTLDs do not have a group like this (or know of one)

### Private sector ccTLDs

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<th>Activity</th>
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<td>1. Informal meetings and or/calls</td>
<td>78%</td>
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<tr>
<td>2. Attend Gov committees on national Internet issues</td>
<td>59%</td>
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<tr>
<td>3. Invite Gov Reps to join committee/advisory board</td>
<td>39%</td>
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### Public sector ccTLDs

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<tbody>
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<td>1. Informal meetings and or/calls</td>
<td>77%</td>
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<tr>
<td>2. Attend Gov committees on national Internet issues</td>
<td>46%</td>
</tr>
<tr>
<td>3. Invite Gov Reps to join committee/advisory board</td>
<td>38%</td>
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Summary

• Most ccTLDs are working in the private sector

• 55% ccTLDs do not have any local presence requirements on registrations

• ccTLDs are relatively autonomous with limited interference from Government

• 54% of ccTLDs have some form of Government document they consider as basis for carrying out the ccTLD however only 28% define this as their only basis.

• 59% of ccTLDs are explicitly mentioned in some form of operating agreement, directive, enabling legislation or other.

• Interaction between ccTLDs and their Government does not differ between government run and non-government run registries – mostly informal calls/meetings
Next Steps?

- More detailed reporting will be available for each Regional Organisation
- Are there elements of the data you’d like us to dig deeper on?
- The Regional Organisations are well co-ordinated and have data sharing agreements

Thanks for listening!

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