Draft Resolution on the Release of Two-Letter Codes at the Second Level in gTLDs

Whereas, the New gTLD Registry Agreement provides two methods to release twocharacter domain names: (1) such two-character names may be released to the extent that Registry Operator reaches agreement with the related government and country-code manager, or (2) the Registry Operator may propose the release of the names based on its implementation of measures to avoid confusion with the corresponding country codes, subject to approval by ICANN.

Whereas, on <u>16 October 2014</u>, the Board directed staff to develop and implement an efficient procedure for ICANN to consider requests for release of two-character names, taking into account the GAC's advice in the 16 October 2014 <u>Los Angeles Communiqué</u>.

Whereas, ICANN published and implemented the process, effective 1 December 2014.

Whereas, on 26 January 2015 the GAC Chair sent a <u>letter</u> to the ICANN Board raising concerns on behalf of some GAC members as users of the process. The GAC provided a list of suggestions for possible solutions to address its concerns.

Whereas, on 11 February 2015, the GAC issued advice to the Board in the GAC <u>Communiqué</u> regarding the release of two-letter codes at the second level in gTLDs. The GAC advised the Board to amend the current process to establish an effective notification mechanism, so that relevant governments can be alerted as requests are initiated. Comments from relevant governments should be fully considered. The GAC also advised the Board to extend the comment period to 60 days.

Resolved (2015.02.05.XX), the Board accepts the advice of the GAC from the 11 February 2015 GAC Communiqué regarding the release of two-letter codes at the second level in gTLDs. The Board directs the President and CEO, or his designee(s), to revise the <u>Authorization Process for Release of Two-Character ASCII Labels</u> and proceed as follows:

- Implement improvements to the process to alert relevant governments when requests are initiated. Comments from relevant governments will be fully considered.
- For new requests, the comment period will be for 60 days.
- For requests with pending or completed comment periods, extend the comment period so that each request will undergo 60 days of comment period in total.

PROPOSED RATIONALE:

The Board is taking action at this time to accept the advice of the GAC from the <u>11</u> February 2015 GAC Singapore Communiqué regarding the release of two-letter codes at the second level in gTLDs. Article XI, Section 2.1 of the ICANN Bylaws permits the GAC to "put issues to the Board directly, either by way of comment or prior advice, or by way of specifically recommending action or new policy development or revision to existing policies." The ICANN Bylaws require the Board to take into account the GAC's advice on public policy matters in the formulation and adoption of the polices. If the Board decides to take an action that is not consistent with the GAC advice, it must inform the GAC and state the reasons why it decided not to follow the advice. The Board and the GAC will then try in good faith to find a mutually acceptable solution. If no solution can be found, the Board will state in its final decision why the GAC advice was not followed.

The Board's action today to accept the GAC's advice follows on from its 16 October 2014 resolution where the Board authorized the President and CEO to develop and implement an efficient procedure for the release of two-character domains currently required to be reserved in the New gTLD Registry Agreement, taking into account the GAC's advice in the Los Angeles Communiqué.

ICANN developed the <u>Authorization Process for Release of Two-Character ASCII</u> <u>Labels</u> to implement the Board's resolution. On 12 November 2014 ICANN issued a <u>blog</u> explaining the new process to release the two-character domains, which it also provided to the GAC. The process became effective on 1 December 2014. On 26 January 2015 the GAC Chair sent a <u>letter</u> to the ICANN Board raising concerns on behalf of some GAC members, as users of the process. The GAC provided a list of suggestions for possible solutions to address its concerns with the process.

To date, ICANN has received requests from over 300 registries in total. As a result of the Board's action today, ICANN will extend the comment period required by the process so that requests are the subject of 60 days of comment in total. For requests that have completed or are in the process of completing the existing 30-day requirement, the comment period will be extended so that each request will satisfy the new 60-day requirement. For example, a request that has completed 30 days of comments, will have a new additional 30-day comment period. A request that has been under comment for 15 days will have its current comment period extended by 30 days, so that it will run for a total of 60 days. All new requests going forward will likewise undergo a 60-day comment period.

The Board reviewed several materials and also considered several significant factors during its deliberations on the action being taken. The significant materials and factors that the Board considered as part of its deliberations, included, but are not limited to the following:

- <u>RSETP Report on Internet Security and Stability Implications of the .name</u> proposal for the Limited Release of Initially Reserved Two-Character Names (4 December 2006)
- Letter from GAC Chair to ICANN Board (8 August 2014)
- Letter from Stephen Crocker to Heather Dryden (2 September 2014)
- Letter from Heather Dryden to Stephen Crocker (10 September 2014)
- <u>GAC Los Angeles Communiqué</u> (15 October 2014)
- <u>ICANN's blog on two-character ASCII Label Authorizations</u> (12 November 2014)
- Letter from Thomas Schneider to Stephen Crocker (26 January 2015)

- Authorization Process for Release of Two-Character ASCII Labels
- <u>GAC Singapore Communiqué</u> (11 February 2015)

The overall impact on the community is anticipated to be positive as new opportunities for diversification and competition in the gTLD namespace are created, while no specific risk of user confusion has been identified. The implementation of the Board's action is not anticipated to have a significant fiscal impact on ICANN, the community or the public. As determined by the ICANN Registry Services Technical Evaluation Panel in a 4 December 2006 report on proposed release of two-character domains in the .name gTLD, the release of two-character second level domains does not create a reasonable risk of a meaningful adverse effect on security and stability. The Board's action is not a defined policy process within ICANN's Supporting Organization or ICANN's Organizational Administrative Function decision requiring public comment.