



# Comment on Draft 2016 African Domain Name System Market Study

Status: FINAL

Version: 3

5-May-2017

**Business Constituency Submission**

**GNSO//CSG//BC**

## **BACKGROUND**

This document is the response of the ICANN Business Constituency (BC), from the perspective of business users and registrants of the Internet, as defined in our Charter which states: The mission of the Business Constituency is to ensure that ICANN policy positions are consistent with the development of an Internet that:

- promotes end-user confidence because it is a safe place to conduct business
- is competitive in the supply of registry and registrar and related services
- is technically stable, secure and reliable.

## **THE 2016 AFRICAN DOMAIN NAME SYSTEM MARKET STUDY DRAFT REPORT**

The Business Constituency (BC) in general supports the initiative by ICANN in carrying out the Study, and appreciates the opportunity to comment on the subsequent report. The BC commends the research team for the effort. As reflected in the BC mission, a growing, robust and reliable DNS ecosystem is of critical importance to the business community in all regions of the world, including Africa. Business therefore supports efforts such as this study, which examine and measure the status of this vital resource.

This study follows up on a similar study for the Latin America and Caribbean Region (LAC), and Middle East and Adjoining Countries (MEAC), the former of which the BC already made comment<sup>1</sup>.

We want to underscore that the ultimate intended beneficiaries of ICANN's activities are the registrants and users of unique identifiers. The BC believes that any ICANN strategy paper would be made much stronger if it included more discussion of the ways in which the proposed actions serve the interests of business registrants and business users. The BC also encourages ICANN to pursue more work in future to better understand the role of business registrants and business users in Africa and their impact on regional development.

## **SPECIFIC COMMENTS AND SUGGESTIONS**

### On IP Rights

1. The BC agrees with the recommendation on Page 16 – which states that “rules in place in some countries requiring domain names to match the business/personal name of the entity should be removed”. We support the removal of registration restrictions, as this runs counter to the BC mission of ensuring user choice and business flexibility, but advise that this should be done in the context of policies that promote IP protection so as to ensure end-user confidence and trust in the DNS.<sup>2</sup>

### On the new gTLD Program

2. The BC believes the study could have done more to help understand the impact of the new gTLDs on the Africa DNS market<sup>2</sup> given the information available from the first three years of the

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<sup>1</sup> <https://www.icann.org/en/system/files/files/report-comments-lac-dns-study-02feb17-en.pdf>

new gTLD program. The BC recommends that future studies should have adequate coverage of this impact to guide business on the opportunities available with new gTLDs.

3. The study could have addressed in more detail the issue of the low number of applications from Africa in the last round of new gTLDs, and also the attendant issue of a number of applicants from Africa who dropped out of the exercise late after signing registry agreements.
4. Related to points 3 and 4 above, while we know a fair amount about constraints faced by applicants, the BC would like to know if more could be taken from the study's interviews as to why *Africa specifically* hasn't adopted new gTLDs and what drivers like the high proportion of mobile access might mean for future new gTLD rounds. If the market dynamics in Africa are fundamentally different from other emerging markets, what Africa-specific changes to business model or communications might be helpful to build interest in future new gTLD rounds?
5. Several delegated African brands had their TLDs revoked. The draft report made no mention of lessons to be drawn from this nor did it mention what to do in order to forestall any future occurrence.

On the issue of local registrars

6. The BC believes that registrants are the ultimate judges of whether registrars are serving their needs. Registrants look for a choice of TLDs in relevant languages and scripts, and the availability of add-on services such as hosting and proxy/privacy registrations. These registrants want to review competing registrar websites where terms of service are explained in their own language and script. Because we're talking about the global internet, these registrant needs *could* be met by registrars based anywhere in the world. Therefore, the issue of local registrars in this instance is a question of whether African registrants can access registrars that meet their needs. If not, then it makes sense to encourage new and existing registrars to serve African registrants, potentially by establishing operations in the African region.
7. When making reference to accredited registrars<sup>3</sup> the report should be clear to distinguish between ICANN accredited registrars and those accredited by other mechanisms/entities such as ccTLD administrations.
8. In addition, it might be worthwhile to go deeper on the issue of the preference for local registrars in general – do the authors believe that the user issue is more about sensitivity to local issues/language, is it a question of local firms offering better service, or are there other issues?

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<sup>2</sup> p.21 We set targets for Registries which assumed the typical country had six registries: the ccTLD itself, plus COM, ORG, NET, EDU and AC or equivalent 2LDs

<sup>3</sup> p.23 Namibia had 61 accredited Registrars...

9. The BC also believes that it merits further investigation determining *whether* the low number of registries and ICANN accredited registrars resident on the continent has had an effect on low registrations.

#### On new technology/free services

10. The BC believes the report has not completely covered the current and potential impact on DNS growth of the phenomenon of alternative access and communication technologies such as those offered by social media and Over The Top (OTT) technology. With these new technologies, it is not necessary to have a domain name to use the Internet or to communicate by electronic mail. The BC suggests that attention be paid to this in future study.
11. The report has not given adequate attention to the current and potential impact of free Internet offerings<sup>4</sup> now becoming common in Africa, as well as the issue of “walled gardens” Internet access and net neutrality. There is a minor reference on Page 54.

#### On the issue of local content

12. The statement on Page 39 “It is interesting to note that, E-government services have emerged as a major source of local content for mobile Internet in developing countries, and are a driver for use of mobile Internet” requires a citation. The BC also feels more could be done to understand the issue of local content – and what could drive it in the future. While e-government services are proliferating, to describe them as a major source of content might be a bit misleading.

#### On Local, Offshore, and On-Continent Hosting

13. Web hosting has been identified as a means to driving the uptake of more domains within the continent. The BC would like to see statistics cutting across all regions in Africa and believe that restricting the study to just four countries on the Continent as highlighted in page 87 is not reflective enough. We look forward to analyzing the details of the study when it is released in the final report.
14. Data from more Registries in addition to Afiliias should have been analyzed in order to affirm that trends identified is the norm in the Domain Name System in Africa as indicated on page 92

#### On Government policy and infrastructure

15. The BC would like to see the study address in more detail the issue of Government policies on DNS growth, for example, in Tanzania where the government requires all companies to have a ccTLD domain<sup>5</sup>.

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<sup>4</sup> <http://www.nation.co.ke/business/Free-Internet-to-rural-areas/-/996/2960730/-/10o59uez/-/index.html>

<http://www.nation.co.ke/business/Facebook-to-beam-free-internet-using-Israeli-satellite/-/996-2925220-9ngnvl/index.html>

<http://www.nation.co.ke/business/Free-Internet-to-rural-areas/-/996/2960730/-/10o59uez/-/index.html>

16. The study has not adequately covered the impact to DNS growth of DNS shutdowns or suspensions which is a common occurrence in Africa.<sup>6</sup> There is a mention on page 180 “A number of African (and other) countries have recently engaged in switching off access to the Internet during elections or other stressful times. This trend is very costly to the economy of those countries.” A deeper analysis, probably with reference to a case study, could have been of use in understanding better the economic, business and other impacts. Probably this could be included in future study.

#### Citations and suggested corrections

17. Statement on Page 42 “The affordability threshold of spending 2%..” requires a citation.
18. Statement on Page 52 – “the broadcasters – often do not understand the technology that makes it possible to share the frequencies without interference” requires citation or attribution to anecdote.
19. Correct the heading of the graph on page 33 to refer to ccTLD domains, not Total Domains.
20. Correct the heading on page 141 on Nigeria and re-number subsequent sections accordingly.

#### Final notes

21. The BC appreciates the difficulties of data collection in a large and complex region such as Africa. We recognize that the data was heavily weighted in the direction of a few countries – especially South Africa – and would encourage future surveys to engage more stakeholders outside of the largest markets (including and especially stakeholders from non-English speaking nations) to gain additional perspective.
22. With this in mind, the BC therefore supports the Setting up a DNS observatory in Africa as a focal point for continuous data collection and analysis.

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This comment was drafted by Waudo Siganga, Andrew Mack, and Lawrence OlaWale-Roberts, with edits by Jimson Olufuye and Steve DelBianco.

It was approved in accord with our charter.

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<sup>5</sup> <http://www.cio.co.ke/news/top-stories/tcra-to-enforce-use-of-.tz-domain-names>

<sup>6</sup> <http://answersafrica.com/african-governments-internet-shutdowns.html>  
<https://qz.com/771996/gabon-is-the-latest-african-country-to-shut-down-its-internet-as-election-protests-grow//>  
(<http://allafrica.com/stories/201701050563.html>)/ (<http://www.idgconnect.com/abstract/24743/what-impact-africa-internet-shutdowns>).