



TO: ICANN Competition, Consumer Trust and Consumer Choice Review Team
FROM: Verified Top-Level Domains Consortium
DATE: May 19, 2017
RE: Comments in Response to the CCTRT Draft Report of Recommendations for New gTLDs

The Verified Top-Level Domains (vTLD) Consortium (the “Consortium”) commends the good work that the Competition, Consumer Trust and Consumer Choice Review Team (CCTRT) has put into its recent draft report and appreciates the opportunity to comment on its recommendations.

The Consortium is an informal, voluntary association of registry operators and third-party providers with a shared commitment to, 1. building trust online and supporting global public safety; 2. Proactive registrant verification and monitoring processes; and 3. policy issues that impact consumer protection online. As described on the Consortium’s [website](#), a vTLD requires verification of eligibility prior to use, adherence to standards, autonomy to take back a name, and ongoing verification. The Consortium ratified its [charter](#) on May 27, 2016.

Recommendation 14

The vTLD Consortium supports Recommendation 14 of the CCTRT, which states:

Create incentives to encourage gTLD registries to meet user expectations regarding: (1) the relationship of content of a gTLD to its name; (2) restrictions as to who can register a domain name in certain gTLDs based upon implied messages of trust conveyed by the name of its gTLDs (particularly in sensitive or regulated industries) and (3) the safety and security of users’ personal and sensitive information (including health and financial information).

The Consortium believes this recommendation supports the creation of trusted online environments that are user-friendly and free of bad actors and domain name system abuses. As noted in the CCTRT report, “The Nielsen surveys indicate that the public expects restrictions on who can purchase domain names, expects that such restrictions will be enforced and is

concerned about the security of their personal and sensitive information.” Encouraging gTLD registries to meet these expectations would be a win-win for consumers and registry operators alike.

Registries that already meet these consumer expectations by operating as vTLDs contribute to improved consumer protection through registrant verification prior to domain name use and through ongoing monitoring of the domain space for compliance with registry standards. Internet users can trust websites within a vTLD to display content that is relevant to the subject matter implied by the gTLD.

The question is how ICANN would incentivize these activities, which can be costly to registry operators and, in turn, to registrants. One answer lies in formally recognizing the increased value of domains within registries that implement these practices and encouraging search engines to prioritize such domains in their rankings as trustworthy, authoritative, and relevant sources of content.

The Consortium looks forward to an opportunity to provide further information to the New gTLD Subsequent Procedures PDP Working Group on its support of this recommendation.

Recommendation 16

The Consortium supports Recommendation 16 of the CCTRT, which states:

ICANN should commission a study to collect data on the impact of restrictions on who can buy domains within certain new gTLDs (registration restrictions) to (1) compare consumer trust levels between new gTLDs with varying degrees of registration restrictions; (2) determine whether there are correlations between DNS abuse and the presence or absence of registration restrictions; (3) assess the costs and benefits of registration restrictions and (4) determine whether and how such registration restrictions are enforced.

Having experience operating registries with restrictions on who can buy and maintain domains within certain gTLDs, the Consortium believes that the study described in this recommendation would provide valuable insight to the internet community. As an example of the type of information that may be gleaned from such a study, vTLDs .pharmacy, .bank, and .insurance have restrictions in place regarding who can register a domain within those gTLDs, and none of them have had any instances of abuse in the lifetime of the registry. Members of the Consortium also understand the costs and benefits of operating vTLDs, as well as enforcing registry requirements. As the CCTRT notes in the report, data derived from such a study would be useful in considering future decisions relating to whether restrictions should be encouraged in new gTLDs or included in new gTLD contracts.

Recommendations 25-30

The Consortium supports Recommendations 25-30 of the CCTRT calling for a study on gTLDs operating in highly regulated industries:

Recommendation 25. ICANN should perform a study on highly regulated new gTLDs to include the following elements: steps registry operators are taking to establish working relationships with relevant government or industry bodies;

Recommendation 26. the volume of complaints received by registrants from regulatory bodies and their standard practices to respond to those complaints;

Recommendation 27. assessment of a sample of domain websites within the highly regulated sector category to see whether contact information to file complaints is sufficiently easy to find;

Recommendation 28. assessment of whether restrictions regarding possessing necessary credentials are being enforced by auditing registrars and resellers offering the highly regulated TLDs (e.g., can an individual or entity without the proper credentials buy a highly regulated domain?);

Recommendation 29. determining the volume and subject matter of complaints regarding domains in highly regulated industries by seeking more detailed information from ICANN Contractual Compliance and registrars/resellers of highly regulated domains; and Recommendation

Recommendation 30. comparing rates of abuse between those highly regulated gTLDs that have voluntarily agreed to verify and validate credentials to those highly regulated gTLDs that have not.

Having experience operating restricted, or verified, gTLDs in highly regulated sectors, the Consortium believes that the study described in these recommendations would provide valuable insight to the internet community. As an example of the type of information that may be gleaned from such a study, vTLDs .pharmacy, .bank, and .insurance have restrictions in place regarding who can register a domain within those gTLDs, as well as working relationships with relevant government and industry bodies, and none of them have had any instances of abuse in the lifetime of the registry. It is worth noting in these scenarios that the registry operators share the burden of enforcing and auditing for compliance with restrictions. This role, along with that of registrars and resellers offering gTLDs in highly regulated industries, should be accounted for in the study.

Data derived from the study would help to inform decisions for the operation of gTLDs in highly regulated sectors in future rounds. In setting policy for new gTLDs, the Consortium believes subsequent procedures for new gTLDs should require a registry to operate as a vTLD if it: 1. is linked to regulated or professional sectors; 2. is likely to invoke a level of implied trust from consumers; or 3. has implications for consumer safety and wellbeing.

Given the similarities between this study (i.e., Recommendations 25-30) and the study proposed in Recommendation 16, it may be possible to combine the two. If it becomes necessary to make a choice between the two, the Consortium would prioritize the study proposed in Recommendation 16.

Regarding the wording of Recommendations 25 and 28, the Consortium notes that it would be more accurate to change “highly regulated new gTLDs” to “new gTLDs operating in highly regulated sectors.”

Recommendations 33 and 34

The Consortium supports Recommendations 33 and 34 of the CCTRT, which state:

Recommendation 33. Collect data comparing subjective and objective trustworthiness of new gTLDs with restrictions on registration, to new gTLDs with few or no restrictions.

Recommendation 34. Repeat and refine the DNS Abuse Study to determine whether the presence of additional registration restrictions correlate to a decrease in abuse in new gTLDs, and as compared to new gTLDs that lack registration restrictions, and as compared to legacy gTLDs.

The Consortium believes that, similar to the study described in Recommendations 25-30, the studies proposed in Recommendations 33 and 34 would provide valuable insight to the internet community. As stated in the CCTRT report, the ICANN Global surveys revealed that consumers expect restrictions on who can register domain names in new gTLDs and that such restrictions engender trust. Empirical data showing rates of DNS abuse in restricted versus non-restricted gTLDs would indicate whether that such trust is appropriately placed. That said, the resources required to administer surveys must be considered. More information regarding the scope and costs of these types of potentially useful surveys would be appreciated.

To reiterate the example cited in the Consortium’s comments above, vTLDs .pharmacy, .bank, and .insurance have restrictions in place regarding who can register a domain within those gTLDs, and none of them have had any instances of abuse in the lifetime of the registry. Data derived from the study would help to inform decisions regarding future rounds and the operation of gTLDs in highly regulated sectors. In setting policy for new gTLDs, the Consortium

believes subsequent procedures for new gTLDs should require a registry to operate as a vTLD if it: 1. is linked to regulated or professional sectors; 2. is likely to invoke a level of implied trust from consumers; or 3. has implications for consumer safety and wellbeing.

Recommendation 35

The Consortium supports Recommendation 35 of the CCTRT, which states:

Collect data on costs and benefits of implementing various registration restrictions, including the impact on compliance costs and costs for registries, registrars and registrants. One source of this data might be existing gTLDs (for example, for verification and validation restrictions, we could look to those new gTLDs that have voluntarily included verification and validation requirements to get a sense of the costs involved).

Existing gTLDs that have voluntarily included verification and validation requirements, such as vTLDs, could provide useful insight on the costs and benefits of implementing registration restrictions. Consortium members understand the costs and benefits of operating vTLDs and may be a resource for gathering this data. The Consortium agrees with the CCTRT that this information would help to inform decisions regarding future rounds.