

## **PDP Subsequent procedures on the next Round of applications for new gTLDs.**

Comments from Christopher Wilkinson

The following comments address general issues that have arisen in the PDP. More detailed responses to the questions included in the Annex to the Initial Report will be presented by ALAC, with which I am in agreement, and on a few details I have contributed.

This personal comment does not qualify or amend in any way the ALAC response.

### **1. Institutional standing of a GNSO PDP within the ICANN community:**

In spite of significant difficulties arising from GNSO positions taken in 2007 and subsequently, the incumbent representatives of GNSO maintain their 'right' to conduct this PDP as a GNSO entity under GNSO rules. This position is quite problematic. (a) GNSO is still dominated by DNS industry participants, notably Registries, Registrars and Intellectual Property interests. Absent effective counterbalancing from other SO/ACs, GNSO would appear not to be like a multi-stakeholder self-regulating body, but rather like an DNS industry cartel.

We have been repeatedly told that the status of GNSO is as the only entity able to develop policy for gTLDs, and that this is protected in the ICANN Bylaws. If this is indeed the case, then either GNSO needs to be reformed, or the Bylaws need to be changed.

### **2. Working methods of the PDP:**

The PDP divided its scope into several 'Work Tracks' (1-4). Each WT has contributed extensively to the Initial Report (which is in and on itself a substantial achievement). However there has been little work on the mutual consistency of the several texts arising from each of the Work Tracks. Indeed, the PDP has been repeatedly informed that the purpose of PDP review of WT drafts has been to establish whether the texts reflect accurately the work of the WT. Nothing more. And that PDP members who had comments on the WT texts should address, not the PDP, but the present public comment procedure.

The net result is that the current Initial Report is a rather 'raw' text and does not contain the comments, improvements and corrections that other PDP members would have been able to provide.

### **3. Geographical Names and the special case of WT5:**

Work Track 5 was set up belatedly to address issues related to Geographical Names, on a cross-community basis. So far so good. However, as a sub-group of the PDP, WT5 is still subject to the GNSO PDP rules. It remains to be seen how this will work out in practice. In other respects, WT5 is not a subject for the present public consultation and will benefit from a separate report and - presumably - an additional public consultation in due course.

### **4. The Economic and market context for the new gTLD programme:**

AS far as one can see, ICANN does not benefit from any systematic measurement and analysis of the DNS markets. Whether their size, structure, languages, growth-rates (or not), and their consequent capacity to absorb the services of new gTLDs. This lacuna has been pointed out to ICANN on several occasions over the past twenty years.

Cursory inspection of the results of the 2012 Round suggests that rather too many new gTLDs were authorized, all at once, indeed more than the DNS market could absorb at that time. There is no assurance that the next rounds will be any better off in this respect.

ICANN should take this matter in hand. Note that (a) ALAC will recommend that there is no urgency to open additional rounds, and (b) there is strong support for managing future rounds in batches of applications.

Note, also, that the apparent short term saturation of the DNS market, applies particularly to generic strings in the English language, whereas most of the recent growth in the Internet has been in non-English speaking countries. The rationale for this bias escapes me, it may well have contributed to the modest performance of new gTLDs from the last round..

## 5. **Competition and diversity:**

The PDP Initial Report confirms that the 2012 Round resulted in a few entities accumulating significant numbers of nes TLDs and technical (back-end) Registry services.

It would appear that the degree of concentration that has taken place in the DNS market was facilitated by the flawed decision in 2010 to rplace a policy favoring vertical integration between new independent Registries with a policy favoring cross-ownership between Registrars and Registries. The economic consequences of that decision may be qite far-reaching and should be re-considered by iCANN.

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