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22 January 2019

Ms. Manal Ismail Chair, Governmental Advisory Committee (GAC)

Re: ICANN Organization Documents on the Release of Two-Character ASCII Labels at the Second Level

Dear Ms. Ismail,

As you may recall, during the ICANN Board and GAC Clarification Call of <u>28 November 2018</u> I stated that the ICANN organization would be providing documentation regarding the implementation of the process for release of two-character ASCII labels at the second level. Based on discussions between the Board and the GAC at ICANN63, I wanted to provide this documentation to the GAC to clarify both the process and procedure for release as well as the steps the ICANN org took in response to GAC advice on the topic.

Accordingly, I hereby submit to you two documents related to two-character ASCII labels at the second level and the development of the procedure for release of these labels:

- ICANN Organization Memo on the Implementation of the Procedure for Release of Two-Character Labels and Standard Measures to Avoid Confusion with Corresponding Country Codes
- Historical Overview of Events Regarding Two-Character Labels at the Second Level in the New gTLD Namespace

I have also enclosed with this letter in Annex 1 a summary of the ICANN org materials noted above. These documents will all be posted today on the icann.org Two-Character page here: https://www.icann.org/resources/two-character-labels.

Please note that the Board will be providing a response to the GAC advice on this topic noted in the GAC Barcelona Communiqué via the established GAC Advice process and will be meeting at the Board workshop in Los Angeles later this week from 26-27 January 2019.



I hope that these documents are useful to GAC members in answering any questions regarding the steps taken in implementing the process and procedure for release of two-character labels at the second-level. My team and I remain available to answer any questions about these documents at ICANN64 in Kobe, Japan.

Sincerely,

Göran Marby President and Chief Executive Officer Internet Corporation for Assigned Names and Numbers (ICANN)



Annex 1:

Summary of ICANN Org Materials Re: Implementation of Procedures for Two Character Labels

ICANN Org has produced two documents regarding the various activities related to two-character labels at the second-level. These are:

- Implementation Summary (including responses to the GAC memo of 20 October 2018¹)
- Historical Overview of Events

Implementation Summary

The Implementation Summary provides insight into the process by which ICANN Org implemented the procedure for release of two-character labels. This paper documents the rationale behind the implementation activities, including how the activities were consistent with GAC Advice and Board direction. The key points of this paper are:

- 1. The New gTLD Registry Agreement included language allowing for a method for release of two-character labels based on ICANN approval (see pages 2-3).
- 2. ICANN developed and implemented a phased approach for the release of two-character labels which was consistent with consensus GAC advice from the Los Angeles, Singapore, Dublin and Helsinki Communiques (see pages 3-6).
- 3. ICANN Org has continued to actively engage with concerned governments on this matter post-implementation (see pages 6-7).
- 4. ICANN org is developing a reporting tool, which concerned governments will be able to access online and which will provide awareness of the registration of two-character domains and allow for governments to report concerns (see pages 6-7).
- 5. Note: Annex 1 of this document addresses the GAC memo of 20 October 2018 point-by-point, referring to information captured in these two documents (see pages 8-13).

Historical Overview of Events

The Historical document provides a factual, sequential recitation of events regarding the resolution on two-character labels taken by the Board in November 2016. The paper provides details on GAC Advice, Board consideration of that advice, and the ICANN org implementation of the process and procedures for the release of these labels. The key points of this paper are:

- 1. GNSO Policy Recommendations from 2007 and the New gTLD Registry Agreement (2012/2013) have informed the Board consideration of and ICANN Org implementation of advice (see pages 2-3).
- 2. Although two-character labels were initially reserved, the New gTLD Registry Agreement specified 2 paths for the release of labels (see pages 3-4):
 - Government and ccTLD approval: "The reservation of a two-character label string may be released to the extent that Registry Operator reaches agreement with the government and country-code manager." [Path 1]; OR,²
 - ICANN approval: "The Registry Operator may also propose release of these reservations based on its implementation of measures to avoid confusion with the corresponding country codes." [Path 2]
- 3. In its Los Angeles Communique of October 2014 the GAC states they were "not in a position to offer consensus advice on the use of two-character second level domains names in new gTLD registry operations" (see pages 4-5).

¹ See: https://gac.icann.org/briefing-materials/icann63-2-characters-briefing-v2-20oct18.pdf.

² Bolding has been added throughout the document for clarity.



- 4. In October 2014, in response to Registry Service Evaluation Process (RSEP) requests, the Board directed the ICANN Org to develop an efficient procedure for release of two-character labels. This direction took into account the advice from the Los Angeles Communique (see pages 4-5).
- 5. In December 2014, ICANN org announced a process by which registry operators could gain ICANN approval (path 2) for the release of two-character labels NOT as a procedure by which registry operators could gain government of ccTLD approval (path 1). This process was focused on the registry operator defining measures to avoid confusability (see pages 4-5).
- 6. In 2015, this process evolved based on feedback from both registry operators and the GAC (from Singapore and Dublin Communiques) but was always focused on defining measures by which registry operators could avoid confusability (see pages 6-8).
- 7. In June 2016, the GAC issued consensus advice on two-character labels in the Helsinki Communique. The advice was taken into account in the proposed measures placed for public comment in July 2016 and was noted in the Board's resolution of November 2016 (see pages 8-10).
- 8. In July 2016, ICANN Org put a set of proposed measures out for public comment. Individual governments participated in this public comment. ICANN org also held multiple webinars and briefings and actively solicited GAC member feedback on the proposal (see pages 8-9).
- 9. In November 2016, based on the public comment feedback, ICANN Org presented this procedure to the Board for approval. After considering all previous and outstanding advice on the matter, the Board directed the ICANN Org to implement the revised measures (see page 9).
- 10. In December 2016, ICANN org authorized the release of two-character labels subject to the registry operator implementing the required measures to avoid confusion and subject to all other terms of the Registry Agreement (see page 9).
- 11. In March 2017, in the Copenhagen Communique, the GAC advised the Board to engage with concerned governments to discuss the process and rationale behind the November 2016 resolution. The Board directed ICANN org to engage concerned GAC members (see page 9).
- 12. Also in March 2017, starting with the Copenhagen Communique, due to concerns related to the timing of the Board's consideration of the Helsinki Communique, the Board and org implemented a new procedure for addressing GAC advice at least four weeks prior to the subsequent ICANN meeting (see page 10).
- 13. In May and June 2017, ICANN org met with telephonically and in person with concerned governments to discuss the process and rationale (see pages 10-13 and Annex 1).
- 14. ICANN org is developing a reporting tool, which concerned governments will be able to access online and which will provide awareness of the registration of two-character domains and allow for governments to report concerns (see page 13).