Internet Corporation for Assigned Names and Numbers
Contractual Compliance Update

July – September 2016

http://www.icann.org/en/resources/compliance

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General Update

Annual General Meeting in Hyderabad – ICANN 57

Preparations are underway for the ICANN Annual Meeting in Hyderabad. The Contractual Compliance team is holding the following sessions:

- Contractual Compliance Program Updates – this session should be of particular interest to contracted party representatives, members of the Intellectual Property and Business Constituencies, members of At-Large and members of the different working groups with interest in compliance work and data.
- Contractual Compliance Registrar Outreach Session and Contractual Compliance Registry Outreach Session – these sessions give registrars and registry operators the opportunity to work with the Contractual Compliance team, share good practices and address the most common compliance issues.

The Contractual Compliance team will also hold one-on-one meetings with different contracted parties to address their specific questions and clarify outstanding issues. The team also reached out to the data escrow providers to invite them to the sessions and to propose a meeting to align on data escrow requirements and efforts to ensure compliance. To request time with the Contractual Compliance team, please send an email to compliance@icann.org, with subject line ICANN57.

Performance Reports – Continuous Improvements

The Contractual Compliance team is implementing several improvements to the performance reports published at: https://features.icann.org/compliance.

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[1] This update is provided for information purposes only. Please do not rely on the information contained within this update to make conclusions or business decisions.

The improvements consist of:

- Additional definitions and explanations in the Dashboard Explanation (https://features.icann.org/compliance/dashboard/archives#definition)
- Additional reporting and breakdown of data for the WHOIS Inaccuracy complaint type – reporting the volume of complaints by individual submission, bulk submission, WHOIS quality review and WHOIS Accuracy Reporting System
- Providing links to other compliance metrics data published on ICANN.org

Participation in ICANN Policy Development Process

ICANN's Contractual Compliance team continued its participation in the following Policy Development Process (PDP) Working Groups and reviews during this quarter. The team provided information regarding complaints relevant to the PDPs, responded to questions and participated in discussions related to policy implementation:

- Review of All Rights Protection Mechanisms in All gTLDs
- Translation and Transliteration of Contact Information
- Thick WHOIS
- Privacy and Proxy Services Accreditation Issues
- Protection of IGO and INGO Identifiers in All gTLDs
- Competition, Consumer Trust and Consumer Choice Review

Registrar Update

3rd Notice – Continuous Improvements

To improve the overall registrar compliance rate, while also improving the resolution rate for a reporter, ICANN launched an outreach focused on registrars with repeat 3rd notices. The term 3rd notice refers to the Contractual Compliance process step immediately preceding a notice of breach. The overall registrar compliance rate is the measure of registrars with 3rd notices and/or enforcement notices.

The Contractual Compliance team selected eight registrars across different regions, and the effort was conducted across the three ICANN hubs: Istanbul, Singapore and Los Angeles. The team reviewed the issues in the 3rd notices, contacted the registrar to request a meeting and provided the topics of discussion in advance. Calls to registrars were made in local languages. Six of the eight registrars collaborated with ICANN in this outreach. Feedback from the participating registrars was positive. ICANN will monitor the 3rd notice activities for this pilot until the end of December. An assessment of the project and its effectiveness will follow to determine next steps.

Remediation Validation – Continuous Improvements
To test and validate past remediation efforts, the Contractual Compliance team identified a sample of 20 registrars with prior audit findings between June 2015 and June 2016. None of the 20 registrars had new instances of noncompliance in the areas where remediations were performed. ICANN will continue to monitor the effectiveness of the remediation efforts to ensure continued compliance.

New Transfer Policy Training
ICANN Contractual Compliance staff began efforts in anticipation of the Transfer Policy, which will be effective 1 December 2016. Formerly called the Inter-Registrar Transfer Policy, the new Transfer Policy also gives requirements for transfers between registrants. The team's activities included analysis, design of updates to templates and web content, and staff training. More information about the Transfer Policy is at:
https://www.icann.org/resources/pages/registrars/transfers-en.

WHOIS Accuracy Reporting System
In June 2016, the Contractual Compliance team began processing WHOIS Accuracy Reporting System (ARS) Phase 2, Cycle 2 complaints. For more information about WHOIS ARS Phase 2, Cycle 2, visit:
https://whois.icann.org/en/file/whois-ars-phase-2-cycle-2-report-syntax-and-operability-accuracy.

The following table summarizes WHOIS inaccuracy tickets created based on data from WHOIS ARS Phase 2, Cycle 2 (as of 1 October 2016). Note that tickets may go through several process steps, or may receive multiple closure codes, therefore the numbers below will not equal the total number of tickets created.

WHOIS ARS Phase 2, Cycle 2 Metrics – as of 1 October 2016	
Total tickets received by Contractual Compliance	4,005
Ticket to be processed	1,576
Tickets closed before 1st notice	1,465
Tickets that went through 1st notice	964
Tickets that went through 2nd notice	1
Tickets in 3rd notice	0
Tickets still in complaint process	626
Total tickets closed	1,803

WHOIS ARS Phase 2, Cycle 2 Resolve Codes	
WHOIS data at ticket creation different from sampled WHOIS data	859
Domain suspended or canceled	289
Domain not registered when ticket processed	217
WHOIS format issue identified for 2013 Grandfathered Domain	144
WHOIS data changed or updated	90
Registrar corrected WHOIS format	83
Known privacy/proxy service	57
Registrar verified that sampled WHOIS data is correct	34

Registry Update

Proposed Amendments to Base New gTLD Registry Agreement
The Contractual Compliance team continues to follow the progress of the proposed amendments to the base new generic top-level domain (gTLD) registry agreement for which the public comment period ended 20 July 2016. On 17 August 2016, ICANN issued a report on the public comments received. The comments and report are at: https://www.icann.org/public-comments/proposed-amend-new-gtld-agreement-2016-05-31-en. ICANN and the working group will consider the comments and will submit the proposed final version of the amendments for approval by registry operators and the ICANN Board of Directors. If approved, the amendments will become effective upon ICANN giving 60 days' notice to the registry operators.

Zone File Access Complaints
During this quarter, ICANN received an increased number of complaints alleging that registry operators failed to process requests for zone file access in the Centralized Zone Data Service (CZDS) in accordance with the registry agreement. As previously communicated at ICANN Public Meetings, where needed to sufficiently identify and locate the user, collaboration with CZDS users to clarify the user's credentials is permitted. However, imposing requirements for access beyond those in the registry agreement and CZDS Terms and Conditions is noncompliant.

Registry Operator Change of Control, Assignment and Subcontracting
During this quarter, ICANN saw an increase in violations of Section 7.5 of the registry agreement, where registry operators have been implementing assignments and material subcontracting arrangements (MSAs) before notifying ICANN. According to the registry agreement, registry operators must provide no less than thirty (30) calendar days advance notice to ICANN of any change of control, assignment or MSA. In addition, registry operators must obtain ICANN's approval of the change (subject to limited and narrow exceptions where ICANN's approval is not required, e.g., assignments to a wholly owned subsidiary or, if the registry operator is a wholly owned subsidiary, to its direct parent or to another wholly owned subsidiary of its direct parent).

APAC Region – Korean Outreach

Contractual Compliance, together with Registrar Services, conducted an outreach in Seoul, Korea. Approximately 20 Korean contracted parties met with ICANN's Seoul representative and the ICANN Asia Pacific team. It was an opportunity for the contracted parties to collaborate and gain a better understanding of the WHOIS Accuracy Specification Program (WAPS), WHOIS Format, Uniform Domain Name Dispute Resolution Policy and the Contractual Compliance approach and process. The sessions were conducted in both English and Korean. The team also conducted one-on-one meetings with registrars to discuss their specific compliance questions.

In addition, ICANN launched a WHOIS Verification Continuous Improvement Project in Korea to test registrars' compliance with the 2013 RAA requirement to verify and validate WHOIS information. Registrars are required to provide verification/validation of WHOIS information for a sample of 25 domains names. ICANN is working with the registrars to address the noncompliance issues and, where needed, will conduct focused outreach sessions to educate and bring registrars into compliance. An assessment of the project and its effectiveness will follow to determine next steps.

Audit Program Update

Update on Registrar Accreditation Agreement Audit

The 2013 RAA audit, launched on 17 May 2016, is expected to be completed in October. This audit round included 15 registrars. The audit team reviewed over 1,600 documents in four languages received from seven countries. All 15 registrars (100%) received an audit report with initial findings. As of 28 September 2016, 10 registrars (66%) addressed findings and have received their final Audit Report, and five registrars (33%) are still in the process of resolving audit findings. ICANN will follow up at a later date to verify that the registrars have remediated the remaining deficiencies.

Update on Data Escrow Audit

As previously mentioned, ICANN requested Iron Mountain to review the data escrow deposits for 200 registrars. Of those, 75 registrars had issues with their data escrow deposits and were required to remediate. Of these, 65 registrars are now fully remediated.

During the period of July to September 2016, ICANN asked Iron Mountain to review the data escrow deposits of approximately 50 registrars that received a 3rd notice or a notice of breach during this period. Of the 50 registrars, approximately 20 had issues with data escrow deposits, and approximately 85% of these registrars have now fully remediated their issues.

The process is as follows: upon encountering a deficiency or an error in the deposit Iron Mountain notifies ICANN and works directly with the registrar to fix the issue. If not resolved, ICANN follows up with the registrar through the standard compliance process.

Complaints Handling and Enforcement Summary

The chart below shows the complaint volume as complaints advance through the overall Contractual Compliance informal and formal processes.

**Complaint Volume per Notification Cycle**
July – September 2016
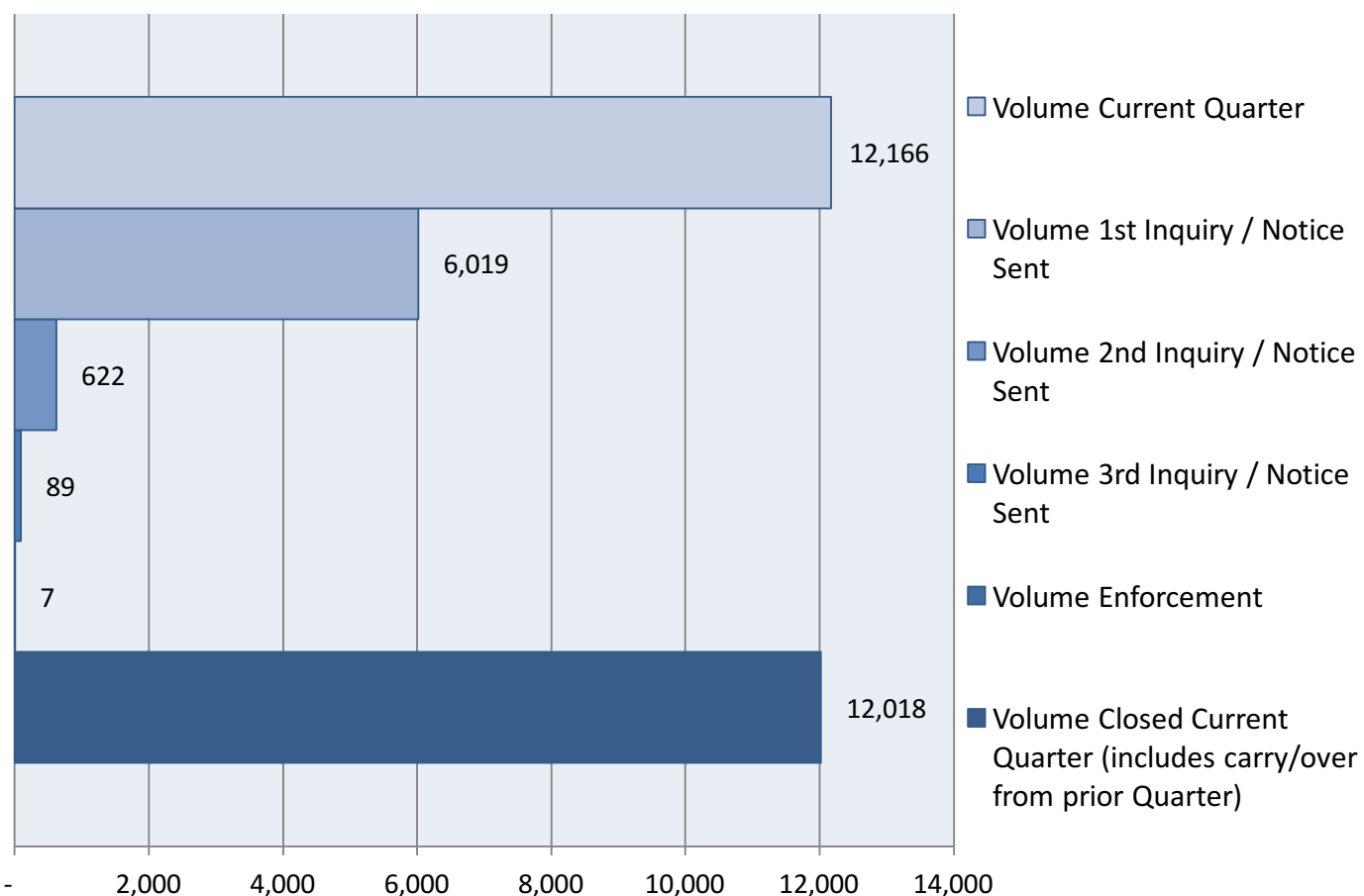
- **Volume Current Quarter** = number of tickets submitted in the current quarter
- **Volume Closed before 1st Inquiry / Notice Sent** = number of tickets closed before 1st Inquiry / Notice was sent in current quarter
- **Volume 1st Inquiry / Notice Sent** = number of tickets where 1st Inquiry / Notice was sent in the current quarter
- **Volume 2nd Inquiry / Notice Sent** = number of tickets where 2nd Inquiry / Notice was sent in the current quarter
- **Volume 3rd Inquiry / Notice Sent** = number of tickets where 3rd Inquiry / Notice was sent in the current quarter
- **Volume Enforcement** = number of enforcement notices sent in the current quarter
- **Volume Closed Current Quarter** = number of tickets closed in the current quarter

Registrar – Volume Current Quarter   Jul – Sep 2016
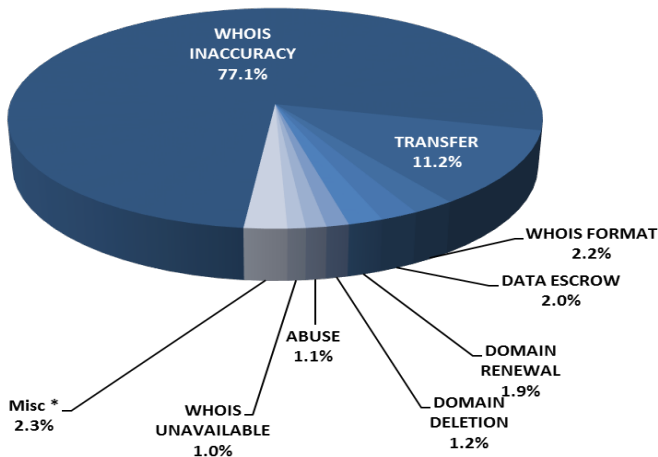
Complaint Distribution

Disclaimer: Due to rounding, percentages may not always appear to add up to 100%.

Complaints

Type	Quantity	Closed before 1st Inquiry / Notice
ABUSE	127	84
CUSTOMER SERVICE	59	53
DATA ESCROW	234	38
DNSSEC, IDN, IPV6	6	4
DOMAIN DELETION	140	141
DOMAIN RENEWAL	217	181
FAILURE TO NOTIFY	11	11
PRIVACY/PROXY	12	10
REGISTRAR CONTACT	29	24
REGISTRAR INFO SPEC	44	36
REGISTRAR OTHER	14	11
TRANSFER	1,301	997
UDRP	55	22
WHOIS FORMAT	261	188
WHOIS INACCURACY	**8,960**	**4,213**
WHOIS INACCURACY QR	5	0
WHOIS INACCURACY Bulk	1,119	60
WHOIS INACCURACY Individual	4,831	2,688
WHOIS ARS	3,005	1,465
WHOIS SLA	38	36
WHOIS UNAVAILABLE	113	62
Total Complaints Processed		11,621
Total Complaints Closed		11,526
Total Closed before 1st Inquiry / Notice		6,111

Registry – Volume Current Quarter   Jul - Sep 2016

Complaint Distribution

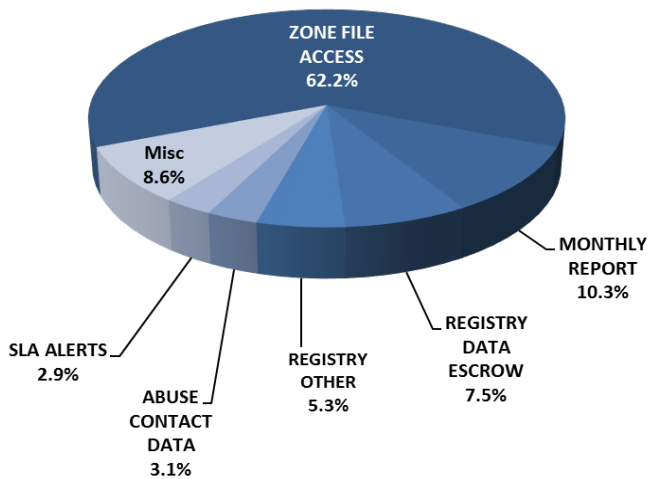Disclaimer: Due to rounding, percentages may not always appear to add up to 100%.

Complaints

Type	Quantity	Closed before 1st Inquiry / Notice
ABUSE CONTACT DATA	17	17
BRDA	11	0
BULK ZFA	1	0
CODE OF CONDUCT	1	0
MONTHLY REPORT	56	1
PIC	3	0
REGISTRY DATA ESCROW	41	0
REGISTRY OTHER	29	21
RESERVED NAMES/CONTROLLED INTERRUPTION	13	4
RR-DRP	8	8
SLA	10	9
SLA ALERTS	16	1
ZONE FILE ACCESS	339	60
Total Complaints Processed		545
Total Complaints Closed		492
Total Closed before 1st Inquiry / Notice		121

SENT DATE	DUE DATE	CONTRACTED PARTY	IANA ID	NOTICE TYPE	STATUS	FAILURE NOTICE BASIS
**ENFORCEMENT ACTIVITY for September**
<no enforcement activity for this period>
**ENFORCEMENT ACTIVITIES from PRIOR MONTHS**
6-Jul-16	27-Jul-16	DomainName Path, Inc	1907	Breach	Breaches Cured	Investigate and correct WHOIS Inaccuracy information (RAA 3.7.8)
						Maintain and provide communication records (RAA 3.4.2/3)
						Provide WHOIS Services (RAA 3.3.1)
						Display renewal/redemption fees (ERRP 4.1)
						Display methods used to deliver pre- and post-expiration notifications (ERRP 4.2)
						Display link to ICANN's Registrant Educational Information (RAA 3.16)
26-Jul-16		Internet Solutions (Pty) Ltd.	1079	Suspension	Data and Documents Under Review by ICANN	Cure breaches of the RAA within 21 days (5.5.4 RAA)
27-Jul-16	17-Aug-16	OVH sas	433	Breach	Breaches Cured	Investigate and correct WHOIS Inaccuracy information (RAA 3.7.8)
						Maintain and provide communication records (RAA 3.4.2/3)
						Validate and verify WHOIS contact information (RAA/WAPS 1, 2, 4)
						Publish on website link to Registrants' Benefits and Responsibilities Specification (RAA 3.7.10)
						Display link to ICANN's Registrant Educational Information (RAA 3.16)
						Publish on website name and position of officers (RAA 3.17/RIS 17)
4-Aug-16	25-Aug-16	DomainName Route, Inc	1901	Breach	Data and Documents Under Review by ICANN	Escrow registration data (RAA 3.6)
						Provide domain name data in the specified response format (RAA-RDDS 1.4)
						Display renewal/redemption fees (ERRP 4.1)
						Display correct ICANN Logo on website (RAA Logo License Appendix)
						Publish on website correspondence address (RAA 3.17 and RIS 7)
						Maintain and provide information required by the Registrar Information Specification (RAA 3.17 and RIS 8,9,13)
						Publish on website name and position of officers (RAA 3.17 and RIS 17)
						Publish on website ultimate parent entity (RAA 3.17 and RIS 22)

10-Aug-16	31-Aug-16	Netpia.com Inc.	130	Breach	Breaches Cured	Investigate and correct WHOIS Inaccuracy information (RAA 3.7.8)
						Maintain and provide communication records (RAA 3.4.2/3)
						Validate and verify WHOIS contact information (RAA/WAPS 2, 4)
						Provide domain name data in the specified response format (RAA-RDDS 1.4)
						Display renewal/redemption fees (ERRP 4.1)
						Publish on website name and position of officers (RAA 3.17/RIS 17)
						Publish on website email address for abuse reports (RAA 3.18.1)
						Publish on website description of procedures for the receipt and tracking of abuse reports (RAA 3.18.3)
						Pay accreditation fees (RAA 3.9)
19-Aug-16	9-Sep-16	Oi Internet S/A	1380	Breach	Cure Period Extended Until 3 October 2016	Investigate and correct WHOIS Inaccuracy information (RAA 3.7.8)
						Maintain and provide communication records (RAA 3.4.2/3)
						Provide WHOIS Services (RAA 3.3.1)
						Display methods used to deliver pre- and post-expiration notifications (ERRP 4.2)
						Pay accreditation fees (RAA 3.9)
22-Aug-16	12-Sep-16	Tuonome.it Srl d/b/a APIsrs.com	380	Breach	Breaches Cured	Investigate and correct WHOIS Inaccuracy information (RAA 3.7.8)
						Maintain and provide communication records (RAA 3.4.2/3)
						Pay accreditation fees (RAA 3.9)

Please refer to https://features.icann.org/compliance for up-to-date information.