The ICANN GNSO "Business Constituency"

Comment on Latin American and Caribbean DNS Marketplace Study

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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, as defined in our Charter:

> The mission of the Business Constituency is to ensure that ICANN policy positions are consistent with the development of an Internet that:
> 1. promotes end-user confidence because it is a safe place to conduct business
> 2. is competitive in the supply of registry and registrar and related services
> 3. is technically stable, secure and reliable.

Latin American and Caribbean DNS Marketplace Study

The BC welcomes the opportunity to review and comment on this study designed to identify and define the strengths and weaknesses in the DNS ecosystem within Latin America and the Caribbean, and to develop recommendations on how to advance the industry and bring it closer to the opportunities available.

We support ICANN's motivations for the development of this report and recognize that the initiative to study the effectiveness of the DNS industry in the region advances ICANN's Latin America and the Caribbean Strategic Plan. Two of these goals, namely 1) Capacity Building and Outreach, and 2) Economic Issues, focus on developing and enhancing the domain name industry in the region and the environment for the growth of the DNS business in Latin America and the Caribbean.

The BC generally agrees with the factors used to examine the DNS in Latin America and the Caribbean. However, in the BC's view, the large focus on regional economic and development factors could be supplemented with greater attention to the policy areas in which ICANN policy can affect change. The report would improve its contribution to advancing the LAC DNS industry and business environment by developing actionable recommendations for ICANN, registries and registrars, ccTLDs and others in the DNS ecosystem.

General Comments and Recommendations

The BC appreciates the goals and breadth of undertaking of the study on the Latin America and the Caribbean DNS marketplace. The study explores many areas contributing to the current adoption and use of the DNS marketplace for a wide range of stakeholders.

The BC notes that the purpose of this study is to identify the strengths and weaknesses of the LAC DNS industry ecosystem, and develop recommendations on how to advance the industry and bring it closer to the opportunities available. In the view of the BC, the report cohesively studies many of the factors affecting the DNS, but recommends bolstering the recommendations portion of the report by considering the following:

1. *Providing a global context in which to examine the LAC DNS.*

   o Comparing LAC DNS figures to the broader DNS landscape would allow readers to generate conclusions on whether trends are specific to LAC or reflect the global norm.

For example, the ccTLD registration fees can be compared to Europe, the Asia Pacific, and the initial findings of the study to examine the DNS environment in Africa.

- The BC thinks it could also be valuable to consider how the small number of ICANN accredited registrars and limited channels might impact the growth and sustainability of the DNS business environment in this and other regions.

2. *Disaggregating broader socioeconomic trends from DNS policy, to the extent possible.*

- The study details the economic and development factors affecting the LAC DNS ecosystem and provides recommendations on how to improve ICT development and enhance Internet penetration. The BC is in agreement that enhanced infrastructure and connectivity would bolster the DNS.

- The report should consider to what extent the current condition of the DNS is a result of the socioeconomic factors mentioned, or whether specific policy decisions have had a stronger impact on the DNS ecosystem. Delineating what portion of the strengths and weaknesses can be linked to development factors versus policy factors would enhance ICANN and other regional stakeholders' ability to make policy decisions that could strengthen the LAC DNS ecosystem.

3. *Adding a section to the report clearly showing recommendations for ICANN on how to influence the identified weaknesses, explaining where policy changes could help ICANN achieve its strategic goals in the LAC region.*

- Part of ICANN's intent for this study was to "develop recommendations on how to advance the industry." Creating a section that specifies recommendations for ICANN on how to influence the identified weaknesses of the LAC DNS would greatly enhance the utility of this report for ICANN to achieve is strategic goals in the LAC region. Examples of recommendations embedded elsewhere in the report include:

  - Explore ways to enable more LAC registrars to receive RAA 2013. This may involve more outreach to registrars to understand particular barriers.

  - ccTLDs should consider engaging more actively in the promotion and development of their domain names to increase awareness and adoption.

  - The report raised the topic of high prices for ccTLD registration in the region. The BC would like to see more discussion on the expectations for price in the future of Latin American ccTLDs, including the potential impact of the expansion of new domain options as a result of new gTLDs.

4. *Consider articulating the future outlook for the LAC DNS ecosystem.*
   - With the advent of new gTLDs and RAA 2013, amongst others changes, the DNS landscape has shifted globally. It would be helpful to DNS stakeholders to have a section that seeks to assess where the LAC DNS is headed in the near future, and what will likely contribute to that shift. Additionally, we think the study could benefit from a deeper exploration of the future role of ccTLDs generally and outline what the ccTLD landscape may look like in 5-10 years.

Latin American and Caribbean DNS Marketplace Study: Comments by Section

The BC welcomes consideration of the following comments on the study, broken down by section:

1. The study reports that "the lack of local content creates a barrier to greater [Internet] adoption." As "local content" can refer to a variety of topics, we recommend adding a definition to this term.

2.1 The report chose to use six countries in South America as "focus countries" after consultations with ICANN. The focus countries notably exclude Uruguay, a technology leader in the region. The report's explanation that the countries were chosen to reflect the "geographic, linguistic, socio-economic, and technological diversity of the region" could be expanded on in order to understand why some countries were chosen while others were not.

3.1.1 Figure 2 would be clearer with the X-axis labeled according to country in addition to the ccTLD (e.g. .AI - Anguilla). Additionally, Figure 2 does not include all of the 13 focus countries. It excludes Chile, Peru, Paraguay, Guatemala, Dominica, Dominican Republic, and Trinidad and Tobago. The BC recommends including an explanation of why these focus countries were excluded while other countries were included.

3.3.1 The BC recommends making it clearer that the study found that there is not enough evidence to support a relationship between the DNS landscape and a country's economic conditions.

3.3.2 The study quotes a figure on the percentage of total websites that use Spanish. The BC recommends including figures on the percentage of Latin American ccTLD websites with Spanish.

3.3.3.1 Consider including increasing the prevalence of Internet Exchange Points as one of the study's recommendations for helping to drive Internet development and domain name registration across the region as one of the study's main findings for developing the DNS. There is high correlation between Internet penetration, ICT Development Index Score, and DNS adoption (e.g. Argentina, Brazil, Chile).

4.1.2.1 Figure 34 ccTLD registration fees could be compared to the broader ccTLD context to enhance understanding of the LAC DNS relative to the global context. Uruguay should be included if the information is available.

This comment was drafted By Isabel Rutherfurd and Andrew Mack, and was approved in accord with our charter.