

This comment is submitted on behalf of the Registrar Stakeholder Group (RrSG).

Registrars would like to thank ICANN and its staff for their work in connection with the Underserved Regions initiative. The RrSG has been actively engaged with ICANN with respect to this initiative and is happy to provide its input and comments on the Potential Change to Registrar Accreditation Insurance Requirement.

First, we would like to renew our request for ICANN to clearly articulate and define what constitutes “underserved regions”.

Second, we reiterate our previously submitted comments on this topic¹, and ask that ICANN establish clear, objective metrics and indicators to determine whether or not a region or market is “underserved”. Moreover, once identified, establish benchmarks to determine whether or not increased efforts are successful and when the target market is no longer “underserved”.

Third, has the insurance requirement served as intended? What are the issues the insurance requirement is looking to solve? These issues should be defined. Once defined, we can then review alternatives or options that could potentially fill the requirement.

Fourth, if it is determined that insurance is required ICANN should identify suitable insurance companies in different regions offering the relevant insurance and have prospective registrars approach them directly.

Finally, with respect to the specific topic under review the RrSG welcomes ICANN’s reconsideration of the Registrar Accreditation processes.

ICANN has requested input on several specific questions:

Are there valid reasons why ICANN should continue to require CGL insurance?

We recognize the value represented by a third party, such as an insurance company, being involved in the vetting process for new Registrars. However, we believe that many of the reasons for the insurance requirement are either covered in other parts of the accreditation requirements or have been superseded by changes to Registry, Registrar and ICANN operations. When the accreditation process was first designed requirements for data escrow were not included, nor was there an established process to migrate domain names between Registrars in the case of registrar failure. These issues have been successfully addressed.

¹ RrSG Comments on the Report: Supporting the Domain Name Industry in Underserved Regions, June 13 2014: <http://forum.icann.org/lists/comments-dns-underserved-14may14/msg00009.html>

Has any registrar or gTLD or ccTLD registry found CGL coverage useful in running their businesses?

Yes, some Registrars have reported that having CGL coverage has been useful when exhibiting at trade shows and for certain partnerships related to the reselling of domain names.

Are there alternatives to CGL insurance that would provide similar or better protections for registrants that could be instituted either as new contractual requirements or as "best practice" recommendations?

As per our comments above, we acknowledge that many of the previous reasons for the insurance requirement have been mitigated by operational improvements within the industry. In addition, it is common in many countries for businesses to require some level of insurance for their general business needs, and many of the domain name registries will request insurance documentation from Registrars both at the time of accreditation and during regular reviews.

If the CGL requirement is maintained, is the \$500,000 limit appropriate?

Please refer to previously stated comments.

If ICANN eliminates the CGL requirement, should the elimination apply to all registrars or should "waivers" be granted only on a case-by-case basis?

Any changes to requirements for registrars should be applied to all Registrars globally. Registrars should be treated equally and have the same contractual obligations regardless of their geographic location and remain in compliance with all applicable national laws. Domain name services are global and majority of active Registrars operate within multiple countries.

Managing and implementing waivers will place extra burden on Registrars and ICANN staff. The current waiver process with respect to data retention has been slow, cumbersome and costly for both Registrars and ICANN.

The opinions expressed by the RrSG in this position paper should not be interpreted to reflect the individual opinion of any particular RrSG member.