Contractual Compliance Semi-Annual Report
February 2009

CONTRACTUAL COMPLIANCE SEMI-ANNUAL REPORT
(FEBRUARY 2009)
EXECUTIVE SUMMARY

Since the last report in July 2008, the number of ICANN-accredited registrars increased to 956; and ICANN processed 11,348 complaints.

One registrar had its accreditation terminated, bringing the total number of de- accredited registrars since ICANN's inception to 18. During the reporting period, three registrars were found to be in breach of their contractual obligations for non-financial matters.

A new system for capturing inaccurate domain name information stored in the Whois database, making for easier auditing and compliance went live in December 2008.

The Contractual Compliance department carried out four audits in the past six months:

- **Registrar Whois Data Inaccuracy (Updated)**
  Thirty registrars that had not responded to an earlier audit were pursued to ensure they were properly investigating claims of inaccurate registrant data. Compliance staff discovered that 27 met their requirements. One registrar is currently remediating the breach. The two remaining registrars were sent letters informing them that they were not meeting their contractual obligations. These registrars will be queried as ICANN pursues its rights under the RAA.

- **Registrar Insurance Verification Audit (Updated)**
  All registrars were asked to provide proof that they possess $500,000 in liability insurance. Eighty-eight percent of registrars responded; 123 of the 901 registrars audited either did not respond or provide sufficient evidence. Compliance staff is pursuing them to ensure that they fulfill this requirement of the RAA or that ICANN escalates the processes to pursue its rights under the RAA.

- **Whois Data Reminder Policy Audit (WDRP)**
  This is an annual audit that checks whether registrars are sending reminders to registrants to keep their contact details up to date. Ninety-three percent of registrars 876 (at the time of the audit), responded to the audit requests and of them 99 percent were found to be in compliance with form and content requirements; Compliance staff will use all available remedies to address the remaining 68 non-responsive registrars.

- **Deletion and Renewal Consensus Policy Audit**
  All registrars are required to supply information on their website that explains how non-renewed domain names are deleted and in what timeframe. Staff sent notices to registrars deemed non-compliant. ICANN is following up with registrars who received these notices.

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I. INTRODUCTION

ICANN publishes compliance reports semi-annually in order to inform the community on compliance-related activities carried out during the year. These reports generally include updates on the contractual compliance program, the results of audit work, and information regarding ongoing projects and studies.

Since publishing the last report in July 2008:

- ICANN completed further work on two in-process audits, the Registrar Whois Data Inaccuracy Audit and the Registrar Insurance Verification Audit, which were initiated earlier in 2008 and discussed in the prior semi-annual report.

- ICANN also conducted two additional audits - the yearly Whois Data Reminder Policy (WDRP) Survey and Compliance Audit and a Deletion and Renewal Consensus Policy Audit of all ICANN-accredited registrars actively sponsoring domain names.

- During this period, ICANN also completed the redesign of the Whois Data Problem Reporting System (WDPRS). The redesigned WDPRS was launched in December 2008 as a response to requests made by the community and includes a number of enhancements.

- Consistent with community demand the community, ICANN initiated a study concerning Privacy and Proxy Registration Services and continued to make progress on the Whois data accuracy study.

- Additionally, ICANN continued to enhance its contractual compliance program by adding two additional team members, a Senior Director of Contractual Compliance, based in Marina del Rey, CA, and a Compliance Auditor, based in Washington, DC.

The goal in compliance activities is to ensure that both ICANN and its contracted parties fulfill the requirements set forth in the agreements between the parties. To achieve this goal, ICANN:

- Demonstrates the openness and transparency of its operations.

- Provides fair and equitable treatment in applying compliance efforts.

- Establishes clear and easy-to-use channels for communication on compliance matters.

- Produces clarity and certainty for the community about the agreements.

- Identifies areas for reform to be considered by the ICANN community.

In order to carry out its compliance-related activities, ICANN uses an approach that combines the following outreach activities:

- Conducting workshops at regional gatherings

- Conducting audits and, where warranted, escalated compliance activities

- Proactive monitoring of industry trends

- Managing a complaint intake process

- Initiating compliance activity to enforce the RAA, along with remediation plans for bringing parties into compliance.

Figure 1-1 provides additional details of ICANN's approach to Contractual Compliance (see below).

Compliance

--ICANN's Contractual Compliance team helps contracted parties maintain compliance by conducting workshops and seminars in various locations to inform contracted parties of their obligations.

-- ICANN presumes contracted parties are complying with their contractual obligations.

Detection

-- ICANN conducts audits and receives complaints regarding alleged contract violations each day from consumers, UDRP providers, registrars, registries and other interested parties.

-- ICANN monitors blogs, newspapers and other media to stay abreast of community trends that might affect contractual compliance.

Remediation

Staff monitors parties to determine whether they cure cited breaches or whether they should be considered for termination.

Escalation

-- When informal resolution of contract violations is impossible, unsuccessful or imprudent, ICANN commences formal breach proceedings.

Investigation

-- Contractual compliance staff gathers and reviews facts to determine whether parties warrant further investigation and, in some cases, seeks advice and consultation with other internal departments.

-- Based on the investigation results, staff pursues clear contract violations with registrars and registries.

-- Staff first attempts to resolve cases of noncompliance informally by requesting parties to comply with the contract.

Figure 1-1 ICANN's Approach to Contractual Compliance

ICANN developed a comprehensive approach to contractual compliance to ensure that registrars and registries comply with the terms of their agreements. This approach includes providing information to registrars and registries to encourage compliance as well as escalation procedures designed to bring parties into compliance or to terminate their contracts.

2. ICANN'S CONTRACTUAL COMPLIANCE SCOPE OF WORK AND SUMMARY OF ACTIVITIES

In addition to furthering two audits that were discussed in the July 2008 semi-annual report, ICANN conducted two new audits between July 2008 and January 2009 (the "Reporting Period"). ICANN's staff conducted each audit by following procedures that embrace generally accepted auditing standards, which include defining a clear scope and set of questions to be answered during the audit, an established set of criteria to determine if the object of study meets the standard that is expected, the use of fact-based information to answer the questions posed, and mechanisms to ensure that the findings presented are accurate.

This report contains details of the procedures, findings, observations and conclusions for each audit exercise. The audits performed during the Reporting Period informed ICANN which registrars did not meet certain contractually mandated requirements.

Whois Data Problem Reporting System Redesign
ICANN redesigned its Whois Data Problem Report System (WDPRS) to enhance processing of Whois inaccuracy reports and include registrar compliance checks to ensure that registrars are complying with their contractual obligation to investigate all Whois inaccuracy claims pursuant to Section 3.7.8 of the RAA. The redesigned system can be accessed at: http://wdprs.internic.net/. Details regarding WDPRS processing and system enhancements are contained in this report.

Update on the Registrar Whois Data Inaccuracy Investigation Audit
The integrity and accuracy of data contained in registrar Whois databases is a key element to ensure the stability of the domain name system. Section 3.7.8 of the Registrar Accreditation Agreement (RAA) requires registrars to make reasonable attempts to investigate alleged Whois inaccuracies reported through the WDPRS. Failure to comply with this obligation constitutes a breach of the RAA. ICANN identified 30 registrars that did not appear to have responded to large numbers of data error reports filed through the WDPRS. In July 2008, ICANN reported that 23 registrars had responded to the audit. This report provides an update on the remaining registrars and the overall findings of the audit.

Whois Data Reminder Policy Survey and Compliance Audit ("WDRP")
ICANN conducted its fifth annual Whois Data Reminder Policy Survey and Compliance Audit to determine if its accredited registrars actively selling domain names were complying with the requirement to send out reminders to all registrants about updating and maintaining current and accurate Whois records. The policy can be viewed at http://www.icann.org/registrars/wdrp.htm. This report provides a full analysis of the survey results.

Update on Registrar Insurance Verification Audit

Section 3.10 of the RAA requires that each ICANN-accredited registrar maintains US$500,000 commercial general liability insurance during the term of its accreditation. As mentioned in the July 2008 report, ICANN conducted an audit to verify whether ICANN-accredited registrars maintain that insurance coverage. As of December 2008, 123 registrars had not responded to the audit or provided sufficient evidence. This report provides an update of the status of the audit and ICANN's response.

Deletion and Renewal Consensus Policy Audit

Consistent with ICANN's Expired Domain Deletion Policy, all ICANN-accredited registrars that operate a website for domain name registration or renewals must clearly display details of their Deletion and Renewal Consensus Policy on their website. In January 2009, ICANN conducted a review of all its accredited registrars that were actively sponsoring domain names to determine whether they were complying with this policy. The audit consisted of a review of the Internet website of the registrars to determine if the information required was posted. This report provides a synopsis of those registrars that were and were not in compliance and discusses ICANN's next steps.

Escalated Compliance Actions

ICANN is responsible for taking action regarding registrars and registries that are found to be non-compliant with their agreements. These activities are consistent with the intent of the Contractual Compliance Program, which recognizes that violations of ICANN's Registrar and Registry agreements can cause serious detriment to consumers and to the Internet community, by damaging the competitive process that is central to a healthy market. To this end, in most cases ICANN handles instances of non-compliance informally with the affected party. Depending on the registrar reaction to the compliance notice, these informal steps can be followed by escalated compliance actions. During any given reporting period, ICANN updates the community on specific escalated compliance actions involving registrars that have been afforded multiple opportunities, yet ultimately fail, to demonstrate a commitment to their accreditation agreement.

This report discusses cases where ICANN took escalated compliance actions against registrars and includes a description of a current registrar remediation plan.

The New Complaint Intake System

ICANN developed a new Complaint Intake System which makes it easier for complainants to file a grievance and enables ICANN to efficiently process incoming complaints. A number of the complaints ICANN receives are not within its contractual authority to address as they are not within the scope of the RAA. Since its inception, ICANN has seen a significant increase in the volume of complaints related to compliance and customer service. Approximately 58% of complaints processed by ICANN are customer service related issues (i.e., not a violation of the terms of the RAA) ranging from problems with registrar customer service and domain name renewals to web-hosting providers. ICANN established a protocol for addressing complaints and installed new software that enables ICANN to track and store data for statistical purposes. This report provides a synopsis and statistical information describing the range and prevalence of these complaints.

4. DETAILED INFORMATION REGARDING AUDIT FINDINGS AND COMPLIANCE ACTIVITIES

4.1 Whois Data Problem Reporting System Redesign

ICANN's contractual authority to enforce Whois data accuracy requirements is contained in Section 3.7.8 of the Registrar Accreditation Agreement (RAA). This provision requires ICANN-accredited registrars to investigate all claims of Whois inaccuracy upon receipt of such claims. In 2002, ICANN implemented a software system, the Whois Data Problem Report System (WDPRS), to assist registrars in complying with their obligation to investigate Whois inaccuracy claims. This system is ICANN's primary tool for assessing registrar compliance with Whois inaccuracy investigation requirements. This system allows the public to file Whois data inaccuracy reports and those reports are forwarded to registrars for investigation. After a 45-day period, reporters are asked to provide information as to whether the Whois data has been corrected, whether the data remained unchanged or whether the domain name was suspended. In 2007, data from the WDPRS revealed that approximately 60% of all Whois inaccuracy claims filed resulted in Whois data changes.

In 2008, ICANN observed a rapid increase in the number of reports filed through this system (from several hundred reports per day to 3,000+ reports per day), community concerns were expressed regarding the need for compliance follow-up action by ICANN to ensure that registrars are investigating Whois inaccuracy claims as required and various system functions were under scrutiny. The parties that expressed the most interest concerning the WDPRS were: 1) registrars, as they are required to investigate all reports that come from the WDPRS, 2) individuals and groups that frequently use Whois data in an effort to protect intellectual property rights, such as counsel for brand owners, and 3) members of the public that frequently use the WDPRS to file reports.

To address these concerns and others, ICANN commenced a redesign of the WDPRS in 2008. To better understand what system and process changes were needed, ICANN analyzed a random sample of Whois inaccuracy reports submitted after 45 days indicating "no change".

From July 2008 to December 2008, ICANN reviewed 6,813 reports submitted after 45 days indicating "no change" and found that approximately 44% of the reports were invalidly made, as the domain names were suspended. The significant number of invalid reports more than likely resulted because the system allowed reporters to file multiple reports for the same domain name and that the system allowed reporters to file reports regarding domain names that were already suspended.

After multiple consultations with the Registrar Constituency, the Intellectual Property Constituency and one high volume reporter regarding system and process improvements, ICANN redesigned the WDPRS and launched the redesigned system in December 2008. The newly designed system includes process enhancements such as registrar compliance checks, identifying when to assess whether registrars are investigating Whois inaccuracy reports as required by the RAA and manual reviews of Whois inaccuracy claims to ensure that reports are processed as intended.

The redesigned WDPRS has a number of advantages over the previous system, which was first introduced in 2002. Among them are:

- More detailed information is captured from complainants to assist registrars in investigating Whois inaccuracies.

- Duplicate reports regarding the same Whois inaccuracy category for the same domain name are not accepted by the system.

- Reports concerning domains already on hold are not forwarded to registrars for investigation.

- Increased capacity to allow for bulk report submissions (beta testing for bulk submissions is ongoing).

- Enhanced report tracking and processing features to assist reporters and registrars in resolving Whois inaccuracy claims.

These system enhancements are intended to improve Whois accuracy by filtering out invalid inaccuracy claims thereby allowing registrars to use their resources to investigate valid Whois inaccuracy claims. Additionally, the registrar compliance checks allow ICANN to determine which registrars are not investigating Whois inaccuracy claims as required and take escalated compliance action against those registrars that are violating the Whois related provisions of the RAA.

Since the redesigned system was launched in December 2008, ICANN manually reviewed a random sample of 2,277 Whois data inaccuracy reports submitted after 45 days indicating "no change". An examination of these reports revealed that only 10% of the reports were invalid due to names already being suspended. This is clear evidence that the new system is effectively filtering out invalid claims. The new system prohibits reporters from filing inaccuracy claims regarding suspended domain names only if the registry uses the keywords "Client hold" in the status filed. If registries use a description other than "Client Hold" to classify suspensions, inaccuracy reports may be filed regarding those domains names. System enhancements are underway to address this issue to prohibit filing of any invalid Whois inaccuracy reports. ICANN will continue to conduct daily manual reviews of a small percentage of Whois inaccuracy claims filed through the system to assess system effectiveness, registrar compliance and to determine if parties are filing inaccurate claims.

ICANN will continue to explore ways to enhance the WDPRS as a tool for improving Whois data accuracy. ICANN encourages the Internet community to provide comments regarding the redesigned WDPRS to ensure its continual improvement and effectiveness.

The redesigned WDRPS can be found at http://wdprs.internic.net/.

InterNIC

Home   Registrars   FAQ   Whois

Whois Data Problem Reporting System - Single Submission Request

Thank you for visiting the Whois Data Problem Reporting System. This form allows Internet users to submit reports to ICANN-accredited registrars concerning incomplete or inaccurate Whois data.

Important note: If you are trying to update your own contact details associated with a domain name you have registered, please visit your registrar's website or contact your registrar directly.

All accredited registrars have agreed with ICANN to obtain contact information from registrants, to provide it publicly by a Whois service, and to take reasonable steps to investigate and correct any reported inaccuracies in contact information for domain names registered through them.

Reports submitted through this system will be forwarded to the appropriate registrar for handling, and the progress of your report will be tracked.

To submit a Whois Data Problem Report, please begin by entering the domain name in question, along with your name and email address below:

General Information ➟ Complaint Details ➟ Verify Compliant

Items marked * are required

* Domain Name	
* Name	
* Email	

[Continue] [Cancel]

Appendix A-1 Whois Data Problem Reporting System – Single Submission Request

4.2 Update on Registrar Whois Data Inaccuracy Investigation Audit

4.2.1 Executive Summary

As previously reported in the July 2008 semi-annual report, ICANN conducted a Whois Data Inaccuracy Investigation Audit to assess the effectiveness of the Whois Data Problem Report System (WDPRS). The 30 ICANN-accredited registrars that were included in the audit had a significantly high percentage of WDPRS complaints that met the following criteria:

- Registrant Whois contact data associated with the domain name was allegedly inaccurate.

- Complainants confirmed the alleged inaccuracy within 10 days of filing the report.

- The Whois data associated with the domain name had not changed in the registrar's Whois database within 90 days from the date the complaint was filed.

Staff asked the registrars to provide specific information about how the registrar met its obligation to investigate each inaccuracy for select domain names audited. Pursuant to Section 3.7.8 of the RAA, registrars are required to take reasonable steps to investigate alleged Whois inaccuracies reported through the WDPRS. Failure to comply with the obligation to investigate and correct alleged inaccurate Whois data where necessary constitutes a breach of the RAA.

4.2.2 Audit Objectives
- To protect registrants who benefit from the availability of an accurate Whois database by seeking to improve the accuracy of the database.

- Assess registrar responses to WDPRS complaints

- Assess accuracy and effectiveness of the WDPRS

- Increase registrar response to complaints filed through the ICANN WDPRS

- Enforce registrar compliance with RAA Section 3.7.8

4.2.3 Methodology
ICANN sent letters to the seven registrars that had not responded to the audit and documentation request since the last reporting period (refer to Appendix A-1). In that letter, ICANN requested the registrars describe their policy and procedures for responding to Whois inaccuracies, provide reasonable proof that they had taken steps to investigate the inaccuracies reported regarding the domain names in question, and where necessary, to correct the Whois information.

Dear Registrar,

In December 2007, ICANN staff reviewed records from the Whois Data Problem Report System ("WDPRS"). Upon review, staff determined your Whois server contains records that users reported as inaccurate on or after 17 July 2007, which remain unchanged as of 7 December 2007. Below, please find one or more of the domain names referenced. As such, ICANN is concerned that you may not have responded to alleged Whois inaccuracies as required by Section 3.7.8 of the ICANN Registrar Accreditation Agreement ("RAA") which requires registrars "take reasonable steps" to investigate and correct any reported inaccuracies in contact information for names they sponsor.

ICANN defined "reasonable steps" in the 10 May 2002 Registrar Advisory Concerning Whois Data Accuracy ("Advisory"). Per the Advisory, at a minimum, "reasonable steps" to investigate a reported inaccuracy should include promptly transmitting to the registrant the "inquiries" concerning the accuracy of the data that are suggested by RAA Subsection 3.7.7.2. The inquiries should be conducted by all commercially practicable means available to the registrar: by telephone, e-mail, and postal mail.

Please provide evidentiary proof of "reasonable steps" you took within the contractually mandated timeframe to investigate inaccuracies for the domain names listed below. We realize you may no longer sponsor some of these domain names. However, we are interested in what "reasonable steps" you took to investigate the alleged inaccuracies when you were the registrar of record.

Evidentiary proof includes copies of actual correspondence with registrants in the form of e-mails and postal mail, etc. Please provide your response to this compliance request by 12 September 2008.

Should you have any questions, you may contact me at +1-310-301-3898.


Very truly yours,

Appendix A-2 Whois Inaccuracy Investigation Audit – Sample Follow-up Letter

4.2.4 Findings

Since July 2008, ICANN continued to follow-up with seven registrars to elicit responses to the audit. Four additional registrars responded to ICANN's request to provide a reasonable level of assurance that they had taken steps to correct Whois data inaccuracies. (refer to Figure 4-1). Three registrars — Beijing Innovative Linkage Technology Ltd., dba dns.com.cn (Beijing Innovative Linkage Technology), Advanced Internet Technologies, Inc. (AIT) and Parava Networks, Inc, dba 10-domains.com (Parava) — were not in compliance. ICANN sent breach letters to Beijing Innovative Linkage Technology and Parava. Staff is continuing to investigate AIT and considering issuing a breach letter. Beijing Innovative Technologies recognized that by failing to take reasonable steps to correct Whois inaccuracies they breached the RAA. Subsequently, they agreed to participate in a compliance remediation plan.

- ICANN sent notices to 30 registrars. 29 responded to ICANN's notice, but staff only found 27 were compliant.

- 184 domain names were included in the audit. Registrars took action on 144 of them.

Figure 4-1 Registrars Included in Whois Inaccuracy Verification Audit
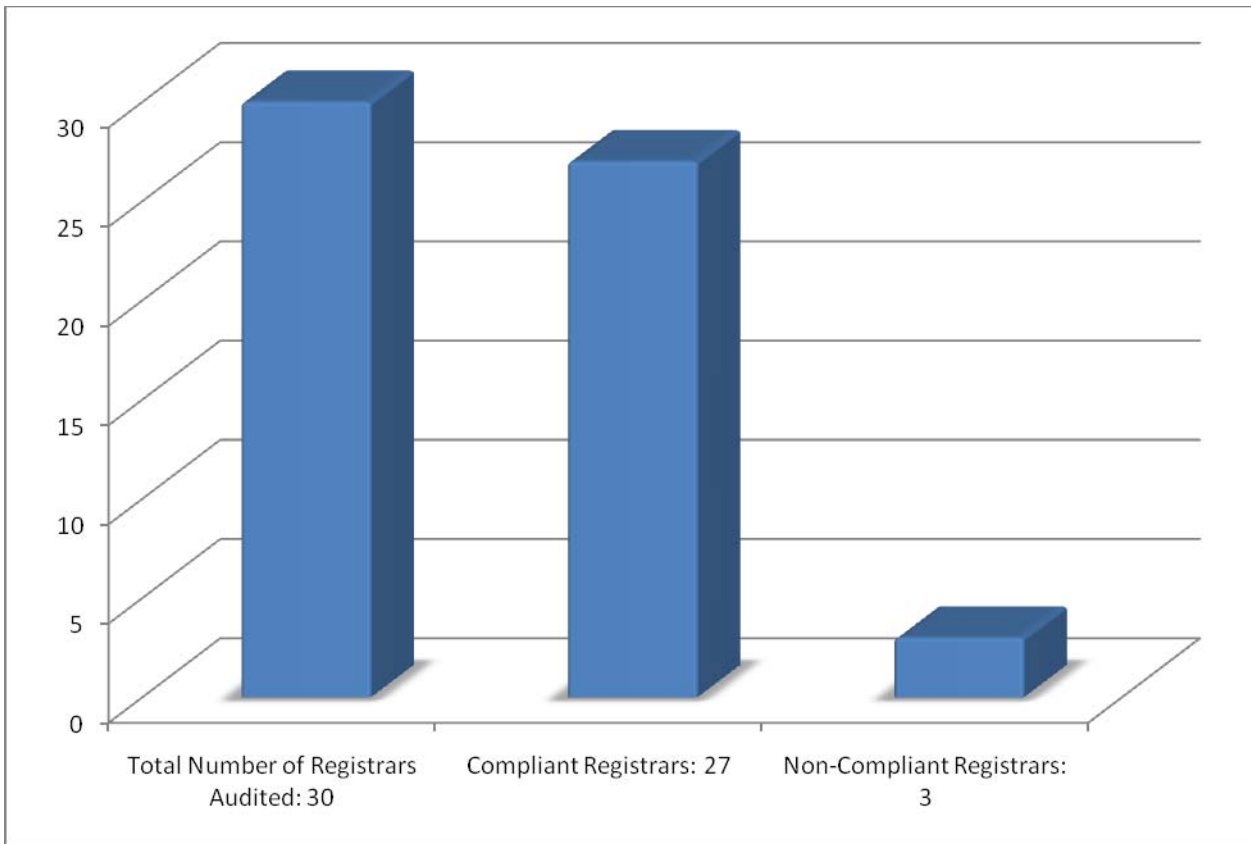
4.2.5 Observations

- Whois inaccuracies are a persistent problem that ICANN works diligently with registrars to correct.

- The WDPRS yields a significant number of complaints that are valid (i.e., registrar follow-up with registrants reveal that a large number of errors reported through the WDPRS are *valid errors)*.

- The remediation plan demonstrates ICANN's willingness to work with registrars in ways that affords them an ample opportunity to show their ability to comply with the RAA.

- ICANN has limited contractual tools to handle Whois data inaccuracy, and they are cumbersome (complaints can number in the thousands per day per day and many are inaccurate).

- ICANN will continue to pursue accuracy through aggressive enforcement of available provisions.

- Ultimately, new provisions must be considered to make this enforcement even better, and more cost efficient.

4.3 Registrar Whois Data Reminder Policy Survey and Compliance Audit

4.3.1 Executive Summary

In 2004, ICANN began reporting on registrar compliance with the Whois Data Reminder Policy (WDRP), http://www.icann.org/en/registrars/wdrp.htm. Since that time compliance with the policy has consistently improved within the registrar community. The WDRP requires all ICANN-accredited registrars that are actively selling domain names to send an annual reminder to registrants instructing them to review, and if necessary, update their Whois.

The following are key findings of the 2008 report on the WDRP:

- Registrar compliance with the WDRP's requirement to send registrants reminder notices has consistently increased since 2004.

- Of the 946 ICANN-accredited registrars audited in 2008, 873 registrars actively selling domain names were required to comply with the WDRP.

- 99% of registrars that submitted sample WDRP reports were found in compliance with the form and content requirements for reminder notices sent by registrars to registrants.

- 93% (876) of ICANN-accredited registrars participated in the 2008 WDRP survey.

Figure 4-2 represents a historical analysis over the past four years of registrar participation in the Whois Data Reminder Policy Survey and Compliance Audit.

Figure 4-2 Four Year Historical View of Registrar Response Rate against Total Number of Accredited Registrars
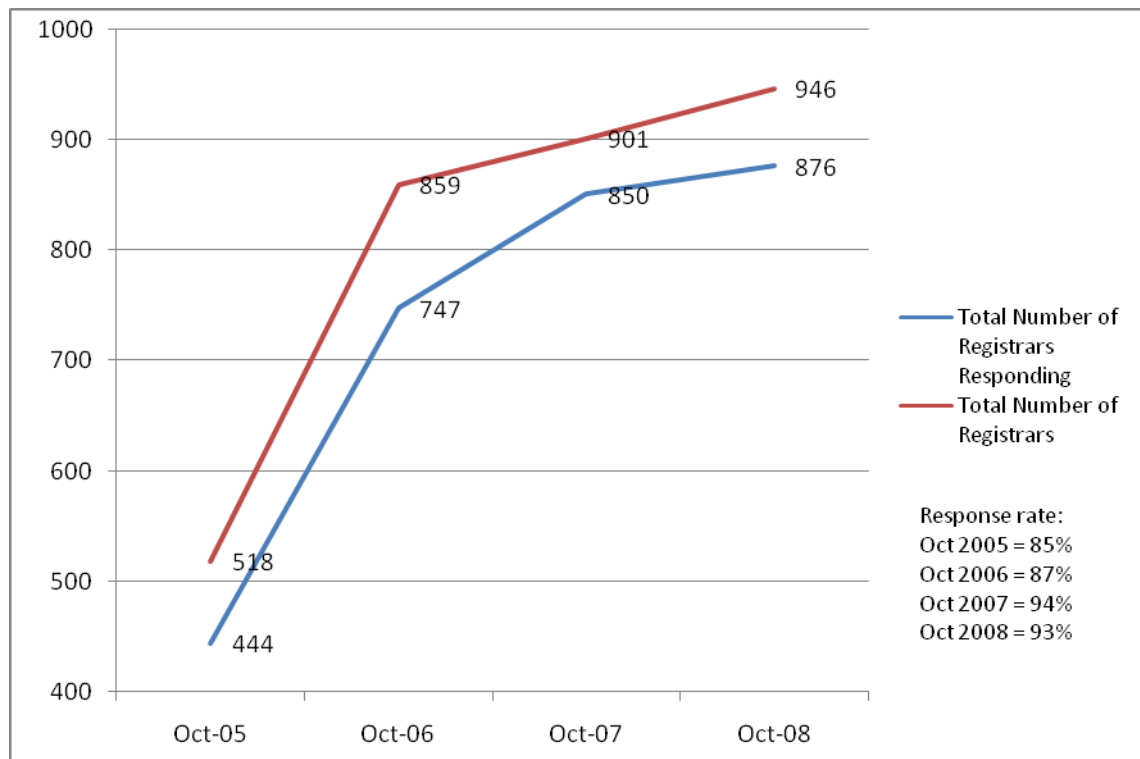
4.3.2 Survey Participation

ICANN relies on registrar's participation to complete surveys. ICANN Staff proactively attempted to contact all non-responsive registrars using several methods including email, fax and phone calls to improve the overall participation by registrars. Escalation proceedings are in place to address non-responsive registrars to ensure the effectiveness of communication efforts by ICANN.

A total of 876 registrars (93% of all ICANN-accredited registrars) responded to the WDRP Survey and Compliance Audit. Table 4-1 represents the estimated total number of gTLD names under registrar sponsorship on 1 January 2008.

Table 4-1 Estimated Total gTLD Names Under Registrar Sponsorship as of 1 January 2008

Registrar Participation in the 2008 WDRP Survey by Registrar Size	Number of Registrars Responding	Total Number of Registrars in Category	Percentage of Registrars Responding per Category
0 names	70	70	100%
1-999 names	347	385	90%
1,000-9,999 names	270	270	100%
10,000 - 99,999 names	115	137	84%
100,000 - 999,999 names	59	69	86%
1,000,000+ names	15	15	100%
Total	876	946	93%

4.3.3 Registrar Compliance

Compliance with the WDRP was assessed using two sources: the survey responses and the sample WDRP notices provided to ICANN by responding registrars. The survey was designed to measure two primary compliance benchmarks: whether required WDRP notices were transmitted to registrants and whether the notices contained the substantive items required by the WDRP.

For the registrars that are actively selling domain names and are obligated to send WDRP notices, Table 4-2 details the number of notices sent, according to registrar size.

Table 4-2 Percentage of Registrants to Whom WDRP Notices Were Sent

Registrar Size	0%	<5%	<100%	100%	Not Determined	Total
<1000	2	1	11	314	19	347
1000-9999	4		3	263		270
10,000-99,999	2	4	5	102	2	115
100,000-999,999	1		3	55		59
1,000,000 or more			2	13		15
Total	9	5	24	747	21	806

When the 70 registrars that reported not having domain names under their management were removed from the data set, 776 of the 806 registrars that responded to the WDRP survey (96.3%) indicating they sent WDRP notices in 2008. These registrars had gTLD names under their management for at least a year and could determine the number of WDRP notices sent to registrants.

Nine registrars (slightly more than 1%) reported that they had not sent WDRP notices this year. ICANN staff analyzed the responses from those nine registrars and found that six had legitimate explanations for not doing so. Examples of acceptable responses for not sending notices are "a registrar that was in operation for less than a year" and "had no registrations under its management for a full year." The remaining three registrars provided unacceptable responses and received compliance notices. Of those three, one contacted ICANN with additional information and was found compliant.

While overall compliance improved, the survey results indicate some degradation in compliance with WDRP notices sent for this year. In 2008, ICANN[1] found that 2.8% of registrars, or 21 registrars, could not provide statistics about compliance with the WDRP's notification requirements in contrast with 2007[1], when slightly less than one half of 1% of registrars, or three registrars (0.37%), could not provide statistics about compliance with the WDRP's notification requirements.

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[1] The 2007 report is available online at http://www.icann.org/en/compliance/reports/contractual-compliance-audit-report-29jul08-en.pdf.

4.3.4 Registrants Sent WDRP Notices

In addition to asking registrars whether notices were sent, the survey also asked registrars for an estimation of the percentage of notices sent in relation to the number of registrations sponsored by that registrar. The categories reflected in the current reporting period vary from the percentage choices posed to registrars last year. The questionnaire allowed registrars to indicate whether: (1) 0% of registrants had been sent WDRP notices; (2) less than 5%; (3) 5% or more, but less than 100%; or (4) 100%. (As noted earlier, registrars also had the option to indicate that they could not determine the number of WDRP notices sent.)

Figure 4-3 represents the number of registrars required to send WDRP notices after registrars that were not yet obligated to send WDRP notices are removed from the data set[2].

Figure 4-3 Registrants Sent WDRP Notices (by registrars required to send notices)

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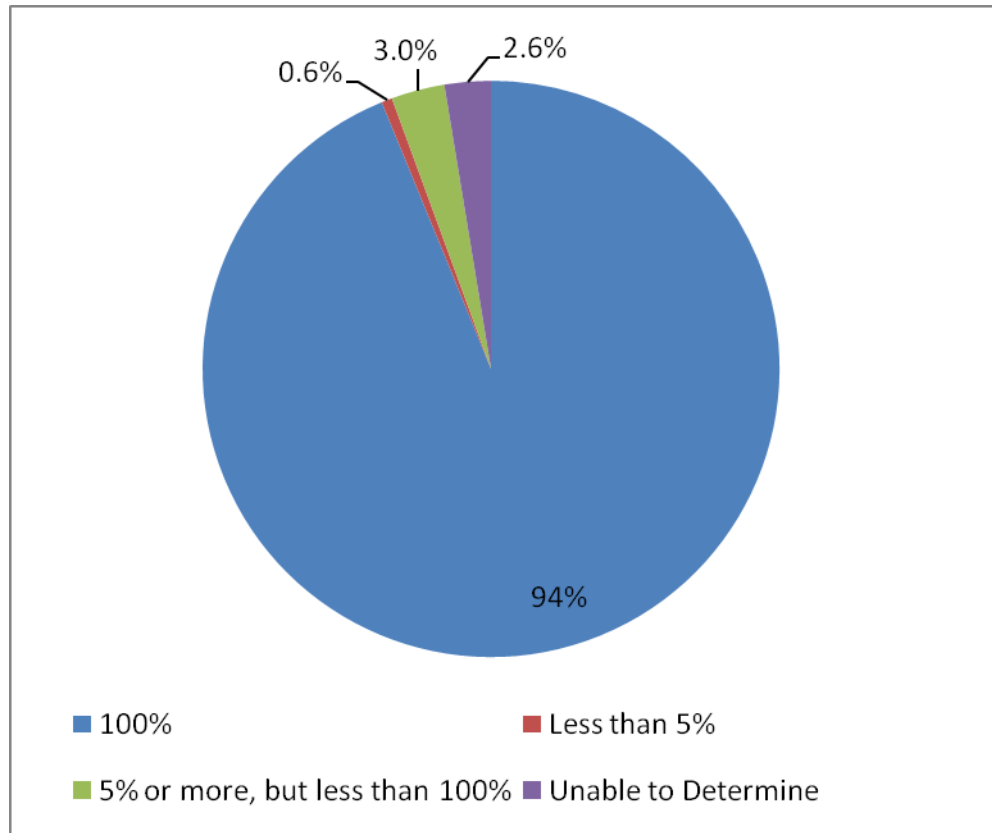
[2] Percentages have been rounded and thus may not appear to add up to 100%.

4.3.5 Communications Methods Used to Send WDRP Notices

Table 4-3 shows the WDRP notice communication methods used by registrars.

Table 4-3 Primary Communication Methods Used by Registrars

Web	.38% (3)
Fax	0% (0)
Postal Mail	0% (0)
Email	99.24% (791)
Other	.38% (3)
Total	100% (797)

Primary method of communicating WDRP notices, by percentage of registrars using each method.

Registrars were asked to identify secondary methods used for communication of WDRP notices. Their responses appear in Table 4-4.

Table 4-4 Secondary Communication Methods Used by Registrars

Web	6.40% (49)
Fax	1.04% (8)
Postal Mail	3.53% (27)
Email	76.76% (588)
Other	12.27% (94)
Total	100% (766)

Secondary method of communicating WDRP notices, among registrars indicating use of a secondary method.

Registrars were asked to indicate the percentage of WDRP notices that were returned as undeliverable in order to evaluate the potential effectiveness of each method of communication provided in Table 4-5.

Table 4-5 Percentages of Undeliverable WDRP Notices

Primary Method of Sending	<1%	<10%	<50%	50%	Unknown	Grand Total
Web	2		1			3
Fax						
Postal Mail						
Email	194	179	13	2	403	791
Other	1				2	3
Total	197	179	14	2	405	797

This data shows that most messages were received by registrants, but the majority of responding registrars said they were unable to count undeliverable messages. As demonstrated, about half (49%) of registrars could measure the success of their communication efforts.

Notification Requirement

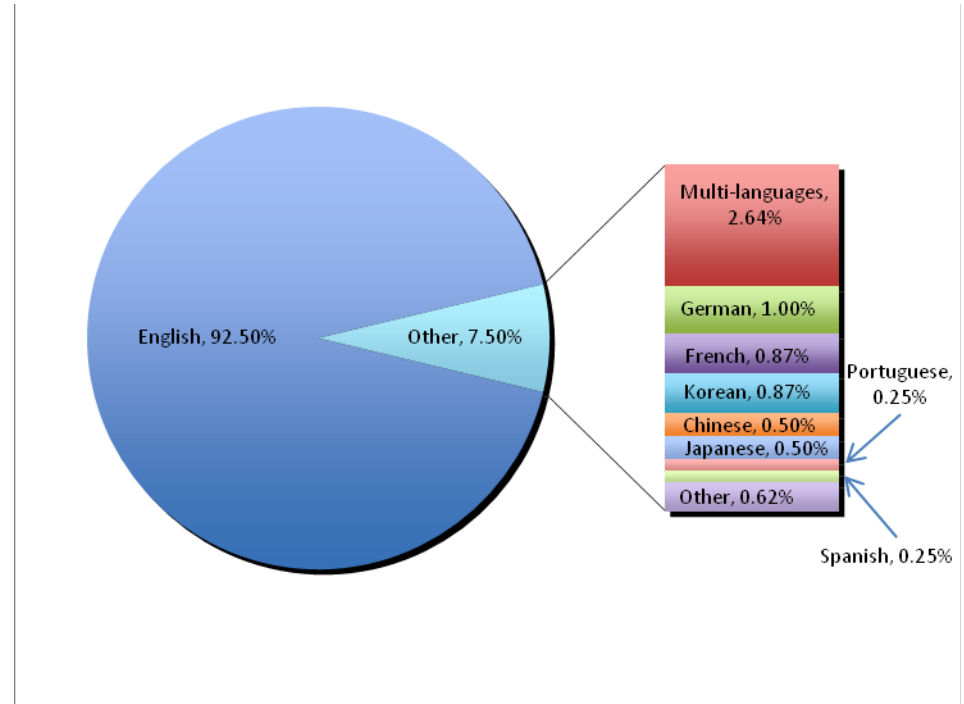*Registrars responding to the survey were also asked to identify their primary means for communicating WDRP notices. As in previous years, email proved to the most commonly used method.*

4.3.6 Language of WDRP Notices

Figure 4-4 details the primary languages used by registrars to transmit WDRP notices.

Figure 4-4 WDRP Notice Primary Language

English, 92.50%
Other, 7.50%

Multi-languages, 2.64%
German, 1.00%
French, 0.87%
Korean, 0.87%
Chinese, 0.50%
Japanese, 0.50%
Other, 0.62%
Portuguese, 0.25%
Spanish, 0.25%

4.3.7 Changes to Whois Data

As Figure 4-5 shows, when asked to what extent WDRP notices improved Whois data accuracy, registrars responded most frequently that they did not know or could not determine this information.

Figure 4-5 Known Changes to Whois Data Resulting from WDRP Notices

23
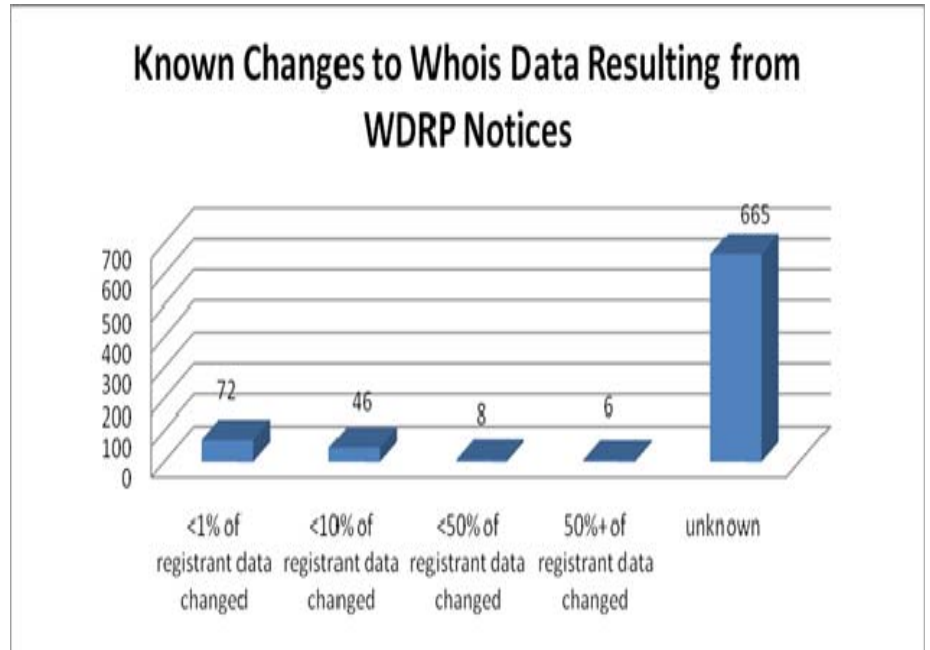
4.3.8 Methodology

This report was prepared based on information obtained through a survey emailed to all ICANN-accredited registrars in October 2008. The 2008 survey questionnaire was consistent with prior surveys used since 2006. The survey was designed to elicit important information about registrar implementation of and compliance with the WDRP. The questions covered:

- The size of the registrar

- The percentage of registrations for which WDRP notices had been sent

- The primary and secondary methods of transmitting the notices

- The percent of notices that was undeliverable.

- The language(s) in which the notices were sent

- The percent of notices that led to changes in registrant data

- The fields that were most frequently changed

- The 2007 report is available online at http://www.icann.org/en/compliance/reports/contractual-compliance-audit-report-29jul08-en.pdf

The survey invited registrars to use a free-text box to describe any problems or suggestions for improving the WDRP, the accuracy of Whois data or implementation of the WDRP process.

4.3.9 Content of Notices

Registrars were asked to send a copy of an actual WDRP notice to ICANN for review. Each WDRP notice must contain: (1) a copy of the data elements listed in Section 3.3.1 of the RAA; and (2) a statement reminding the registrant that the provision of false Whois information can be grounds for cancellation of a domain name registration[3]. Section 3.3.1 requires the following data elements: the domain name; the primary name server and secondary name server(s); the identity of the registrar; the original creation date of the registration; the expiration date of the registration; the name and postal address of the registrant; the name, postal address, email address, voice telephone number, and (where available) fax number of the technical contact for the domain name; and the name, postal address, email address, voice telephone number, and (where available) fax number of the administrative contact for the domain name.

In reviewing form requirements in 2008, ICANN observed an increase in the number of registrars that followed the survey's instruction to provide a sample WDRP notice. In comparison, the 2007 report revealed that 74% (629) of registrars submitted notices. The 2008 rate reflects an increase due to the additional submission of 76 exemplar notices, with 80% (705 registrars) submitting sample WDRP notices.

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[3] Section 3.7.7.2 of the RAA provides that a registrant's "willful provision of inaccurate or unreliable information, its willful failure promptly to update information provided to Registrar, or its failure to respond for over fifteen calendar days to inquiries by Registrar concerning the accuracy of contact details associated with the . . . registration shall constitute a material breach of the [agreement] . . . and be a basis for cancellation" of the domain name.

The samples were examined to determine whether they complied with WDRP requirements, including providing the registrant with current Whois data by actual text or by a link and providing a warning to the registrant that the provision of false Whois data could be grounds for cancellation of the domain name.

In its review of the 705 sample WDRP notices provided, ICANN discovered that 12 (about 1.7%) of the notices did not comply with WDRP requirements. Nine of those 12 registrars corrected their notices by including the false Whois data provision once they were contacted by ICANN. The three remaining registrars are currently undergoing compliance review by ICANN staff.

4.3.10 Registrar Comments

Registrars responding to the survey had the option to provide a description of any problems encountered throughout the WDRP process. A total of 139 registrars provided substantive comments, 22 had no comments and the remaining 485 registrars indicated there were no problems. The Majority of the 139 registrars providing substantive comments reported using a third-party entity to send notices for their registrar operation. Those registrars reported having a successful WDRP process using this method.

Some registrars experienced challenges sending WDRP notices to their registrants when the domain name is administered through a reseller. One of the challenges cited is customer confusion about the authenticity of the notice and the belief that the notice came from a different provider.

Effectively managing resellers is a concern that has been addressed in prior years. One registrar suggested if ICANN desires registrars to track responses, it should include a requirement made through a policy development process. The registrar stated that the current policy was obviously written pre-implementation and should be updated. It might be useful for ICANN to track registrar response rates to WDRP notices.

Only a few registrars cited the recipients treating the notice as spam as a concern with the transmission of WDRP notices to their registrants. A small number of registrars expressed concerns about the privacy and proxy services used by registrars. Those comments included a recommendation to abolish this service. Another registrar hoped that ICANN's Whois efforts will include setting up a system that allows limiting access to registrant contact information, as required by governmental laws in their respective regions. Other concerns included tracking, difficulty in determining whether all WDRP notices were delivered, and difficulty in determining whether changes to registration data were a direct response to a WDRP notice.

4.3.11 Observations

ICANN has consistently reported a relatively high number of registrars in compliance with WDRP requirements. The annual survey sent to all ICANN-accredited registrars has proven to be useful in identifying areas of improvement as well as areas of concern within the registrar community.

In 2008, ICANN observed the highest compliance rate, 99% (702 of 705 registrars), among the registrars complying with the form and content requirements for WDRP reminder notices. Among the registrars able to track responses to their WDRP notices, about 9% observed changes to less than 1% of their registrant data, 6% observed changes to less than 10% of their registrant data, 1% of registrars

observed changes to less than 50% of their registrant data, and 0.8% of registrars observed changes to more than 50% of their registrant data. Overall, about 17% of registrars observed changes to their registrant data.

In 2008, ICANN noticed a slight decrease in registrar participation in the WDRP survey. In this survey round, 562 registrars responded before the 21 November 2008 deadline, 314 responded after the deadline and 70 did not respond at all. Of those 70, 13 registrars had disconnected phone numbers and invalid email addresses listed in ICANN's records. Two registrars completed the WDRP survey after the report was finalized. ICANN is pursuing the remaining 68 registrars and considering appropriate escalated compliance action.

4.4 Update on Registrar Insurance Verification Audit

4.4.1 Executive Summary
ICANN conducted a Registrar Insurance Verification Audit to verify whether ICANN-accredited registrars maintain the insurance coverage required by section 3.10 of the RAA. The RAA requires ICANN-accredited registrars to maintain US $500,000 commercial general liability insurance coverage during the term of their accreditation.

4.4.2 Audit Objectives
The primary goals of the Registrar Insurance Verification Audit were to:
- Provide protections for registrants by requiring registrars to have some shield from liability and thereby reducing a threat to on-going operations.

- Determine which registrars maintain commercial general liability insurance set forth in RAA Section 3.10.

- Identify registrars that are not compliant with section 3.10 and take further action.

- Report insurance verification methodology and audit findings to the community.

4.4.3 Methodology
Staff contacted all registrars and requested proof of insurance documents. Any one of the following documents issued by the insurer was considered by ICANN as evidence of coverage:

- Insurance Declarations page

- Certificate of Insurance

- Insurance Policy

Additional information on the scope and methodology of the audit can be found in the July 2008 semi-annual Contractual Compliance report.

4.4.4 Findings

As of January 2009, 123 registrars had not responded to ICANN's document request and/or failed to provide evidence of their insurance coverage, as required in the RAA.

4.4.5 Observations

Overall, the response rate to the Insurance Verification Audit was high, with just over 88% of the registrars responding.

4.4.6 Follow-up Actions

ICANN will ensure that all registrars that had not provided ICANN with evidence of their insurance coverage as of January 2009 meet their insurance requirements. Staff will continue to follow-up with registrars and take escalated compliance action against those who fail to carry the appropriate insurance. This approach is consistent with ICANN's desire to foster strong business relationships with its partners while focusing on key priorities surrounding the integrity of the domain name system.

4.5 Deletion and Renewal Consensus Policy Audit

4.5.1 Executive Summary

ICANN's agreements with accredited registrars and gTLD registry operators require that they comply with various specifically stated procedures and consensus policies. Pertinent language from the policy follows.

The expired domain deletion policy states that, "At the conclusion of the registration period, failure by or on behalf of the Registered Name Holder to consent that the registration be renewed within the time specified in a second notice or reminder shall, in the absence of extenuating circumstances, result in cancellation of the registration by the end of the auto-renew grace period (although Registrar may choose to cancel the name earlier). Among other requirements, the registrar must provide notice to each new registrant describing the details of their deletion and auto-renewal policy including the expected time at which a non-renewed domain name would be deleted relative to the domain's expiration date, or a date range not to exceed ten days in length. If a registrar makes any material changes to its deletion policy during the period of the registration agreement, it must make at least the same effort to inform the registrant of the changes as it would to inform the registrant of other material changes to the registration agreement."

4.5.2 Audit Objective

- To protect the registrants by ensuring they are provided notice of the expired name practices of the registrar with whom they have registered their domain name.

- The primary objective of the audit was to determine which registrars actively sponsoring domains have a statement addressing their Deletion and Renewal Consensus Policy posted on their website.

4.5.3 Methodology

ICANN's Contractual Compliance staff developed a list of all ICANN-accredited registrars that were actively registering domain names. For each registrar listed, ICANN staff examined their website to examine where, if at all, the Deletion and Removal Policy was made available to current and potential registrants.

4.5.4 Findings

A majority of ICANN-accredited registrars provide a notice on the Deletion and Removal Policy to registrants on their website. Table 4-6 provides a brief summary:

Table 4-6 Deletion and Renewal Consensus Policy Audit—Summary of Findings

Total Registrars	Total Registrars Sponsoring Domain Names (Jan 2009)	Policy Found	Unable to Determine
952	897	741	156

4.5.5 Observations

Over 82% of ICANN-accredited registrars actively selling domain names have information posted on their websites that explains what happens if registrants fail to renew their domain registration after a specified amount of time. In most cases, this information was found in the legal notices section or the registration agreement documents posted on registrars' websites.   Figure 4-6 contains the text posted by a registrar.

Figure 4-6 Sample Text for Deletion and Renewal Consensus Policy

Below find details on (registrar's name) deletion policy including the expected time at which a non-renewed domain name would be deleted relative to the domain's expiration date.

TLD's	Our deletion policy
com, .net, .org, .biz, .info, .name, .aero, .us	30 to 40 days after domain name expiry

4.5.6 Follow-up Actions

ICANN sent notices to registrars that did not appear to have a statement disclosing their Deletion and Removal Policy posted on their website allowing them to clarify the reasons for this and providing them five business days to post this information. In the next few weeks, staff will perform a review of the websites of those registrars to verify that the information is posted.

4.6 Escalated Compliance Activities

As a follow-up to correspondence submitted to registrars on 30 May 2008, ICANN sent a breach notice to Beijing Innovative Linkage Technology on 30 September 2008. (See: http://www.icann.org/en/compliance/burnette-to-hu-30sep08.pdf) This registrar failed to comply with Section 3.7.8 of the RAA which requires registrars to take "reasonable steps to investigate" Whois inaccuracy claims.[4]

Section 3.7.8 of the RAA requires registrars, "…upon notification by any person of an inaccuracy in the contact information associated with a Registered Name sponsored by Registrar, take reasonable steps to investigate the claimed inaccuracy. In the event Registrar learns of inaccurate contact information associated with a Registered Name it sponsors, it shall take reasonable steps to correct that inaccuracy."

Beijing Innovative Linkage Technology recognized it had failed to take action upon complaints concerning Whois data inaccuracies and, as a result, failed to comply with the Section 3.7.8 of the RAA. ICANN worked with this registrar to place them on a plan to remediate their non-compliance. ICANN will review the progress made by this registrar once it completes its six-month remediation plan in March 2009.

The Contractual Compliance remediation plan for Whois inaccuracies consists of providing monthly updates on a registrar's disposition of alleged Whois inaccuracies for a term of six months. During that time, the registrar agrees to report back to ICANN on its attempts to work with registrants to bring them into compliance by providing accurate information to the registrar. To do this, the registrars use a template developed by ICANN to keep track of their correspondence with registrants and report on the actions taken regarding each specific complaint. More specifically, the oversight plan requires the registrar to complete a spreadsheet for each domain name that is reported to have an inaccuracy via the WDRPS (refer to Appendix A-3 below). This template is completed each month, for a total of six months, and is closely reviewed by Contractual Compliance staff. There is an expectation that registrars will use this tool as a means to demonstrate a detailed follow-up with every single registrant, for a period of six months. The reporting of this information is critical in order for ICANN to make determinations as to whether registrars with a remediation plan are adhering to the requirements set forth by the RAA to take "reasonable steps" to investigate Whois inaccuracies and take action against unresponsive registrants.

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[4] To view the standard ICANN Registrar Accreditation Agreement, refer to http://www.icann.org/en/registrars/ra-agreement-17may01.htm

ICANN Whois Accuracy Oversight Plan						
Domain Name	Date Received from ICANN	Claimed Inaccuracy	Investigation Steps Taken (Include Dates)	Current Status of Domain Name (Include Date)	Registrant Response (Include Date)	Registrant Response Due Date

Appendix A-3 Remediation Plan Template

ICANN also found DropLimited.com, Inc (DropLimited.com) to be in breach of its RAA in three specific areas. First, it failed to escrow gTLD registration data, as stipulated in section 3.6 of the RAA. Second, it did not provide an interactive web-based and port 43 Whois service, as required in section 3.3.1. Lastly, it failed to pay accreditation fees to ICANN, which are described in detail in section 3.9 of the RAA. (See: http://www.icann.org/correspondence/burnette-to-bordes-04feb09-en.pdf)

Parava Networks ("Parava") was also determined to be in breach of the RAA, as Parava has not provided proof that they complied with their contractual obligation to investigate alleged Whois inaccuracies pursuant to the RAA. Staff requested Parava provide detailed steps it took to investigate five Whois inaccuracy reports filed through the Whois Data Problem Report System ("WDPRS"). The reports were filed in August 2007. Staff sent the request via e-mail, fax and courier. To date, Parava has not responded to the Whois Inaccuracy Investigation Audit requests. In addition, despite repeated notice and request, Parava Failed to escrow gTLD registration data pursuant to Section 3.6 of the RAA

ICANN sent a notice of termination of its registrar accreditation agreement to EstDomains, Inc, based on a conviction of credit card fraud and other criminal activity imposed on the President of that registrar, Mr. Vladimir Tsastsin, by a court in Estonia. ICANN provided EstDomains a stay in their termination based on claims presented by them. Upon further review of these claims, ICANN proceeded with the termination of their agreement a few weeks later (refer to Appendix A-4).

Messrs. Poltev and Tsastsin
EstDomains, Inc
Legal Department
110 W. Ninth Street #688
Wilmington, Delaware 19801
United States

RE: Notice of Termination (Termination Stay Lifted)

Dear Messrs. Poltev and Tsastsin:

Be advised that the Internet Corporation for Assigned Names and Numbers (ICANN) investigated the claims made in your letter dated 29 October 2008 and has concluded that it will proceed with the termination of the EstDomains, Inc. (Customer No. 919, IANA No. 832) Registrar Accreditation Agreement (RAA).

Accordingly, the stay invoked by ICANN on 29 October 2008 has been lifted and the EstDomains, Inc. RAA is hereby terminated. Consistent with requirements of Section 5.3 of the RAA, the termination of EstDomains, Inc. RAA will become effective on 24 November 2008.

To facilitate a smooth transition of the estimated 281,000 domain names currently managed by EstDomains, Inc., ICANN will follow its De-Accredited Registrar Transition Procedure (Procedure) http://www.icann.org/en/processes/registrars/de-accredited-registrar-transition-procedure-01oct08.pdf. We encourage you to read this procedure in its entirety.

Consistent with the Procedure, we are requesting that EstDomains, Inc. designate a bulk transfer recipient on or before 14 November 2008. Please contact ICANN's Registrar Liaison Manager, Mike Zupke mike.zupke@icann.org, to designate a bulk transfer recipient. We anticipate the full cooperation of EstDomains, Inc. during the transition process.

Please note that Section 5.11 of the RAA requires that all notices given under the RAA including notices of primary contact changes shall be given at ICANN's headquarters located at:

Internet Corporation for Assigned Names and Numbers
Registrar Accreditation
4676 Admiralty Way, Suite 330
Marina Del Rey, CA 90292
USA
Attention: General Counsel
Telephone: 1/310/823-9358
Facsimile: 1/310/823-8649

The notice of primary contact change recently sent to ICANN's Brussels office is not compliant with the requirements of the RAA and is not an effective notice of primary contact change. Until notice of primary contact change is received at ICANN's address above, ICANN's records will continue to reflect that to reflect that Mr. Vladimir Tsastsin is the primary contact for EstDomains, Inc.

You may contact me at (310) 301-3860 should you have any questions.

Appendix A-4 Letter of Termination to EstDomains, Inc.

4.7 The New Complaint Intake System

ICANN is pleased to announce its new Complaint Intake System, which makes it easier for complainants to file a grievance and enables ICANN to efficiently process incoming complaints. Since its inception, ICANN has seen a significant increase in the volume of complaints related to compliance and customer service. Approximately 58% of complaints processed by ICANN are customer service related issues (and not agreement violations) ranging from problems with registrar customer service and domain name renewal to web hosting providers. Additionally, ICANN has established a protocol for addressing complaints and installed new software that enables ICANN to track and store data for statistical purposes.

With the increase in the number of registrars—more than 940 to date—ICANN has seen a significant increase in the volume of complaints related to compliance and customer service. To reduce turnaround time and improve customer service, this new collaborative work system allows multiple staff members to process complaints. This system assimilates information provided by the user through the revised complaint form, which categorizes and authenticates complaints. It also identifies, for both the user and ICANN, the registrar of record responsible for handling the complaint. These features help ICANN staff process twice as many complaints as could be handled before the new system was implemented.

To improve customer service and address the needs of the ICANN community, ICANN's Contractual Compliance team established processes to determine how complaints are managed. ICANN now asks registrars to respond to compliance-related requests within five business days. And ICANN forwards all customer-service requests directly to registrars for handling. And finally, this software tool has transmission capabilities and sophisticated reporting features to monitor ICANN performance and monitor registrar responsiveness.

During system tests in June 2008, ICANN staff identified some areas for improvement and created a unified system for handling complaints. They also created a tracking process for complaints in "hold" status awaiting further handling by a registrar. Beginning March 2009, all ICANN-accredited registrars will receive a monthly report of all outstanding complaints requiring resolution for the prior month.

To assist the public in filing complaints, ICANN's centralized intake system gives users three options for filing complaints or concerns regarding a variety matters. They can submit complaints via email to icann@icann.org, the online Contact Form shown below and available at http://www.icann.org/cgi/contact/ or the Complaint Form (refer to Appendix A-5), available at http://reports.internic.net/cgi/registrars/problem-report.cgi.

The Contact Form (refer to Appendix A-5) lists complaints by category for appropriate action in the complaint system: general inquiries, Webmaster and questions concerning operations and content are housed in the new complaint system for handling.

Appendix A-5 ICANN Online Contact Form

Users can also file complaints concerning registrars by completing, ICANN's revised Complaint Form. The Complaint Form can be accessed on ICANN's home page at www.icann.org. Complainants must include the following information: name, email address and domain name. The domain name should include the TLD, such as .com, .net, .biz, etc. If this information is not included or if the field is compromised by inserting multiple domain names, it will slow complaint processing. This form allows users to indicate the specific category of their complaint. The Complaint Form also contains a text box that allows users to submit a brief summary of their problem.

**Appendix A-6 (Revised) ICANN Complaint Form**

After the Complaint Form is submitted, the complaint system generates a message alerting a complainant of its receipt by ICANN. The message also identifies the registrar of record and provides a link to the complete list of ICANN-accredited registrars and their contact information.

The automated system begins the initial phase of complaint processing. Each complaint is assigned a ticket number and is placed in the corresponding queue for ICANN handling. When ICANN replies to the complaint, the complainant receives a second email from ICANN containing the ticket number and other information that enables them to follow-up on their complaint.

When referring to a ticketed complaint, users should be sure not to alter the subject line. Correspondence about a complaint that lists the ticket number must be kept intact to ensure proper handling. If the subject line is changed and the ticket number is removed, the system will generate a new ticket and start the complaint processing steps again. The system separates complaints by category for faster processing. All customer-service related complaints, such as financial transactions, registrar customer service, and the like are forwarded to the registrar of record. At that point, they are considered closed. All complaints that may involve compliance issues are forwarded to the registrar of record with a request to provide ICANN an explanation or resolution of the complaint within five business days.

After posting the link to the new Complaint Form on ICANN's website in June 2008, ICANN saw a significant rise in the volume of complaints, indicating that users find the new system beneficial and easy to use. ICANN can now easily capture statistics and track the most frequent types of complaints received. Figure 4-7 provides a histogram of the number of complaints handled in 2008. ICANN processed 11,348 consumer complaints in 2008.

Figure 4-7 Total Volume of Complaints Received by ICANN Between 1 January and 31 December 2008.
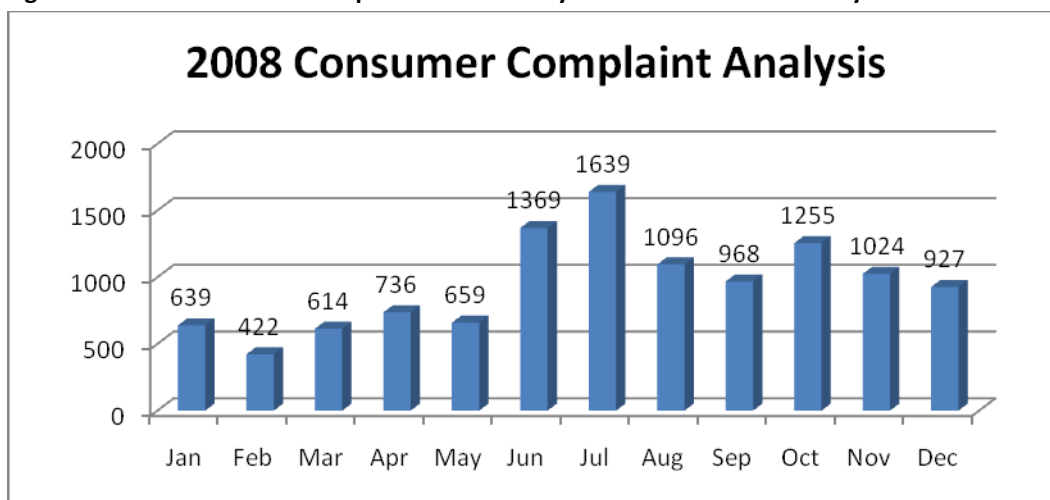
Consumer complaints such as financial transactions, Internet content control, spam, web hosting problems and computer viruses are not covered by the RAA, and therefore these actions do not violate the RAA. For these issues, registrants should contact private sector agencies such as The Better Business Bureau http://www.bbb.org, law enforcement agencies, or governmental consumer

protection entities such as The International Consumer Protection and Enforcement Network
http://www.icpen.org.

ICANN does address complaints about inter-registrar transfer problems and Whois, and can assist parties that have received decisions from an Approved Dispute Resolution Service Provider as well as parties interested in obtaining enforcement assistance in a Uniform Domain Name Dispute Resolution Policy (UDRP) decision. ICANN also monitors complaints to ensure that registrars comply with their accreditation provisions.

Since preliminary testing of this new intake system began, ICANN developed automatic processes to enhance productivity. Adding specific categories to the Complaint Form and installing CAPTCHA has significantly reduced spam traffic and enabled ICANN staff to process complaints more efficiently. The new complaint intake system can capture the statistics necessary to maintain the openness and transparency ICANN strives to foster within the domain name registration community.

5. CONCLUSION

ICANN continued to achieve significant progress in assuring the community that registrars and registries comply with their contractual obligations. During this reporting period, ICANN conducted and concluded several audits. ICANN also took escalated compliance action to address the noncompliance of several registrars after providing them with a reasonable amount of time to comply with their contractual obligations. ICANN redesigned the process and system for handling Whois inaccuracy complaints to increase efficiency and Whois compliance. Lastly, ICANN continued to manage a system for consumer complaints

Based on this Reporting Period's results, ICANN will execute a series of next steps. First, staff will follow-up with registrars who did not respond to audit requests. In addition, staff will engage in further analysis necessary to determine whether certain registries and registrars complied with contract requirements. ICANN will also pursue enforcement actions against noncompliant and unresponsive parties.

Notably, ICANN found that the overwhelming majority of registrars and registries appear committed to the spirit and letter of compliance with their agreements. Although ICANN encourages improved response times to compliance requests decrease, most parties exercised the requisite diligence when resolving compliance concerns. Others consistently maintained compliance with contractual provisions and set an example for the greater community.

ICANN also observed that registrar representatives appreciated and benefited from attending workshops conducted by compliance department staff. Staff conducted workshops in Paris, Seoul, and Rome. The workshops focused on compliance department activities in particular areas such as the UDRP and WDPRS. The compliance department looks forward to conducting UDRP and WDPRS workshops at registrar/registry regional gatherings and other forums in the near future.

In addition, the ICANN is exceptionally pleased with the increased collaboration between compliance and community members on several key projects. These projects include the registrar UDRP best practices document, the newly redesigned Whois Data Problem Report System and early discussions of a domain name transfer audit. The community input into compliance activities provides unique insight and enhances the effectiveness of compliance efforts. We are pleased at the strong business relationships ICANN and the community are developing in part due to ICANN's compliance efforts. These efforts continue to build trust and understanding.

Further, ICANN remains committed to seeking community support to enhance the contractual compliance program to increase responsiveness to community needs and concerns. Thanks for your continued support.

Please express your comments at compliancecomments@icann.org. Posted comments are available for viewing at http://forum.icann.org/lists/compliancecomments.