

29 November 2018

RE: ICANN Budgeting and Domain Name Dispute Resolution

Zak Muscovitch General Counsel Internet Commerce Association PO Box 4999 Washington, DC 20008

Dear Mr. Muscovitch,

Thank you for your letter dated 9 October 2018 highlighting your concerns and feedback with respect to ICANN's Uniform Domain Name Dispute Resolution Policy (UDRP). We additionally note your comments calling for the ICANN Board to allocate budget for an oversight staff person or function to administer the UDRP.

These topics have been raised previously in the ICANN community as ICANN org does not currently have agreements or Memoranda of Understanding (MOUs) with UDRP providers. ICANN org reviewed this approach in a <u>status report</u> published in 2013 and determined that since ICANN can revoke a provider's approval if it is found to be in violation of the policy or rules, contracting with UDRP providers could make it more difficult for ICANN to take corrective action.

Under the current procedures, ICANN org investigates any complaints of noncompliance it receives. When inquiries are received regarding a UDRP provider's compliance with its obligations, we generally forward these complaints to the provider and monitor for resolution. In the event that we determined a provider was not following our policies and procedures, we could revoke its status as an approved provider.

Due to recent changes in data protection laws and the requirements in the <u>Temporary Specification</u>, ICANN org is also in discussions with dispute resolution providers to more fully understand the safeguards they have put in place for the processing of personal data. Depending on the outcome of the legal analysis, this might lead to new requirements for providers.

Additionally, to help inform these efforts, ICANN org is currently developing a report on the operational and management elements of the UDRP within the organization, including provider relationships, to gain a better understanding of how the UDRP is managed and whether changes are needed. Based on the analysis, this effort could result in changes to the way the UDRP is administered within the organization.

ICANN org will also be seeking community input on the Draft ICANN FY20 Operating Plan and Budget, which is expected to be published in March 2019 and provides the details of ICANN's



activities for its fiscal year 2020. We will request the community's input on the development of the plan and budget, and encourage you to submit your comments in that forum as well.

We hope this information is useful and addresses some of your concerns. Thank you for taking the time to write to us and we look forward to your continued participation in the ICANN multistakeholder model.

Best regards,

Cyrus K. Namazi Vice-President

Global Domains Division