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## Concerns Regarding the Release of Two Character Country Codes at the Second Level in New gTLDs

### Block 2 - GAC Follow Up on Specific Issues Agenda Item 2.1 - 2-Characters Discussion

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#### Issues

Some GAC Members are concerned with the use of their country codes at the second level of the DNS. Concerns include consumer confusion and the use of country codes without the permission of the relevant authority.

ICANN policies and procedure in this area have developed over several years, as a result of the policy development, implementation, and roll out of the [New gTLD Program](#), in particular during the development of the [New gTLD Applicant Guidebook](#) (2008-2014), and the subsequent phased implementation of the ["Two-character labels" provisions](#) in the [New gTLD Registry Agreement](#) (2014-2016).

In summary, the regime overseeing the use of country codes at the Second Level in New gTLD today is that of a [blanket authorization and associated Measures to Avoid Confusion with Corresponding Country Codes](#) which New gTLD Operators (Registries) are expected to implement. This regime was introduced pursuant to an ICANN Board [resolution](#) (8 November 2016) which retired a previously existing [Authorization Process for Release of Two-characters ASCII Labels](#), itself the result of several years of interactions between governments, the GAC and both the ICANN Organization and ICANN Board.

The ICANN63 [Briefing](#) prepared for the GAC by [GAC Vice Chair](#) Thiago Jardim (Brazil) provides an overview of concerns that some GAC Members and the GAC have expressed over time with these developments.

#### Leadership Proposal for GAC Action

During the ICANN64 meeting, the GAC will determine whether concerns of the GAC and GAC Members, be they substantive or procedural, were addressed by recent developments, in particular:

- The deployment by the ICANN organization of a [search tool](#) to assist governments in tracking the use of their country code(s) in Top-Level Domains (TLDs).
- [New documentation](#) by the ICANN organization (22 January 2019), published in response to the GAC's [engagement](#) with the ICANN Board in Barcelona (21 October 2018) and to the ICANN63 [Briefing](#) that was shared with the Board then. These new ICANN documents provide both an overview and a detailed account of the steps that led to the current regime of blanket authorization for release of two-characters country-codes in New gTLD.
- Finally, the above documentation forms part of the ICANN Board's [response](#) to [Barcelona GAC Advice](#), per a [resolution](#) of 27 January 2019.

## Recent Developments

### Deployment of the the Country Code Registration Search Tool

- During its [plenary discussion](#) of the issue during ICANN61 in San Juan (10 March 2018), the GAC and ICANN Org discussed enhancements to existing measures to mitigate governments concerns, including a “user-friendly” space on ICANN’s Website to monitor the use of country codes at the Second Level of the DNS.
- During ICANN62 In Panama City (26 June 2018), the ICANN Org provided an [update](#) on the development of a portal on the GAC website for information on 2-character country codes at the second level
- On 26 February 2019, ICANN introduced this tool to the GAC Membership in a [demo webinar](#) (login required). It is available on the GAC Website at: <https://gac.icann.org/activity/second-level-country-code-registration-search> (login required)

### ICANN Org Documentation of the History of Authorization Regimes

The ICANN Org released new documentation in a [letter from the ICANN CEO to the GAC Chair](#) (22 January 2019) which includes:

- A [Memo on Implementation of the Procedure for Release of Two-Character Labels and Standard Measures to Avoid Confusion with Corresponding Country Codes](#) (15 pages)
  - provides a succinct explanation of events that occurred leading up to the November 2016 ICANN Board resolution, focusing on “*the rationale behind the implementation activities, including how the activities were consistent with GAC Advice and Board direction*” (pp. 4-9)
  - provides a point by point response to the ICANN63 [Briefing](#) that was shared and discussed with the ICANN Board in Barcelona (pp. 10-15)
- An [Historical Overview of Events Regarding Two-Character Labels at the Second Level in the New gTLD Namespace](#) (26 pages)
  - provides a more detailed account of background and developments that led to the 8 November 2016 ICANN Board [resolution](#), focusing on a “*factual, sequential recitation of events*” (pp. 4-12)
  - recalls how GAC Advice subsequent to the 8 November 2016 Board [resolution](#) was addressed (pp. 13-16)
  - includes a record of communications on this matter throughout the process with the GAC, governments and ccTLD Managers (pp. 17-24)
- A [summary](#) of the two documents (attached to this briefing) is also provided in annex to the [CEO Letter to the GAC Chair](#).

## Response to ICANN63 GAC Advice

Consistent with conclusions of the [GAC/ICANN Board Clarification Call](#) regarding the Barcelona Communiqué (28 November 2018), the Board considered the [GAC Advice](#) on Two-Character Country Codes at the Second Level during its [meeting](#) on 27 January 2019.

Per its [resolution](#) of 27 January 2019, the Board addressed the GAC Advice as laid out in the [Board Scorecard](#). Below are extracts of these responses

- [Barcelona Communiqué V.1.a.i](#):  
Explain in writing how and why it considers it is implementing GAC advice on the release of country codes at the second level;

Extract of Board Reponse: (available in full in Annex)

*[...] the Board believes it has both fully considered and implemented the GAC advice on two-character labels at the second level.*

- [Barcelona Communiqué V.1.a.ii](#):  
Explain in writing whether its Resolution of 8 November 2016 and its change from the preexisting release process (indicated in specification 5. 2 of the Registry Agreement, sentence 1) to a new curative process (under sentence 2) are compatible with GAC advice on this topic, or whether it constitutes a rejection of GAC advice. The GAC advises the Board to set out its explanation in writing by 31 December 2018. Previous GAC advice on this matter stands.

Extract of Board Reponse: (available in full in Annex)

*[...] The November 2016 resolution did not constitute a switch from a “release process” to a “curative process”, but rather was the culmination of a multi-year process of development, which allowed for input from registry operators, GAC members and individual governments, and other community members. [...]*  
*The Board examined the issue with respect to ICANN's mission, commitments and core values, and believes that it adopted a resolution that is consistent with GAC advice. The Board shares the GAC's concern that use of two-character strings corresponding to country codes should not be done in a way to deceive or confuse consumers, and, based on the process described in the ICANN org memo and Historical Overview, believes it has implemented a solution that resolves any issues related to user confusability. The Board is not aware of any further negative consequences from the 8 November 2016 resolution regarding security, stability, or user confusability*

- [Barcelona Communiqué V.1.a.ii](#)  
Ensure that its direction to the ICANN CEO to “engage with concerned governments to listen to their views and concerns and further explain the Board's decision making process” (Board Resolution 2017.06.12.01) is fully implemented including direct engagement with those governments in order to fully address their concerns.

Extract of Board Reponse: (available in full in Annex)

*[...] Although the Board believes that the advice to engage with concerned governments to explain the process and rationale has been fully implemented, the Board directs the ICANN President and CEO to continue to develop the tools as noted above to allow concerned GAC members to track two-character registrations.*

## Current Positions

### ICANN63 GAC Advice

In the [Barcelona Communiqué](#), the GAC Advised the Board on this issue. Please refer to above section (Response to ICANN63 Advice) where the text of the Advice is provided.

### ICANN63 Briefing prepared for the GAC by GAC Vice-Chair Thiago Jardim (as shared with the ICANN Board)

The ICANN63 [Briefing](#) on Concerns Regarding the Release of 2-Character Country Codes at the Second Level under gTLDs was shared and discussed with the ICANN Board in Barcelona.

In summary, the briefing, as prepared by GAC Vice-Chair Thiago Jardim (Brazil) in collaboration with a set of concerned countries over several conference calls, pointed to:

- Concerns with the release of country codes, as reiterated in previous GAC Communiqués, including: governments losing the ability to play a role in the release of their country codes and the ICANN Board not taking appropriate actions.
- "Serious procedural flaws" in the decision making process in relation to the Board decision of 8 November 2016
- An assessment of why, from a GAC perspective, "the removal of the 'Authorization Process' was inconsistent with GAC Advice".

## Further Information

GAC Website Reference Page:

<https://gac.icann.org/activity/2-character-country-codes-at-the-second-level-in-new-gtlds>

ICANN Country Code Search Tool:

<https://gac.icann.org/activity/second-level-country-code-registration-search>

ICANN Org Website Reference Page:

<https://www.icann.org/resources/two-character-labels>

## Document Administration

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