Phase 2 Initial Report of the EPDP on Internationalized Domain Names 21-May-2024

Comment of the ICANN Business Constituency (BC)

This document is submitted by the Business Constituency (BC) regarding the Phase 2 Initial Report of the EPDP on Internationalized Domain Names.

The BC congratulates the IDN EPDP Team for completing the Phase 2 initial report in an expeditious manner. IDN TLDs represent an immense opportunity for the multilingual Internet registrants and users, and BC is in full support of the wider IDN.IDN adoption with the orderly introduction of the variant domain names at the top and second levels.

The BC would like to provide the following high-level comments to the Phase 2 initial report. Firstly and most importantly, BC welcomes the IDN EPDP Team's consistency on the "Same Entity" and "Conservatism" principles. We are glad to learn that the "Same Entity" principle is expanded as "same registrant, same registrar" which we've proposed in <u>our previous comment on the Phase 1 report</u>.

BC is however concerned that the IDN EPDP Team chose not to provide a clear recommendation to one key fundamental question in its draft report. The question is:

Is an IDN.IDN variant domain a newly created, separated domain from its source IDN.IDNdomain?

From BC's viewpoint, we understand the current industry practice as the following definition in sequence:

- 1. IDN.IDN (text) domain is equivalent to its XN-- . XN-- (punycode) domain based on IDNA standards / IDN Guideline. For example, the Chinese IDN.IDN (text) "亚马逊.购物" is converted to "xn--jlq480n2rg.xn--g2xx48c" in the DNS for actual domain resolution.
- 2. IDN.IDN <u>variant</u> (text) domain is equivalent to its IDN.IDN <u>source</u> (text) domain as defined by the IDN language table maintained by the corresponding TLD registry (and approved by ICANN) as well as ICANN's Root Zone LGR. For example, "亞馬遜.購物" (punycode "xn--nlqs61nl3f.xn--g2xv08c")is the Traditional Chinese IDN.IDN variant of the source IDN.IDN ""亚马逊.购物" domain in Simplified Chinese.

Therefore, if 1 and 2 must co-exist, it means that the IDN.IDN variant domain is not a separable, independent domain name registration from its source domain. Any existing and future variant domain name is in a parent-child relationship to its source domain. An IDNvariant.IDNvariantTLD domain names are generated / auto-generated by the TLD registry as derivative options to the same entity, and the variant or the variant set should not be independently created utilizing "EPP-create" transaction. Since activation of an IDN.IDN variant domain is not considered as a new-create, the registry / registrar therefore should not charge additional fee to its user.

The BC believes that the IDN EPDP Team could have addressed the above issue more thoroughly and then all 20 recommendations can be developed from such a foundation in order not to make a policy overcomplicated. The IDN EPDP Team on the contrary decided to shorten its project timeline by 13 months without addressing the issue, and we find it difficult to understand such an approach.

Secondly, for the existing IDN TLD ROs and the 1.5 million IDN gTLD domains they serve, BC strongly supports the idea of allowing them to maintain the existing policy implementation, if they chose to do so. It means that:

- a) Introducing IDN variant TLD is an option, not mandatory, to existing IDN TLD. If an IDN TLD registry operator decide not to offer variant TLD, they should have the option to do so and continue to accept registration based on existing policy;
- b) IDN.IDN variant domains should be implemented without over complicating the domain name life cycle that the domain name industry has defined and implemented for years;
- c) if the existing IDN TLD operator decides to implement IDN.IDN variant registration, we highly recommend that a consistent IDN registration policy is introduced and implemented; the proposed "grandfathering" or "exemption" policy can be only temporary and a "sunset" policy should be implemented for these existing IDN.IDN domains with the bundled variant domains; and
- d) based on the conservatism principle and for security consideration, mixing IDN source and IDN variant script at the same or different TLD-level should not be allowed until a proper policy is introduced.

Last not the least, BC acknowledged that the IDN Implementation Guidelines requires an update and we would encourage the ICANN Board and the GNSO to coordinate and proceed with the work immediately.

This comment was drafted by Ching Chiao, with edits from Steve DelBianco and Hafiz Farooq. It was approved in accord with our charter.