

auDA Name Policy Advisory Panel

NEW SECOND LEVEL DOMAINS IN THE AUSTRALIAN DNS:

PUBLIC DISCUSSION PAPER

May 2001

PURPOSE

The purpose of this paper is to stimulate discussion on the creation of new Australian second level domains (2LDs). To this end the paper asks – How should the structure of the Australian domain name system (DNS) be changed to make it more responsive to user needs? What process should auDA adopt in considering whether (or not) to change the structure, either by revising the existing 2LDs or creating new ones?

It is **not** the purpose of this paper to call for proposals for new 2LDs.

BACKGROUND

The auDA Name Policy Advisory Panel has now presented its Final Report on changes to domain name policy to the Board of auDA, and this has been accepted by the Board. The report is located at <http://www.auda.org.au/panel/name/papers/finalreport.html>

The Final Report proposes some significant changes to the Australian domain name system (DNS). These changes will be introduced by auDA later in 2001 together with the introduction of a new competitive regime for the provision of domain name services. In summary, the following will provide the major input to changes to the DNS:

1. Domain name policy changes, proposed by the Name Policy Advisory Panel.
2. A competition model for domain name services, proposed by the Competition Model Advisory Panel.
3. An Australian dispute resolution policy (auDRP), proposed by the Dispute Resolution Working Group.

The Board of auDA has given to this Panel the task of seeking comments and making proposals relating to NEW DOMAINS – that is, new Australian 2LDs, including proposals relating to the existing Australian 2LDs.

The Panel proposed in its Final Report that consideration be given to creation of new 2LDs. The main grounds for this proposal are set out in the Panel's First Public Consultation Report, at <http://www.auda.org.au/panel/name/papers/publicreport.html>. In summary, the Panel suggested that the creation of new 2LDs would:

- Make the DNS more useful to Internet users
- Increase the number of domain names.
- Enlarge choices.
- Enhance competition.
- Create conceptual diversity in the DNS.

In its Second Public Consultation Report, issued in February 2001 at <http://www.auda.org.au/panel/name/papers/publicreport2.html> the Panel recommended:

“5.1.1 A limited number of new 2LDs should be introduced in the .au domain space.”

The Panel also said “it is the Panel’s view that many of the difficulties people have had with the current domain name system could be alleviated by judicious creation of new 2LDs.” The Panel based this conclusion on the public comment which has taken place in conjunction with its reports, as well as on its observations and experience of the use of domain names by Australians. There is a clear trend to use of multiple domain names for a widening range of purposes, and the Panel envisages further development of the Australian DNS along these lines. The Panel believes that the decision to retain a two-tier Australian DNS (making use of differentiated 2LDs) will be the best approach, in the current environment, to meet the range of needs of Australians, and others using the Australian DNS.

THE AIM OF THIS PAPER

This paper has a limited role. The major policy issues relating to the Australian DNS are canvassed in the Final Report of the Panel, or will be dealt with in the work of the Competition Panel and the Dispute Resolution group.

This paper deals with new and existing 2LDs, and the other work under way should be assumed as part of the basis for consideration of new domains. In particular, the paper’s primary aim is to specify the process auDA should use in making a decision to revise the existing 2LD structure. The Panel understands that it is easy for submissions addressing this issue to take the next step and make proposals for change. It should be noted that any submissions that propose changes to the existing structure against the criteria nominated by this paper will not necessarily result in the adoption of those proposals. The appropriate timing for such proposals will become clear once a process has been settled.

Similarly, the subject matter of the Panel’s Final Report will not be re-opened.

In this context, and given the Panel’s belief that distinct 2LDs each with a specific purpose are beneficial to the Australian DNS, the paper poses the five following questions.

1. **What criteria should we use in considering new 2LDs?** This includes the consideration of changes to the current 2LDs.
2. **How should existing 2LDs be changed (if at all)?** Some 2LDs have very limited definitions or statements of policy. We provide a list of existing 2LDs below, with brief descriptions. Further information is provided in the Panel’s Stage 1 Report, which set out the current state of play and is located at <http://www.auda.org.au/panel/name/papers/stage1report.html>
3. **What new 2LDs should be introduced (if any)?** The Panel has canvassed this issue in very broad terms, and the results of this are set out below.
4. **What should be our response to the new international domains?** ICANN has announced its intention to introduce seven new international top level domains (TLDs) later in 2001, and some information about this is provided below.

5. **What process should be used to propose new 2LDs?** A suggested process is set out below.

The Panel invites comments in response to these questions, and to the issues raised in the expansion of each question below.

The Panel intends that the views contained in submissions will be consolidated into a report to auDA at the end of June 2001, containing the Panel's recommendations about the type of changes to the Australian DNS structure that may be warranted, and the way forward for auDA.

1. WHAT CRITERIA SHOULD WE USE IN CONSIDERING NEW 2LDS?

The starting point for selection criteria are the desirable attributes of a good DNS, previously discussed by the Panel:

1. **Coherent.** A common set of principles, baseline policies and rules which apply to everyone across all 2LDs.
2. **Flexible.** Responsive to the different needs of different types of domains, and to changing environments.
3. **Competitive.** Protects domain users as the ultimate beneficiaries of a well-regulated system.
4. **Simple.** Clear and simple rules, applications simple to process.
5. **Robust.** Rules must be technically feasible and stable, and registry information should be reliable and publicly accessible.
6. **Consistent with other rights.** Including intellectual property rights of individuals and businesses.
7. **Internationally benchmarked.** Has regard to international standards and best practice, while also reflecting Australian community standards and identity.
8. **Participative.** Promotes self-regulation and stakeholder participation.
9. **Fair.** Promotes trust in the integrity of the system.
10. **Transparent.** Adequately addresses privacy and other consumer protection issues.

The Panel considers that proposed changes to the Australian DNS structure should be argued and assessed against these attributes.

However, we also consider that any proposed changes should particularly take account of the four criteria listed below, which are intended to address the basic question, why do we need a new 2LD (or why do we want to change an existing one)?

1. A category of existing or potential domain name users is not well served by the existing .au domains. In this circumstance, a new 2LD might be created to serve the needs of a community of interest not well served now, or the rules for an existing domain might be clarified or changed to meet such needs.
2. A particular domain name function is not well served by the existing DNS structure. For example, a new 2LD might enhance the directory function of the DNS by making it easier to locate a domain name by its type .
3. The new 2LD enhances competition in an environment where it would otherwise be limited.

4. The new 2LD widens the range of choices available to domain name users where that range is relatively limited now; for example, the change improves the ability of domain name users to license a “desirable” name if they wish.

Criteria may differ for different types of 2LDs – community-focused 2LDs may differ from commercial 2LDs, for example. Criteria may also differ in the case of changes to existing 2LDs, which are encompassed in the next section.

2. HOW SHOULD EXISTING 2LDs BE CHANGED?

The Panel’s Final Report provides a brief statement about each of the existing 2LDs.

asn.au

For 'associations'. Includes associations incorporated under specific state legislation, some incorporated bodies, political parties, trade unions, sporting and special interest clubs and 'partnerships' between disparate organisations.

Recently this 2LD has become an alternative to org.au, due to problems with service in that domain. However, despite its broad scope and appeal, it still has relatively few registrations (approximately 2,000).

com.au

For commercial purposes. Includes commercial entities currently registered and trading in Australia, as well as commercial products and services.

This domain is by far the most popular domain in Australia, containing approximately 80% of all .au domain names. This high demand can be attributed in large part to the association with the .com gTLD. It may also reflect the overwhelmingly commercial nature of Internet use in Australia at present, or that marketing of online business has been restricted to com.au names.

conf.au

For short duration conferences and exhibitions.

This is the only 2LD specifically for short-term domain names, related to time-limited events such as conferences or trade fairs. There are very few conf.au domain names, but the nature of the domain is such that the number continually fluctuates. Anecdotal evidence suggests that public awareness of this domain is not high.

csiro.au

Eligibility to licence a domain name is demonstrated if the applicant is an employee of CSIRO.

Only the Commonwealth Scientific and Industrial Research Organisation may license csiro.au domain names.

edu.au

Eligibility to licence a domain name is demonstrated by sufficient evidence, as determined by the registrar, that the requesting body is education-related.

Only educational institutions may license edu.au domain names. This domain, like gov.au, has a well-defined purpose that is instantly recognisable by users.

gov.au

Eligibility to licence a domain name is demonstrated by reference to an Act of Parliament or government regulation.

Only official government bodies may license gov.au domain names. This domain, like edu.au, has a well-defined purpose that is instantly recognisable by users.

id.au

For individuals.

id.au is for individuals who want to license domain names that match their own first or last name. This domain is sub-divided into nine 3LDs (eg. emu.id.au, wattle.id.au, etc), so that individuals must register at the 4LD level. Although there appears to be significant public demand for a personal domain, the id.au domain is not a popular choice. This could be due to lack of public awareness, lack of service, or the 3LD structure. One option might be to permit registration directly under id.au, as well as or instead of the current registration at the 4LD level. Note that ICANN has selected a new TLD for individuals, .name.

info.au

For major information resources.

There are 15 domain names currently licensed in info.au. Public awareness of, and demand for, info.au domain names is not high, probably due to the fact that the purpose and policy of the domain have not been clearly stated. Service in info.au ceased completely some time ago. It is worth noting that one of the new TLDs selected by ICANN is .info, intended to be an unrestricted (ie. open slather) domain for informational sites.

net.au

For internet-related commercial purposes. Includes commercial entities currently registered and trading in Australia, as well as commercial products and services.

Although initially intended for Internet-related businesses only, net.au domain names may be licensed by any type of commercial enterprise. Apart from the fact that generic words may be registered in net.au but not com.au, the eligibility and allocation policy for the two commercial 2LDs are largely the same. The price and renewal period are also the same.

The total number of net.au domain names (approximately 16,000) is significantly lower than the total number of com.au domain names (approximately 220,000). This suggests that prospective domain name holders either are not aware that they are able to license a net.au domain name, or do not consider it an attractive option.

org.au

For 'organisations'. Companies, statutory authorities, partnerships, etc, are all acceptable, as is almost anything else that can reasonably be considered an organisation.

org.au domain names are for organisations, usually but not necessarily non-profit, that are not eligible to license a domain name in any other 2LD. There are approximately 7,000 org.au domain names. Anecdotal evidence suggests that domain name registrations in org.au have been declining. For people who have

encountered practical obstacles in licensing an org.au domain name, asn.au provides an alternative.

3. WHAT NEW 2LDs SHOULD BE INTRODUCED?

During the Panel's consultations on Australian domain name policy, many people made comments on the need for new 2LDs, and this is the reason for the current inquiry. Lots of ideas were generated, and most of them are listed below. We are interested in your responses to these suggestions, and in particular to those which you think are MOST important in enhancing the utility of the DNS. Additional suggestions are welcome, but it should be borne in mind that the primary aim of the paper is to develop a process for determining whether changes to the 2LD structure should be made, and what criteria should be used in deciding what those changes should be.

- ❑ **Individuals.** This would be a 2LD that is simple to use and amenable to operation by competing registrars. Although there is an existing 2LD for individuals (id.au), it does not seem to be a popular choice among potential domain name holders. Its 3LD structure is perhaps too complex and unattractive to users. ICANN plans to introduce a new TLD for individuals, .name.
- ❑ **Informal associations and groupings, hobbies and interests which are essentially non-commercial.** The point has been made that there is no domain that permits people to run tribute websites (or protest websites), or simply pursue hobbies and interests. This is different from a 2LD for individuals, because the domain name for a tribute or hobby website would not necessarily be the same as the name of the domain name holder.
- ❑ **An 'open slather' 2LD.** This means a 2LD with no eligibility requirements whatsoever. This type of domain would be akin to the .com, .net and .org gTLDs, where domain names are licensed purely on a first come, first served basis, and there is no distinction between commercial and non-commercial, or individual and organisation. It has been suggested that an open slather 2LD would ease the pressure in the existing 2LDs.
- ❑ **A geographic names 2LD.** This could be one 2LD (such as place.au or geo.au) or perhaps a separate 2LD for each state and territory, which provides a structure for regional clusters or directories of domain names. The purpose of such an approach would be to ensure that geographic domain names are available to be used by and/or on behalf of the relevant community. It might be implemented alongside permitted use of geographic domain names in commercial domains, or in a situation where the current ban is continued.
- ❑ **Gateways.** These have been proposed, either as a single 2LD with a directory structure, or as a series of new 2LDs. It has been suggested that this would be the fairest way to use generic domain names in a commercial context (eg. cars.au would provide a listing of all car dealers, law.au would provide a listing of all lawyers, etc).
- ❑ **New commercial domain.** It has been proposed that new 2LDs which simply parallel com.au and net.au and perform the same commercial function would make possible a wider range of users for names which are widely sought. This is the basis on which ICANN selected the .biz TLD. It would increase choice for businesses whose names are already taken in the com.au and net.au domain.

On the other hand, a possible undesirable consequence might be that businesses that already hold a com.au or net.au domain name might license the same .biz domain name, to protect their trade mark or trading reputation, thus undermining the advantages of increased choice for registrants.

- **Telephones and email.** It has been suggested that a domain which simply permitted entities to establish a telephone number as a domain name would be useful. The Panel notes the work of the Internet Engineering Task Force (IETF) in relation to mapping of telephone numbers into the DNS to enable the implementation of a telephone number-based Internet directory system. The same principle might be applied to email addresses, ABNs and other numbering systems.
- **Indigenous Australians.** This was suggested by a respondent to the Panel's first public report, as a means of encouraging Internet use by indigenous Australians, and giving them control over their online content (eg. to help prevent commercial exploitation of indigenous artworks, etc). It would also enhance the conceptual diversity of the DNS. Similarly, new 2LDs could be introduced for other cultural and ethnic groups.

4. WHAT SHOULD BE OUR RESPONSE TO THE NEW INTERNATIONAL TLDs?

In mid-2000, ICANN decided to introduce a small number of new TLDs, under strictly controlled conditions, as a 'proof of concept' for possible future introductions. The reasons given were to enhance competition for registration services, improve the utility of the global DNS, and increase the number of available domain names.

In November 2000, ICANN announced the selection of seven new TLDs. These are described below. They will be introduced later in 2001.

.aero

The .aero TLD is a sponsored (ie. closed) domain for entities in the air transport sector. The Societe Internationale de Telecommunications Aeronautiques (SITA) will manage and set policy for .aero.

.biz

The .biz TLD is an unsponsored (ie. open) domain for commercial purposes. It is not an open slather domain. Unlike .com, domain name registrations in .biz must be used or intended to be used primarily for bona fide business or commercial purposes (basically defined as the exchange of goods, services or property). Registering a domain name for personal or non-commercial purposes will not be considered bona fide for the purposes of .biz.

By placing some restrictions on registrants to preserve the commercial nature of the domain, .biz is similar to the .au commercial domains, com.au and net.au.

.coop

The .coop TLD is a sponsored domain for cooperative businesses, of which there are an estimated 750,000 around the world. The International Cooperative Alliance (ICA) will manage and set policy for .coop.

.info

The .info TLD is an unsponsored, open slather domain, intended to compete directly with the existing open slather gTLDs, .com, .net and .org. Although its stated

purpose is for 'informational sites', in practice, registrants in .info will be free to use their domain name for any purpose.

In the Australian DNS, the info.au domain was established for 'major information resources', and the few existing info.au domain names have been used for this purpose (eg. www.missingpersons.info.au). Service in info.au ceased some time ago, in part due to the lack of a detailed eligibility and allocation policy. It would be possible for info.au to be used as an open slather domain, like the new .info TLD. It is appropriate to consider the way in which this Australian domain should be used in the future.

.museum

The .museum TLD is a sponsored domain for museums. Only those institutions and entities that meet the International Council of Museums (ICOM) definition of museum will be eligible to register domain names in .museum.

.name

The .name TLD is an unsponsored domain for personal domain names, to be used for personal (ie. non-commercial) purposes. Registrations will only be accepted at the third level, in the form firstname.lastname.name (eg. mary.smith.name, john.smith.name, etc). The registry will maintain control over the second level, so that no one can register their own last name; in other words, .name will be a directory service for personal names. Registration is on a first come, first served basis; no other policy restrictions apply.

In the Australian DNS, the id.au domain is for personal purposes. Instead of the .name directory approach, id.au has 9 sub-domains intended to provide more opportunities for people to register their own name (eg. smith.emu.id.au, smith.wombat.id.au, etc). It is appropriate to consider the way in which this Australian domain should be used in the future.

.pro

The .pro TLD is an unsponsored domain that will provide a directory service for professionals (eg. lawyers, doctors, accountants, etc). Its main aims are to increase the pool of available domain names for professionals, and enhance consumer confidence in services available on the Internet. The registry will form alliances with relevant professional associations and accrediting agencies in order to develop appropriate registration policies.

There is no equivalent domain in .au. The concept of gateways raised in section 3 could cover professional groups as well as generic retail groups.

The Australian DNS reflects the global DNS by including com, edu, gov, net and org as 2LDs (but with different rules). There is already an info.au. There may be value in adopting some or all of the other new TLDs, to maintain the connection between .au and the global domain. If so, they may need to be re-defined to suit local conditions; for example, they would need to comply with the policy principles set out in the Panel's final report. In other words, the .au domain would not simply replicate the gTLDs, but attempt to align as much as possible.

5. WHAT PROCESS SHOULD BE USED TO PROPOSE NEW 2LDs?

Changes to the Australian DNS, including the selection of new 2LD names, could be undertaken in a number of ways, and there are now several overseas models. This discussion paper recommends one model, but also mentions others.

The model proposed might be applied during the second half of 2001, or later. It might be applied following some interim 2LD policy decisions by auDA as a result of this consultation. No changes to the 2LD structure of the Australian DNS will be introduced until the new competitive regime is in place later in 2001.

The process used will be influenced by the Panel's recommendations, which will be provided to the auDA Board following receipt of submissions and proposals as a result of this current (May 2001) public consultation.

Proposed method: auDA will issue an open call for proposals, and select from responses.

This model is recommended by the Name Policy Advisory Panel.

auDA would invite people to submit proposals for changes to existing 2LDs, adoption of new gTLDs, and/or creation of new 2LDs.

Proposals must state:

1. The reason for proposing a new 2LD, in terms of the criteria set out in this paper, in particular, how the new 2LD would improve the functionality and utility of the DNS and the reason why the purposes of the new 2LD are not met adequately by the existing system.
2. The eligibility criteria which would apply to the new name. Proponents must assume that general eligibility rules would apply to all as set out in the final report of the Name Panel.
3. A description of the new 2LD which is sufficiently detailed to differentiate it clearly from existing 2LDs (or align if with an existing 2LD if that is its purpose). The proposal must indicate the relationship of the new 2LD to other 2LDs, including the extent to which there is overlap in roles.
4. Examples and suggestions as to possible names for the new 2LD – this is optional – the choice of an actual 2LD name might be left to auDA..
5. Indication of what other rules might apply to the new 2LD.

This approach is based on the one used by ICANN in its selection of new TLDs, but a very important difference is that it would not be a commercial arrangement. In other words, the proponent would have no rights in the proposal. The proposal would be made in the public interest, and a proponent would be required to declare any pecuniary interest in the proposal.

The New Zealand model

The NZ domain name authority has recently established new procedures for proposing new 2LDs, and these are set out at <http://www.domainz.net.nz/default.asp>. The Internet Society of New Zealand has delegated responsibility for management of the .nz DNS to Domainz, its subsidiary.

To establish a new 2LD, proposals should first reflect the concept of "communities of interest". Proposals for new 2LDs must "provide a substantive description of the community of interest requiring the domain, justify the requirement for a new second level domain for this community of interest, justify the selection of a new domain with respect to the principles listed above." A detailed process for consideration of new

2LDs is also set out; it involves an initial vote of ISOCNZ members, followed by a submission process, and a vote of the Council of ISOCNZ.

The ICANN model

ICANN selected the seven new TLDs from a large number of proposals from sponsoring organisations. Sponsoring organisations were required to pay a non-refundable fee of \$50,000. They were also required to present a business model for operating the new registry, as well as a supporting argument for the new TLD itself. In some cases, it would seem that ICANN's decision was based more on the registry business model than the actual TLD.

One inhibition in using the ICANN model as it stands is the Australian commitment to competition in its revised DNS practices.

auDA-initiated change

Drawing on the work of the Panel to date, including submissions to the Panel's three public consultation reports, auDA would proactively develop its own proposals for changes to existing 2LDs, adoption of new gTLDs, and/or creation of new 2LDs. These would be issued for public comment. In addition, auDA could invite its members to vote on the proposals. The final decision would be based on the outcome of this consultation process.

HOW TO MAKE A SUBMISSION

People wishing to comment on the 5 questions, and any other issues raised in this paper should send a submission to:

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.au Domain Administration

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Electronic submissions are preferred.

All submissions will be posted on the auDA website within 2 working days of receipt.

The closing date for submissions is **Friday 8 June 2001**.