

Contractual Compliance February 2021 Round Registrar Audit Report

Contractual Compliance

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1 Background

The mission of ICANN Contractual Compliance (“Compliance”) is to ensure that the Contracted Parties (Registries and Registrars) comply with the agreements and consensus policies developed by the multistakeholder community. ICANN Compliance strives to achieve this goal through prevention, enforcement, and education.

Goal of the Audit Program

The goal of the Audit Program is to allow Compliance to identify, inform, manage, and help remediate any deficiencies found with the Contracted Parties. Any deficiencies identified would relate to specific provisions and/or obligations as set out by the Registrar Accreditation Agreement (“RAA”) and the New gTLD Registry Agreement (“Registry Agreement”) and the relevant ICANN Consensus Policies. The Audit Program ensures that Contracted Parties with identified deficiencies implement proper controls to mitigate future deficiencies related to the obligations in the RAA and the Registry Agreement.

Please note that this update is provided for informational purposes only and should not be relied on for any other reason.

2 Executive Summary

On 1 February 2021, ICANN Compliance launched an audit round to test and validate selected Registrars’ compliance with the abuse-specific requirements outlined in the 2013 version of the RAA, found [here](#). The audit concluded in June 2021. This report provides a general, anonymized overview of the results of this audit.

As discussed in further detail below, the audit program consists of six phases: the pre-audit notification phase, request for information (RFI) phase, audit phase, initial reporting phase, remediation phase and final report phase.

The following materials were reviewed as part of the audit:

- Registrar documentation received per ICANN’s Request for Information (RFI)
- Registrar’s public-facing website(s)
- Correspondence between the selected Registrars and ICANN’s Contractual Compliance team

The RFI issued to the selected Registrars was developed by Compliance in collaboration with the ICANN Registrar Stakeholder Group.

For the purposes of this domain name system (DNS) abuse audit, the Registrar selected had **at least** five (5) domains present in either:

- The Security Threat Reports received in the 2019 Registry Operator Compliance Audit program; **or**

- The November 2020 OCTO Abuse Reports that were compiled based on RBL metrics¹

One hundred twenty-seven (127) Registrars met the selection criteria and were included in the audit. During the RFI phase, one (1) Registrar was issued a Notice of Termination by ICANN Compliance for breaches of the RAA unrelated to the audit and was, therefore, no longer eligible to participate in the audit. The remaining 126 Registrars completed the RFI phase and participated in the Audit phase.

Based on registration data, submitted monthly by Registry operators to ICANN, these 126 Registrars managed more than 90% of all registered gTLD second-level domain names as of the beginning of the audit; this percentage/coverage continues to be the same as of June 2021.

During the Audit Phase, the ICANN-KPMG audit team reviewed over 1,700 documents collected in ten different languages from the remaining 126 in-scope Registrars.

By 28 June 2021, ICANN Compliance had issued final audit reports to 126 Registrars. The table below details the reporting status of all 126 Registrars:

| Registrar findings or remediation category | # of Registrars |
|--|-----------------|
| Completed Audit Phase with no findings | 15 |
| Completed Audit Phase with findings, fully addressed all findings in Remediation Phase | 92 |
| Completed Audit Phase with findings and currently implementing plan to address (to be re-tested) | 19 |

As noted in the table above, nineteen (19) Registrars received an audit report indicating that some initial findings were still in the process of being remediated as of 28 June 2021. Those Registrars are currently implementing necessary changes to address their non-compliance. ICANN Compliance will follow-up with these Registrars in a future audit round once all agreed-upon due dates for compliance have been reached.

Finally, each selected registrar received a sample of 5-20 of domains under its management that were included in the November 2020 OCTO Abuse Reports. Each registrar was asked, for each domain, whether it had received any reports that were listed as abusive and whether they took any action on these domains. These questions were asked for informational purposes only as they did not correspond to any contractual obligations.

Out of the 126 registrars, 33 (26%) responded that they did not receive abuse reports for any of the sample domains; 81 (64%) Registrars responded that they had received an abuse report for

¹ Reputation Block Lists (RBLs) are lists of domain names, URLs, or IP addresses that have been investigated and subsequently identified as posing security threats. RBLs maintained by commercial service providers, researchers, and public interest communities to detect or receive notification of security threats. The lists vary in focus and in detection methods, and many lists specialize in one kind of threat (e.g. malware, phishing, etc.). ICANN receives data from RBLs and utilized this information in selecting Registrars with abusive domains identified as potential security threat.

at least some of the sample domains; and 12 (10%) responded that they had received abuse reports for all domains that have been listed in the inquiry.

3 Audit Program Scope

The Audit Program operates on a recurring cycle. Registrars may be subject to an audit cycle based on the criteria previously mentioned in addition to other special circumstances or considerations.

The Audit Program scope details can be found [here](#).

The Audit Program consists of six (6) phases with specific milestone dates and deliverables:

- **Pre-Audit Notification Phase** – Issue a general audit announcement to notify all Contracted Parties two weeks prior to the audit
- **RFI Phase** – Issue a notice of audit to the selected Contracted Parties
- **Audit Phase** – Review responses and, where applicable, test and validate
- **Initial Report Phase** – Issue confidential draft audit reports containing initial findings to the auditees
- **Remediation Phase** – Collaborate with the contracted parties to remediate initial findings discovered during the Audit Phase
- **Final Report Phase** – Issue confidential final audit reports to auditees. A consolidated audit round report is then issued and published [here](#).

The following table summarizes the Audit Program milestones and dates for the audits that took place from February 2021 through July 2021:

| Request for Information Phase | | | Audit Phase | Remediation Phase | | |
|-------------------------------|------------------------|------------------------|-------------------------------|------------------------|------------------------|------------------------|
| 1 st Notice | 2 nd Notice | 3 rd Notice | Start & End | 1 st Notice | 2 nd Notice | 3 rd Notice |
| Feb. 1, 2021 | Feb. 22, 2021 | Mar. 2, 2021 | Mar. 10, 2021 – Apr. 28, 2021 | Apr. 28, 2021 | May 19, 2021 | May 26, 2021 |

4 Registrar Audit Program

The following table summarizes Registrars selected to participate in the audit.

| Phases | Count |
|---|-------|
| RFI Phase | |
| Registrars selected for the audit | 127 |
| Audit not completed due to termination (during RFI or Audit Phase) | (1) |
| Total Remaining Registrars | 126 |
| Initial Report Phase | |
| Registrars passed all audit tests | 15 |
| Registrars requiring follow-up for potential noncompliance | 111 |
| Registrar Total | 126 |
| Remediation Phase and Final Report Phase | |
| Registrars completed resolution of initial findings | 92 |
| Registrars that are currently implementing changes to address noncompliance | 19 |
| Registrars passed all audit tests and had no initial findings | 15 |
| Remediation not completed due to termination (during Remediation Phase) | 0 |
| Registrar Total | 126 |

The following table summarizes the RAA provisions that were tested for contractual compliance and the number of Registrars with deficiencies identified during the Audit or Remediation Phase.

A deficiency is defined as an initial finding noted in the audit report that is verified as noncompliance and requires an action from the Registrar to remediate the noncompliance. For example, if Registrars' abuse email addresses were found to bounce back test emails during the Audit Phase and the Registrars changed or repaired their abuse mailboxes, this would be considered a deficiency.

| RAA Test Area | Description | # of Registrars with Deficiencies | % of Registrars with Deficiencies |
|---------------|-------------------------------------|-----------------------------------|-----------------------------------|
| 3.18.1 | Registrar General Abuse Reports | 46 | 37% |
| 3.18.2 | Registrar LEA Abuse Reports | 33 | 26% |
| 3.18.3 | Registrar Abuse Handling Procedures | 78 | 62% |

A test area is a provision consisting of multiple requirements, resulting in several test steps. For example, one Registrar could have multiple deficiencies under test area 3.18.1; however, all deficiencies within a test area are counted as one.

Each selected Registrar received an individual, confidential audit report noting any initial findings identified in the audit. ICANN shared these confidential audit reports with the respective

Registrars only, and these are not available to the public. Along with these reports, Registrars with initial findings also received a request (1st Notice) either to:

- Cure the noted findings
- Explain why the audit team judgment is incorrect, or
- Provide additional information that resolves a finding

Some Registrars needed more time to address instances of non-compliance and, as a result, their remediation completion date will take place after the audit completion. The following table shows the number of Registrars ICANN will follow-up with to ensure the remediation is completed.

| RAA Test Area | Description | # of Registrars for Follow-Up | % of Registrars for Follow-Up |
|---------------|-------------------------------------|-------------------------------|-------------------------------|
| 3.18.1 | Registrar General Abuse Reports | 11 | 9% |
| 3.18.2 | Registrar LEA Abuse Reports | 4 | 3% |
| 3.18.3 | Registrar Abuse Handling Procedures | 10 | 8% |

ICANN also attempted to assess if data from public Reputation Block lists reaches Registrars.

During this audit round, ICANN selected 127 Registrars that had at least five domains identified by Reputation Block Lists as DNS security threats. One registrar was later excluded from the audit, being on the path of de-accreditation (for reasons not related to this audit). Each remaining registrar received a sample of 5-20 of these domains under its management and was asked, for each domain, whether it had received any reports that were listed as abusive and whether they took any action on these domains. Out of the 126 registrars, 33 (26%) responded that they did not receive abuse reports for any of the sample domains; 81 (64%) Registrars responded that they had received an abuse report for at least some of the sample domains; and 12 (10%) responded that they had received abuse reports for all domains that have been listed in the inquiry.

Community Representation

The Registrars represented 25 countries and provided documents in ten languages:

Countries

- | | | |
|------------------|---------------------|----------------------|
| ⦿ Argentina | ⦿ Australia | ⦿ Bahamas |
| ⦿ Bangladesh | ⦿ Canada | ⦿ China |
| ⦿ Czech Republic | ⦿ Denmark | ⦿ France |
| ⦿ Germany | ⦿ Greece | ⦿ Hong Kong, China |
| ⦿ India | ⦿ Indonesia | ⦿ Israel |
| ⦿ Italy | ⦿ Japan | ⦿ South Korea |
| ⦿ Lithuania | ⦿ Luxembourg | ⦿ Malaysia |
| ⦿ Mexico | ⦿ Netherlands | ⦿ New Zealand |
| ⦿ Panama | ⦿ Republic of Korea | ⦿ Russian Federation |
| ⦿ Singapore | ⦿ South Africa | ⦿ Spain |
| ⦿ Turkey | ⦿ Ukraine | |
| | ⦿ Vietnam | |

United States of America

British Virgin Islands

United Kingdom of Great Britain and Northern Ireland

Languages

Dutch

German

Japanese

Ukrainian

English

Greek

Russian

French

Mandarin

Spanish

5 Audit Program Key Statistics

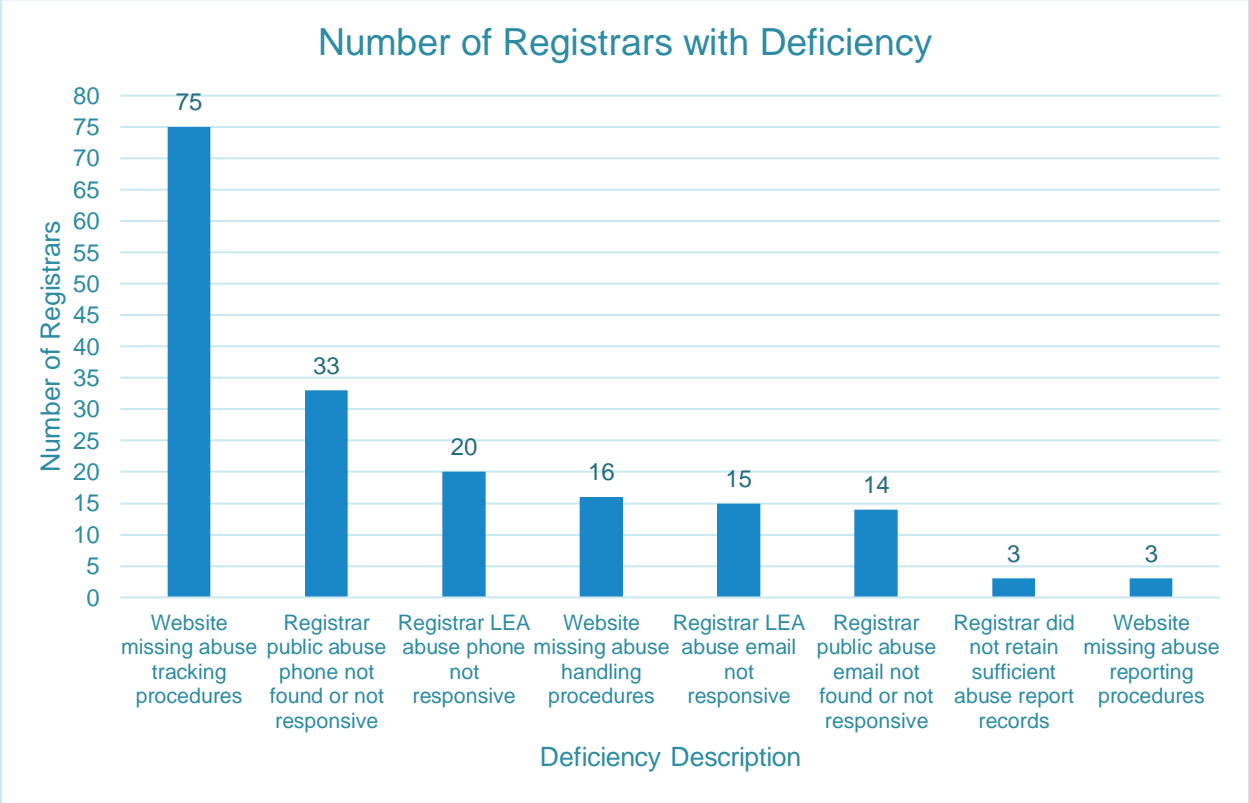
RFI Phase – Notifications

The following table summarizes the number of selected Registrars receiving a 1st, 2nd, or 3rd notice as part of the RFI Phase. All 126 Registrars received the first notice, which contained the formal RFI and provided Secure File Transfer Protocol (SFTP) login credentials for uploading documentation.

| Statistic Description | 1 st Notice | | 2 nd Notice | | 3 rd Notice | |
|--|------------------------|------|------------------------|-----|------------------------|----|
| Number of Registrars to Receive Notice | 126 | 100% | 35 | 28% | 10 | 8% |

Audit Phase – Registrar Reporting

The chart below summarizes the different types of verified deficiencies observed during the audit and how many of the 126 Registrars were confirmed to have each verified deficiency.



Remediation Phase – Notifications

Based on the results of the Audit Phase, fifteen (15) Registrars received an Audit Report with no initial findings noted. The remaining 111 Registrars participated in the Remediation Phase to cure initial findings noted in their Audit Reports. The following table summarizes the number of selected Registrars receiving a 1st, 2nd or 3rd notice as part of the remediation process.

| Statistic Description | 1 st Notice | | 2 nd Notice | | 3 rd Notice | |
|--|------------------------|-----|------------------------|-----|------------------------|----|
| Number of Registrars to Receive Notice | 111 | 88% | 55 | 44% | 10 | 8% |

6 Conclusion

Of the 111 Registrars that received an Audit Report with initial finding(s), 92 were able to fully resolve the deficiencies prior to the completion of the Remediation Phase. The remaining 19 Registrars completed the audit with at least one (1) deficiency noted as they were unable to fully resolve their initial findings prior to the completion of the Remediation Phase. These Registrars are implementing necessary changes to prevent the instances of non-compliance from recurring. ICANN Compliance will follow-up with these Registrars in a later audit once their agreed-upon due date for compliance has been reached.

Appendix – Registrars Selected for the Audit

| IANA ID | Registrar Name |
|---------|---|
| 2 | Network Solutions, LLC |
| 9 | Register.com, Inc. |
| 13 | Arq Group Limited DBA Melbourne IT |
| 48 | eNom, LLC |
| 49 | GMO Internet, Inc. d/b/a Onamae.com |
| 52 | Deluxe Small Business Sales, Inc. d/b/a Aplus.net |
| 65 | DomainPeople, Inc. |
| 69 | Tucows Domains Inc. |
| 74 | Online SAS |
| 76 | Nominalia Internet SL |
| 81 | Gandi SAS |
| 82 | OnlineNIC, Inc. |
| 83 | 1&1 IONOS SE |
| 100 | Whois Corp. |
| 106 | Ascio Technologies, Inc. Danmark - Filial af Ascio technologies, Inc. USA |
| 113 | CSL Computer Service Langenbach GmbH d/b/a joker.com |
| 120 | Xin Net Technology Corporation |
| 141 | Cronon GmbH |
| 146 | GoDaddy.com, LLC |
| 151 | PSI-USA, Inc. dba Domain Robot |
| 168 | Register SpA |
| 244 | Gabia, Inc. |
| 269 | Key-Systems GmbH |
| 291 | DNC Holdings, Inc. |
| 292 | MarkMonitor Inc. |
| 299 | CSC Corporate Domains, Inc. |
| 303 | PDR Ltd. d/b/a PublicDomainRegistry.com |
| 320 | TLDS L.L.C. d/b/a SRSPPlus |
| 379 | Arsys Internet, S.L. dba NICLINE.COM |
| 420 | Alibaba Cloud Computing (Beijing) Co., Ltd. |
| 431 | DreamHost, LLC |
| 433 | OVH sas |
| 440 | Wild West Domains, LLC |
| 460 | Web Commerce Communications Limited dba WebNic.cc |
| 463 | Regional Network Information Center, JSC dba RU-CENTER |
| 468 | Amazon Registrar, Inc. |
| 471 | Bizcn.com, Inc. |
| 472 | Dynadot, LLC |
| 609 | Sav.com, LLC |
| 617 | Epik Inc. |
| 625 | Name.com, Inc. |

| IANA ID | Registrar Name |
|---------|--|
| 664 | Web4Africa (Pty) Ltd |
| 839 | Realtime Register B.V. |
| 886 | Domain.com, LLC |
| 895 | Google LLC |
| 900 | TPP Wholesale Pty Ltd. |
| 925 | Everyones Internet, Ltd. dba SoftLayer |
| 955 | Launchpad.com Inc. |
| 1005 | NetEarth One Inc. d/b/a NetEarth |
| 1011 | 101domain GRS Limited |
| 1052 | EuroDNS S.A. |
| 1068 | NameCheap, Inc. |
| 1091 | IHS Telekom, Inc. |
| 1110 | FBS Inc. |
| 1112 | Internet Invest, Ltd. dba Imena.ua |
| 1154 | FastDomain Inc. |
| 1250 | OwnRegistrar, Inc. |
| 1291 | Dreamscape Networks International Pte Ltd |
| 1316 | Xiamen 35.Com Technology Co., Ltd. |
| 1331 | eName Technology Co., Ltd. |
| 1345 | Key-Systems, LLC |
| 1362 | Regtime Ltd. |
| 1366 | Xiamen ChinaSource Internet Service Co., Ltd |
| 1367 | Paknic (Private) Limited |
| 1376 | Instra Corporation Pty Ltd. |
| 1383 | Soluciones Corporativas IP, SL |
| 1387 | 1API GmbH |
| 1388 | Dattatec Corp |
| 1390 | Mesh Digital Limited |
| 1418 | DanESCO Trading Ltd. |
| 1420 | INWX GmbH & Co. KG |
| 1436 | Center of Ukrainian Internet Names (UKRNames) |
| 1443 | Vautron Rechenzentrum AG |
| 1449 | URL Solutions, Inc. |
| 1454 | Nics Telekomunikasyon A.S. |
| 1462 | One.com A/S |
| 1469 | Jiangsu Bangning Science & technology Co. Ltd. |
| 1478 | CV. Jogjacamp |
| 1479 | NameSilo, LLC |
| 1483 | Neubox Internet S.A. de C.V. |
| 1485 | Japan Registry Services Co., Ltd. |
| 1495 | BigRock Solutions Ltd |
| 1505 | Gransy, s.r.o. |
| 1509 | Cosmotown, Inc. |

| IANA ID | Registrar Name |
|---------|--|
| 1515 | 123-Reg Limited |
| 1519 | NETIM SARL |
| 1531 | Automattic Inc. |
| 1534 | Aerotek Bilisim Sanayi ve Ticaret AS |
| 1555 | 22net, Inc. |
| 1556 | Chengdu West Dimension Digital Technology Co., Ltd. |
| 1557 | Netowl, Inc. |
| 1564 | TLD Registrar Solutions Ltd. |
| 1586 | MAT BAO CORPORATION |
| 1599 | Alibaba Cloud Computing Ltd. d/b/a HiChina (www.net.cn) |
| 1600 | Tecnocrática Centro de Datos, S.L. |
| 1601 | Atak Domain Hosting Internet ve Bilgi Teknolojileri Limited Sirketi (Atak Teknoloji) |
| 1606 | Registrar of Domain Names REG.RU LLC |
| 1621 | Shanghai Meicheng Technology Information Development Co., Ltd. |
| 1630 | Ligne Web Services SARL dba LWS |
| 1636 | Hostinger, UAB |
| 1647 | Hosting Concepts B.V. d/b/a Registrar.eu |
| 1649 | P.A. Viet Nam Company Limited |
| 1659 | GoDaddy Online Services Cayman Islands Ltd. |
| 1660 | Domainshype.com, LLC |
| 1666 | OpenTLD B.V. |
| 1675 | CV. Rumahweb Indonesia |
| 1697 | DNSPod, Inc. |
| 1705 | Network Information Center, S. A. de C. V. |
| 1710 | Nhan Hoa Software Company Ltd. |
| 1727 | ENARTIA S.A. |
| 1741 | Shinjiru Technology Sdn Bhd |
| 1861 | Porkbun LLC |
| 1868 | Eranet International Limited |
| 1910 | CloudFlare, Inc. |
| 1915 | West263 International Limited |
| 2487 | Internet Domain Service BS Corp |
| 3234 | iNET CORPORATION |
| 3254 | CNOBIN INFORMATION TECHNOLOGY LIMITED |
| 3765 | NICENIC INTERNATIONAL GROUP CO., LIMITED |
| 3775 | ALIBABA.COM SINGAPORE E-COMMERCE PRIVATE LIMITED |
| 3806 | Beget LLC |
| 3812 | Innovadeus Pvt. Ltd. |
| 3817 | Wix.com Ltd. |
| 3824 | Cloud Yuqu LLC |
| 3827 | Squarespace Domains LLC |
| 3857 | Dynu Systems Incorporated |