

Registrar and User Consultative Committees



Minutes of 30 March 2023

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1. Attendees

Users

17 persons representing 16 members of the college

- **BACHOLLET Sébastien, representing ISOC France**
- **JOLY-BACHOLLET Anne-Marie, representing Association E-seniors**
- **BEAUVILLAIN Caroline, representing INPI (French National Industrial Property Institute)**
- **BONIFACE Arnaud**
- **BOUTIGNON Antoine**
- **BRAHIMI Fadhila**
- **CHAUMONT Eugénie**
- **CHELLY David**
- **FITZJEAN O COBHTHAIGH Alexis**
- **LOUIS Benjamin**
- **MELLET Marc-Emmanuel, representing NOVAGRAAF**
- **NGUYEN François**
- **PAWLAK Nicolas**
- **PERPERE PAUL representing INPI**
- **PORTENEUVE Elisabeth**
- **PRET Charline, representing NOVAGRAAF**
- **TAYER David-Irving**

Registrars

18 persons representing 15 members of the college

- **ALMIRON Sébastien representing NETIM**
- **CANER Emma, representing OVHCloud**
- **DESSENS Emilie representing DOMAINOO**

- **DULAC Bernard, representing DATAXY**
- **DURIEUX Ludovic representing SAFEBRANDS**
- **ENGRAND Sophie, representing NORDNET**
- **FRANQUINET Arnaud, representing GANDI**
- **FRIGAULT Laurent representing SCALEWAY**
- **GEOFFROY Pierre, representing ONE2NET**
- **GUILLEMAUT Frédéric, representing SAFEBRANDS**
- **HAUSS Patrick, representing CSC**
- **JEAN-GILLES Sophie, representing OBS**
- **JUNG Scott, representing NORDNET**
- **KORN Jennifer, representing ORDIPAT**
- **MANCEC Gaël, representing GERMAIN MOREAU**
- **MICHOT Jean-Claude representing SCALEWAY**
- **POUSSARD Jean-François, representing SOLIDNAMES**
- **WITTERSHEIM Arnaud, representing NAMESHIELD**

Guests

- **LANTONNET Eric, representing DIGITAL GROUP SERVICES**

Afnic

- **AMPEAU Benoit, Partnerships and Innovations Director**
- **BATIFOULIER Caroline, R&D Partnerships and Projects Support Officer**
- **BONIS Pierre, CEO**
- **CANAC Sophie, Head of Associative Governance**
- **CASTEX Lucien, Representative for Public Affairs**
- **DAVOUST Clémence, Events Communication Manager**
- **DUVAL-FAVRE Caroline, Director, Procurement and Finance.**
- **GEORGELIN Marianne, Director, Legal and Registry Policy**
- **NAVAILLES Virginie, Head of Transversal CSR Approaches**

- **PASSEREAU Mégane, Assistant to General Management**
- **TURBAT Emilie, Marketing and Commercial Director**

2. Agenda

News

Points submitted for discussion with members:

- Fight against abuse and registry policies: mediation
- Launch of working group on:
 - Common system for the verification of holders' data
 - Graduated sanctions against registrars
- .fr fee increase

Separate consultative committee meetings followed by feedback

Subjects of information and discussion items with members

- CSR, choice of carbon offset body
- Information update and informal exchanges

Upcoming diary dates

3. Welcome and news update

Pierre Bonis and the co-chairs welcomed members.

He ran through the day's agenda, which would be divided into a members' consultation phase and a phase for feedback of opinions and information.

He reminded those present of the changes made to the agenda, with a reduced number of subjects as requested by members, the Information part being shortened and webinars being held on 20 April 2023 on the reports of the international bodies, presented by Lucien Castex.

News update

AFRINIC, the regional organisation that allocates IP addresses on the African continent, is involved in legal procedures in its home country, Mauritius.

Lifeline funds are seeking to help AFRINIC maintain its activity.

This situation shows that the multi-actor model of governance of the Internet does not escape local jurisdiction – RFCs do not determine how judges act. Things we thought were settled, since they have been in use for years around the world, turn out not to be settled at all since they have not been transcribed into law. There is a risk that this could create a precedent.

Switch-over of .ga (Gabon):

ANINF has regained control of its national ccTLD .ga (Gabon), which had been privatised by Freenom. ANINF has signed a technical partnership agreement with Afnic. There are currently six or seven million .ga domain names, but after the switch-over in June, only 30,000 to 40,000 are likely to remain.

We advise registrars with .ga domain names to send Afnic their lists of holders so that they can be reinstated at the time of the switch-over.

NIS2 Directive:

The Network Information Security Directive (NIS2) has been approved by the EU. Article 28 (previously Article 23) raises certain problems.

There are two elements that could potentially affect members:

1. Data of holders of ccTLDs must be exact. Member States must ask registrars and registries to make an extra effort to ensure that data are correct.

Two options are possible:

- the verification (justification) procedures are well described and reassure the authorities as to the correctness of holder data, such that the authorities validate this *modus operandi*;
- the authorities consider that the justifications are insufficient and the risk is that they impose prior verification.

The aim therefore should be to construct a common discourse of domain name actors so as to be able to tell the State that we have our own collective bases and that there is no need for them to call everything into question.

2. The bodies referred to include registries and businesses, regardless of size, that provide domain names (registrars). All registrars therefore become Operators of Essential Services; some of the smallest among them may have their accreditation taken away and will mostly become resellers.

A meeting is scheduled for next week with ANSSI, the French National Cybersecurity Agency, at which Afnic will propose a consultation with French DNS players. Once this proposed

consultation has been validated by ANSSI, Afnic will report back to its members and its distribution network.

Following questions from registrar members, Pierre Bonis reminded those present that the NIS2 was not a Regulation but an EU Directive, meaning that each country must transpose it into its national law, so there would be 27 transpositions. Each registry and each State would not necessarily negotiate the same things. Therefore only the broad principles would be common to all the various national registries.

Upcoming events:

- International College Days, 7 and 8 June 2023
- Afnic General Meeting and annual dinner, 9 June 2023
- ICANN 77 from 12 to 15 June 2023
- Afnic Scientific Council Day (JCSA), 5 July 2023
- Internet Governance Forum (IGF) France, 6 July 2023, co-hosted by Afnic

4. Report on subjects submitted for consultation

4.1. Fight against abuse & registry policies: mediation

4.1.1. Presentation by Afnic

Marianne Georgelin, Legal Director, presented the plans for the establishment of a mediation procedure.

Context of the project

The project

Opening of a mediation service as an amicable means of resolving disputes between a rights holder and the holder of a domain name under the .fr TLD (or any of the other TLDs managed by Afnic: .re, .pm, .yt, .tf and .wf)

This project forms part of our broader measures for combating abuse and more specifically facilitating the resolution of disputes concerning domain names.

Resolution of disputes relating to .fr domain names

At present, disputes relating to .fr domain names can be resolved in three ways:

- amicably between the parties, on their own initiative, without the registry being informed
- extra-judicially through Afnic's alternative dispute resolution (ADR) procedures;
- through the courts.

Growth in the number of ADR procedures

The number of SYRELI cases almost doubled between 2012 and 2022, from around 150 to more than 300.

In 8% of cases, the holder spontaneously agreed to the measure demanded by the claimant, and in 25% of cases, the holders defended themselves by giving substantiated responses to contest the claimant's demands.

It is in these two cases, in which the holder responds, that Afnic intends to offer this **mediation service**. This represents around 700 rulings since the launch of the SYRELI procedure.

Afnic's new commitments

Observing this increase in claims, Afnic was led to consider whether it would make sense to introduce a mediation procedure meeting the following objectives:

- to bring some of the disputes to a quick and entirely confidential conclusion;
- to propose a new way of resolving disputes which, unlike the ADR procedures, would be free of charge;
- to limit publication of ADR decisions to the cases in which the parties do not reach agreement or do not wish to initiate mediation.

Agreement between the State and Afnic

Article 14 of the Agreement provides for the setting up of a free mediation procedure between the Claimant and the Holder prior to the opening of a dispute resolution procedure, on a voluntary basis.

With this mediation procedure, the registry undertakes to make its mediation proposal within seven business days of the opening of the procedure.

Internal and public consultation

- This project was presented to the Afnic consultative committees on 18 October 2022
- Afnic launched a public consultation from 8 February to 23 March 2023 in order to canvass the opinions of interested parties within the Internet community on the setting up of a mediation procedure

Summary of the public consultation

Some particular points emerged from the opinions and contributions, to be taken into account in consolidating our mediation procedure.

The responses tell us that there is indeed interest in opening a mediation procedure and encourage us to look more in-depth at the following aspects:

- **Complainants' justification of their standing** or legitimate interest in acting when asking Afnic to open a mediation procedure against another party. In other words the complainant must have a valid right linked to the domain name.
- **Suspending a domain name when a mediation procedure is opened** to avoid updates by Holders of their domain name during the mediation phase and above all before a potential Syreli or PARL EXPERT ADR procedure

- **A document recording the outcome of the mediation** that can be used as a complementary document in pleadings in a PARL Syreli or PARL EXPERT ADR procedure.
- **The intervention of Afnic for enforcement of the agreement** when the agreement involves the transfer or deletion of a domain name.

Mediation

Reminder of the principles of mediation

Mediation is one of the amicable means of resolving disputes allowing the parties to a dispute to find a mutually acceptable solution with the involvement of a third party, the mediator.

The mediator is not a judge, expert, arbitrator or conciliator. It is not the mediator's place to rule on a dispute. The mediator solemnly undertakes to conform to the principles of:

- **Confidentiality:** Each party, including the mediator, gives a written undertaking not to disclose any information relating to the mediation.
- **Neutrality:** The mediator will accompany the parties in the quest for a compromise, without giving a personal opinion.
- **Independence:** There must be no objective ties (personal or business) between the mediator and either of the other parties.
- **Impartiality:** The mediator does not take sides and does not favour any one point of view over another.

The main steps in the procedure

Step 1

- Receipt of the request
 - Online form + minimum information required

- Acceptance or rejection of the request

Step 2

- Obtaining the other Party's consent
- Failing which, report ending the mediation

Step 3

- Opening of the mediation
 - Notification of opening of the procedure, with proposed dates of telephone conversations
 - Exchanges with the parties (seven days maximum)
 - Outcome of the mediation (transfer/deletion of the domain name)

Step 4

- Follow-up of indicators and statistics

Amendment to registry policy and legal framework

Registry policy

- Mediation is a procedure for resolving disputes.
- The registry policies already set out two ADRs – SYRELI and PARL EXPERT
- The Naming Policy will therefore be very slightly amended to include mediation with these ADRs.
- These changes will be presented to the registry policies committee on 4 April 2023

Legal framework

- The mediation regulations are being drawn up

Calendar

- 8 February 2023 to 20 March 2023 – Public consultation
- 30 March 2023 – Presentation to the Registrars' and Users' Consultative Committees
- 4 April 2023 – Presentation to the Registry Policies Committee
- 11 April 2023 – Presentation to the Board of Trustees
- End of May/Beginning of June – Finalisation of the regulations
- Before and after the opening – Communication
- 3 July 2023 – Opening of the service

The discussions and questions-and-answers between the members and Afnic allowed the following points to be clarified:

- *The public consultation received ten responses*
- *Standing is not a prior condition for opening a Syreli ADR case: one of the functions of the Syreli procedure is precisely to determine whether such standing exists, so it would not be logical for standing to be made a prior condition for mediation, which is supposed to take place prior to a possible Syreli procedure.*
- *Some members envisioned an analysis of standing similar to that carried out in the procedure for lifting anonymity.*
- *Some members suggest that some item of proof or explanation of a right should form part of the Claimant's dossier, not for verification by Afnic but for the Holder's information. Afnic confirmed that flexibility was necessary and preferred to let the Claimant provide the context, thus making it more likely that the Holder would agree to the mediation.*
- *The question was asked about the possibility of "Robin Hoods" instigating mediations (instead of brands which do not do so). This is not possible because the agreement stipulates that mediation takes place upstream of the ADR procedures (Syreli and Parl Expert), therefore rather in defence of a right.*

- *Concerning the risk of “misuse of the mediation procedure for cases concerning valuable domain names”, Afnic cannot refuse a mediation since it would be difficult and above all not in keeping with its commitment. Afnic could, however, indicate to the Holder that they are not obliged to respond or to accept the mediation. We should not complicate the mediation procedure with these few special cases.*
- *It is important to remember that the ADR procedures are mandatory (the Holder cannot withdraw from them even if they do not reply) whereas mediation is a voluntary procedure and therefore can be refused.*
- *Concerning the final mediation document, members raised the matter of the necessary confidentiality. Afnic indicated that this document would not be a summary of the discussions but only confirmation of the conclusion of the mediation and an indication of its outcome (transfer) allowing the claimant to have it executed.*
- *Members pointed out the risk of abuse that could derive from the suspension of the domain name if this were to be put in place during the mediation; which would be somewhat in conflict with the principle of mediation.*

4.1.2. Feedback from Registrars’ and Users’ Consultative Committees

4.1.2.a/Users

The user members are in favour of the setting up of a mediation procedure.

They draw attention to the following points:

- *Concerning the verification of the claimant’s standing: Afnic should not intervene in this respect provided elements are mentioned by the parties involved. If a*

verification has to be carried out, it should be done in the same way as for requests for lifting of anonymity.

- Concerning suspension of domain names, users are of the opinion that this must not be done in the context of mediation.
- As to whether or not the final mediation document is necessary, the majority opinion is affirmative, in order to validate the change of holder. Care will have to be exercised as to the need for confidentiality and ensuring the parties cannot publicise this document.
- In terms of organisation, users wish to know who the mediators are among Afnic employees and whether it will be possible to extend to mediators outside Afnic.
- Will it be possible to extend the duration of the mediation by common accord of the parties?
- When does the seven-day period start? Depending on the particular cases, the period seems rather short.
- As regards the public consultation, how many responses were obtained and what is their composition or breakdown as regards colleges, members, etc.?

4.1.2.b/Registrars

The registrar members were in favour of the establishment of the mediation procedure.

They drew attention to the following points:

- Complexity must be avoided for this procedure.
- Regarding suspension, if this is at the level of holders' particulars (making alterations impossible), the members agree, but if it means blocking the domain name, then they do not.
- Concerning standing, if it is to be checked, then clear stipulations will be required.
- There might be a risk of mediation being made use of in order to buy up domain names.

- Details should be made available on the formalities associated with the mediation and the impact on the registrar.
- The role of the registrar in mediation needs to be clarified. Can registrars be parties to a mediation, or can they be called upon to appear?
- Can mediation be used for disputes between registrars or between a registrar and a holder?
- Concerning application of the transfer ruling, it would make sense to give the authorisation code directly to the future holder (the beneficiary of the negotiated transfer solution). The time limit for execution should be specified.
- Afnic will have to be careful how it communicates on the use of this procedure with respect to the other ADR systems

Afnic responded in part to the committees' questions and observations and will study the rest later.

- *There had been ten responses to the public consultation, half Registrars and half Users. Afnic had taken due note of members' remarks to the effect that calling it a "Call for Comments" rather than a "Public Consultation" might facilitate understanding of members' and other respondents' involvement in this subject. It would also provide reassurance as to the length of the responses expected.*
- *It seemed important to explain that there was a difference between standing ("l'intérêt à agir") (as in the case of the Syreli procedure) and legitimate interest ("l'intérêt légitime") (as in the procedure for lifting anonymity.) The person requesting mediation has a right on which he or she relies in order to make this request. Afnic does not necessarily have to become involved in this analysis, but there is nothing to prevent the claimant from explaining why he or she wishes to initiate mediation (context) so that the Holder can be aware of this.*
- *As regards the possibility of representation in the mediation procedure, the claimant may indeed be represented by a lawyer, an intellectual property adviser, a reseller, etc. If the intermediary has a power of representation, this will not be*

- verified by Afnic since this is a procedure based on good faith. Powers of representation will not be verified until the time of application of the agreement.*
- *As to whether or not it is necessary to have documents translated, as with the SYRELI procedure, for non French-speaking parties, the mediation takes place orally, so there will be no impediment at this level since the parties and the mediator understand one another. Exhibits will not be rejected (as with Syreli) but the criterion for allowing exhibits in a language other than French is that all parties and the mediator be able to understand them. In any case, the official language of this mediation procedure is French and the closing document will be in French only.*
 - *Concerning suspension of domain names, it is important to remember that this prevents the updating of holders' particulars, but the associated services continue to function normally. It is blocking, not suspension, that stops them from functioning. For mediation, only suspension would be concerned, at the very most. Suspension constitutes a limitation of holders' rights. Since mediation is essentially voluntary, suspension should not be systematised when mediation is requested.*
 - *The duration envisaged for the mediation procedure is seven business days. Mediation as proposed aims to provide rapid, low-cost resolution of situations where the holder and the claimant are in agreement (holder's agreement in ADR procedures). If the case is too complex, it will be switched to Syreli. If the mediation takes just as long as a Syreli procedure, then there is no point to it.*
 - *The question had been asked whether, with the agreement of both Parties, this short time could be extended. Afnic has stipulated that the two parties may choose to extend the mediation beyond seven days between them but without the mediator. In such a case, Afnic will not deliver a final document and will not execute the outcome of the mediation.*
 - *There are two legal experts within Afnic, graduates of different law schools. The mediator will be free to conduct the mediation at his or her convenience in accordance with the protocol defined.*

- *Concerning the inclusion of outside mediators in the system, this would be possible but there has to be a need for it (overload). They would have to undergo training on mediation as do the Afnic mediators (and as is the case with the Parl Expert ADR experts). We need to wait and see whether the need exists before looking for outside mediators, but in any case since the procedure is free, mediators would not be remunerated.*
- *As regards the final mediation document, all are agreed that a closing document is necessary, subject to respecting the confidentiality of the discussions. (The closing document will not contain any summary of what has been said during the mediation). Both Parties must undertake not to disclose the decision publicly. Nonetheless, the document indicating the decision taken by the parties (transfer, deletion) must be sent to the registrar for execution of the decision.*
- *Concerns persist about possible misuse of mediation in order to obtain holders' particulars or force them to sell domain names. As a reminder, the holder can refuse mediation and Afnic will not give the claimant the holder's contacts.*
- *As for the role of the registrar, they are not involved in the mediation; only after the mediation will the registrar be asked by the claimant to implement the decision. If the registrar is the holder of a domain name then the registrar must act as a holder. Conformity for the registrars is not the subject of the mediation.*

4.2. Launch of working groups

4.2.1. Common system for verification of the reachability and identity of holders

Benoit Ampeau, Partnerships and Innovations Director, presented the project.

A commitment in the State-Afnic Agreement

Paragraph 9: Fight against abuse (pp. 8-9)

The registry undertakes to strengthen the procedures for verifying holders' particulars, by integrating into its system for verifying the reachability and identity of holders the systems put in place directly by the registrars and drawing up terms of reference in consultation with them.

[Link to the Agreement](#)

Implementation of a common solution for the validation of reachability of .fr domain name holders

Towards a reinforcement of the model of trust/collaborative security so as to:

- Maintain the **trust** of .fr users
- Use **strengthened cooperation** to bring about a faster and more effective end to **online abuse**
- Further develop our practices with our stakeholders: **accessible, innovative and united**

Objectives of the project

This system must offer:

- A common, united base, procedures for verifying holders' particulars: information on reachability (email, telephone) + identity
- Design of a solution for exchanging information gathered from these checks:
 - ✓ Holder verified by a registrar
 - ✓ Holder verified by Afnic

The work will be carried out with the support of members of the association and registrars accredited by Afnic in order to capitalise on:

- Procedures and solutions already in use
- Draw up terms of reference, rules and acceptable criteria, in consultation

Roadmap

- Concept workshops – April/May 2023
- Public consultation – June/July 2023
- Feedback from consultation – End of September 2023
- Development of prototype – October/November 2023
- Implementation of common solution – January 2024

Concept workshops

Workshop 1: 21 or 28 April 2023

Workshop 2: 12 or 15 May 2023

Workshop 1: Procedures within registrars and Afnic

- Exchanges/discussions on the classification of information on holders throughout the life cycle of the domain name

- Review of proposed Afnic questionnaire and in-session enhancement before sending to registrars

Workshop 2: Definition of criteria for classification as a “verified holder” and for sharing such information within a circle of trust

- What data? What means of verification? Duration of validity?
- Models for exchanges within the circle of trust

Afnic -> Registrar OR Registrar -> Afnic OR Registrar1 -> Afnic -> Registrar2

4.2.2. Graduated sanctions against registrars

Emilie Turbat, Marketing and Commercial Director, presented the project.

A commitment in the State-Afnic Agreement

Paragraph 9: Fight against abuse (pp. 8-9)

The registry undertakes, after consultation with the governing bodies of the association, to put in place a system of graduated sanctions against registrars that are insufficiently responsive to legitimate requests from public authorities and that have a significant percentage of registrations involved in cases of technical abuse or that do not take sufficient action following indications of cases of technical abuse (...).

Application of graduated sanctions against registrars

Objectives of the project:

For a .FR domain that is ever-more reliable thanks to a more pro-active and re-active distribution network in the service of the trust of users of the .fr domain

- **Preventing** the proliferation of abuse in the .FR domain

- Putting a faster and more effective **stop** to online abuse
- Offering an increasingly **high-quality** distribution network

Roadmap

- Concept workshops – April/May 2023
- Public consultation – June/July 2023
- Feedback from consultation – End of September 2023
- Finalisation of the procedure and updating of contractual documents – October/November 2023, particularly the registrars' contract
- Implementation of the procedure – January 2024

Concept workshops

Workshop 1: 21 or 28 April 2023

Workshop 2: 12 or 15 May 2023

Workshop 1: Definition of the methods for monitoring registrars and triggering the procedure: indicators and thresholds for initial and repeat alerts

Workshop 2: Definition of the procedure for applying graduated sanctions: types of sanction (fines, withdrawal of accreditation) / methods for applying sanctions (gradation and means)

The work will be carried out with the **support of members of the association and registrars accredited by Afnic.**

4.2.3. Participation in workshops

Workshop 1 for each project will be held on the same half-day (21 or 28 April)

To register: <https://framadata.org/O6kn4dnA6Ba7RZ1Z>

Workshop 2 for each project will be held on the same half-day (12 or 15 May)

To register: [**https://framadata.org/s2ivBQdMyllLoZnK**](https://framadata.org/s2ivBQdMyllLoZnK)

We confirm that the projects will be implemented for both the .fr domain and the French overseas domains managed by Afnic.

There is a sharp focus on the distribution network in view of the technical design and the processes, but it is important to remember that this also concerns users, both as regards the particulars that will be verified and the sanctions on the registrars for the rectitude of the domain.

No opinion was sought from members on the working groups. Nonetheless, they conveyed remarks made in discussions in the separate committee meetings:

Registrars

- How much room for manoeuvre will there be in the workshops?
- The registrars want to know what procedure Afnic will put in place to be able to compare it with their own procedures and those of other registries concerning the verification of holders' particulars.
- As regards resellers, will the registrars be expected to police them?
- What is Afnic's definition of technical abuse?
- Will the sanctions be gradual?
- It was also asked whether there would be any possibility of a system of bonuses for good performers instead of or as well as the system of sanctions.
- Why not have a hall of shame?

Users

- The members made sure that they would participate in the workshops: there would be four participants.

Afnic responded in part to the committees' questions and observations. These points would in any case be addressed later in the workshops.

On the gradual sanctions against registrars for cases of abuse:

- *Afnic had no intention of adding a definition of technical abuse to those that already exist and are shared within the Internet community (ICANN RSSAC).*
- *Concerning the measurement of cases of abuse, this would be done using several tools (such as Abuse Report used by the gTLDs). Discussions had shown that there were several tools in existence (SpamHaus being one) and that some of them show bias. This would be discussed in the working group which*

would confirm the selection of the tool or tools to be used by Afnic and also how Afnic would convey the information to its clients. It was not Afnic's purpose to target domain names or to tell registrars to close them down overnight. Afnic would certainly send out the resulting list of domain names, in a form and with a frequency that remain to be defined. Initially Afnic would concentrate on portfolios of problem names. This would provide additional information to that already held by the registrars.

- Afnic's priority aim is to sanction the worst offenders, for example any registrar whose portfolio is 70% or more composed of cases of abuse.
- As regards bonuses, Afnic considers that it is difficult to reward what is simply the correct application of the contract. The registrar's actions would have to have real added value.
- Concerning the idea of ranking the registrars by number of cases of abuse (which could not be monthly); or the Hall of Shame, this would be discussed in the workshops, but it could not be the only sanction.

On the common solution for verification of holders' particulars:

- If Afnic as registry and the registrars moved ahead together, this would be a token of good will, a step ahead for NIS2 so as not to be regulated from above.

4.3. .fr fee increase

4.3.1. Presentation by Afnic

Caroline Duval-Favre, Director, Procurement and Finance presented the project.

History of .fr fees

The fee for the .fr TLD fell by 5% in 2012 and has been unchanged since then, with three exceptions, which all had the effect of reducing the registry's income:

- in 2014, reform of the transfer operation (change of holder) which became free of charge
 - ⇒ Impact of around €250,000 per year
- In 2022, alignment of the option 2 registrars' charges with those of option 1 registrars (charge reduced from €5.51 to €4.56, concerning around 160,000 operations per year)
 - ⇒ Impact of around €150,000 per year
- In 2022, commitment to reduce the fee for create operations of domain names for promotional operations, calculated at 2% of the registry's turnover.
 - ⇒ Impact of around €400,000 per year

Increase in fees for .fr

Anticipating the possibility of an appreciable increase in its registry fees, Afnic managed to get the new concession to include a fee review clause (described in the following slide).

Afnic's budget construction over three years includes this **10% fee increase**, which is justified by a combination of several factors (some of them being in addition to the criteria set forth hereunder):

- Appreciable increase in spending on security in connection with our status as OES, and above all future spending by reason of the new NIS2 Directive;
- Increased cost of handling cases of abuse (near doubling of number of ADR procedures in three years, double the number of procedures to justify data).
- Inflation passed on by our service providers, with invoices up by as much as 15%.
- Price differential .fr/.com now exceeding 60% in favour of .fr, making the domain increasingly attractive to cybercriminals.

.FR fee review clause

Reminder (*Annex 3 to the Agreement between the State and Afnic*):

“In order for a fee review process to be embarked upon by the registry, at least one of the following conditions must be met:

- Inflation above 8% since the beginning of the concession;
- Inverse euro/dollar exchange rate, with the dollar higher than the euro for a continuous period of at least six months;
- Amendment to the legal framework entailing an increase in charges of more than 5% of the total charges of the registry, attributable to this amendment of the framework;
- Change in fees of the control group* of TLDs of at least 10% since the beginning of the concession

In the event that any of these criteria materialises, Afnic shall present a dossier to the awarding Authority, which shall have two months in which to respond, a lack of response being deemed to constitute consent.

In the event of refusal, a new dossier shall be submitted within one month, and the response must be notified to Afnic within one further month.

If the Authority still does not agree, Afnic may not increase the fees for the “.fr” domain by more than 10%.

In any case, the decision to increase the fees must be subject to internal and public consultation six (6) months prior to effective application of the increase and be agreed to by the Afnic colleges on which the registrars and users sit.”

**control group = .com, .org, .eu, .it, .es, .uk, .ch, .ca*

Monitoring of the criteria for .fr fee review at 20 March 2023

The condition relating to the inflation criterion has been met since February 2023

Figure showing the rate of fee changes for the .fr TLD between July 2022 and June 2023 The rate of inflation reached 8.07% in February 2023

Price increases of counterparts in CENTR

Several of our counterparts have informed us of their intention to increase their fees, inflation being the main reason given.

We should point out that this is their first increase in between 5 and 10 years depending on the case, and that an announcement has been made to the registrars and has not led to any negative reaction on their part (unanimous response)

⇒ **Increases ranging from 6.25% to 20.00% depending on the ccTLDs and 7.00% a year for .COM for the past several years.**

Why increase the fees for .fr?

An fee increase for the .FR TLD is now **essential** in order to:

- bear the price increases already announced by our suppliers;
- finance the increase in payroll due, on the one hand, to the need to maintain Afnic's competitiveness as an employer in a context of inflation and, on the other, to the new hirings that are essential to the fulfilment of our commitments (notably the fight against abuse)

It also serves the purpose of making the .fr TLD less attractive to online abusers without damaging its competitiveness, since the price will still be below the average for European ccTLDs and .com

Finally, we would remind you that the financial commitments we have made to the State at least until 2027 are correlated with the total revenues from the .fr domain (11% must be spent on general interest actions, 10% on R&D and 2% on promotional operations). So a portion of the fee increase will be distributed in these various ways.

What principles and what amount for the fee increase?

- **Observe the principle of simplicity:**
 - Same fee for all operations
 - Single fee for all registrars
- **Observe the principle of stability:**
 - A fee increase that allows future increases in costs over the life of the agreement to be anticipated, so as to avoid further increases
 - A price positioning that has remained below that of .COM, the main rival to .fr in its market
- **Observe the principle of proportionality:**
 - The purpose of the fee increase is to maintain the registry's ability to act and invest, not to increase its margin relative to the budget assumptions constructed when we responded to the call for tenders
 - Accordingly, the fee increase proposed cannot and will not exceed total cumulative inflation between July 2021 and July 2023.
 - The remaining increases in costs will have to be covered by improvements in the registry's competitiveness, and of course by a policy of growth and development of the .fr domain
 - Thus, the fee increase should ideally be around 10%, and the .fr TLD should remain below the average price of European ccTLDs and of .COM

Next steps

- 30 March 2023: Consultation of members
- 11 April 2023: Presentation to the Board of Trustees with a view to submitting a dossier to the awarding authority

- May: Public consultation
- May-June 2023: Presentation of the dossier to the DGE (Directorate General for Enterprise), which will have two months - until July / August - in which to reply
- If the awarding authority disagrees, the fee increase may not exceed 10%.

The discussions and questions-and-answers between the members and Afnic allowed the following points to be clarified:

- *The registrars know how to manage fee increases.*
- *Why does Afnic have to prepare a dossier if in the end the 10% increase takes place anyway? Pierre Bonis replied that Afnic is obliged by the State-Afnic Agreement to put together a dossier.*
- *The principle of stability is important. Afnic does not wish to resort to frequent fee increases to give visibility to the distribution network*
- *Will Afnic apply the same increase to the French overseas domains as to .fr?*
- *Not all fees will be increased in the context of this application (not Syreli ADR procedures, not accreditation, and not the .FR Rush snapping server)*

4.3.2. Feedback from Registrars' and Users' Consultative Committees

4.3.2.a/ Users

User members are in favour of a fee increase for the .fr TLD which seems to them justified.

They drew attention to the following points:

- It would be useful to have a simulation of the impact of this increase on the number of registrations.
- Several users would be in favour of an increase of more than 10% in view of the prices charged by the competition and the coming increase in charges for Afnic. There was a discussion on the desirable target fee (€4.99, €5 or €5.10) pending Afnic's proposal on this point.
- What will be the impact on BtoC for the end user? How will this increase be applied by the registrars?
- What is the DGE's position regarding this application? Care must be taken not to "offend" them.

4.3.2.b/ Registrars

Registrar members are in favour of a 10% fee increase for the .fr TLD.

They drew attention to the following points:

- They say this increase will have very little impact on cases of abuse.
- Is this the only increase envisaged, or is there a risk of there being one every year?
- Will there be an increase in the prices of the other services (apart from operations on domain names)? If so, how will this be communicated? The registrars wish to be warned in advance.

- Upstream communication should be planned, so that registrars have time to forewarn holders.
- Could there be an incentive in the form of a bonus for putting DNSSEC in place?
- Afnic proposes an increase in fees: why not rather a reduction in costs?

Afnic responded in part to the committees' questions and observations and will study the rest later.

- *The majority of members agreed with the need to increase fees for the .fr domain*
- *The increase would not exceed the maximum amount of cumulative inflation between July 30, 2021 and July 30, 2023 – around 11% – and there was no intention of increasing the margin. It would be applied also to the French overseas TLDs managed by Afnic. Besides, it is important for all operations (creation, renewal and so on) to be at the same fee level for the sake of simplicity*
- *Concerning the request for a simulation of the impact on the number of registrations, this is difficult, since Afnic starts out from the premise that its main rival on the market (.com) is much more expensive, and considers that the main effect would be to make the .fr domain less competitive for abusers (which is important and has been researched). Afnic believes the fee increase will have very little impact on the number of registrations*
- *As for the BtoC impact of the increase, Afnic is unable to give an answer. The registrars say that each player passes on the increases (or not) depending on usages and practices. They think there should not be any impact on orders of “normal” clients.*
- *The “risk” seems to be reduced to merely losing undesirable clients, who would turn to other domains to commit their abuse. Which is precisely one of the effects sought.*
- *As to why a fee increase rather than a cost decrease, the answer is that the fee increase avoids having to make concessions in terms of R&D, the fight against abuse and the functioning of the association, and allows Afnic to continue to attract talent with a view to maintaining a high level of DNS expertise. Afnic does its utmost to hold fees down while at the same time ensuring the lasting continuity of the association, the actors in the community and the endowments to the Foundation.*
- *Regarding the DGE, Afnic had already broached the subject informally.*

The Chief Executive Officer thanked members for their valuable feedback on the subjects addressed in consultation.

5. Points of information and discussion items with members

5.1. Informal exchanges

5.1.1. Matters arising from the meeting of the Users' Committee

- The response rate to Afnic's public consultation was admittedly low, perhaps because recipients did not feel concerned or involved. The suggestion was made that it be called "Call for Comments" rather than "Public Consultation". Reassurance must also be provided as to the length of the responses expected.
- Concerning the member webinars held, it would be good to have them recorded so as to be able to replay them as well as having the presentation (for example, the webinar presented by Lucien Castex)

Afnic responded that the slides would, of course, be made available in the members' space (whether on the minutes of the Internet governance bodies or on trends in the domain names market) but the webinars would not be recorded.

- Examine the possibility of combining the meetings of the Registrars' and Users' Consultative Committees with other events so as to bring in new members, or of holding the committee meetings in the provinces in order to promote the association.

Afnic thanked members for their input, which would be invaluable for the work to be carried out by Afnic on the association and the services to members with a view to the General Meeting.

5.1.2. Matters arising from the meeting of the Registrars’

Committee:

- *With effect from the switch-over, notifications of suspensions and lifting of suspensions are no longer in the EPP system but are advised solely by email.*
- *An Extranet per TLD means you have to log in and out every time. Couldn't Afnic put an SSO system in place for example?*

Afnic takes note of these questions but reminds users that for all questions of this type, it is possible to contact the Afnic account executives or to use the sales channels.

- *Would it be possible to lodge consolidated cases with SYRELI: one case for several domain names?*

Afnic responded that this was not possible: one SYRELI case for each domain name.

- *What is Afnic's position on registrars that put their clients' expired domain names up for auction?*
- *What about registrars' General Terms and Conditions of Sale that provide that domain names not renewed by its clients revert to the registrar?*

Afnic replies:

- *As for registrars that put their clients' expired domain names up for auction, Afnic does not accept this situation, since the role of the registrar is to be an intermediary (model 3R).*
- *From a theoretical point of view, according to Article L45, neither Afnic nor the registrar has rights to domain names by virtue of its role. So for a registrar registering as holder of a domain name for its own use, there is no problem. However, a registrar that has a client who does not renew their domain name should not become the holder of that domain name.*

Some put arrangements in place in order to circumvent the rules. If the transfer of ownership is after the expiry of the domain name, then by definition the transfer is made by the registrar, not by the holder. Which is not correct.

Afnic intends to investigate in depth, for example transfers made during the redemption period.

Cases of this type are seen in SYRELI.

5.1.3. Concerning Gabon and the switch-over of its TLD .ga:

- Afnic indicated that it already had a list of domain names, namely the public or para-public ones registered by ANINF. Possibly the domain names registered by the Gabonese. Nothing else
- Consequently, registrars who have “classic” .ga names in their portfolios are advised to provide their lists to Afnic.
Afnic will try to make sure that legitimate domain names do not disappear on the day of the switch-over. Our client ANINF tells us they are starting over from scratch. Afnic is trying to be a little more flexible - hence the request for the lists.
- The new price of a .ga domain name will be CFA francs 10,000, the equivalent of €15.
- The registration rules for .ga names will be (broadly speaking); living in or doing business with Gabon and with cultural or other links to the country.
- In view of the basic situation and the relations between ANINF and Freenom, all these names will have to be paid in the next few months. No account will be taken of amounts paid last year to Freenom. The clock starts running from the day of the switch-over.
- This takes courage, looking at the possible deletion of five million domain names. ANINF will try to galvanise the local network for accreditation to the .ga domain. Registrars wishing to be accredited may, if necessary, go through Afnic account executives.

5.2. CSR – Choice of carbon offset body

Virginie Navailles, Head of Transversal CSR Approaches, presented this subject.

Voluntary contribution to world carbon neutrality

Signed in 1997, the Kyoto Protocol is the first international agreement to centre on worldwide reduction of the greenhouse gas (GHG) emissions responsible for global warming. It was during this convention that the principle of voluntary carbon offsetting was approved: any individual or group may offset its residual GHG emissions by financing CO₂ capture and storage projects.

1. **Measure:** Drawing up a carbon balance sheet to show the impact of the company's activities
2. **Reduce:** Putting in place a plan to reduce GHG emissions
3. **Contribute:** Offsetting residual emissions by financing CO₂ capture and storage projects

What types of voluntary carbon offset projects exist?

The best known are natural carbon sinks:

- **Forestry projects:** forests capture CO₂ and store it in the form of wood. The volume of carbon absorbed depends on the types of trees, how well-established they are, their age, etc.
- **Agricultural projects:** carbon stored in soil in the form of organic matter. Regenerative agriculture increases biodiversity, sequestration of atmospheric CO₂ by the soil, soil resilience to climate fluctuations, improves the water cycle and the provision of ecosystem services.

- **Protection of oceans:** the oceans capture CO₂ from the atmosphere, which reacts with water molecules to become bicarbonate ions and thus releases hydrogen ions. The more hydrogen ions there are, the more the oceans acidify.

And several types of artificial carbon offset projects:

- **Renewable energy projects:** installation of plants for the production of energy from renewable sources, particularly in countries with a high degree of dependency on coal
- **Waste management projects:** reduction of methane emissions from landfills
- **Energy efficiency:** reduction of energy consumption in buildings
- **Domestic appliances:** distribution of appliances to reduce energy needs, such as cooking appliances

How to choose a project?

- **Impact:** regenerative agriculture, reforestation, protection of oceans, renewable energy sources?
- **Location:** in France, elsewhere in Europe or further afield?
- **Quality:** the project must be validated by a Standard: Label Bas Carbone label, Gold Standard, etc.
- **Co-benefits:** carbon storage must not be the only benefit. A viable project necessarily includes social and environmental co-benefits.
- **Additionality:** the benefits of the project relative to a reference scenario with no intervention
- **Measurability:** the volume of CO₂ avoided or stored must be measurable
- **Verifiability:** the project must be monitored and transparent throughout its life
- **Permanence:** avoidance and sequestration must be valid for at least seven years

The cost of Afnic's voluntary carbon contribution in 2022

Afnic must contribute 625 tCO₂e for 2022, a budget of between €26.78 million and €32.5 million depending on the projects.

The average price of a metric ton of carbon has risen from €20 in 2020 to €50 in 2023.

Forecasts point to a price 15 times higher in 2030 and 100 times higher in 2050.

Pre-selection of four projects put to the vote

Proposal 1 – A forestry project in partnership with EcoTree

EcoTree is a company that enables businesses to contribute to Nature-based Solutions through projects for carbon sequestration and the preservation of biodiversity, with a view to having a positive impact on ecosystems as a whole.

The project aims to restore the burnt forest ecosystem, to reconstitute damaged forests and preserve biodiversity. The surface area covered by the project is 24.2 hectares, for total emission reductions of 3,300t CO₂e. The land belongs to a private owner who lacks the financing needed to restore it following the fires of the summer of 2022.

Proposals 2 & 3 – Regenerative agriculture projects in partnership with TerraTerre

A partnership to accompany the transition to a regenerative form of agriculture and to create an open ecosystem together.

Several farms selected, mixed farming and livestock.

Proposals 4 & 5 – Innovative renewable energy projects in partnership with Inuk

Experts in carbon commitment, Inuk defends a rigorous, scientific approach based on deep-tech tools and the principles of sustainable innovation.

The proposed projects are a solar thermal project and a low-carbon cement project.

Summary table:

Forestation	Regenerative agriculture	Regenerative agriculture	Solar thermal	Low-carbon cement
Replanting a burnt forest in Ruardin	1 mixed and livestock farm in Bazouges Cré sur Loir 1 arable farm in Noisy-sur-École	2 mixed and livestock farms in Chavagne and Bazouge Cré Sur Loir	Production of heat for urban networks and industry	Cement production without heat (gas)
Sarthe	Sarthe and Seine-et-Marne	Sarthe and Ille-et-Vilaine	Indre	Vendée
625 tCO ₂ e	329 + 300 tCO ₂ e	329 + 299 tCO ₂ e	325 tCO ₂ e	300 tCO ₂ e
€52 / tCO ₂ e	€52 and €45 / tCO ₂ e	€52 / tCO ₂ e	€27 / tCO ₂ e	€60 / tCO ₂ e
€32,500 HT	€17,108 + €13,500 excl. tax	€17,108 + €15,548 excl. tax	€8,775 excl. tax	€18,000 excl. tax
	€30,608 excl. tax	€32,656 excl. tax	€26,775	

The discussions between the members and Afnic allowed the following points to be clarified:

- *Afnic has given a voluntary commitment to the State on carbon neutrality; hence the need for Afnic to offset its carbon balance sheet.*
- *Looking for projects in France is difficult.*
- *Most of Afnic's carbon balance sheet concerns activity in the metropolis and the carbon impact of energy in France is quite low.*
- *In the context of the carbon reduction plan, Afnic's move to new premises will enable it to comply with the Tertiary Decree*

Members were invited to vote, by raising their hands whether they were physically present or online, for the most pertinent project or projects:

- seven votes for the reforestation project
- six votes for the agriculture projects
- 16 votes for the technological innovation projects

6. Upcoming diary dates

Thursday 20 April 2023: webinar *Market trends in domain names*, presented by Loïc Damilaville

Friday 9 June 2023: General Meeting (morning – Campus Cyber) and Afnic annual dinner (from 7 p.m. – Quai Ouest)

Wednesday 5 July 2023: JCSA (Scientific Council Open Day), Paris

Thursday 6 July 2023: IGF France, co-hosted by Afnic

The next consultative committee meetings will take place on 5 October 2023.

Pierre Bonis thanked all members present both physically and online for their participation.