

## **Registrars' and Users'**

## Consultative

## Committees

Minutes of 15 October 2024



www.afnic.fr | contact@afnic.fr

X (formerly Twitter): @AFNIC | Facebook: afnic.fr

## CONTENTS

1.	ATTENDEES4
2.	AGENDA6
3.	WELCOME AND NEWS UPDATE7
4.	SUBJECTS SUBMITTED FOR CONSULTATION: RENEWAL
DYN	MAICS AND
ACTI	ON PLAN
4.1 F	PRESENTATION BY AFNIC
4.2	Feedback from the users' and registrars' committees
5.	ONBOARDING DOCUMENT FOR NEW MEMBERS
6.	REGISTRY POLICY AND ABUSE
6.1 N	Mediation year 1 review27
6.2 F	FUTURE CHANGES TO REGISTRY POLICIES IN VIEW OF REGULATORY DEVELOPMENTS
7.	OPERATIONAL PRIORITIES FOR THE COMING YEAR
8.	DISCUSSION OF THE SUBJECTS RAISED BY MEMBERS
8.1 F	FOCUS ON AFNIC'S VERIFICATION PROCEDURE
8.2 1	NIS 2

## 9. SCHEDULE AND ROADMAP FOR THE NEXT CONSULTATIVE

## COMMITTEE

## 1. Attendees

## Users

20 persons representing 20 members of the college.

- BACHOLLET Sébastien, also representing ISOC France
- BAH Sory
- BATREAU Philippe
- BEYSSAC Pierre
- BIRCKER Fabrice, representing Plasseraud IP
- BOUTIGNON Antoine
- BRAHIMI Fadhila
- CHELLY David
- DITENGOU ROCKAYA Nielle
- FAUSTA Betty
- JOLY-BACHOLLET Anne-Marie
- MELLET Marc-Emmanuel, representing Novagraaf
- NGUYEN François
- PAWLAK Nicolas
- PERPERE PAUL, representing INPI
- PORTENEUVE Elisabeth
- PRET Charline, representing Novagraaf
- PRUNIERES Lucie, representing Made in IP
- TAYER David-Irving
- VASTEL Thomas

### Registrars

18 persons representing 17 members of the college.

- ALMIRON Sébastien, representing NETIM
- CANER Emma, representing OVH Cloud
- CHIAROLINI Gianni, representing IP Twins
- DESSENS Emilie, representing DOMAINOO
- DULAC Bernard, representing DATAXY
- ENGRAND Sophie, representing NORDNET
- FRANCK Philippe, representing DOMAINIUM
- FRANQUINET Arnaud, representing GANDI
- GEOFFROY Pierre, representing ONE2NET
- HAUSS Patrick, representing CSC
- JEAN-GILLES Sophie, representing ORANGE
- KARA Soraya, representing GANDI
- KORN Jennifer, representing ORDIPAT
- LANTONNET Eric, representing DIGITAL GROUP SERVICES
- MANCEC Gaël, representing CABINET GERMAIN MAUREAU
- POUSSARD Jean-François, representing SOLIDNAMES
- SEUFER Luc, representing EuroDNS
- WITTERSHEIM Arnaud, representing NAMESHIELD

## Founding Member

SACCAVINI Luc, representing Inria

#### Afnic

• APFELBAUM Gabrielle, Communications Director

- BONIS Pierre, CEO
- CANAC Sophie, Head of Associative Governance
- · GEORGELIN Marianne, Legal Director, Head of Registry Policy & Public Affairs
- HURÉ Camille, Operational Marketing Manager
- MASSÉ Régis, Information Systems Director
- PASSEREAU Mégane, Assistant to General Management
- SENTHILLINGAM Kaviya, Communication Officer
- TURBAT Emilie, Marketing and Commercial Director
- VELLA Pascal, Digital Communications Manager

## 2. Agenda

- Welcome and news update
- Subjects submitted for consultation:

Renewal dynamics and action plan

Separate consultative committee sessions

- · Feedback from separate committee discussions and Afnic's responses
- Onboarding document for new members
- Registry policy and abuse:

Mediation year 1 review

Future changes to registry policies in view of regulatory developments

Progress report, Thematic Working Group on Abuse

- Operational priorities for the coming year
- Discussion of the subjects raised by members

Schedule and roadmap for the next Consultative Committee Meetings

## 3. Welcome and news update

Pierre Bonis, CEO of Afnic, welcomed participants.

The main topic of the day would be renewal dynamics and the related action plan. The remainder of the meeting would be conducted in separate committee sessions and feedback given on the discussions. There would be a report on the onboarding of new members joining the Association. A document would be presenting reviewing the first year of mediation. An update would be given on the latest legislative developments and their impacts on registry policies. The relevant working group would give a detailed progress report on the theme of abuse. Priorities for the coming year would be addressed and a discussion held on subjects raised by members. From now on, these matters would be gathered in advance and included in the agenda so as to allow for more thorough discussion. The day would be rounded out by a schedule and a roadmap for the next Consultative Committee Meetings. A networking session would be opened at the end of the day followed by a General Assembly meeting in which Afnic's Articles of Association would be discussed. A cocktail reception to which members of the international college had been invited would round off the day.

## News update

Pierre Bonis recalled that, since the end of September, numerous Association events open to members had been successfully held:

7

- A first Open Day in Saint-Quentin-en-Yvelines. The Legal Meetings were held on the same day.
- The Internet Governance Forum (IGF) France was a success, particularly the associated workshops that were held.
- The theme of the Afnic Scientific Council Open Day (JCSA) was: *"Pushing the Internet Envelope"*. A summary of the debates would be presented shortly. The day ended with the Afnic annual dinner.
- Afnic held a second Open Day, this one focusing more on IT and technical aspects.

#### News update:

- the High Commission for Afnic attended a hearing of the Postal and Telecommunications Public Utilities (CSSPPT), a bicameral parliamentary body (seven senators and seven MPs). The principles expressed will be debated in parliament. The report of the commission is available online. The main subject was the NIS 2 Directive. Specifically, Articles 21 and 23 of NIS 2 will mean that Afnic is an "essential entity". At stake is the transition to "essential entity" to be decided on by the European Commission. Some suggestions have also been put forward by a working group, but this activity has been more "other European" than French, since Parliament has not been able to sit for some months.
- Afnic aims to develop its R&D partnerships (10% of revenues from .fr are invested in R&D). As well as strengthening its teams, Afnic has also signed far-reaching partnership agreements with IRT SystemX. In this project Afnic works on an equal footing with Total and Airbus. Afnic will also finance a research chair at IMT Atlantique (Institut Mines-Telecom, Rennes) on a new protocol.
- The Afnic Foundation for Digital Solidarity had selected the projects it would support.
   The Fondation de France was in the process of verifying beneficiaries' eligibility. The

winners would be announced in December. Afnic disburses more than one million euros a year to support these projects.

Discussions were under way for Afnic to become the registry operator for the French Guiana and Martinique ccTLDs. These discussions were being held with the private operator of these TLDs under the benevolent eye of the local authorities concerned. This transaction will be by free mutual agreement between the parties. The domain names concerned will then be charged at the same rates as those for .fr or the other French overseas TLDs. A technical and a legal phase were involved. Afnic is envisaging working on coordination of the local Internet. Particular attention will be paid to the distribution network. Afnic will work with its local partners in French Guiana and Martinique.

Upcoming events:

- The BZH (Brittany) Open Day is set to be held on 5 December 2024 in Quimper.
- Preparations for the ICANN AGM webinar in Istanbul will take place next week.

# 4. subjects submitted for consultation: Renewal dynamics and action plan

## 4.1 Presentation by Afnic

**Pierre Bonis** stressed that this report was the result of discussions with the trustees on using Afnic's data in order to gain a better understanding of the market. The Association knows how to analyse the market, but does not know how it will evolve. At the end of the presentation, actions likely to open up paths will be identified.

Emilie Turbat presented the results of a study on:

#### the retention rate, an essential indicator of the development of the .fr TLD

- The retention rate for .fr names is above 82%. With a stock of close to 4.2 million domain names, renew operations form the largest component of revenues
- In a period in which all registries have seen a slowdown in growth, the retention rate is more important than ever.
- Since 2022 the retention rate for the .fr TLD has fallen. What is more, it is lower than that of some of its European counterparts such as .de (Germany) and .nl (Netherlands)

10



## What the study confirmed

## An inverse correlation between retention rate and creation rate

- The statistical study of nTLD profiles (transposable to the ccTLDs whose data we have) shows the existence of an inverse correlation between retention and creation rates.
- High creation rates are accompanied by low retention rates and vice versa.
- A "diagonal" appears, associating a "theoretical" retention rate level with a given creation rate level.
- So, for example, the .fr TLD, with a creation rate of 19-20%, is consistent with the statistical distribution observed posting a retention rate of 82-83% (box circled in red). It is at a level below that of other ccTLDs, but on the other hand it is more dynamic in terms of create operations.

Ţx M / Ţx Cr.	15 % et -	16-25 %	26-35 %	36-50 %	51 % et +	Total	%	% 2022
86 % et plus	70	6	3	2	10	91	17 %	21 %
76 % à 85 %	40	80	26	5	4	155	29 %	34 %
66 % à 75 %	3	48	81	28	16	176	33 %	29 %
51 % à 65 %	1	7	20	23	17	68	13 %	10 %
50 % et moins	1	5	2	5	37	50	9 %	7 %
TOTAL	115	146	132	63	84	540		
%	21 %	27 %	24 %	12 %	16 %			
% 2022	19 %	26 %	32 %	14 %	8%			

Tableau 1 – Ventilation des nTLDs par Taux de création et taux de maintenance en 2023 Source : Observatoire Afnic du marché mondial des noms de domaine en 2023

#### A positive correlation between age and retention rate

- The retention rate increases with the age of domain names.
- In the first renewal year it is around 65-70%. It subsequently gradually increases, reaching 90% in year five. It then holds steady at this level, with an unavoidable natural erosion of around 10%.
- One of the factors behind the higher retention rates of .fr's European counterparts no doubt has to do with this ageing phenomenon. Having been more open, for longer, than .fr, TLDs such as .de and .nl have a higher proportion of "old" names, over 90% of which are renewed.

In reply to a **registrar member, Émilie Turbat** said that the retention rate of the German TLD (.de) was over 90%. The older a portfolio of domain names, the higher the retention rate. Such was the case, for example, of the long-standing names in the .de TLD.

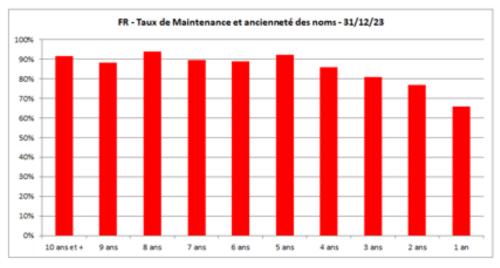


Figure 8 : Taux de maintenance des .FR en fonction de leur ancienneté en 2023

#### Positive effect of commercial operations proposed by Afnic

 Commercial operations concerning the use of domain names contribute positively to the retention rate: 87% for names filed in the context of commercial operations, compared with a retention rate of around 83% overall.



<u>dans</u> le cadre d'Opérations commerciales avec les bureaux d'enregistrement Source : Chiffres Afnic du bilan pour le Conseil d'administration de l'Afnic de janvier 2024.

## What the study showed

#### Low price elasticity

 The data analysed show a slightly positive correlation between prices and retention rates among European ccTLDs.

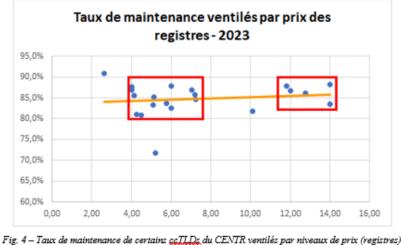


Fig. 4 – Taux de maintenance de certains <u>coJLDs</u> du CENTR ventilés par niveaux de prix (registres) Source : données CENTR

The correlation between price levels and retention rates among European ccTLDs is slightly positive. Replying to a **registrar member** who was of the opinion that the real price to the final buyer had not been taken into account, **Pierre Bonis** confirmed the difficulty of this exercise. TLDs' price positionings could be masked, but Afnic's assumptions were borne out.

#### Key role of registrars

- The registrars questioned do not yet take the retention rate sufficiently into consideration as a major management indicator of their business:
  - they continue to give priority to acquiring new clients
  - they tend to consider that after three years, domain names are "captive" and renewed in the great majority
  - in many cases the tools for easily monitoring this retention rate are lacking.

- And yet there is much to be gained from paying close attention to this rate:
  - Current situation:

Stock début d'année	Echéance	Taux de maintenance
100	1	68%
68	2	78%
53	3	83%
44	-	-

- Potential effect of actions targeting the retention rate

Retention of +25% of the portfolio filed in year zero (11/44)

Stock début d'année	Echéance	Taux de maintenance
100	1	78%
78	2	83%
65	3	85%
55	-	-

- The implementation of systematic renewal mechanisms by default can lead to higher retention rates, as can multi-year commercial operations.

## Correlation between retention rates and types of holder

- Studying retention rates by type of holder (natural v. legal persons), we see that natural persons have significantly lower retention rates than legal persons.
- This difference is especially noticeable in the first two years, after which it tends to tail off.



Figure 10 – Taux de maintenance par nature de titulaires 2021 - 2023

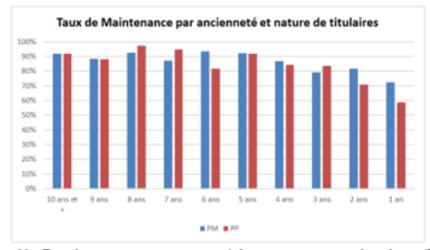


Figure 11 - Taux de maintenance par ancienneté des noms et par nature de titulaires (2023)

A registrar member asked what percentage of .fr holders were natural persons. Émilie Turbat said the split was 40% natural and 60% legal persons. The most fragile business models belonged to natural persons, particularly managers of small businesses, and especially during their first few years.

**Pierre Bonis** said he was aware that search engines and their optimisers favoured the renewal of domain names when they had value in terms of traffic.

Type of use, a key factor

- At least-two thirds of the .fr names filed in Q1 2023 and abandoned in Q1 2024 had never really been used: 60% were inactive and 4% redirected.
- In the majority of cases, a name that is really used will be renewed.
- Types of use and retention rates are impacted by the Registrars' business segment.

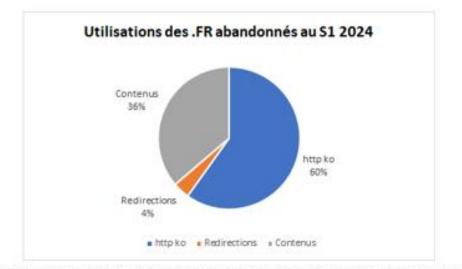


Figure 12 – Usages des .FR arrivant à leur 1° anniversaire et abandonnés au 1° semestre 2024



Figure 13 – Usages des .FR arrivant à leur 1° anniversaire et abandonnés au 1° semestre 2024 Distinguo entre Hosters et Wholesalers parmi les 15 premiers bureaux d'enregistrement en stock de .FR

Émilie Turbat reminded participants of the various categories: hosters, wholesalers (selling to a network of resellers), domainers, drop catchers, SEOs, major IP protection registrars and lastly corporate registrars (large groups that register for their subsidiary).

In reply to a question as to whether there were other uses to analyse, **Pierre Bonis** said it was possible to obtain these data by supplementing them indirectly, for example offline uses.

## What the study disproved

## Domain tasting, a marginal practice

- We had formed an assumption about domain tasting (the practice of abandoning a domain within the five-day add grace period (AGP) to be reimbursed, subject to certain volume limits).
- Available figures show that this practice, no doubt thanks to the limits set by Afnic, has only a very marginal effect on the retention rate.

Année	2020	2021	2022	2023	2024 (S1)		
Nb de .FR	2 570	2 637	8 905	8 960	5 210		
Tableau 8 - Nombre de .FR abandonnés dans les 5 jours suivant leur création 2020 - 2024 (SI)							

**Pierre Bonis** noted that the practice had doubled in recent years before declining in 2024. Despite the small sums involved, it had been necessary to call domain tasters to order.

#### The fight against abuse has only a marginal effect on the retention rate

- We had also formed an assumption as to the potentially significant negative impact on the retention rate of the intensification of the fight against abuse.
- The data show that the names deleted on Afnic's initiative (which do not all involve abuse) represent just 1% of net delete operations, the graph showing an exceptional peak following a specific event in June 2024.



Figure 15 – Part des suppressions menées à l'initiative de l'Afnic dans les suppressions totales

**Émilie Turbat** recalled the main thrusts of the fight against abuse. A clean zone entails deleting domain names without significantly affecting the retention rate of the .fr domain.

In reply to a **registrar member, Émilie Turbat** said that the rate of abuse of the .de TLD was about the same as that of the .fr domain and below those of .uk, .eu and .com

Émilie Turbat recalled, in reply to a question from a user member, that this June peak in delete operations was due to a clean-up of orphan domains. It took a long time for holders to recover deleted domain names, if indeed they could do so at all.

## Main lessons learned

- The retention rate as an indicator is currently under-utilised by market operators.
- And yet what it measures generally represents the bulk of revenues of both registries and registrars as far as their domain name activity is concerned.
- The retention rate is correlated with the creation rate, but also with the age of domain names, the type of holder, registrars' business models and the quality of the names as regards their uses and extent of utilisation.

 In time it will be possible to develop a predictive model indicating for a given portfolio which names are most (and least) likely to be renewed, to help registrars plan their actions accordingly.

## Action plan for 2025

- Raise registrars' awareness of the retention rate, and provide them with tools (data visualisation service) and support so as to be able to monitor it easily;
- Encourage registrars to implement renewal by default systems and/or commercial operations encouraging renewal during the first three years following the create operation;
- Beyond this, initiate discussion with registrars in a dedicated working group to identify and test actions likely to bring about renewal during the first three years of registration;
- Continue to carry out promotional actions to stimulate genuine use of the names registered;
- Initiate active management of this retention rate over time, in close collaboration with our registrars, continuing with the current approach to studying the dynamics of renewal of the .fr TLD, in particular the link between uses and retention rate.

A **registrar member** pointed out that intellectual property users handling domain names for third parties should be targeted too since they maintained direct relations with the client.

Émilie Turbat responded to an idea put forward by a user member to the effect that the segmentation of holders was in fact an interesting way of looking at things.

A **user member** suggested that holders be asked about their use (personal or work-related); this indication would tell us who they represent.

**Pierre Bonis** replied that the .fr data were declarative and fragmentary, but that a web crawling campaign could prove useful.

A **registrar member** indicated that there were two categories - users who register on their own behalf and those that register on behalf of third parties (resellers).

**Pierre Bonis** reminded participants that the business is vertical and that the registry does not gather these data. As for the .com TLD, with a "thin" registry, it holds even fewer social data of holders.

A **registrar member** explained that, by analysing use, one could generally obtain an indication of the user's characteristics.

**Pierre Bonis** thought that web crawling alone would indicate the use of a domain name; he reminded those present that it is always possible to look for indirect data, but that data collection is not part of the .fr business model.

# 4.2 Feedback from the users' and registrars' committees

## Registrars

The committee chairs proposed a list of questions relating to the discussions among registrars.

- What date has been selected for establishing registrars' retention rates?
- Would it be possible to compare registrars' retention rates with each other?
- What percentage of the budget is allocated to promotion?
- Is it possible to know the number of registrars' renew operations?
- Shouldn't renewal of .fr names be maximised?

- Wouldn't greater transparency in calls for tenders be a good thing?
- Will feedback from the beneficiaries of promotion be produced?
- Have different agreement systems been put in place for other ccTLDs?
- Wouldn't a feedback group be more useful?
- Couldn't this group indicate best practices depending on feedback and the types of clients of each registrar?

## Users

## The committee chairs reported users' points of view

- Two initial observations: the .fr TLD needs to be encouraged to develop towards family use, by directing the marketing plan towards this so-called non-business public. It also needs to be aimed at businesses with a domain name other than .fr or that have only a social media profile. Apart from this, Big Tech is deliberately pivoting towards the social media, leading to loss of control of digital identity (no domain name).
- Could the French be inspired by the operations of the German geoTLDs?
- There's currently no easy solution, so users are pushed towards gmail-type solutions.
   Could a simple messaging solution for a domain name be envisaged? This could be implemented to improve the promotion of .fr.
- Points of view converged towards renewal by default, which would be an improvement for clients and their security. Multi-year commitment must also be encouraged; for this we could consider a free year for a three- or five-year commitment.
- Why only a Registrars' Working Group? Why not a Users' Working Group too? Or a joint Working Group on retention rate?

- The retention rate depends more on users' business situation than on marketing, which is what makes the multi-year offer so attractive.
- Importance of promoting .fr, especially the social and environmental aspects: strong membership figures reinforce sustainability.

## Additional discussions

**Pierre Bonis** said he did not think the creation of a working group was a matter of urgency. A **registrar member** suggested that an experience-sharing group would be more useful. The registrars would consult among themselves. In any case, didn't the low renewal rate concern just a few registrars? Shouldn't Afnic be talking only to them about this?

**Pierre Bonis** explained that the data do not indicate which registrars are behind as regards the renewal rate. On the other hand, the data provided by .FR Performance will provide this information on .fr. As regards the feedback Working Group, it would be necessary to make sure all the registrars are willing to share their information. .FR Performance provides only the data of the registrar concerned, not those of neighbouring registrars. He did not know to what extent registrars could benchmark each other. **Régis Massé** referred, for example, to the existence of a tab on .FR Performance allowing comparison with the public average number of create operations.

**Pierre Bonis** reminded the meeting that automatic renewal was a solution for both users and registrars. It remained to be seen what obstacles needed to be removed to improve the retention rate and secure holders. Émilie Turbat said she did not have the number of holders using automatic renewal to hand.

**Pierre Bonis** said that for commercial operations, providing the registrar and Afnic agreed, anyone could take part. A **registrar member** said he was reproached above all for not knowing of the existence of commercial operations. Émilie Turbat indicated that according to the

commitments made by Afnic in the agreement with the French State, commercial operations represent 2% of revenues from .fr, allocated to fee reductions. For 2024, all commercial operations have been signed. For 2025, an advance signing campaign would kick off the momentum.

A registrar member said it would be desirable for the level of information on commercial operations to be the same for all so that each registrar could ask to take part on an equal footing. Pierre Bonis wondered who the non-informed members were. Communication could certainly be improved, but sending a form to each member would be extremely difficult to handle. A registrar member suggested a central space bringing together the commercial operations and shared by all. Pierre Bonis and Emilie Turbat were in favour of an annual stock-taking of commercial operations during which a qualitative annual balance sheet would be drawn up showing what worked and what didn't. Pierre Bonis specified that the budget for this year had been fully used but that successful commercial operations could still be financed in 2024. A registrar member asked whether a commercial operation allowing a third free year would be possible. Pierre Bonis indicated that commercial operations were carried out only on the conditions laid down by Afnic. It is not a right granted to the registrars. Everyone has to make an effort. Émilie Turbat explained that the domain names promoted must be monitored. A letter would specify the obligations of each party. Pierre Bonis said he was particularly in favour of multi-year commercial operations. The registrars always benefit through exchanges with counterparties; all suggestions for commercial operations are negotiable. Émilie Turbat recalled that for some years now these commercial operations involving fee promotions for renewals have been open to all subject to reciprocal commitment.

A **user member** said that renewal and the multi-year formula should not be automatic or mandatory but offered by way of extra security.

24

**Pierre Bonis** referred to the marketing plans targeting VSEs, SMEs and young people as priorities. Different types of communication would target other actors.

A **user member** explained that in Germany a regional dynamic had been launched with geoTLDs. **Pierre Bonis** also wished to organise discussions within the Association about geoTLDs, particularly as regards the transfer of emails, which is proving very technical.

In response to a **registrar member** who wished to know whether registrar clean-ups still occurred, **Émilie Turbat** indicated that registrars with abnormal renewal rates were closely monitored. In any case, this monitoring had not given rise to any further alerts. **Pierre Bonis** explained that following bankruptcy, registrars disappear and domain names are orphaned. It is difficult to anticipate this phenomenon, particularly in the world of domaining.

A user member said emails would warrant in-depth collective reflection. Is there a guide to domain names and for users of the French community? Pierre Bonis replied that Afnic is not a software publisher. A registrar member observed that Microsoft offered secure messaging with numerous options, whereas in France this type of offer had been abandoned. A user member wondered about this logic of abandoning data to Big Tech. Why not use open source projects or consortia? A registrar member pointed out that Thierry Breton, recently dismissed, had been working on this type of offer. A user member asked whether Afnic could support a French Gmail. Pierre Bonis replied that this was a point to be discussed among users, but it was outside the Association's activities. An email has a value. Everything free is not always the solution.

25

## 5. Onboarding document for new

## members

**Sophie Canac** thought that a document bringing together the scattered information was useful for new members. It comprises:

- contact particulars and a welcoming text;
- members of the board of trustees who are important contact persons;
- a resource page focused on the members' space;
- the functions of the various committees and thematic working groups;
- the benefits of membership, events, online visibility on Afnic's website with a URL to be linked;
- the fee reductions announced at the beginning of the year;
- Afnic articles and blogs;
- list of management committee members who can be met during events;
- glossary of Afnic abbreviations.

The draft onboarding booklet was presented as a working document.

Pierre Bonis explained that this document had to be kept simple, since it is voluminous.

A **user member** asked if an English version would be available. Afnic confirmed that this was planned.

## 6. Registry policy and abuse

## 6.1 Mediation year 1 review

## **Presentation by Afnic**

Afnic mediation is a new form of amicable dispute resolution between a natural or legal person and the holder of a domain name registered under .fr, .re, .pm, .yt, .tf or .wf. This procedure, which is fast, free of charge and confidential, allows the parties to decide on the content of their negotiation. It is characterised by flexibility.

## Project chronology

**18 March 2022:** Signing of the Agreement with the State, which includes Afnic's proposal to create a mediation service.

18 October 2022: Project presented to the Afnic consultative committees

8 February - 23 March 2023: Launch of the public consultation

3 July 2023: Launch of the mediation service and receipt of the first request form

Advantages of the service and how it works:

- · Re-establishes ties between Parties
- Saves time (7 days max.)
- Free of charge
- Impartial
- Flexible communication

- Confidentiality
- Control of the solution

Six professional mediators mobilised in this first year. Afnic has received a total of 108 requests for mediation.

### Cases of inadmissible requests:

- 1/4 of the forms relate to inadmissible requests
- <sup>3</sup>⁄<sub>4</sub> of the forms received contain requests considered admissible for the mediation service. Of these requests, only one concerns a .pm domain name, all the others concern the .fr TLD.

### Redirecting of inadmissible requests

- Dispute with the registrar on the management of a domain name for which the registrar is responsible -> Referral to the registrar or the customer relations officers.
- Domain name registered under a TLD not managed by Afnic -> Referral to the operators in charge of the TLD concerned
- Holder data flagged as far-fetched -> Referral to verification procedure
- Dispute linked to an online purchase (consumer v professional seller) -> Referral to consumer protection body

## The Parties' profiles

Claimants:

- Association: 6%
- Regional or Local Authority: 5%
- Public Establishment: 5%
- Sole proprietorship: 4%

- Natural person 18%
- Other legal person: 62%

Holders:

- Applicant's opposing party: 3%
- Domainer: 49%
- Other legal person: 24%
- Other natural person: 6%
- Online service provider: 18%

### Conduct and outcome of mediations

42% of admissible requests led to the opening of a mediation (i.e. the holder agreed to take part in the procedure)

Average time taken for holders to agree to take part in the mediation: two business days

Types of agreements reached (%) Transfer: 95% and Deletion: 5%

Outcome of the mediation procedures: The success rate for mediations opened is 58%.

The average time taken for the Parties to reach agreement is four working days.

Of the mediations that did not lead to agreement between the Parties, 18% of the domain

names concerned were the subject of a SYRELI ADR procedure.

Negotiations between the Parties involving financial consideration: Yes in 63% and No in

37% of cases.

In the case of agreed transfer with financial consideration, the amount negotiated between the Parties is: €114 minimum and €1,000 maximum.

#### Claimants' opinions

100% of respondents to the satisfaction survey said they would recommend the service for

the following reasons:

- Simplicity of the mediation procedure
- Efficiency of the service
- Clarity of the information provided by the mediator
- Availability of the mediator

## Feedback from mediators

- Parties must be prepared to compromise
- They must be reachable and available to converse with the mediator
- They must be open to negotiation
- They must be pro-active during the talks phase: the success of the procedure does not depend on the mediator alone.

## Discussions

**Marianne Georgelin** pointed out that in most cases the parties wanted to recover their domain name. 18% of these mediations did not succeed in resolving the dispute and led on to SYRELI procedures.

In response to a member who asked whether without mediation, 80% of the requests would have gone to SYRELI, Marianne Georgelin said there was no correlation and that for now it was not possible to draw conclusions.

A member wondered whether domainers would make greater use of mediations. Marianne Georgelin replied that transactions between domainers existed before the creation of mediation and that one would have to see how they evolved.

Marianne Georgelin affirmed that mediation meets a need.

In reply to a member who asked whether mediation was offered ahead of a SYRELI procedure, Marianne Georgelin said that applicants were indeed encouraged to go through mediation first.

A user member asked how many full-time mediators there were. Marianne Georgelin replied that there were six mediators working at Afnic, but not devoted full-time to this. The satisfaction survey showed that this mediation service is appreciated, since it is simple and effective, providing the applicant is available, reachable and ready to compromise.

The members congratulated Afnic on the success of the mediation project.

# 6.2 Future changes to registry policies in view of regulatory developments

## The French Military Programming Act

- Act No. 2023-703 of 1 August 2023 on military programming for the years 2024 to 2030 and laying down various provisions relating to defence
- In force since 1 June 2024
- It affects registries and registrars
- ANSSI, the French Cybersecurity Agency, may require registries and registrars to suspend (block) a domain name (digital injunction)

I - When it is established that the use of a domain name without the knowledge of its holder who has registered it in good faith leads to a **threat likely to harm national defence and security**, ANSSI may require this holder to take appropriate measures to **neutralise this threat** within such period as it may decide, the said period having to take into account the nature of this holder and any related operational constraints.

If the threat is not neutralised within the period stipulated, ANSSI may require:

(...) 2 "the **registry** referred to in Article L. 45 of the Post and Electronic Communications Code, or a **registrar** established in French territory as referred to in Article L. 45-4 of said Code, to **suspend** the domain name."

**Marianne Georgelin** explained that the Military Programming Act now gave ANSSI the power to require registries and registrars to block domain names. This power takes the form of a digital injunction which will be issued in the event of a threat likely to harm national defence and security, and **Régis Massé** added that ANSSI already had the power to be pro-active by requiring more information.

Marianne Georgelin specified that this case would be added to the Naming Policy.

**Pierre Bonis** indicated that this new law was by no means trivial. It may even force Afnic to create a domain name. In any case, we do not expect large numbers of requests from ANSSI. He specified that these ANSSI injunctions come on top of those of the DGCCRF (General Directorate for Consumer Affairs, Competition Policy and Fraud Control).

Marianne Georgelin indicated that the DGCCRF issues some 30 injunctions a year to Afnic. Pierre Bonis added that Afnic, while accepting its responsibilities, would let ANSSI define the legal concept of *"harming national defence and security."* 

32

## NIS 2

We await the **transposition** by the French government of **Article 28** of the directive, for which there is no timetable as yet, but:

in view of the mechanisms we have already put in place, we do not foresee any change in our registry policies deriving from Article 28.

## 6.3 Progress report, Thematic Working Group on

## Abuse

- Creation of a thematic working group on abuse, launched in 2024
- All members of Afnic may take part.
- Creation of a forum to share articles, information and studies in order to perfect our practices and knowledge in the area of abuse
- Confidential exchanges for which each participant undertakes to communicate:
  - · By email to a dedicated alias
  - And then by video conference once a month or even once per quarter depending on the subjects
- Duration of the group: initially limited to evaluate its effectiveness with an initial mid-term review (end of 2024 / beginning of 2025)
- Definition of abuse
- Abuse and NIS 2 verification of holders' data

- Detection of new patterns of holder data registration: email address>telephone number->identity theft
- Secured sharing of information on attacks under way with the Thematic Working Group on Abuse
- Legal Watch
- Legal framework of the list of terms subject to prior review and possible changes
   thereto

**Marianne Georgelin** reminded those present that all members of Afnic can participate in the Thematic Working Group on Abuse. The next meeting would take place on 10 November 2024 and would address the definition of abuse, verification of holders' data, detection of new patterns of holder data registration, waves of abusive registrations, exchanges and legal watches.

**Pierre Bonis** explained that this working group was organised as a long-term project with a view to its having far-reaching effects.

# 7. Operational priorities for the coming year

Pierre Bonis recalled that these priorities had been presented to the Board of Trustees.

Émilie Turbat presented the marketing plan. Its structuring began with internal and external analyses. Product performance and the behaviours of competitors and counterparts in the market were analysed in accordance with the following segmentation of products and services: .fr, additional .fr products and anti-abuse services, registry solutions, training and R&D and data. All this subject matter collected would serve as guidance for General Management. General Management will in turn be able to draw up roadmaps which will help with the construction of the budget for 2025. The various indicators are monitored monthly by a steering committee.

For 2025, seven main action paths have resulted from these:

- <u>Action Path 1</u>: Continue to promote .fr in order to improve the renewal rate, gain market share (particularly compared to .com) and increase adoption by VSEs/SMEs.

Internal and external analysis:

- In the context of a slowing market, and despite its rise in price, the .fr TLD remains competitive, buoyed by increased market share in France and increasing recognition among VSEs/SMEs.
- Although French VSEs/SMEs are making up for lost time as regards the digital transformation, much remains to be done in terms of equipping and encouraging

them through the "Réussir en .fr" ("Succeed with .fr") programme which has an ever-greater effect thanks to its numerous mechanisms and contents

- · Website creators remain buoyant, boosted by the advent of AI
- Commercial operations have become the coordination bulwark of our distribution network, with fee reductions linked to a tenfold increase in use over five years.

Our levers: Coordination of the distribution network (commercial operations, the "Je Passe au Numérique" ("I'm going Digital") initiative) and the strengthening of the Réussir en .fr programme.

- Action Path 2: Win over brands and territories in view of the upcoming ICANN round, while continuing to identify innovative uses for new TLDs.
- <u>Action Path 3</u>: Find ways to apply the DNS and our knowledge of the business in innovative projects in partnership.
- <u>Action Path 4</u>: Enhance and develop our actions in the fight against abuse in collaboration with our stakeholders.
- <u>Action Path 5</u>: Put a development plan in place to increase revenues from our training offering.
- <u>Action Path 6</u>: Specify the means of technical, legal and commercial distribution of our SRS (Shared Registry System).
- Action Path 7: Assert the CSR dimension of .fr and of Afnic's products and services.

# 8. Discussion of the subjects raised by members

## 8.1 Focus on Afnic's verification procedure

## Eligibility criteria of the .fr TLD

The registration or renewal of a domain name can be requested by any natural person residing and any legal person having its registered office or main establishment:

- in one of the European Union member states;
- or in one of the following countries: Iceland, Liechtenstein, Norway or Switzerland.

#### Article L. 45-1 of the French Post and Electronic Communications Code

- Domain names shall be registered on the basis of the declarations made by the applicant
- The registry operator and the registrars collect the data needed to identify the natural or legal persons holding domain names and are responsible for the processing of these data with regard to the <u>French Data Protection Act</u>, or Act No. 78-17 of 6 January 1978.
- The provision of inaccurate data by the holder may entail the removal of the registration of the corresponding domain name. This cannot take place until the registry operator has given the holder a chance to regularise the situation.

## Data collected:

- Surname
- First name
- Company name (for legal persons)
- · Postal or registered office address
- Email address
- Telephone number

## Article 3.2 of the Naming Policy

 Afnic may carry out checks as part of its qualification operations to ensure the eligibility and/or reachability of the holder of the domain name.

## Verifying a holder's eligibility and reachability

The process is initiated

- by decision of Afnic
- following a reasoned complaint by a third party using the verification form available on the Afnic website
- · following detection of registration data upon creation of the domain name

## Reasons for the request

- The request must be accompanied by documentary evidence of the inaccuracy of the holder's data
- A notification is sent by Afnic to the person requesting the check at the beginning and at the end of the procedure.

## Raisons de la demande

Je signale que le titulaire n'est pas joignable :

- Les coordonnées postales et/ou le numéro de téléphone sont fantaisistes
- l'ai un retour de mail incorrect
- J'ai reçu un retour du courrier (Pli non distribuable)

Je signale que le titulaire n'est pas éligible :

Le titulaire ne réside pas sur le territoire de l'un des Etats membre de l'Union européenne

#### JOINDRE LES JUSTIFICATIFS

Afnic launches the procedure and sends:

- an email to the holder of the domain name (FR/EN)
- an email to the registrar with which the domain name is registered (FR/EN)
- Then, at each stage, Afnic sends an email notification to the holder and to the registrar. ٠
  - Suspension/Lifting .
  - Blocking/Unblocking
  - Deletion or Closure •

[English version below]

Bonjour,

Conformément aux dispositions de la Charte de nommage, l'AFNIC peut demander, de sa propre initiative ou suite au signalement d'un tiers, la communication de pièces établissant le respect par le titulaire des critères : - d'idemitté, - d'éligibilité (adresse postale sur l'un des territoires de l'Union Européenne ou de l'EEE, activité pour une société),

de joignabilité.

Dans ce contexte nous vous informons avoir gelé le portefeuille de noms de domaine de votre client XXXX pour un délai de sept (7) jours calendaires maximum.

Durant ce délai, nous vous prions de bien vouloir nous communiquer les pièces justificatives permettant de conclure au respect par le titulaire des règles d'éligibilité et de joignabilité.

 Si votre client est une personne physique, nous vous prions de bien vouloir nous communiquer les pièces justificatives suivantes :

 une copie de pièce nationale d'identité ou de passeport ;
 un justificatif de domicile, de moins de trois mois, situé sur le territoire de l'un des Etats éligibles à la Charte de nommage de l'AFNIC (facture de téléphone ou d'électricité, avis d'imposition ...).

 Si votre client est une personne morale, nous vous prions de bien vouloir communiquer les pièces justificatives suivantes :

 un extrait du registre de moins de trois mois dans lequel l'entreprise est enregistrée (ou équivalent);
 une copie de pièce nationale d'identité ou de passeport du représentant légal de ladite entreprise.

Si passé ce délai de sept (7) jours maximum, aucun élément ne permet de conclure au respect par le titulaire des règles d'éligibilité et de joignabilité, son portefeuille de noms de domaine, complété le cas échéant des noms de domaine nouvellement enregistrés, sera bloqué pour une période de trente (30) jours calendaires maximum.

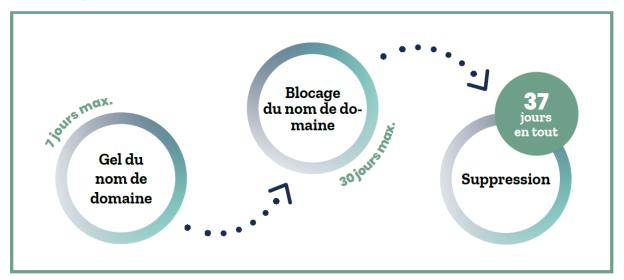
Vous trouverez ci-dessous la liste des noms de domaine concernés par la mesure.

Votre chargé de clientèle se tient à votre disposition pour de plus amples renseignements.

Bien cordialement, AFNIC

#### Examples of documentary evidence that the domain name holder must provide:

- If the holder is a natural person:
  - · a copy of the national identity document or passport;
  - proof of residence, dated within the last three months, in the territory of one of the States eligible for .fr (utility bill, tax assessment, etc.)
- If the holder is a legal person:
  - an extract, dated within the last three months, from the register with which the business is registered (or equivalent);
  - a copy of the national identity document or passport of the legal representative of the business.



## Chronologie de la vérification des données titulaire

## Discussions

A user member asked whether Afnic decided on the admissibility of a complaint lodged by a third party. Marianne Georgelin replied that yes, Afnic did indeed make sure all such complaints gave proper reasons.

A registrar member wanted to know whether consistency between city and post code was taken into account. Marianne Georgelin said that holders proved their address by means of a recent invoice (utility bill) and an identity document. For businesses, a "Kbis" extract from the Chamber of Commerce dated within the last three months is required.

A member wanted to know whether holders could proceed masked. Marianne Georgelin explained that the Association verifies holders' data, not domain names. It often happens that a squatted company or brand requests the lifting of anonymity.

**Pierre Bonis** also confirmed that Afnic was launching, on its own initiative, procedures to deal with domain names that it deems problematic.

A registrar member suggested wider criteria for the eligibility of domain names.

In response to a **registrar member** who wondered whether this procedure should not use wider criteria, **Marianne Georgelin** explained that Afnic launches a procedure in the event of far-fetched or incoherent data. Furthermore, lists of domain names were looked at particularly closely. Information is cross-checked given the heavy impact between citizens and public services. For example, the name "Ameli" (online health insurance) is monitored daily.

A registrar member asked whether the legitimacy of a complaint was verified before it was launched. Marianne Georgelin replied that only the report was verified.

**Marianne Georgelin** recalled that behind each holder there may be many domain names. In time, the procedure will aim to delete the entire portfolio. The stages of this procedure could be discussed in the Thematic Working Group. In any case they meet the requirements of NIS 2 Article 28.

Pierre Bonis said he thought that registrars who have been notified must take due note of the procedure, and to reply to the questions, **Régis Massé** said he thought the use of email

41

to notify registrars was preferable to other means of communication, given that not all registrars have an EPP connection.

**Pierre Bonis** recalled that the verification process is launched by Afnic and that it is Afnic, not the registrar, that controls it. It is one of the solutions offered to Article 28 of the NIS 2 Directive.

A registrar member remarked that clients usually ask the registrars first, but registrars, despite their commercial commitments, no longer have control over their product. Marianne Georgelin replied that holders must respect the Naming Policy and registrars must remind them of this.

**Marianne Georgelin** said she believed holders would reply to emails requesting documentary evidence since they themselves are obliged to make sure their email addresses are working properly. In any case, verification procedures had fallen by 70% between July 2023 and July 2024. Fewer of them are launched.

Pierre Bonis added that communication was through the Afnic channels and Afnic OP.

Marianne Georgelin explained that this procedure was not in conflict with other procedures, particularly those of the police.

A registrar member wanted to know whether the SYRELI procedure would block the verification procedure. Marianne Georgelin indicated that one procedure would replace the other. They cannot both take place at the same time.

## 8.2 NIS 2

**Pierre Bonis** specified that in response to the requirements of NIS 2, Afnic's position has been to anticipate on the one hand by means of a common system for the verification of data and, on the other hand, to put in place graduated sanctions. These two points are worked on

jointly by registrar and registry. Registrars need to send Afnic their own identity and reachability verifications.

A registrar member said he deduced from this that an email or a telephone call would suffice.

**Pierre Bonis** explained that the more verification points were covered, the more effective it was, given that the logic was one of continuous improvement. Afnic would be informed that the registrar had carried out the verification, but this would not stand in the way of its carrying out its own verifications. It could be that the .fr criteria are not sufficient in the context of NIS 2. However, the Association will have three years in which to align itself with NIS 2. There is no point anticipating rules that are not yet required by the legislator.

A registrar member wondered about verification of mobile phone numbers, which is difficult to check. Marianne Georgelin explained that on this subject, no particular response was as yet specific.

**Pierre Bonis** remained prudent as to the operational requirements yet to be defined, for example the notion of the size of registrars. An essential entity is defined as the operator of an authoritative server. Thus the hosting of a DNS service confers the status of essential entity on the operator, irrespective of its size. ANSSI's role is not one of repression but rather of assistance and support. It will be based on risk analysis.

## 9. Schedule and roadmap for the next Consultative Committee Meetings

**Sophie Canac** announced that to put together the agenda, a channel would be opened to receive suggestions from members, with a cut-off date of 8 January 2025 for the next consultative committee meeting in March. Other diary dates were as follow:

- Thursday 17 October 2024: webinar Market trends in domain names, presented by Loïc Damilaville.
- Tuesday 19 November 2024: CSR webinar, moderated by Virginie Navailles.
- Monday 25 November 2024, webinar *Report on international bodies*, presented by Lucien Castex.
- Thursday 5 December 2024: members' event to mark 10 years of .bzh, in Quimper.

Isoc France informed participants that from 16 to 21 April 2025 the *Rencontres numériques* (Digital Meet-ups) will be held in Varzy (Nièvre).

The date of the next consultative committee meetings remains to be determined: either Tuesday 25 March or Thursday 27 March 2025.

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