

Comments on Administration of Internet Domain Names for the Legco Panel of IT&B

We are in support of the HKSAR Government's initiative to make the ".hk" Internet domain name registration as an integral part of the Hong Kong Internet infrastructure. Because ".hk" is a branding representing Hong Kong, it is of vital importance that ".hk" is properly protected and made available as a non-stop service, and that a good image of "Hong Kong" is being promoted. The interests of the community should therefore be put in a higher priority. However, the current business model of HKIRC in taking up both the registry and the registrar roles cannot serve the best interest to Hong Kong..

In other parts of the world, the top-level domains (TLDs) are usually managed by two separate layers of organizations. There is usually a "registry" that focuses on the establishment of policy, enforcement of regulations, coordinating with Internet Corporation for Assigned Names and Numbers (ICANN), handling of domain disputes and development of infrastructure for the TLDs. The registry will provide adequate support to ensure that the TLDs will be made available and protected. The registry will also have to ensure the registered domain names will meet the registration policies so that hackers cannot easily register .hk domain names for fraudulent purposes. Such gatekeeper role will set a reasonable threshold for registration of domain names, hence for the purpose of maintaining the integrity and credibility of its registration policies, it might have to ward off dubious applications from time to time.

The other layer of organization is the "registrar" which focuses on the business side of the TLD, marketing and selling domain names, and identifying value-added services to the customers. There can be more than one registrars. They operate mainly on commercial principles and have to compete with one and other in the domain name market. Through market competition, these registrars will serve to expand the domain name market.

Therefore this registry-registrar separation model provides a good check and balance between a policy gatekeeper and market promoter.

Currently, HKIRC is performing both the roles of registry and registrar in Hong Kong. HKIRC has to consider not only the administration and community interests of the ".hk" TLD, but at the same time has to consider marketing initiatives to attract more registrations under ".hk". Their dual role may at times be conflicting. Moreover, as HKIRC is the only registrar for .hk domain name market, the lack of any market competition might hinder more aggressive market expansion for .hk. The Government should therefore consider adopting

the registry-registrar separation model and request HKIRC or a non-profit making organization to serve as the registry for the “.hk” TLD. At the same time, the Government should open up the registrar market for more than one registrars to encourage market competition and engender better value added services to domain name customers.

Under this registry-registrar separation model, a stringent governance of domain registration should be enforced so as to minimise the abuse of domain registration for fraudulent purposes, thus promoting a respectable image for “.hk” to the world.

Prepared by the Hong Kong Productivity Council

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