



8 April 2013

Response to Ministry of Communication and Information Technology's call for comments on the Draft Ministerial Regulation on Domain Name Management

The Asia Internet Coalition (AIC) welcomes the opportunity to submit our views and comment to the Ministry of Communication and Information Technology (KOMINFO) on the draft Ministerial Regulation on Domain Name Management. The AIC is an industry association comprising eBay, Facebook, Google, Skype and Yahoo! as its members.

We support the government's intent to tackle online fraud and cybercrime. All our members have established processes and programmes designed to work closely with law enforcement agencies to combat cybercrimes and tackle fraud.

In the draft regulations, we have noted the requirement for an Indonesia domain name. While its intentions are understood, the requirement may have an impact on foreign investment considerations in Indonesia. Given the global and borderless nature of the Internet and online services, we are concerned that a local domain name requirement could be perceived as an entry barrier to foreign investors looking to evaluate opportunities and bring innovative online services closer to the Indonesia market. This in turn would reduce Indonesian consumers and businesses access to innovative online services that would otherwise stand to benefit from such investments and stifle Indonesia's growth towards a digital economy.

We would like to seek clarifications on a number of points which have been raised in the document.

1. Clarification on the definition of "foreign company operating in Indonesia"

We seek further clarifications on the definition of "foreign companies operating in Indonesia". Currently some companies do not have a local presence in Indonesia. However, due to the global nature of Internet, any user (citizens, residents, visiting tourists and business travellers) with Internet access would already be able to access to such online applications, content and services from Indonesia.

By mandating foreign companies without a local presence to use an Indonesia domain name, this requirement could be construed as an investment barrier for Indonesia. This requirement could unintentionally force online services companies to withdraw their services for Indonesia. Such a requirement would also be counterproductive to wider government goals and community efforts to bridge the digital gap. Therefore, we recommend that foreign companies that do not have presence in Indonesia should not be considered under the "foreign company operating in Indonesia" definition.



2. Clarification on the categories of derivatives of Indonesian domain names

We suggest that more detail be provided for the meaning of an Indonesian domain name. We understand that there are definitions for Indonesia's Top-Level Domains (cTLD), which is understood to be ".id", and

Indonesian second-level domain names, such as ".co.id" or ".ac.id". We seek clarification on other derivatives (*Nama Domain Indonesia Tingkat Turunan*, article 5.2d, and article 42.3).

We thank you again for taking the time to engage the industry. If requested, we would very much like to meet in person so that we can discuss this issue in greater detail.

In the meantime, should you have any further queries please do not hesitate to contact director@asiainternetcoalition.org for any further information on the contents of this submission.

A handwritten signature in black ink, appearing to read 'J. Ure', with a long horizontal stroke extending to the right.

Dr. John Ure
Executive Director
Asia Internet Coalition