

Quarterly Report

2020 – Q3

July

August

September





Rosemary Sinclair AM
auDA Chief
Executive Officer

From the CEO

The third quarter of 2020 continued to be a challenging time for Australians as we grappled with the ongoing impacts of COVID-19.

While challenges remain, there is much to be thankful for including Australia's relative success in containing the virus, and the many people working selflessly across many sectors to help us through this crisis.

Heading into my ninth month here at auDA, I am thankful to be part of Australia's Internet sector. Internet infrastructure such as the .au namespace has been vital in keeping communities connected throughout the pandemic.

It has provided families and friends a way to connect virtually, enabled flexible work practices, made remote education possible, and delivered important products and services to households across the country.

It has also helped conferences and events move online. One event I was pleased to be a part of this year was the B&T Women Leading Tech Awards in September. The awards celebrate and recognise talented individuals working in the Australian technology sector. auDA was a proud sponsor of the event, which was a great example of coming together online to celebrate our impressive industry and I congratulate all winners.

This recent digital shift has also seen more new and existing businesses pivot online as they recognise the need for a digital presence. As a result, there was strong growth in registrations in the .au country-code Top Level Domain (ccTLD), particularly in the com.au namespace. In the past two quarters there was 31 percent growth in newly created domains from April to September this year compared to the same period last year.

This has lifted total active domain names in the .au ccTLD past 3.2 million – a record high – and demonstrates confidence in the .au ccTLD as Australia’s trusted, secure and reliable domain space.

While COVID-19 restrictions have played a significant part in this shift, our com.au campaign continues to generate interest with small businesses by championing the local, verified and trusted benefits of a com.au domain name. The campaign went live in August and continues into Q4. You can read more about the campaign on page 5.

While registrations have steadily climbed, we’ve also been focussed on important policy and governance work.

During the quarter, a General Meeting of the Governing Members resolved to amend the definition of the Transition Date in auDA’s Constitution, allowing additional time to embed governance practices and build our Associate Member base.

The auDA team has also made continued progress in preparing to implement the new Licensing Framework, which is designed to better meet the evolving needs of registrants, and enhance trust in the .au ccTLD. Development of registrar training materials, communication plans, and updated complaints and compliance processes are well underway with a launch expected in late Q1 or early Q2 2021.

We also commenced the process to elect a fourth Elected Director to the Board. The response to our call for applicants was very impressive with more than 80 applications received. Three highly qualified candidates were selected by auDA’s Nomination Committee following a rigorous assessment process. They were put to our members to vote in the Ballot from 14 October to 1 November. Thank you to all who had their say in this process – an announcement on the results of our Ballot will be shared shortly.

Meanwhile, we’ve also turned our attention to the future strategic direction of auDA. In July, the Board approved our approach to refresh auDA’s strategy. Work on the new strategy is ongoing both internally and in consultation with our members and stakeholders. I thank those who provided

their valuable insights at our NetThing 2020 strategy workshop. This significant piece of work will help shape the future direction of our work here at auDA over coming months and years, building on our successes to date, ensuring we’re keeping pace with the changing digital landscape, and continuing to deliver improvements to the .au ccTLD to meet the needs of all Internet users.

I look forward to further input on our strategy before we finalise and share it, along with other important initiatives and developments in coming quarters.

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In the spirit of reconciliation we acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

We'll help you find a trusted com.au domain name in seconds.

Enter your ideal domain name without the ".com.au"

Powered by auDA

Why com.au is the domain your business deserves



A local home for your local business

Now more than ever, Australians are looking to buy local when they shop online. With a com.au domain name, customers can be sure your business has a local presence.



Verification required

To be eligible for a com.au domain, businesses need an ABN or similar registration issued by the government.¹ Registrars validate business details upon application and auDA has a compliance team to ensure that domain names are issued to genuine local businesses.



Trusted by your customers

Research by Omnipoll in 2019 shows the com.au domain is more highly trusted among the Australian community than other common commercial domains.²

¹See Domain Name Eligibility and Allocation Policy Rules for the Open 2LDs.

²Consumer perceptions of domain name extensions, Omnipoll, January 2019.

com.au: powered by auDA

.au domain names, including com.au names, are important to Australia's digital economy.

The .au Domain Administration (auDA) is the government-endorsed not for profit organisation which sets the rules for .au domains and accredits the registrars who license them. We help ensure the .au domain is a safe, accessible and trusted asset for all Australian internet users.

Learn more and find out how you can get involved at auDA.org.au

To view auDA's privacy policy, please visit auDA.org.au/policies/privacy/.



Campaign website

Trust and confidence in com.au

The domain your business deserves

This quarter we launched a broad digital media campaign promoting the com.au domain to small and medium enterprises as 'the domain your business deserves', highlighting the com.au namespace's attributes of local, verified and trusted.

The campaign has focussed on com.au as an Australian brand that people can have confidence in, at a time when consumers are buying online more than ever and keen to shop locally from Australian businesses. A com.au domain name gives people confidence that a business has a local presence.

During the campaign, short films promoting com.au were shown across a variety of social media platforms, and a campaign site (getyour.com.au) was established which allowed visitors to find their preferred com.au domain name.

As part of the campaign, we undertook research which found that 70 percent of Australians believe it is more important to support local retailers when shopping online, an increase from 52 percent before the advent of COVID-19. You can read on page 9 about the strong growth in domain name creations during the past six months, as new and existing businesses moved to providing their products and services online, in response to COVID-19 restrictions.

The most common way online shoppers identify a business as Australian is via the com.au domain name extension. Ninety-two percent of survey respondents associated com.au with local businesses.

The findings highlight an opportunity for businesses to connect with consumers who are seeking out homegrown brands online, by registering a domain name which reflects their Australian presence.

Our research also found that Australians are significantly less likely to buy direct from social media if a business does not have a website. Building a website with a com.au domain name and adopting a com.au email address are two ways to build an online presence beyond social media and promote a business as local. While 71 percent of people look for the com.au domain name to confirm a local presence, only 20 percent use information available on social media to confirm whether a business is Australian.

SURVEY KEY FINDINGS

70%

believe it is important to **support local retailers** when shopping online

92%

associate com.au with local businesses

71%

look for the com.au domain name to confirm a local presence

Building a broad and representative membership base helps us ensure the .au namespace continues to be a safe, fair and secure digital landscape for all Australian Internet users.

Our members

Associate member numbers have continued to grow steadily, with 3567 associate members at the end of September, compared to 3386 members at the end of last quarter.

In July we implemented new integrated membership and communications systems, which allow us to better facilitate interactive content, event invitations and feedback and help us deliver a smooth and automated membership application process.

The new systems were implemented with minimal disruption, and monthly member communications continue to be well received by members.

A new digital membership campaign was launched in September to link in with the com.au campaign, which you can read about on page 5. The campaign highlighted auDA’s important role and how members play a part in ensuring that the .au namespace continues to be local, secure and trusted.

In the last quarter, we put out a call for expressions of interest for an elected Director vacancy on the auDA Board. Over 80 applications were received, and the Nominations Committee approved three candidates for the ballot that went to members in October.

No. active members

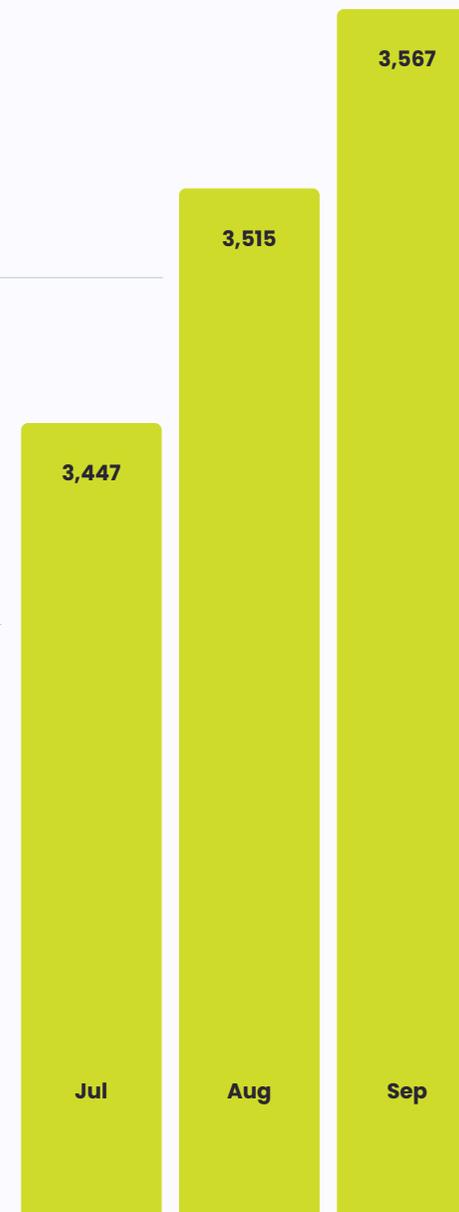
3600

3500

3400

Associate membership growth

Actuals as of 30 Sep 2020



Voting in the election gives associate members an opportunity to contribute directly to the good governance and future direction of auDA.

Our annual member survey will take place in the final quarter of the year to provide us with input from members to help shape the future direction of the auDA membership program. Previous survey results have helped us to develop communications and offer events that best meet the needs of our members.

We are keen to provide the in-person learning and networking opportunities that have been popular with members in the past, however restrictions associated with COVID-19 continue to make that difficult. This is an aspect of our member operations that we will revisit following the results of the member survey and easing of restrictions, in the hope that some member events can be offered in the new year.



.au registrations

We report regularly on activity in the .au namespace, including trend information about creation of new domains and total domains under management.

New domains created

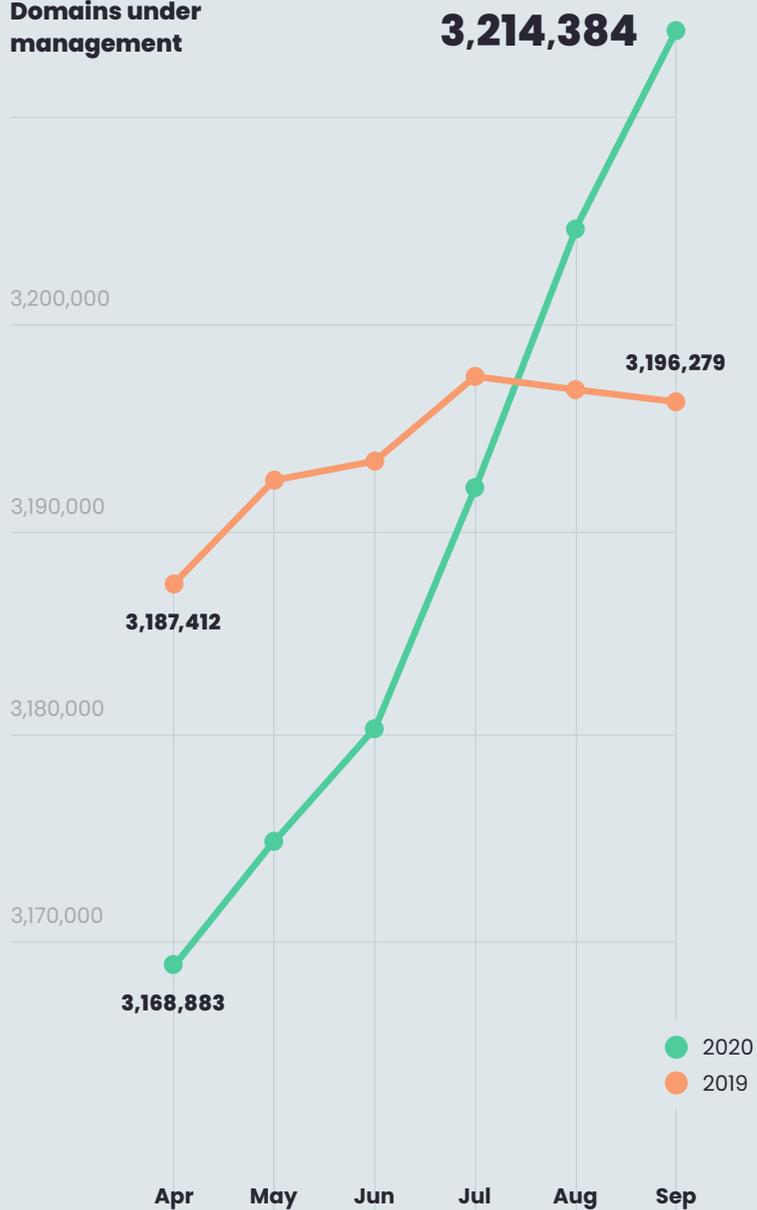
The past two quarters have seen a 31 percent growth in new domain names in the .au ccTLD compared to the same period in 2019. This increase equates to an additional 80,000 domain names registered in the COVID-19 period, predominantly by businesses in the com.au namespace.

Around 85 percent of the new com.au domain names registered are from businesses established before the pandemic (prior to 2020), with about one-third of these being businesses more than ten years old, which is an indication of the extent to which existing businesses pivoted to online to continue operating during COVID-19 restrictions.

New domains created



Domains under management



Domains under management

In September 2020, total domains under management reached a record high of 3,214,384.

Year on year, domains under management in the net.au and asn.au namespaces decreased. Domains under management in com.au, org.au and id.au were all slightly up in a year on year comparison for September.

These are the major namespaces that are open to the general public.

	com.au	net.au	org.au	id.au	asn.au
Sep 2020	2,882,489	220,039	73,681	12,502	3,102
Sep 2019	2,847,647	237,332	72,840	12,317	3,273
YoY%	1.22%	-7.29%	1.15%	1.50%	-5.22%

Policy update

We work with all stakeholders to ensure a policy framework that promotes the equitable, secure and reliable operation of the .au domain space.

We have been working closely with registrars this quarter on their obligations under the new Licensing Framework, particularly in the area of registrar security arrangements.

As part of the new Registrar Agreement, a registrar's information security management system will be required to be ISO 27001 compliant or equivalent, to ensure they meet best practice security standards. These controls are designed to strengthen the security of the .au ccTLD, from registrant through to the Registry, and provide safeguards in the handling of personal data. Registrars need to obtain their ISO 27001 certification or equivalent within six months of the commencement of the new Framework.

Ahead of this, all registrars are required to complete a baseline security assessment to get a picture of where they currently are security-wise, and we have engaged a specialist technology solutions company to assist with this process. In late September we held a number of webinars to deliver information about the baseline security assessment requirements, so registrars have a good understanding of what is required of them. Registrars have been asked to complete questionnaires about their current security position and provide supporting documentation. They will get feedback on their security position, which will be useful for them across their whole business, not only in relation to the .au namespace. This process also prepares registrars for some of the work they need to complete for ISO 27001 certification.

We have engaged a training specialist to focus on the development and delivery of training on the new licensing framework for registrars. Targeted training programs are being developed for different audiences – from hands on training for front line registrar staff to high level presentations for senior management.

Registry operations

The registry operations in the .au namespace are performed by Afilias Australia (Afilias), a subsidiary of Afilias Inc, the world’s second largest registry operator. We work closely with Afilias to ensure that the registry performance meets the user requirements of being fast, reliable and secure.

Service level name	Expected	Jul	Aug	Sep
Overall DNS Availability	100%	100%	100%	100%
DNS availability per Anycast node				
q.au	99.9%	100%	99.99%	99.92%
r.au	99.9%	100%	100%	99.93%
s.au	99.9%	100%	100%	99.94%
t.au	99.9%	100%	99.99%	99.91%
DNS update delay time – % of updates within 5 mins	96%	99.86%	99.88%	99.95%
Cross network name server round trip time	300ms	79ms	77ms	85ms
DNS Round Trip Time (RTT) – % processed within 250 ms	95%	99.85%	99.98%	99.93%
WHOIS service availability	100%	100%	100%	99.98%
WHOIS update delay time – % of updates within 5 mins	96%	100%	99.88%	100%
WHOIS Round Trip Time (RTT) – % processed within 1 sec	95%	100%	100%	99.98%
EPP service availability	100%	99.99%	100%	99.98%
EPP Round Trip Time – % of queries processed within 500ms	95%	99.93%	99.93%	99.90%
EPP Round Trip Time – % of changes processed within 1 sec	95%	100%	100%	100%

Measure name		Jul	Aug	Sep
Overall DNS Availability		100%	100%	100%
DNS availability per Anycast node				
a.au (auDA)		100%	100%	100%
c.au (Cloudflare)		100%	100%	100%
d.au (Cloudflare)		100%	100%	100%
m.au (Neustar)		100%	100%	100%
n.au (Neustar)		100%	100%	100%
q.au (Afilias)		100%	99.99%	99.92%
r.au (Afilias)		100%	100%	99.93%
s.au (Afilias)		100%	100%	99.94%
t.au (Afilias)		100%	99.99%	99.91%
DNS Round Trip Time (RTT) – % processed within 250 ms		100%	99.99%	99.99%

We actively participate in international fora to ensure that Australia's interests are represented and to identify trends and developments relevant to the .au namespace.

International engagement

APTLD 78 Virtual Meeting

1–4 September 2020

The Asia Pacific Top Level Domain Association (APTLD) decided to hold its 78th meeting originally scheduled to be in Taipei, Taiwan as a virtual meeting from 1–4 September 2020.

This event follows on from the successful face-to-face APTLD meeting that was held in Melbourne in February 2020, which was one of the last major international events held face-to-face before the introduction of COVID-19 travel restrictions.

The APTLD meeting is an opportunity for ccTLD managers in the Asia Pacific region to share their experiences in areas including governance, DNS technical operations, and marketing. APTLD 78 included two training

days covering DNS Abuse management, and Technical/Security aspects of the DNS, including threat hunting using DNS.

Several staff from auDA participated in the event, including CEO Rosemary Sinclair talking about how to govern a ccTLD in challenging times, the COO talking about the pros and cons of a ccTLD manager using an in-house registry vs an out-sourced registry, the CCO chairing a session on how to understand and inspire your customer, and the Marketing and Communications Manager talking about marketing a ccTLD registry as a brand.

Complaints and dispute resolution

We deal with complaints and disputes about the .au namespace, as well as enquiries from law enforcement agencies and the public. Our compliance team plays a crucial role in maintaining the operation and reputation of .au as a safe, secure and reliable namespace.

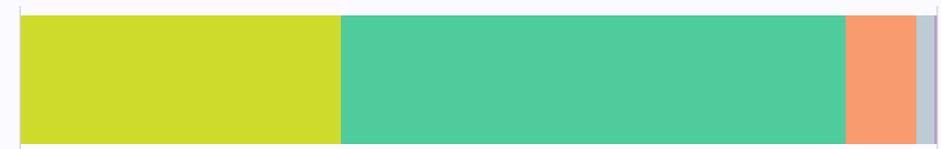
629 Complaints



Days to resolve



1098 Enquiries



14 Law enforcement requests



15 Disputes



Security

We are committed to implementing world’s best practice with respect to our information security management systems, to support trust and confidence in the .au namespace.

Security training and upskilling

All auDA staff and Board members receive ongoing security awareness training, with technical staff completing additional security training as required. In this quarter, IT staff have continued to upskill, completing training and certificates in:

- Azure fundamentals (AZ-900)
- AWS Solution Architect Associate (SAA-C02)
- Sumologic fundamentals
- Pagerduty fundamentals
- Fortinet NSE 1 (Network Security Expert 1) & NSE 2 (Network Security Expert 2)

Protecting critical infrastructure

In August 2020 the Australian Government released a consultation paper on protecting critical infrastructure and systems of national significance with a view to introducing an enhanced regulatory framework, building on existing requirements under the Security of Critical Infrastructure Act 2018. The Government asked owners and operators of critical infrastructure, state and territory governments, academia and the Australian public to contribute to the design of the framework.

auDA has a core role in protecting and building the resilience of the .au domain namespace. It is part of Australia’s critical infrastructure and supports other components of critical infrastructure. We also represent Australia’s interests internationally and have a sponsorship agreement with the Internet Corporation for Assigned Names and Numbers (ICANN) – the international body covering ccTLDs – which delegates obligations and responsibilities in managing the .au ccTLD zone to contribute to the technical stability and operation of the Domain Name System (DNS) and Internet in the interests of the global Internet community. This delegation is reliant on the endorsement of the Australian Government.

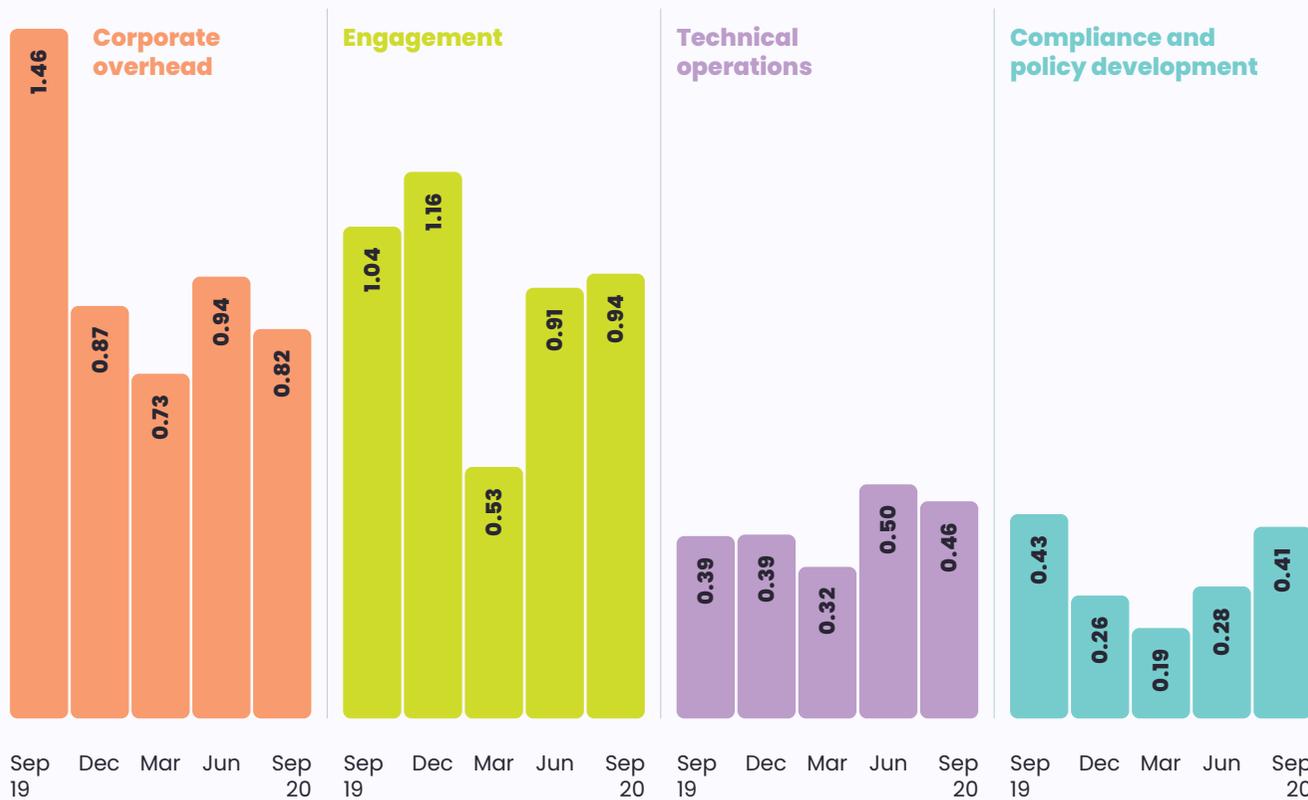
Here is a summary of our submission under the consultation process:

- auDA takes security extremely seriously and benchmarks against international best practice;
- auDA’s DNS systems are globally distributed for scale and reliability, and to handle the high proportion of international DNS queries for .au domains;
- auDA accredited registrars are globally distributed;
- the Internet resources (including web and email servers) referenced by domain names in the .au ccTLD are globally distributed;
- auDA has international obligations to manage and preserve the universality, interoperability and accessibility of the Public Core of the Internet;
- the Australian Government’s international position is that no government should regulate the Internet, and that a multi-stakeholder model of Internet governance is the most effective mechanism to develop public policy positions across the full spectrum of cyber affairs; and
- auDA believes that the existing Australian Government Terms of Endorsement and the reserve powers in the Telecommunications Act provide sufficient mechanisms for the Government to provide oversight of auDA.

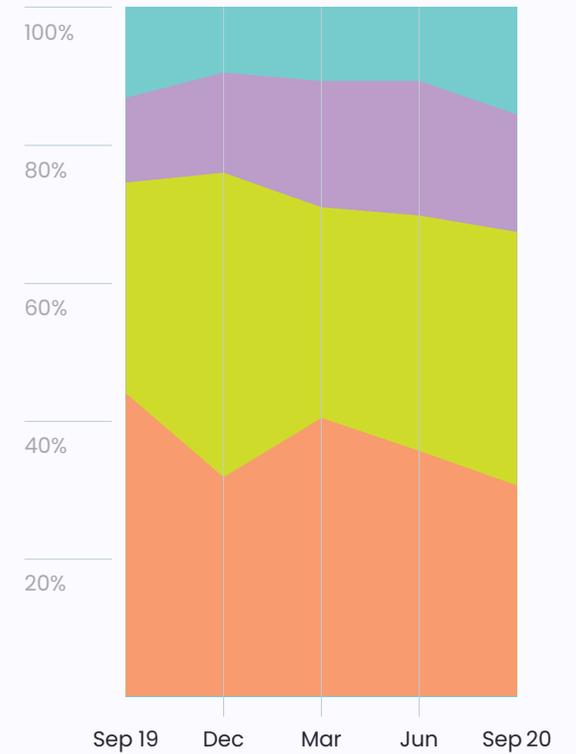
Financials

We are committed to being transparent about the costs of administering the .au domain namespace and using our resources as effectively and efficiently as possible.

Operational costs quarterly \$M



Operational costs quarterly %





.au Domain Administration Limited

A.B.N. 38 079 009 340

www.auda.org.au