

eDAC Response

Discussion Paper: Review of Australia's .au domain management, November 2017

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1 Introduction

The .edu.au Domain Administration Committee (eDAC) monitors developments, contributes to major policy, and provides advice to key agencies on issues related to monitoring and regulating the edu.au domain space.

eDAC comprises representation from:

- The State and Territory Government schools sector
- National Catholic Education Commission
- Independent Schools Council of Australia
- The Vocational Education and Training sector
- The Higher Education sector

For more information, please see auDA policy [2015-02 - Governance Arrangements for the edu.au 2LD](#).

2 Responses

2.1 auDA's roles and responsibilities

- 1) What are auDA's primary roles and responsibilities?
- 2) Do the current terms of endorsement set out appropriate guiding principles for a fit for purpose .au ccTLD manager?
- 3) Do the terms of endorsement reflect community expectations for the management of the .au ccTLD?
- 4) What external trends and developments may affect auDA's roles and responsibilities?

In relation to auDA's roles and responsibilities, eDAC supports the response submitted by the edu.au Domain Registrar:

- The primary roles and responsibilities of auDA are a combination of the terms of endorsement outlined by the Government and the responsibilities listed in auDA's 2015-16 Annual Report.
- In terms of future and external trends that may impact auDA's role, the potential classification of the .au domain as "critical infrastructure" is an important consideration that may impact the Government's terms of endorsement.
- To facilitate the successful introduction of Direct Registrations and possible transition to a new Registry Operator, it will be vital that auDA meets its roles and responsibilities relating to the adoption of open, transparent and consultative processes, and the promotion of competition, fair trading and provisions for consumer protection and support.
- As noted in the discussion paper, "*there have been significant changes to the digital landscape since auDA was first established*" and in light of this, eDAC and the edu.au Domain Registrar would encourage a regular review cycle to ensure auDA's defined roles and responsibilities continue to meet the needs of the digital environment in the future.

Finally, eDAC notes that it is often cited that the .au domain faces increasing pressure from other generic top-level domains like the country-neutral .co, .io, .online, etc., but that it is not clear to Members that this is indeed the case. eDAC would recommend further research being undertaken to understand how attitudes are changing in Australia given the globalisation of the industry.

2.2 Corporate governance

- 5) What best practice approaches and processes should be considered with regard to auDA corporate governance?
- 6) What does good corporate governance for auDA look like? Are the ASX corporate governance principles sufficient? Should other principles also be considered?
- 7) Should reform of existing auDA corporate governance arrangements be considered? If so, what are the reform priorities?
- 8) Do the current board arrangements support auDA in effectively delivering its roles and responsibilities?
- 9) Should reform of existing board arrangements be considered? If so, what are the reform priorities?

eDAC believes that transparent governance arrangements for auDA are vital to the successful management of the .au domain. Currently auDA's corporate governance arrangements are not as transparent as they could be and this should be a priority for reform.

eDAC would also encourage auDA to review its current surplus and seek opportunities to re-invest those funds into the .au industry. eDAC believes it should be a priority of auDA to use accumulated surplus for projects and initiatives that are for public benefit, in accordance with its terms of endorsement by the Government.

eDAC supports the recommendations made by the edu.au Domain Registrar:

- In relation to corporate governance, given the importance of the .au domain in supporting the digital landscape and the economy, eDAC and the edu.au Domain Registrar believe that, like [Government Business Enterprises \(GBEs\)](#), auDA should be required to comply with appropriate legislation, such as the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), to ensure greater public accountability.
- eDAC and the edu.au Domain Registrar would also recommend, if they do not already exist, the creation of Financial Risk and Audit Committees, Expert Reference Groups or other Working Groups to advise auDA on key issues and to ensure financial accountability.
- In relation to the current board arrangements, eDAC shares the edu.au Domain Registrar's concerns that the representatives of the supply and demand classes do not always properly capture the participants in the .au space. There are a number of participants that, while not being registrars or resellers directly, are domain name industry participants that are often treated as demand class. It is the opinion of both eDAC and the edu.au Domain Registrar that, as a consequence, both the demand and supply class representation on the board is weighted towards industry insiders, rather than 'general' registrants, internet users or the general public.
- eDAC agrees that it should be another reform priority to review the requirements for supply and demand class representatives to ensure broader and more accurate representation of the demand class.

2.3 Stakeholder engagement

- 10) Who are auDA's stakeholders?
- 11) How should auDA engage with its stakeholders? Are there guiding principles which should be considered?
- 12) Are auDA's stakeholder engagement processes effective?
- 13) Is a transparency and accountability framework effective?

eDAC believes that auDA should be more transparent in its stakeholder engagement, including in its engagement with advisory committees such as eDAC, as, currently, engagement by auDA with the committee is not as transparent and proactive as it could be.

eDAC would also encourage auDA to ensure appropriate representation from the education sector on panels for policy reviews, and believes eDAC members should be invited to participate in such reviews by auDA. (This is not currently the case.)

eDAC supports the recommendations of the edu.au Domain Registrar:

- The list of stakeholders included in the discussion paper accurately reflects the broad range of auDA's stakeholders.
- In engaging with its stakeholders, auDA should consider the broad range of individuals and entities that rely on and engage with the .au space, including those for whom their domain name registration is not the primary purpose of their business. It should be an important part of auDA's role to protect the interests of those without industry knowledge and encourage their participation in .au.
- auDA's stakeholder engagement processes could be more effective. auDA should approach its policy committees, such as eDAC, to encourage and invite their participation in panels and projects such as the Registry Transformation Project and the Direct Registrations panel rather than relying on policy committees to seek information and updates from auDA.
- auDA could engage more effectively with domain registrants to ensure that they are aware of developments that may impact them in .au and, in doing so, protect their interests. For example, this could be achieved by auDA mandating that registrars pass on certain auDA notifications (e.g. those relating to policy, governance or structure of .au) to their registrants.
- In light of this, auDA may consider the development of a comprehensive Stakeholder Engagement Map and Plan, to identify and map the common and unique requirements of its different stakeholder groups, including advisory committees such as eDAC, and registrars operating closed second-level domains, as well as commercial registrars.

2.4 Membership

14) Is auDA's membership structure reflective of the range of stakeholders that rely on, or interact with, the .au domain?

15) Does auDA's membership structure support it in delivering its roles and responsibilities?

eDAC would reiterate the concerns noted by the edu.au Domain Registrar that auDA's membership structure does not adequately represent the broad range of stakeholders interacting with the .au domain. The requirement for new members to pay a membership fee and be approved (often several months later) at auDA board meetings may be a barrier to entry for some prospective members.

2.5 Security of the .au domain

16) What emerging risks does auDA face in relation to the security and stability of the .au domain?

17) What is best practice for DNS administration?

18) Does auDA maintain appropriate mitigation strategies? What additional mitigation strategies should be considered? How should these strategies be assessed?

19) What is the optimal mix of capabilities to expand auDA's cybersecurity preparedness?

20) How should auDA engage with the Government in its management of risks?

eDAC supports the recommendations made by the edu.au Domain Registrar:

- In response to the security of the .au domain, eDAC and the edu.au Domain Registrar would raise consideration for the formal adoption and alignment to an Information Security framework and the development of an Information Security Management System (ISMS) by auDA.
- Given the position of the domain, eDAC and the edu.au Domain Registrar believe that there should also be the adoption and alignment to an Information Technology Enterprise Framework for governance, information assurance and control.
- In maintaining the security of the .au domain, it is imperative that auDA undertakes regular reviews of the Registry Operator's contract, including re-examining the suitability and severity of SLAs in light of the current use of the .au domain space.
- The optimal mix of capabilities to expand auDA's cybersecurity preparedness include in-house expertise as well as consultancy support from both within Australia and internationally, to advise on best practice.
- auDA should report regularly to the Government on its management of risks and this should be a reporting requirement to the Government in the form of a series of publicly available key performance indicators.

Finally, eDAC notes that, whilst auDA has implemented security requirements for registrars, it is not clear what auDA's own security policies and strategies are, which reflects a lack of transparency. eDAC would encourage that any frameworks adopted by auDA as a consequence of this review be publically advertised.