

# auDA 2024 Annual General Meeting

## Questions taken on notice

The .au Domain Administration (auDA) Annual General Meeting was held on 19 November 2024. Due to time constraints, auDA took the following questions on notice and committed to publish responses to our website.

- 1. Ian Halson asked:** In relation to the Priority Application Process for contested domain names can the Board confirm that the Government has paid to auDA all fees, at a minimum the wholesale cost, relating to applications held by them as would be required by any other registrant?

**auDA's response:** The [.au Direct Priority Implementation rules](#) require applicants to renew their priority application annually if they want to remain eligible for priority status for the relevant .au direct domain name. Their application will lapse where the person fails to renew their application.

This is applicable to all priority applicants. There are no exceptions.

- 2. Ian Halson asked:** By the end of the year an estimated 400,000 domains, 1/10 the au namespace, will have been registered and cancelled under the "Cooling Off Period". This is commonly referred to as "Domain Tasting". The Board has been aware of this happening for many months. Given that auDA has the ability to amend the Registrar agreement i.e. to protect the integrity of the .au domain; or prevent licences being issued for abusive or speculative reasons; Why does this practice continue undeterred & is auDA failing in its role as regulator?

**auDA's response:** auDA is aware of domain tasting and has reviewed ICANN policies in relation to domain tasting. auDA is currently undertaking a review of the auDA Registrar Agreement to support the integrity of the .au and will consider the matter of domain tasting through the review. Following the review, the amended Registrar Agreement will be published on auDA's website.

- 3. Ian Halson asked:** auDA is projecting an operating deficit at the end of 2024-25 which has resulted in an increase in the wholesale price of domain licenses. auDA's target for investment in innovation initiatives in 2024-25 is \$2.2 million an increase of \$1.1 million. Given that this is not one of auDA's core functions or principles, and auDA's relatively fixed income stream, why must Australian domain registrants have to bear these costs?

**auDA's response:** auDA is a for-purpose, not-for-profit organisation that operates for the benefit of all Australians.

A core principle under auDA's Terms of Endorsement from the Australian Government says that auDA is required to promote the interests of the Australian community and operate as a for-purpose organisation.



As a for-purpose organisation, auDA supports a range of initiatives aligned to our vision to unlock positive social and economic value for Australians.

auDA's strategic objective to invest in innovation initiatives comprises work undertaken through the auDA Public Benefit Program. This includes:

- auDA's Community Grants program, funded by the auDA Foundation, whereby we award \$600,000 annually to community and education projects that enhance the utility of the internet for Australians.
- auDA's recently launched Research and Development Grant Program that will provide long-term multi-year funding that delivers impact in key areas related to the DNS, internet governance and digital inclusion. Several Research and Development pilot projects commenced in 2023-23 and continue in 2024-25.

The increase in "investment in innovation initiatives" is attributable to the Research and Development Grant Program, which will award grants for the first time in 2024-25.

While auDA projects an operating deficit at the end of 2024-25, the .au domain name wholesale price increase of \$0.67 AUD per licence introduced on 1 October 2024 will enable auDA to return to a positive operating position in future years and will support auDA to:

- Continue to operate as a self-funding not-for-profit organisation
- Invest in maintaining and enhancing our cyber security stance, including ISO accreditation and operationalising requirements under federal Security of Critical Infrastructure legislation
- Meet our strategic aims and deliver on our core functions under the Terms of Endorsement from the Federal Government.

.au domain names remain strong value for money and the annual wholesale price continues to cost significantly less than the wholesale price of other comparable Top Level Domain options.