

# Quarterly Report

2021 – Q4

October  
November  
December



# From the CEO

In the fourth quarter of 2021 we focussed on delivering on our strategic objectives to support all Australians via the trusted .au domain.



**Rosemary Sinclair AM**  
auDA Chief Executive Officer

Corporate governance was a key focus in Q4. In October, we released our [Annual Report](#), which showcases how .au supported Australia's digital economy and society throughout 2020–21. We also released our first [Corporate Governance Statement](#), supporting our commitment to the highest standards of transparency and accountability.

In November, we held our 2021 [Annual General Meeting](#) where auDA Chair Alan Cameron AO and I provided reports on auDA's 2020–21 operations and achievements. auDA's Governing Members also voted to adopt constitutional amendments ensuring auDA's Constitution is fit for purpose and aligns with our current operations.

Over Q4, we also continued to work with our registry operator and registrar partners to ensure best practice security, validation and complaints handling practices are in place. This helps us deliver a .au domain that Australians can rely on and to support growth in the .au.

Innovation is another area in which we made great strides during the quarter. Significant focus was applied to preparations for the launch of .au direct on 24 March 2022. The new namespace will provide a greater choice of simple, uniquely Australian domain names for registrants.

Our inaugural research into the [Digital Lives of Australians](#) was also released, providing insights into the ways consumers and small businesses rely on the Internet and their online challenges. We hope it is a catalyst for policy discussion and education initiatives that help improve online outcomes for Australians.

The auDA Foundation Grants Program is another way we support innovation across the Internet ecosystem. We were delighted with the exceptional quality of applications to the 2021 program and [announced the successful recipients](#) in February 2022. We look forward to opening another round of funding in the second half of the year.

Over the quarter, we also engaged widely with our multi-stakeholder community. We hosted a member event in Melbourne and planned a host of exciting developments for auDA members in 2022. We were also pleased to welcome twenty highly qualified and well-respected appointees to join the General and Technical Advisory Standing Committees. We look forward to the strategic advice they will deliver to the auDA Board. In addition, we participated in a range of Internet governance forums, including NetThing 2021. Read more about our community and international engagements on pages 7 and 9.

Lastly, in late November, the Federal Government released updated Terms of Endorsement for auDA. The new Terms enable our ongoing administration of a trusted .au for all Australians. I thank the Government for its continued and productive engagement with auDA. We understand our important, unique role in Australia's Internet ecosystem and will continue to deliver a secure and reliable .au domain while championing multi-stakeholder Internet governance.

As always, my thanks to everyone who contributed to auDA in Q4. We look forward to an even more productive 2022 ahead.

## Contents

<b>2</b>	<b>From the CEO</b>	<b>12</b>	<b>Registry operations</b>
<b>4</b>	<b>Terms of Endorsement</b>	<b>13</b>	<b>Policy update</b>
<b>5</b>	<b>Our members</b>	<b>14</b>	<b>Compliance activity</b>
<b>7</b>	<b>Community engagement</b>	<b>15</b>	<b>Security</b>
<b>9</b>	<b>International engagement</b>	<b>16</b>	<b>Financials</b>
<b>10</b>	<b>.au registrations</b>		

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, present and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

# Terms of Endorsement

**In November, the Federal Government released new Terms of Endorsement for auDA that support our administration of a trusted .au for all Australians.**

The 2021 Terms of Endorsement were developed by the Department of Infrastructure, Transport, Regional Development and Communications to ensure the terms remain fit-for-purpose, following a six-week public consultation.

The new Terms were issued to auDA by the Hon Paul Fletcher MP, Minister for Communications, Urban Infrastructure, Cities and the Arts, and accepted by auDA Chair Alan Cameron AO.

They set out updated core functions and principles to guide our administration of the .au, and enable our continued work supporting Australia's digital economy and society.

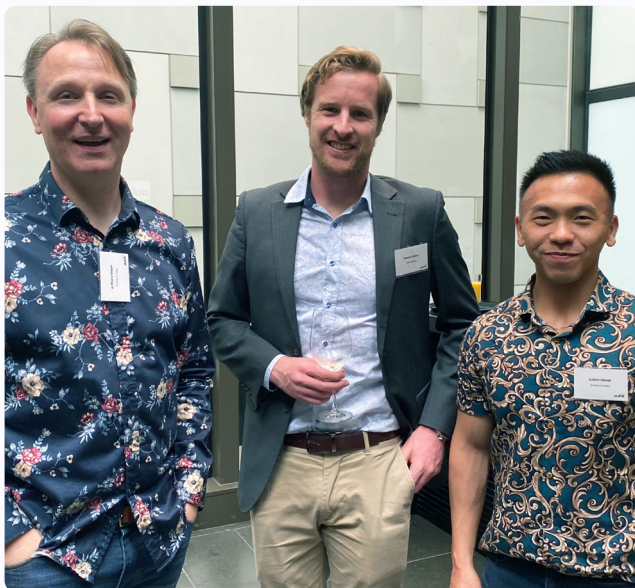
The Terms of Endorsement can be found [here](#).

## Core functions:

- Ensure stable, secure and reliable operation of the .au domain, as part of Australia's suite of critical infrastructure
- Administer a licensing regime for .au domain names based in multi-stakeholder processes that is transparent, responsive, accountable, accessible and efficient
- Advocate for, and actively participate in, multi-stakeholder Internet governance processes both domestically and internationally.

## Core principles:

- Engaging with the Australian Government
- Supporting trust and confidence in .au
- Promoting principles of competition, fair trading and consumer protection
- Supporting fair and transparent multi-stakeholder engagement
- Supporting a membership structure that reflects the diversity of the Australian community
- Maintaining effective governance processes that are transparent, accountable, support effective decision-making and promote the interests of the Australian community.



# Our members

**In Q4, we received feedback from Associate Members about the auDA membership program and began planning for an exciting 2022.**

## Meeting up with members

A highlight of the quarter was our end of year networking event in Melbourne. After another prolonged lockdown in Melbourne, it was wonderful to bring auDA members together in-person to mark the end of the year and look ahead to 2022. Members enjoyed an evening of lively conversation and heard from auDA CEO Rosemary Sinclair and Board Director Tania Fryer. Regular events, taking place in-person around Australia and online, will be a key feature of the 2022 membership program. We look forward to welcoming members to those events. You can find information about upcoming events on the [auDA website](#).

## Annual member survey

During the quarter, we received the results of the 2021 auDA member survey. The survey provided valuable insights into why members join the membership program, what they enjoy about it and what they would like to experience more of.

auDA members told us they want more educational and industry information, including digital resources and best practice guides. Based on this feedback, in the quarter we published a series of [fact sheets](#) providing guidance on managing .au domains, delivered a series of webinars (page 8), and released the .au direct Priority Status Tool (page 13). The insights also helped inform a refreshed membership program for 2022, with auDA's membership team planning new events and experiences, including a stream of exclusive member webinars.

## Membership transition

From 2022, Associate Members will be able to transition to become full members of auDA under the Corporations Act. The transition will provide members with increased opportunities to have a say on the future of the .au. Importantly, auDA membership will continue to be complimentary and members will remain a vital part of our multi-stakeholder community. We will share more information on the transition, including what steps existing members need to take ahead of the transition date, 27 September 2022.

auDA membership continues to grow, reaching 4,209 in December 2021, up from 4,103 in September 2021 and 3,734 in December 2020.

# Member survey key highlights

## Key reasons for joining auDA:

Keep up to date with .au issues **70%**

IT industry information and trends **67%**

Support independent administration of .au domain **61%**

## Main challenges:

Keep up to date with the latest technology/tools **21%**

Cyber security **20%**

Domain registration/administration **16%**

## What members want to see more of:

Best practice guidelines **43%**

Fact sheets and digital resources **41%**

Small business advice on domains **38%**

## Associate membership (Dec 2021)

# 4,209 members

## Top ten industries disclosed

<b>Technology</b>	1,035	<b>24.6%</b>
<b>Web development</b>	409	<b>9.7%</b>
<b>Registrar</b>	230	<b>5.5%</b>
<b>Marketing &amp; Communications</b>	209	<b>5.0%</b>
<b>Education</b>	162	<b>3.8%</b>
<b>Finance</b>	132	<b>3.1%</b>
<b>Telecommunications</b>	118	<b>2.8%</b>
<b>Healthcare</b>	118	<b>2.8%</b>
<b>Web hosting</b>	112	<b>2.7%</b>
<b>Government</b>	108	<b>2.6%</b>

## By state

<b>Victoria</b>	1,352	<b>32.1%</b>
<b>New South Wales</b>	1,326	<b>31.5%</b>
<b>Queensland</b>	755	<b>17.9%</b>
<b>Western Australia</b>	355	<b>8.4%</b>
<b>South Australia</b>	192	<b>4.6%</b>
<b>Australian Capital Territory</b>	117	<b>2.8%</b>
<b>Tasmania</b>	67	<b>1.6%</b>
<b>Northern Territory</b>	36	<b>0.9%</b>
<b>International</b>	9	<b>0.2%</b>

# Community engagement

**We engaged widely during the quarter with a focus on cyber security, innovation and Internet governance.**

## NetThing 2021

The 2021 NetThing forum was held in November, exploring the theme 'Building Bridges'. NetThing is Australia's annual Internet Governance Forum (IGF). It brings together participants from industry, government, the technical community, academia and civil society to discuss Internet-related policy.

auDA sponsored NetThing 2021 and actively participated in the program. CEO Rosemary Sinclair joined auDA Director Sandra Davey in a fireside chat on how auDA delivers value for the Australian community.

Chief Operating Officer Bruce Tonkin joined experts from domain registry Donuts Inc. and the Australian Federal Police to discuss tackling DNS abuse. ASPI also demonstrated its .auCheck webtool, which was developed with support from auDA and promotes uptake of best practice Internet security standards. .auCheck has been released for beta testing and will be formally launched by ASPI in early 2022.

IGFs also take place at a [regional](#) and [global](#) level. You can read more about this year's global IGF on page 9, and about NetThing 2021 [here](#).

## Committee for Economic Development of Australia (CEDA) roundtable and webinar

On 28 October, CEO Rosemary Sinclair AM represented auDA at a roundtable discussion about the growing cyber security challenges small businesses face and how organisations such as auDA can help them operate more securely online. Rosemary also provided an update on auDA's plans to launch .au direct and the benefits this innovation will bring to small businesses.

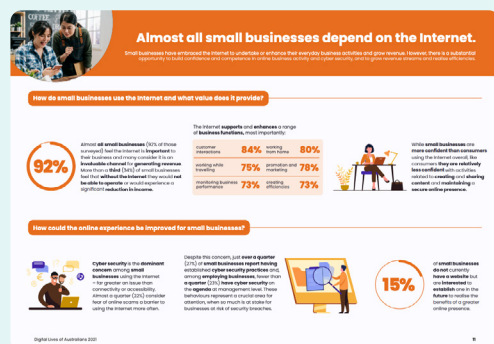
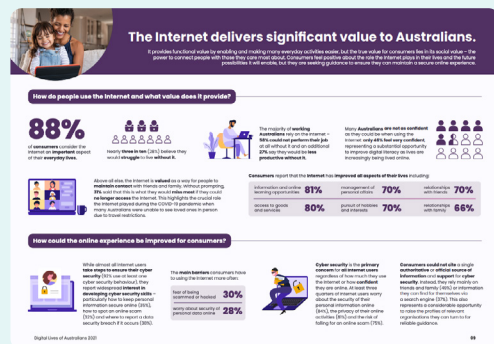
On 10 November, auDA Chief Operating Officer Bruce Tonkin joined Assistant Director General of the Australian Cyber Security Centre (ACSC) Stephanie Crowe on a livestream webinar discussing the threat of ransomware and cyberattacks in Australia. Bruce spoke about auDA's role as a critical infrastructure provider and activity auDA undertakes to keep the .au domain secure and trusted.

## Australian TLD meeting

auDA hosted a meeting of Australian TLD registry operators (including .cc, .nf, .cx, .sydney, .melbourne) in December to share updates on policy issues, including how international regulatory measures may impact the global DNS, and discuss the year ahead in Internet governance. auDA also provided an update on the *Security Legislation Amendment (Critical Infrastructure Act 2021)*, which identifies the .au Domain Name System (DNS) as a critical infrastructure asset.

# Digital Lives of Australians 2021

Based on the feedback of more than 1,500 Australian consumers and more than 400 small businesses, this research provides an in-depth insight into the nature and extent of online engagement, the challenges people face online, and their thoughts on the future of the Internet.



## auDA webinar series

In Q2, we debuted a new webinar series, providing a free monthly discussion forum for auDA members and stakeholders. This quarter, we followed up our debut session with three webinars. The sessions were hosted by auDA CEO Rosemary Sinclair, who was joined by expert guests.

- [International cyber landscape and Australia's place in it](#): a deep dive into Australia's cyber security approach, with Fergus Hanson, Director of the International Cyber Policy Centre at the Australian Strategic Policy Institute (ASPI)
- [Scams and identity theft – the digital pandemic](#): a special Scams Awareness Week webinar, with Delia Rickard, Deputy Chair of the Australian Competition and Consumer Commission (ACCC), and David Lacey, Founder and Managing Director of IDCare
- [The Digital Lives of Australians 2021](#): attendees were some of the first to hear insights from auDA's inaugural research into the online experiences of Australian consumers and small businesses, with Keith McGowan, Director at SEC Newgate Research.

Find more information about [webinars and events](#) on the auDA website. For more expert insights on the domain name system and the technology sector, check out auDA's [Leaders of Tech](#) interview series on the .au blog.

## Board Advisory Committees

In December, following a national recruitment program, we were pleased to announce new appointments to the [General Advisory Standing Committee](#) (GASC) and [Technical Advisory Standing Committee](#) (TASC). The appointees are technology and community leaders who will support the auDA Board through expert advice and represent the multi-stakeholder community.

The new Committee members commenced on 1 January 2022. We look forward to the strategic contributions they will make to auDA and the .au website.

The [EAC](#) met during the quarter to continue its work providing strategic advice on the edu.au namespace to the auDA Board. It also reviewed the EAC Terms of Reference, which will be provided to the auDA Board for review in early 2022.



# International engagement

**The global IGF was a highlight of the international Internet governance calendar in Q4. It advocated for a united Internet, a vision shared by auDA.**

## Global IGF

The 16<sup>th</sup> global IGF took place in December. The forum was held as a hybrid event, with in-person participation in Katowice, Poland, as well as participation online.

The UN Secretary-General established the IGF in 2005 as a platform for multi-stakeholder discussions on Internet-related public policy issues.

The theme for 2021 was 'Internet United'. Of particular interest to auDA were sessions relating to:

- Global Internet governance
- Cyber security
- Digital sovereignty
- The future of the Internet
- Protecting the public core of the Internet.

More than 10,000 people from around the world registered to participate, with representatives from business, governments, not-for-profit organisations, and academic institutions. Transcripts and recordings of sessions are available [here](#).

## Country code Name Supporting Organization (ccNSO) News Sessions

auDA participated in two ccNSO News Sessions leading up to ICANN72. Chief Operating Officer Bruce Tonkin spoke on a ccTLD panel about the upcoming launch of .au direct. auDA's Specialist Policy Adviser Annaliese Williams chaired a session on Internet governance trends, with speakers from across the five ICANN regions. Recordings of both sessions can be found under 'past webinars' [here](#).

## ccNSO Internet Governance Liaison Committee (IGLC)

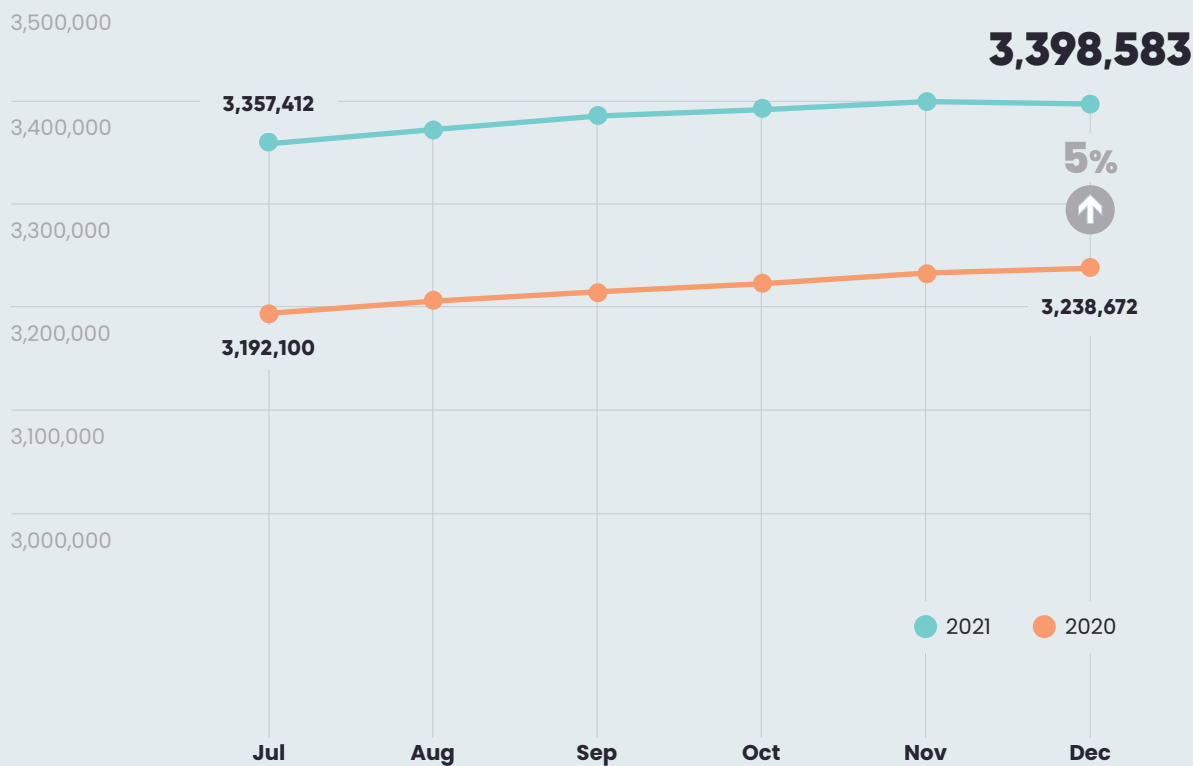
auDA's Specialist Policy Adviser Annaliese Williams continued to participate in the ccNSO IGLC on behalf of auDA. The IGLC aims to increase the participation of ccTLD managers in discussions and processes relating to Internet governance, including those taking place outside of ICANN's framework, such as national, regional and global Internet Governance Forums. Annaliese will serve as a Vice Chair of the IGLC in 2022.

## ICANN72

ICANN 72 was held as a virtual meeting from 25–28 October. Domain abuse mitigation continued to be a major theme. auDA participated in several sessions on the topic, including an update from the Domain Abuse Working Group and two ccNSO sessions exploring the role of the ccTLD community in mitigating abuse. We continue to follow with interest the community discussions on the accuracy of domain registration data, as well as discussions about how registries and registrars comply with privacy laws across jurisdictions. We also participated in ongoing community discussions about moving to hybrid ICANN meetings (with in-person and virtual participation) as the COVID-19 pandemic continues.

# .au registrations

## Domains under management



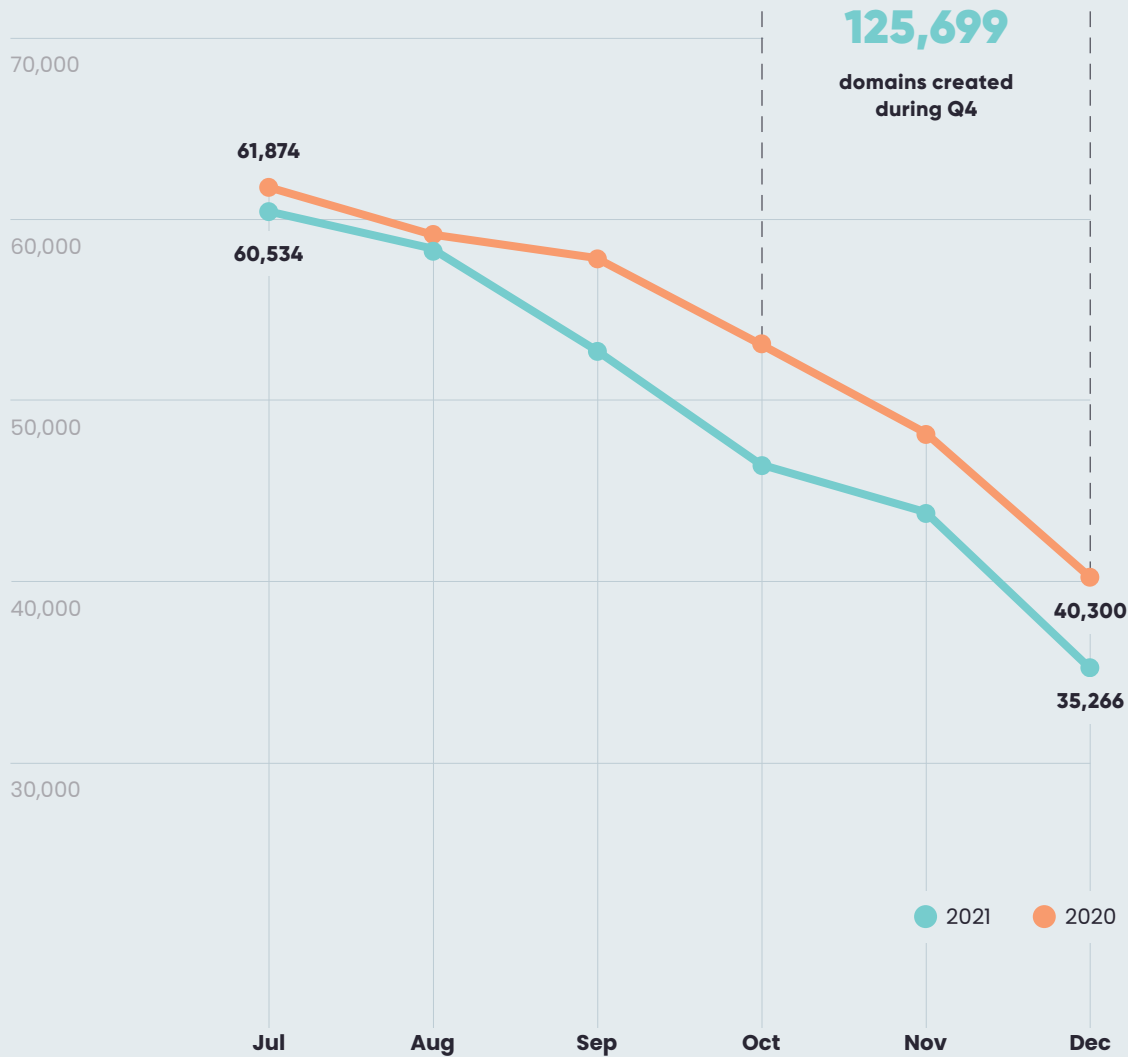
The .au domain continued to grow in Q4, reaching 3.4 million domain names for the first time in November.

Total .au domain names under management continued to display net growth year-on-year, up 4.9 percent from December 2020 to 3,398,583 in December 2021. This fell just short of the high of 3,401,117 at the end of November.

Growth continues to be driven by demand for com.au domain names, which increased 5.5 percent year-on-year. Domain names in the gov.au namespace also increased, with the addition of tas.gov.au domain names into the central .au registry in December. tas.gov.au domain names were previously managed external to the .au registry.

	Dec 20	Dec 21	YoY%
com.au	2,908,058	3,067,704	5.5%
net.au	217,595	216,336	-0.6%
org.au	74,195	75,145	1.3%
edu.au	17,062	17,086	0.1%
id.au	12,552	12,942	3.1%
gov.au	5,492	6,102	11.1%
asn.au	3,075	3,122	1.5%

### New domains created



During the quarter, 125,699 new .au domains were created. This is down 11.3 percent on Q4 2020 but up 7.5 percent from pre-COVID demand for new registrations in Q4 2019. This was also a decrease of 27 percent from Q3 2021, consistent with seasonal trends that generally see registrations slow as December approaches. The end of COVID-19 related lockdowns in several capital cities around the country and the start of school holidays also likely contributed to a dampening of demand in the fourth quarter.

# Registry operations

auDA and registry operator Afilias Australia met or exceeded all service level requirements in the quarter, delivering a reliable .au domain for Internet users.

Service level name	Expected	Oct 21	Nov 21	Dec 21
Overall DNS Availability	100%	100%	100%	100%
DNS availability per Anycast node				
q.au	99.9%	100%	100%	100%
r.au	99.9%	100%	100%	100%
s.au	99.9%	100%	100%	100%
t.au	99.9%	100%	100%	100%
DNS update delay time – % of updates within 5 mins	96%	100%	100%	99.25%
Cross network name server round trip time	300ms	54ms	53ms	57ms
DNS Round Trip Time (RTT) – % processed within 250 ms	95%	99.99%	100%	100%
WHOIS service availability	100%	100%	100%	100%
WHOIS update delay time – % of updates within 5 mins	96%	100%	100%	99.29%
WHOIS Round Trip Time (RTT) – % processed within 1 sec	95%	100%	100%	100%
EPP service availability	100%	100%	100%	100%
EPP Round Trip Time – % of queries processed within 500 ms	95%	100%	100%	100%
EPP Round Trip Time – % of changes processed within 1 sec	95%	100%	100%	100%

Measure name		Oct 21	Nov 21	Dec 21
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%	100%	100%
r.au (Afilias)		100%	100%	100%
s.au (Afilias)		100%	100%	100%
t.au (Afilias)		100%	100%	100%
DNS Round Trip Time (RTT) – % processed within 250 ms		100%	100%	100%

# Policy update

**In early 2021, we implemented Phase One of the new .au Licensing Rules. In Q4, our focus turned to preparations for the launch of Phase Two – .au direct – in March 2022.**



Members of auDA's Compliance Team with auDA CEO Rosemary Sinclair at the Communications Alliance ACOMM Awards Ceremony

## Introducing .au direct

In August, we announced that Phase Two of the .au Licensing Rules will come into effect on 24 March 2022, with the introduction of Australia's newest namespace, .au direct.

Throughout the quarter, auDA worked closely with registry operator Afilias and registrars to prepare for its introduction. This included monthly registrar workshops providing operational updates and monthly marketing working group meetings to discuss communication plans to raise awareness of the new namespace.

In December, we also:

- Released the [Priority Status Tool](#) to help registrants check the status of domain names that are subject to the Priority Allocation Process
- Commenced [consultation](#) on the Reserved Names List to seek feedback on proposed updates as a result of the introduction of .au direct
- Updated the [.au direct Priority Implementation Rules](#) in response to feedback, clarifying sections of the Rules and adding key dates
- Commenced regular engagements with investor stakeholders to provide an update on .au direct and answer questions.

## Registrar engagement

While much of our engagement with registrars focused on .au direct, we also continued to hold one-on-one meetings and information sessions to provide feedback and guidance on registrar validation plans, security improvements and complaints handling processes. We also developed an online Registrar Portal and Learning Management System (LMS) to house key information for registrars, including training modules and knowledge articles. An early version of the Portal was released to a sample of registrars for testing during Q4 and will be released to all registrars in Q1 2022.

## Service to Industry Award

auDA was recognised for its work implementing the new .au Licensing Rules. In November, we received a [Communications Alliance ACOMM Award](#) in the category of Service to Industry – Professional Service. The award is an example of auDA living its values – striving for excellence to deliver value for all Australians through the .au

# Compliance activity

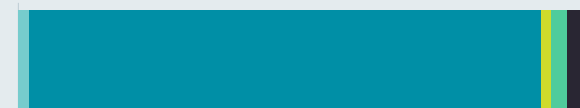
**Audits were a key focus in Q4, supporting higher levels of compliance with the .au rules, growing trust in .au and helping identify process improvement opportunities.**

We increased our audit activity during the quarter, conducting 81 percent more audits than the previous quarter (1,116 up from 618). Around half of the audits were internal investigations related to complaints and enforcement body requests. We also continued to audit domain name licence renewals and registrant eligibility for org.au domain name licences in accordance with our [Compliance Plan](#). The results of these audits help inform our continued work with registrars to uplift their registrant validation processes.

Over the quarter, we also saw a 27 percent decrease in enquiries compared to Q3 2021. This was a result of ongoing process improvements identified from customer survey feedback and implemented as part of auDA's Compliance Transformation Project.

One such improvement is a more responsive approach to phone enquiries requiring a same-day call back from auDA. We continue to monitor and refine our processes to support efficient service delivery and positive user experiences.

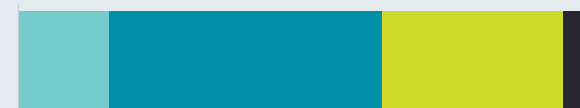
## 621 Enquiries



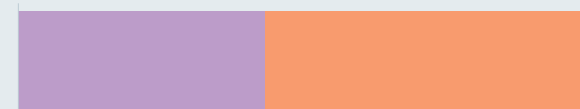
## 433 Complaints



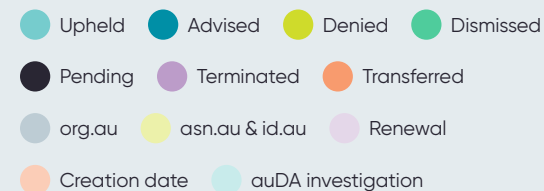
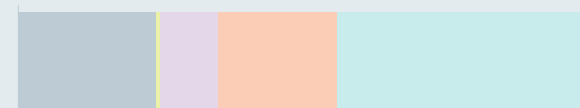
## 19 Enforcement body requests



## 7 auDRP disputes



## 1116 Audits



# Security

**A trusted, reliable .au domain starts with our commitment to best practice security standards.**

## Critical Infrastructure Bill

Throughout 2021, auDA consulted constructively with the Federal Government on its *Security Legislation Amendment (Critical Infrastructure) Bill 2020*. Following a recommendation from the Parliamentary Joint Standing Committee on Intelligence and Security, the Government split the Bill in two. Bill One contained measures considered urgent and was quickly reintroduced and passed through Parliament. It received Royal Assent in December 2021. The Government will continue to consult on the remaining Bill (the *Security Legislation Amendment (Critical Infrastructure Protection) Bill 2022*) in 2022. auDA will continue its engagement and advocacy for new measures to be considered and proportionate.

## Business continuity and crisis planning

auDA completed the annual **Domain Name System Security Extensions (DNSSEC) signing ceremony** in November. DNSSEC provides encrypted verification of the information that passes through the DNS to defend against hackers trying to redirect Internet users to malicious websites. The signing ceremony ensures encryption over the .au DNS remains in place for the year ahead. The ceremony included a full Disaster Recovery exercise to ensure continuity of the signed .au domain in the event of a major incident.

auDA regularly tests recovery and continuity of its IT infrastructure. In December, we participated in a **crisis simulation exercise**

to test and evaluate the organisation's ability to respond to a technical incident. The exercise brought IT together with other areas of the organisation to explore operational and communications aspects of a crisis incident.

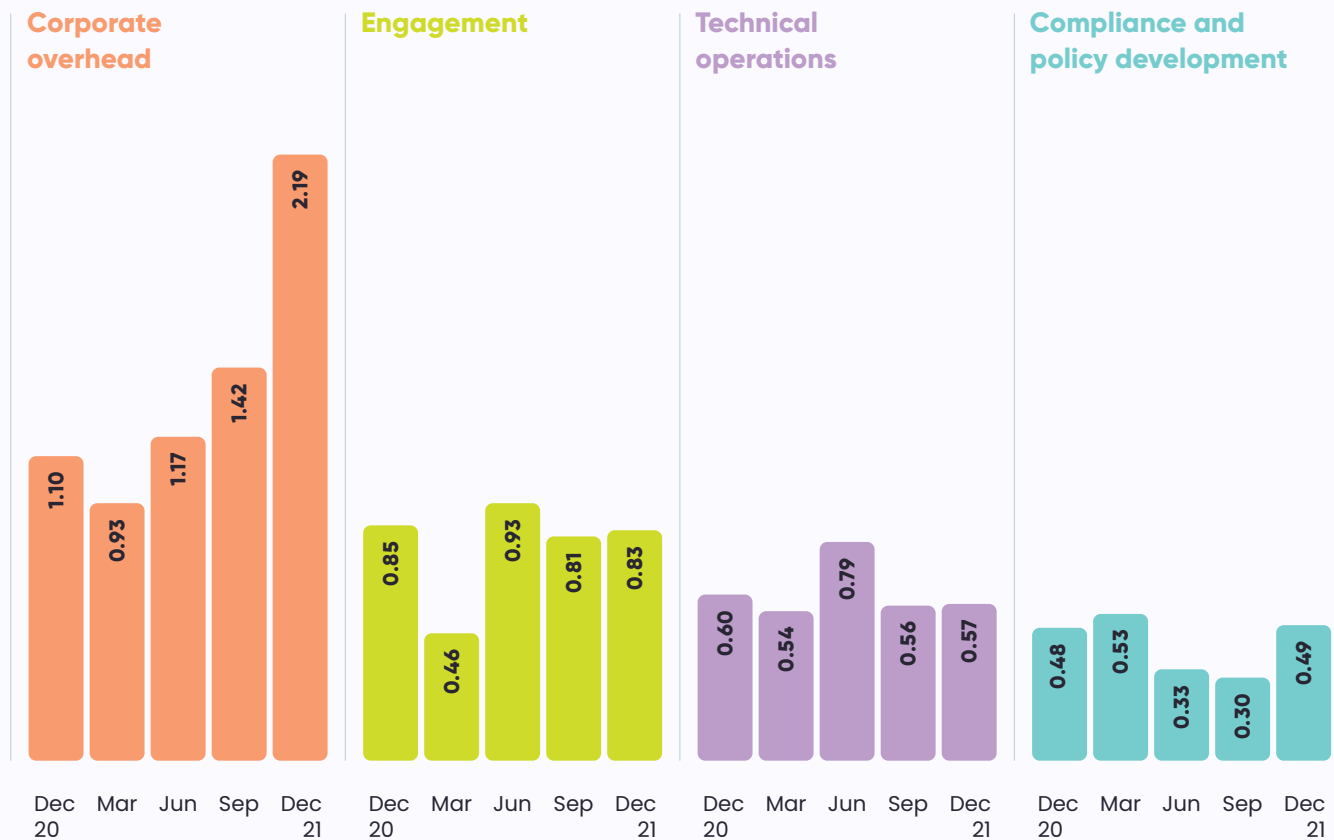
We also completed work to **automate the Registry Business Continuity Plan**. The project allows auDA to use automation to recover the registry system should the registry operator's system become unavailable for an extended period. This is part of our business continuity improvement plan to comply with ISO 22301, which will continue throughout 2022.



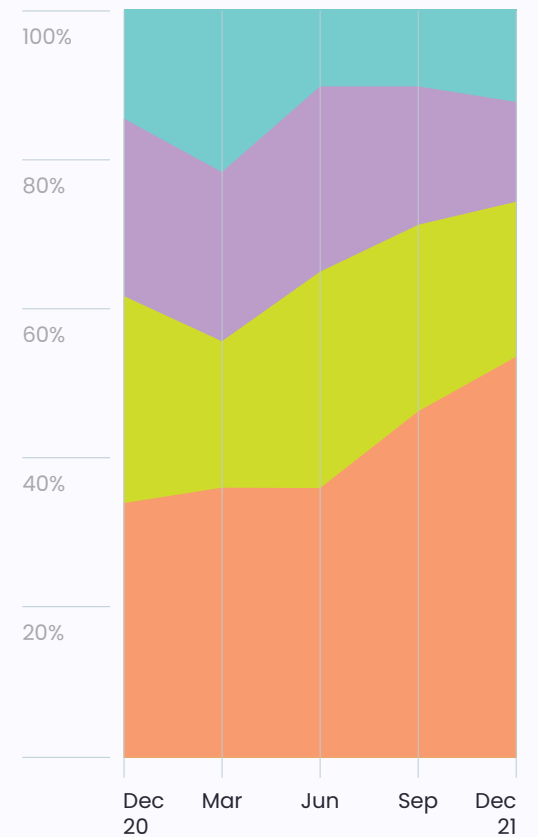
# Financials

We report on the costs of administering the .au domain each quarter, in line with our commitment to transparency and accountability.

Operational costs quarterly \$M



Operational costs quarterly %





**PO Box 18315  
Melbourne VIC 3001  
info@auda.org.au**

**www.auda.org.au**

**.au Domain Administration Ltd  
A.B.N. 38 079 009 340**

