

Quarterly Report

2021 – Q1

January
February
March





Rosemary Sinclair AM
auDA Chief
Executive Officer

From the CEO

During the first quarter of 2021, auDA's small yet industrious team worked hard to deliver tremendous value on behalf of Australian Internet users.

In addition to supporting growth in .au registrations, exceeding .au domain name system (DNS) performance measures and growing our membership base, a number of priority activities stood out over the quarter.

First and foremost was the final push in readying auDA and industry for the launch of the **new .au Licensing Framework** on 12 April 2021.

This was a critical workstream for us as the new Framework delivers changes that will further boost trust, confidence and security of the .au domain to underpin Australia's digital economy and society into the future.

Preparations to introduce the new rules were a demonstration of our "One auDA" approach, with work spanning across the organisation in the months leading up to April.

This important activity included:

- Delivering dedicated registrar training
- Updating auDA's systems and processes
- Responding to enquiries from registrants
- Conducting proactive audits to support compliance
- Working with registrars to uplift security by embedding best practice standards through new Registrar Agreements
- Informing and educating the many parties with an interest in the new rules through multi-channel communications and stakeholder outreach.

Of course, this work was not carried out in isolation and I thank our .au registrars and stakeholders who also undertook comprehensive preparations for the introduction of the new Framework.

An ongoing priority for auDA is best practice security. This was a focus area throughout Q1 as it is every quarter.

At auDA, we consider **security practices** the responsibility of all staff. Led by our expert IT team, we ensure everyone understands their role in keeping auDA systems, and in turn the .au domain, secure, reliable and trusted.

We also dedicate time and expertise to supporting greater security awareness for Internet users through communications activity, and building industry capability through our Registrar Agreements mentioned above.

We take a continuous improvement approach to cyber security and this will be an ongoing focus – within auDA, through awareness raising and industry partnerships, and through our engagement with government on the Security Legislation Amendment (Critical Infrastructure) Bill 2020, which you can read more about on page 7.

Engagement has also been an important theme for us this quarter.

We increased our involvement in international fora in January when an auDA representative was appointed to the country-code Names Supporting Organization (ccNSO) Internet Governance Liaison Committee (IGLC). We also presented at a ccNSO news sharing session and participated in the 70th meeting of the Internet Corporation for Assigned Names and Numbers (ICANN).

Closer to home, we hosted registrars in-person and online at an information sharing session on the new Framework, began preparations for our first 2021 member events, and planned for the resumption of the General Advisory Standing Committee (GASC), Technical Advisory Standing Committee (TASC) and edu.au Advisory Committee (EAC)

in 2021. The Advisory Committees are key contributors to our multi-stakeholder environment, providing important advice directly to the Board. We are working with GASC and TASC to further develop their Charters so auDA can continue to benefit from expert advice on issues of importance to the .au domain.

It was also wonderful to spend time meeting with stakeholders and sharing with them the important work that auDA does to ensure a secure .au domain that supports Australia's digital transformation.

Finally, it would be remiss of me not to note the significant milestone that occurred during the quarter – the **35th anniversary of the .au domain**, which launched on 5 March 1986.

The Internet and our world have changed significantly over the last 35 years but I’m proud that our trusted, uniquely Australian domain continues to provide value to Australian businesses, organisations, individuals and associations who continue to choose .au.

As we look to Q2, we will continue our work on embedding the new Licensing Framework, building on our already strong security capabilities and engaging with you, our valued members, partners and industry colleagues.



Growth in .au domain registrations since 1986

Contents

02	From the CEO	14	Registry operations
06	Security	15	International engagement
09	Our members	16	Complaints and dispute resolution
11	.au registrations	17	Financials
13	Policy and compliance update		

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.



Security

We are committed to using our expertise to keep the .au domain secure, lift security capability across the industry and raise awareness of cyber security among Internet users.



Australia's critical infrastructure

auDA is one of many organisations that contribute to the secure operation of Australia's critical infrastructure, which is why we have actively engaged with government on its Critical Infrastructure Bill since the exposure draft legislation was released in late 2020.

In March, we made a submission to the parliamentary inquiry into the Bill, conducted by the Parliamentary Joint Committee on Intelligence and Security (PJCS). Our submission set out recommendations to improve the clarity and scope of the Bill and better meet the policy objectives to defend critical infrastructure from cyber attack while promoting an open, free and secure Internet.

auDA staff have been involved in virtual town hall meetings, which formed part of the Department of Home Affairs' co-design consultation process on the Bill. In turn, we briefed registrars, who are part of the critical infrastructure eco-system, on the Bill and our submission. We also facilitated a meeting with other Australian Top Level Domain (TLD) operators (including .cc, .sydney, .melbourne) to update them on the critical infrastructure reforms.

You can read more about our submission on the [auDA website](#).

We will continue to work with government and industry to defend Australia's critical infrastructure, including the .au domain, from malicious actors and cybercrime.

auDA security maturity

As part of ongoing improvements to our security profile, we regularly engage trusted and specialised third parties to perform vulnerability and penetration testing. In Q1, auDA employed a specialist firm to conduct a Red Team exercise to test and evaluate recent improvements made to our security defences.

A Red Team exercise takes a comprehensive approach to assess the full spectrum of organisational policies, processes and defences in order to uplift organisational readiness, improve training for security practitioners, and review current performance levels. Independent Red Teams provide valuable and objective insights about the existence of vulnerabilities, the efficacy of defences and mitigating controls already in place and planned for future implementation.

Registrar security

We are helping boost the .au domain industry to the highest level of international security practice through our Registrar Agreement, which requires registrars to become ISO 27001 compliant (or equivalent).

Baseline Security Assessments continued during Q1, assessing each registrar's current security profile.

As we head into Q2, we are supporting registrars to apply the lessons from their Baseline Assessment to uplift their security capabilities by providing detailed advice, templates and guidance.





Security training and upskilling

During the quarter we continued to deliver monthly staff and Board security awareness training to equip all staff with the know-how to spot and report suspicious activity. We moved to a new security awareness training provider to ensure we keep staff informed with new and innovative training courses.

On 16–18 March, auDA Chief Technology Officer Adam King and members of the team attended the Australian Cyber Conference (CyberCon) in Canberra, which was hosted by the Australian Information Security Association.

auDA heard from and engaged with cyber security specialists about national and international trends in cybercrime, how decentralised, digital workforces are creating new challenges for organisations, and best practice protection systems and capabilities.

Speakers included the Head of the Australian Cyber Security Centre, Abigail Bradshaw, Assistant Minister for Defence, the Hon Andrew Hastie MP, the Shadow Assistant Minister for Communications and Cyber Security, Tim Watts MP and CEO of the Cyber Security Cooperative Research Centre, Rachael Falk.

Scams awareness

According to cyber security experts, cybercrime is on the rise. In January, scammers attempted to take advantage of .au registrants in a series of sophisticated phishing emails impersonating auDA, highlighting the need for Internet users to remain vigilant against suspicious emails or text messages.

In response, we undertook broad communications activity to raise awareness of the phishing emails by publishing statements on our website and social media channels, advising government agencies including the Australian Cyber Security Centre and Australian Competition and Consumer Commission ScamWatch, and contacting key stakeholders such as registrars to pass the alert onto their customers.

During the quarter, we also shared information to help people avoid falling victim to scams. We will continue to raise awareness of scams and practical cyber security measures for individuals and businesses.

Our members

Our Associate Members are helping us shape the future direction of the membership program as we continue to focus on engagement and information sharing.

During the quarter, we shared the results of our 2020 Associate Member survey. Eight out of ten members told us they joined to stay informed on news and developments. Members also told us they want more education, events and networking opportunities, and that they are interested in topics including cyber security, the domain industry and digital innovation. These valuable insights will help us review the auDA membership program over 2021 and to increase meaningful engagement with our membership community.

Member survey key highlights



auDA Associate Membership continued to grow in Q1, increasing to 3,879 in March 2021 from 3,734 in December 2020 and from 2,155 in March 2020.

One important way we share information with our members is through our monthly Associate Member newsletter. In February, we marked 12 months since the launch of the newsletter, which has become a meaningful channel for us to deliver updates including news from our CEO, information on the new licensing rules, our engagement with government and international peers, as well as cyber security updates.

In Q1, we were also busy preparing our 2021 Associate Member events program, which commenced in April. Our events provide an opportunity to bring the community together, share updates on the .au domain, and facilitate discussions between members and experts in the Internet industry.

If you're not yet a member and would like to get involved head to www.auda.org.au/join-auda to sign up free of charge.

Associate membership by state

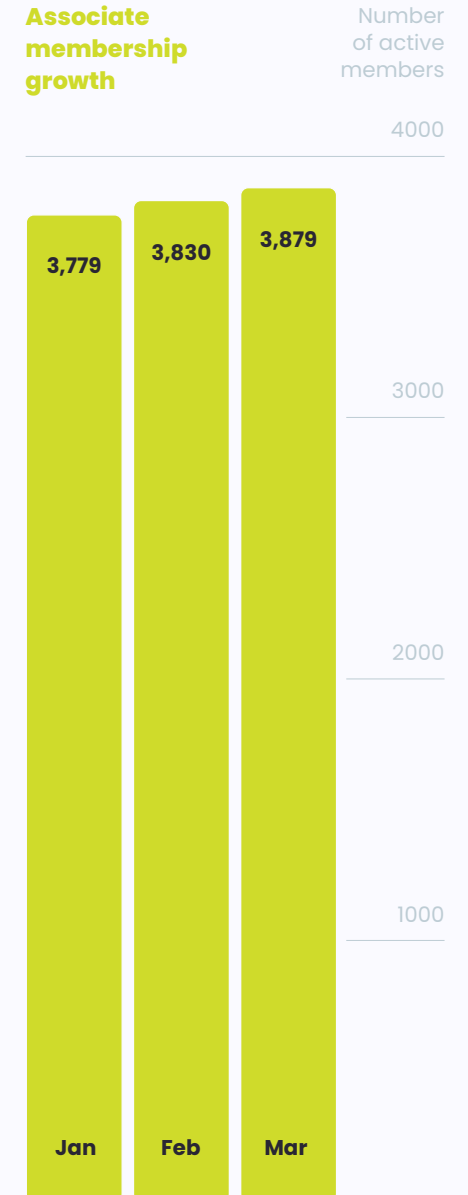
International	8
NT	35
Tas	59
ACT	109
SA	179
WA	330
Qld	700
NSW	1200
Vic	1259

Associate membership by industry

36	Domain investor
62	Media
73	Manufacturing
82	Not-for-profit
87	Legal
92	Construction
94	Student
99	Web hosting
102	Government
105	Healthcare
112	Telecomms
126	Finance
129	Other
152	Education
195	Marketing Comms
226	Registrar
394	Web development
727	Did not disclose
986	Technology

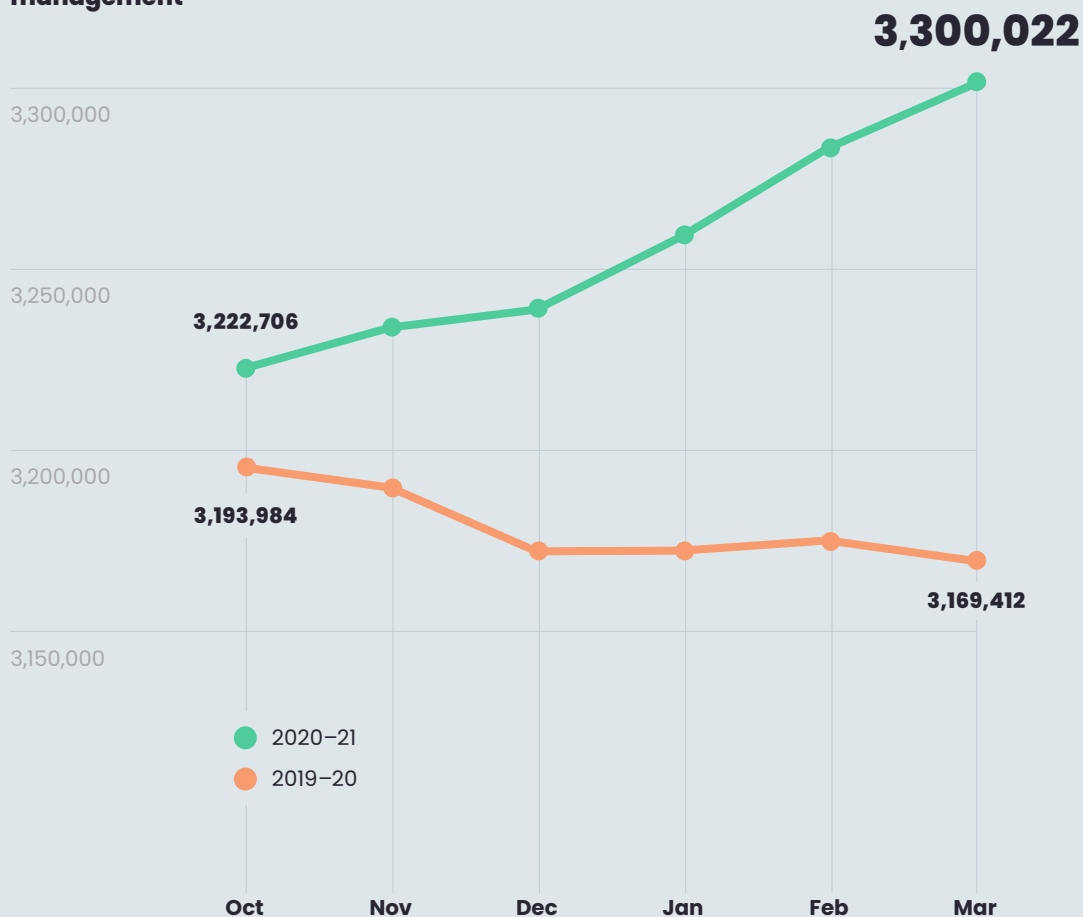
Actuals as of 31.03.2021

Associate membership growth



.au registrations

Domains under management



Consistent growth in registrations demonstrates the value of the .au domain to local business as Australia’s digital transformation continues into 2021.

For the first time, the .au registry has recorded more than 3.3 million domain names under management. This significant milestone was reached in March 2021 and is a 4.1 percent increase from March 2020.

	Mar 2020	Mar 2021	YoY%
com.au	2,829,881	2,968,675	4.9%
net.au	228,144	218,171	-4.4%
org.au	73,292	74,648	1.9%
id.au	12,272	12,859	4.8%
asn.au	3,238	3,104	-4.1%

New domains created



While registrations slowed towards the end of 2020 following peak volumes of more than 60,000 new domains created at the height of COVID-19 in July 2020, March experienced the largest monthly increase since September, adding more than 53,000 names to the registry.

Over the quarter, more than 154,000 new domains were created, up 23 percent compared to the corresponding quarter in 2020. This strong growth was driven by the com.au namespace, which in March accounted for 90 percent of domains under management and represented 99 percent of new domains created.

These results indicate that the .au domain remains a valuable asset that underpins Australia’s digital economy, allowing businesses to invest in a local, trusted and verified namespace to build their digital presence.

Policy and compliance update

Preparing for the introduction of the new .au Licensing Framework on 12 April 2021 was a top priority for staff across the organisation during Q1.

The new Licensing Framework is designed to promote greater trust and confidence in the .au domain.

Comprised of the Licensing Rules, Registrar Rules and Registrar Agreement, the Framework streamlines more than 30 previous policies.

All domain names registered and renewed after 12 April 2021 are subject to the new Licensing Framework, so we have undertaken thorough preparations to support a smooth transition.

During the quarter:

- auDA's dedicated training specialist delivered 18 registrar training sessions, following three sessions held in December 2020, to equip registrars with the information they need to transition their systems and processes to the new rules
- We conducted more than 780 proactive audits of .au registrations to support compliance under the new rules (in addition to 137 in December) and responded to more than 250 enquiries from registrants seeking clarification of the rules
- We developed a range of communications materials to inform the community about the upcoming changes
- We hosted our first registrar event of 2021, which took place in-person in Melbourne and online, to discuss and seek feedback on the transition to the new rules.

We also continued supporting registrars with their transition to the new Registrar Agreements. This included finalising Agreements for additional registrars, preparing resources to support registrar validation processes, including the Eligibility Matrix, providing input into registrar Validation Plans, and progressing Baseline Security Assessments.

DURING THE QUARTER



REGISTRAR TRAINING SESSIONS



AUDITS OF .AU REGISTRATIONS



COMMUNICATIONS MATERIALS



REGISTRAR EVENT

Registry operations

Registry operator Afilias Australia and auDA continue to exceed performance service levels to deliver a reliable .au domain that Internet users can depend on.

Service level name	Expected	Oct	Nov	Dec
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%	99.84%	99.97%	100%
Cross network name server round trip time	300ms	60ms	57ms	58ms
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%	100%
WHOIS Round Trip Time (RTT) – % processed within 1 sec	95%	100%	99.93%	99.91%
EPP service availability	100%	100%	99.99%	99.90%
EPP Round Trip Time – % of queries processed within 500 ms	95%	99.92%	99.77%	99.83%
EPP Round Trip Time – % of changes processed within 1 sec	95%	100%	99.89%	99.90%

Measure name		Jan 21	Feb 21	Mar 21
Overall DNS Availability		100%	100%	100%
DNS availability per Anycast node				
a.au (auDA)		99.99%	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		99.99%	99.99%	99.99%

In line with our Terms of Endorsement from government, we actively participate in international discussions to help shape Internet policy nationally and globally.

International engagement

ccNSO

March 2021

In March, the ccNSO hosted a series of country code Top-Level Domain (ccTLD) news sessions and webinars in preparation ICANN70.

On 9 March 2021, auDA's Manager Compliance and Analytics, Steph Viljoen, presented to the forum on auDA's new approach to compliance and complaints handling. The presentation provided an opportunity to share the importance of a risk-based approach and procedural fairness in promoting compliance with domain licensing rules. Steph presented alongside ccNSO colleagues from El Salvador, Colombia and Belarus. You can find the presentation [here](#).

Earlier in the quarter, Annaliese Williams, auDA's specialist policy adviser, was appointed to the ccNSO IGLC. The Committee aims to facilitate and increase the participation of ccTLD managers in Internet governance-related discussions and processes. It focuses on topics relevant to ccTLDs including cyber security, Internationalised Domain Names (IDNs), local regulations and technical aspects of a ccTLD. During ICANN70, IGLC members and participants addressed the topic of digital sovereignty.

ICANN70

22–25 March 2021

auDA participated in the ICANN70 virtual forum, which was the first of three ICANN meetings in 2021.

At ICANN70, DNS abuse remained a topic of high interest. Participants noted that more work needs to be done to develop a consistent response to effectively manage DNS abuse. auDA will continue to work cooperatively with the ICANN community by contributing to policy discussion and through our ongoing involvement in the [DNS Abuse Activity Reporting](#) program.

ICANN70 also included sessions on the future of ccTLDs. The sessions covered issues such as the impact of government regulation to address social challenges, for example privacy and misinformation, on the operation of the Internet, and the important relationship between national governments and ccTLD managers.

ICANN is responsible for coordinating the global DNS. Its meetings are a key component of the [multi-stakeholder](#) processes that govern the Internet, bringing governments, industry, members of civil society and technical stakeholders together to discuss current and future DNS challenges and develop DNS-related policy.

Complaints and dispute resolution

auDA’s complaints and dispute resolution processes promote compliance with our rules to ensure the .au domain is trusted and secure.

Enquiries received by auDA’s Compliance team increased by more than 140 percent in Q1 2021 compared to the previous quarter, driven by registrants seeking:

- Understanding of how the new rules relate to their specific domain name licences
- Confirmation that suspicious phishing emails were not legitimate correspondence from auDA.

We also responded to 13 requests from enforcement bodies seeking auDA’s assistance to tackle fraudulent websites or suspected misuse.

In addition, we conducted more than 780 proactive audits of .au registrations from January to March, to review and guide compliance in preparation for the introduction of the new rules.

Updated on 6 October 2021: Previously reported law enforcement requests included formal requests from law enforcement agencies plus related cases. Following a review, the category has been updated to enforcement body requests and includes only formal requests from enforcement bodies including law enforcement, consumer affairs and fair trading. Related cases have now been reclassified as audits.

1417 Enquiries



563 Complaints



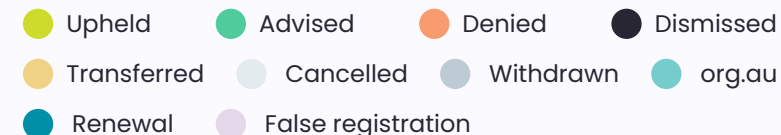
19 Enforcement body requests



13 Disputes



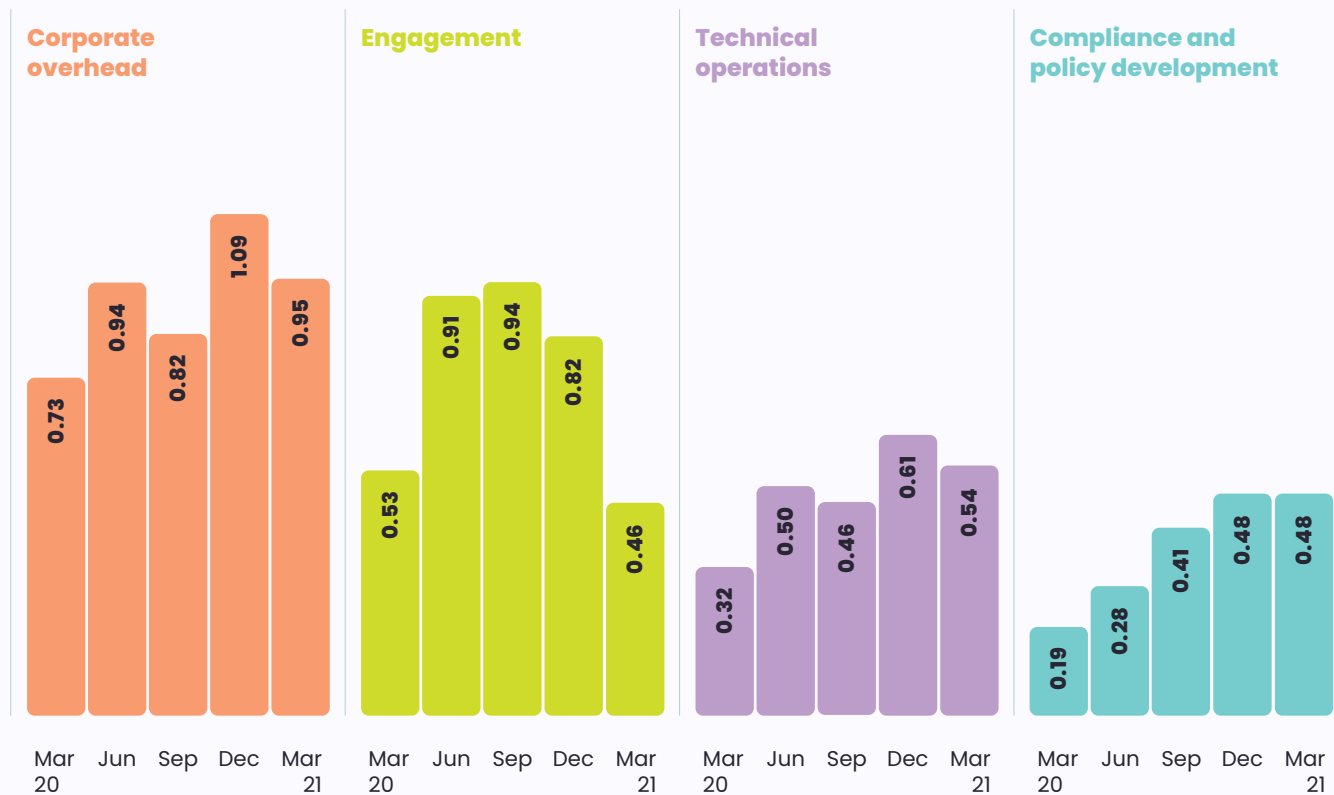
896 Audits



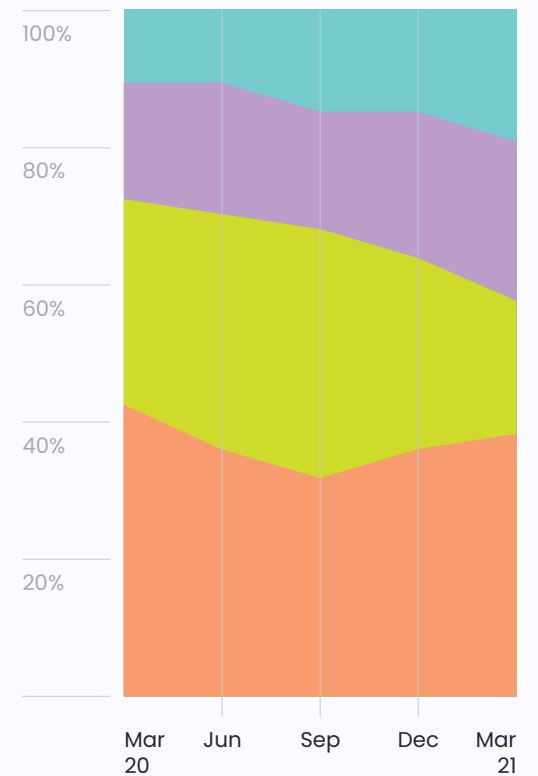
Financials

We are committed to transparency, accountability and cost efficiency in administering the .au domain.

Operational costs quarterly \$M



Operational costs quarterly %





.au Domain Administration Limited

A.B.N. 38 079 009 340

www.auda.org.au