



Review of the .au Domain Administration

Terms of endorsement

Preamble

Australia's country-code Top Level Domain (ccTLD) is an important resource, given the growing reliance of Australians on the .au namespace for economic and social activities. Noting there is a diversity of stakeholders in this namespace, the management of the .au domain must support multi-stakeholder engagement and be administered in the public interest.

Responsibility for the administration of .au is ultimately derived from, and is subject to, the authority of the Commonwealth. The Australian Government can delegate the responsibility for managing the .au namespace to an appropriate entity or organisation. However, endorsement from Government is contingent on the entity satisfying a number of conditions.

The Government provides the following terms of endorsement to auDA, as the .au domain administrator.

Core functions

The .au domain administrator will undertake the following core functions:

- ensure stable, secure and reliable operation of the .au domain space
- respond quickly to matters that compromise DNS security
- promote principles of competition, fair trading and consumer protection
- operate as a fully self-funding and not-for-profit organisation
- actively participate in national and international technical and policy namespace fora to ensure that Australia's interests are represented and to identify trends and developments relevant to the administration of the .au namespace
- establish appropriate dispute resolution mechanisms.

Emerging domain issues such as commercial opportunities should not detract from the domain administrator performing its core functions.

Conditional requirements

In undertaking these functions, the .au domain administrator will uphold the following requirements and conditions:

Effective governance arrangements for the .au namespace

Good governance practices provide the foundation for the effective management of the .au ccTLD. The .au domain administrator must implement a governance structure that supports effective decision-making and represents the interests of stakeholders in a transparent and accountable manner.



Conditions:

That the .au domain administrator has:

- a governance structure which includes the following characteristics:
 - an independent process that can provide assurances of the suitability of candidates considered for board appointments, such as a Nomination Committee
 - a board that has the collective mix of technical and corporate skills, and industry experience, to effectively administer the .au namespace
 - a board that appoints a majority of directors who are independent of the organisation, including the Chair
 - appointment terms that support ongoing board renewal
 - a Board Charter that outlines the roles and responsibilities of the board, Chair and CEO and the basis for appointment of the Chair.

Facilitate effective stakeholder engagement

Noting that the .au namespace has a diversity of stakeholders, the .au domain administrator must engage and consult widely to ensure it can effectively represent the views of its stakeholders.

Conditions:

That the .au domain administrator:

- consults with stakeholders on deliberations and decisions that will impact on the Australian internet community
- develop a comprehensive stakeholder engagement plan, including how it will engage with key stakeholders such as industry, members of the community, Government and relevant international bodies and organisations
- consistent with this stakeholder engagement plan, participate in international fora and relevant community activities
- has a clearly defined membership structure that can represent the views of the Australian internet community
- initiate activities that engage the internet community and support the diversification of its member base
- establish an effective process for assessing and processing new members.

Support accountability and transparency

In managing a public asset, the .au domain administrator will be accountable to its stakeholders, including the Australian Government. Improved transparency and accountability is necessary to provide the assurance that the .au namespace is being managed consistent with Government and community expectations.

Conditions:

That the .au domain administrator has:

- an annual strategic plan that reflects these Terms of Endorsement and the company's purpose with reference to how it will discharge its functions as a not-for-profit entity
- a transparency and accountability framework

- an effective reporting framework which would include reporting through its Annual Report and at its Annual General Meeting on performance against:
 - these terms of endorsement, supported by a key performance indicator framework
 - board performance against its charter
 - its strategic plan
 - the transparency and accountability framework
 - stakeholder engagement activities including international and community activities and initiatives that aim to expand the member base.

Engagement with the Australian Government

In providing its endorsement for an entity to administer what is a public asset, the Government has a strong interest in the management of Australia's ccTLD.

Conditions:

That the .au domain administrator:

- provide quarterly updates on performance and work priorities to the Department
- acknowledge that the Government reserves the right to independently review auDA's reporting and reporting processes at any time
- ensure that a senior officer from the Department is included in all relevant auDA governance processes, including, but not limited to, non-voting observer status at board meetings for all decisions
- develop a strategy to enable an orderly transition to an alternative domain administrator in the event that endorsement is withdrawn by the Government.

Support trust and confidence in .au

Confidence in the .au namespace will be critical to the growth of Australia's economy. In addition to the Department of Communications and the Arts, there are a number of other Australian Government agencies that have a role in supporting the security and stability of .au.

Conditions:

That the .au domain administrator:

- engage with key international security fora to ensure it is aware of international security developments and best practice
- develop, maintain and, to the greatest extent possible, publish an enterprise security strategy which is informed by domestic and international best practice
- work with the Department of Communications and the Arts to facilitate partnerships between auDA and relevant cyber security agencies

Commencement of these terms of endorsement

In agreeing to the terms of endorsement, the .au domain administrator is required to respond in writing within three months, providing an implementation plan on how it will meet these terms. The Australian Government will conduct a review within two years to assess the performance of the .au domain administrator and consider whether these terms of endorsement remain fit-for-purpose.

