

2025 Terms of Endorsement for auDA

March 2025

Preamble

Australia is a strong supporter of a multi-stakeholder approach to Internet governance that is inclusive, consensus-based, transparent and accountable. The multi-stakeholder approach balances the needs and views of the community, civil society, industry, the technical community, academia and governments. This approach underpins the open, free, secure and interoperable nature of the Internet, and the consequent economic, social and cultural benefits to Australia.

The Internet naming system is a public resource and, in keeping with the multi-stakeholder approach, its functions should be administered to create and deliver value in the public or common interest and in accordance with Australian laws. The Australian Government expects auDA to meet the highest standards of transparency, governance and accountability for corporate entities. auDA should adopt the prevailing version of the ASX Corporate Governance Principles and Recommendations to the extent it is consistent with auDA's other governance and accountability obligations.

On this basis, the Government continues to endorse the .au Domain Administration (auDA) to administer Australia's (.au) country code Top Level Domain (ccTLD) for the benefit of all Australians in accordance with the following terms.

Core functions

auDA will continue to undertake the following Core functions:

- 1. Ensure stable, secure and reliable operation of the .au domain, as part of Australia's suite of critical infrastructure.
 - Respond quickly to matters that compromise the security and integrity of the domain name system (DNS).
 - Maintain appropriate security protocols in line with Australian and international best practice, and contemporary security practices.
- 2. Administer a licensing regime for .au domain names based in multi-stakeholder processes that is transparent, responsive, accountable, accessible and efficient.
 - Develop and periodically review policies for the .au domain with a multi-stakeholder approach to provide the greatest benefit for the Australian community.
 - Maintain and ensure compliance with these policies.
 - Maintain appropriate dispute resolution policies that are consistent with Australian and international best practice.
 - Maintain a complaints process that is clear and consistent, and provides procedural fairness.
- 3. Actively advocate for, participate in, and support multi-stakeholder Internet governance processes domestically, regionally and internationally.

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Core principles

Engagement with the Australian Government

The Australian Government has a strong interest in the management of the .au domain. The Government expects that auDA will continue to work closely with it so that the .au domain is managed consistent with community expectations. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) will help facilitate the relationship with auDA on behalf of the Government. This would include a Departmental representative being a member of the Nominations Committee and having a standing invitation to observe auDA's Board meetings, as well as regular dialogue between a representative of auDA and the Department.

auDA is also encouraged to maintain relationships and work co-operatively with other Government departments and agencies, including the Australian Federal Police, the Australian Signals Directorate's Australian Cyber Security Centre, National Anti-Scam Centre, the Office of the eSafety Commissioner, the Australian Communications and Media Authority, the Department of Home Affairs, the Department of Foreign Affairs and Trade and IP Australia. The Department will help foster partnerships across Government as required.

Support trust and confidence in .au

As the .au namespace is a public resource that supports the Australian economy and society, maintaining confidence in its integrity, security, and resilience now and into the future is of great importance. In addition to best practice security, auDA will also have regard to maintaining and enhancing the reputation of the .au domain as a safe, trusted online space. Considering the rapidly evolving technical landscape, auDA should stay abreast of future key developments that could affect the security, integrity and resilience of .au. To support trust in the .au domain, auDA will continue to comply with its obligations under the *Security of Critical Infrastructure Act 2018* and other relevant legislation and will adopt and encourage international standards for information security and business continuity through its supply chain.

auDA will work to raise awareness of the utility of the Internet and the DNS for all Australians for example through undertaking strategic research, education and public awareness raising.

Promote principles of competition, fair trading and consumer protection

auDA's policies will improve the utility of the .au domain for all Australians and continue to promote competition, fair trading and consumer protection to facilitate equitable access to the market.

Support fair and transparent multi-stakeholder engagement

auDA is a key player in the Australian Internet ecosystem, and has a role in supporting, upholding and advocating for the multi-stakeholder model of Internet governance and promoting its benefits. In fulfilling this role auDA will continue to engage with and support dialogue within the Australian Internet governance community. auDA will also continue to support fair and transparent multi-stakeholder engagement processes and take into consideration the full range of stakeholder views, when reviewing or developing policies related to auDA's core functions. auDA will continue to engage locally, regionally and internationally to exchange information and share expertise on Internet governance and domain administration.

Support a membership structure that reflects the diversity of the Australian community

auDA will work to support a membership that is diverse and representative of the range of stakeholders who rely on the .au domain namespace.

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Maintain effective governance processes that are transparent, accountable, support effective decision-making, and promote the interests of the Australian community

auDA will continue to operate within the provisions of its Constitution and as a fully self-funding not-for-profit and for-purpose organisation¹ and in accordance with its sponsorship arrangements with the Internet Corporation for Assigned Names and Numbers (ICANN). auDA's commercial activities will be considered and undertaken in accordance with these Terms of Endorsement.

auDA's governance processes will continue to include, but not be limited to:

- An independent process for appointing directors.²
- 2. A board on which the majority of directors and the Chair are independent.³
- 3. A board charter that sets out the roles and responsibilities of the CEO, Board, Chair and the basis for the appointment of the Chair.
- 4. A 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.
- 5. Quarterly reporting to members.
- 6. An annual report outlining how auDA has discharged its responsibilities under these terms.

Ongoing endorsement

The Australian Government's ongoing endorsement is contingent on auDA continuing to meet the conditions of endorsement. The Government is able to endorse an alternative manager or exercise its legislative powers under the *Telecommunications Act 1997* and the *Australian Communications and Media Authority Act 2005* with respect to the .au ccTLD in the event that auDA proves unable to manage electronic addressing in an effective manner.

Re-delegation process

Recognising that .au is Australia's ccTLD and an important public resource, if there is a reassignment of the delegation of authority for administration of .au from auDA to another party specified by Government, auDA agrees to cooperate and comply with the requirements of the Commonwealth and ICANN⁴ in order to effect the timely and orderly transfer and re-delegation of authority for the .au ccTLD to the other party. In preparation for the unlikely event of this occurring, auDA must be able to provide the other party with access to relevant data, systems and documentation to facilitate an orderly transfer. This process should be documented in auDA's Business Continuity Plan.

Commencement and review

These terms commence with immediate effect. The Australian Government may review these terms at any time, but normally every three years, to determine whether they remain fit for purpose and best serve the Australian community. auDA's acceptance of these Terms of Endorsement must be indicated by auDA's Chair writing formally to the Minister for Communications within 30 days of the Terms being published.

If at some future date auDA decides not to accept the Terms, it must provide six months' written notice to the Government, in which case the Government will seek an alternative manager for the .au domain. If transitioning to an alternative manager will take longer than six months, the Government will work with auDA to establish an appropriate timeframe. Any transitional arrangements should preserve the stability and security of .au.

According to Pro Bono Australia, for-purpose organisations are a collection of people who have come together because they share a common goal for society.

https://probonoaustralia.com.au/news/2017/02/purpose-brand-identity/#:~:text=For%2Dpurpose%20organisations%20are%20a,choice%20to%20partner%20with%20you.

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- To be consistent with Recommendation 1.2 of Principle 1 of the ASX Corporate Governance Principles & Recommendations, 4th edition, applying to director appointments and if not, to explain the reasons why.
- Independent means no material or pecuniary relationship with the company, or in the decisions of the company, excluding directors' fees (i.e. not an employee of a registry, registrar, reseller, domain investor, or a close relative of an employee of one of these; close relative means a spouse, parent, child, or sibling).
- 4 <u>ICANN</u> .au ccTLD Sponsorship Agreement.