

DRAFT MINUTES

2016 Annual General Meeting

Friday, 16 September 2016

1. WELCOME AND APOLOGIES

Adv. Josephine Ralefatane, in Chair, welcomed all those present.

The following apologies were noted:

(a) Board:

No apologies were received.

(b) Members:

No apologies were received.

2. QUORUM & CONSTITUTION OF THE MEETING

The meeting had a quorum as more than 3 members were present.

3. ADOPTION OF AGENDA

The agenda was adopted without any changes when Ms. Mokgadi Morata proposed and Mr. Bernard Vorster seconded the adoption thereof.

4. CONSIDERATION OF RECEIVED PROXY FORMS

The meeting the proxies received from Neil Simpson, Mpho Mashabane and Duncan Henry Martin.

5. ADOPTION OF THE MINUTES OF PREVIOUS GENERAL MEETINGS

5.1. Adoption of the minutes of the 2015 AGM

The minutes of the 2015 AGM were adopted when Ms. Mokgadi Morata proposed and Mr. Ant Brooks seconded their adoption with the following changes:

Page 2: Item 7 paragraph 7: Replace: The Auditors fees of R115 000 are too expenses with expensive

Page 2: Item 7 paragraph 10: Delete ? in the first sentence after DTPS.

Page 3: Item 8 paragraph 2: Replace: ZADNA was requested to outsource with source

5.2. Adoption of the minutes of the 17 March 2016 SGM

The minutes of the 17 March 2016 SGM were adopted when Ms. Mokgadi Morata proposed and Mr. Elad Kinstler seconded their adoption without any changes.

5.3. Adoption of the minutes of the 24 March 2016 SGM

The minutes of the 24 March 2016 SGM were adopted when Mr Vika Mpisane proposed and Mr Nicholas Msibi seconded without any changes.

5.4. Adoption of the minutes of the adjourned 24 March 2016 SGM held on 31 March 2016

The minutes of the 31 March 2016 SGM were adopted when Ms. Nirvani Dhevcharran proposed and Mr. Ant Brooks seconded without any changes.

6. CHAIRPERSON'S ANNUAL REPORT FOR 2016

The Chairperson presented her annual report, which covered the following areas:

- a) Introduction
- b) Governance and Operations
- c) Policy and Regulations
- d) Intern Governance
- e) Technical Management of the .za Domain
- f) Finance Report
- g) Conclusion

The Chairperson's Annual Report is attached at the end of these minutes.

Mr Barnard Vorster noted the reference to spreading domain name awareness to rural areas that the Chairperson stated. He requested that ZADNA should look at reaching out to remote areas in other provinces as well as there was a need to domain name awareness in those areas as well.

7. APPROVAL OF THE 2015/2016 AUDITED ANNUAL FINANCIAL STATEMENT

Mr Nicholas Msibi, the Treasurer, presented the 2015/2016 audited financial statements (AFS). The meeting noted that ZADNA had received an unqualified audit. The meeting also noted that ZADNA had accumulated some surplus and that the surplus would be retained for contingency purposes.

The 2015/2016 AFS were approved when Mr. Bernard Vorster proposed and Mr Ant Brooks seconded their approval.

8. APPROVAL OF THE APPOINTMENT OF EXTERNAL AUDITORS

The meeting noted that ZADNA was still in the process of recruiting a suitable service provider to serve as an external auditor following the end of the appointment of Price Waterhouse Coopers. It was likely that ZADNA should finalise the appointment in October 2016. A Special General Meeting will be convened before the end of the financial year for the members to approve the appointment of a new external auditors.

9. APPROVAL OF THE 2017/2018 FINANCIAL BUDGET

The meeting noted that ZADNA was still in the early stages of preparing its 2017/2018 annual performance plan and budget, and that Special General Meeting will be convened in February 2017 to approve the budget.

10. ANY OTHER BUSINESS

Mr. Bernard Vorster requested a guarantee that there will be no fee increase to the registrar fees charged by ZACR. It was confirmed that the increase in the fee that ZADNA charges ZACR will not cause an increase in registrar fees.

11. CLOSE

The meeting closed at 15h40.

Attendance Register

Members:

Lucky Masilela
Basjan Kleyn
Bernard Vorster
Avinash Singh
Sedrick Maasdorp
Jannie Labuschagne
Elad Kinstler
Lucio De Re

Proxies:

Neil Simpson appointing Avinash Singh as proxy.
Mpho Mashabane appointing Sedrick Maasdorp as proxy.
Duncan Henry Martin appointing ML Masilela or failing him JFC Labuschagne as proxy.

Board:

Adv. Josephine Ralefatane
Nirvani Dhevcharran
Ant Brooks
Nicholas Msibi
Nondumiso Mzizana
Mcebo Khumalo
Mokgadi Morata
Dr Nono Mohutsioa-Mathabathe

Staff:

Vika Mpisane (CEO)
Cedrick Lumadi
Peter Madavhu

Secretarial Services:

Elaine de Lange
John de Jager

DOC :

Jomo Masango
Zach Mphye
Mary-Ann Ratlhogo

Chairperson's Annual Report - 2016

Ladies and Gentlemen:

1. INTRODUCTION

It is my great pleasure to welcome you all to the 2016 Annual General Meeting of ZADNA. Being a member of ZADNA means being part of a rather unique entity: unique because ZADNA is a statutory entity that accounts to different authorities. We, as the Board of ZADNA, account to you as members, but we also account to the Minister of Telecommunications and Postal Services as we are one of the state-owned entities.

We also account to parliament through the Minister, and this is also a unique experience that challenges us to be always clear about our work.

In line with this, we always have to ensure that we remain accountable and transparent in how we do our work, and we cannot operate outside our mandate because we have 3 principals overseeing us:

- Members (your good-selves,
- Minister,
- Parliament

This short report will touch on key areas of ZADNA's work to show what we have been focusing on since the 2015 AGM.

The members' inputs received at the previous AGMs have not being ignored but given attention to especially those improving on our corporate governance.

2. GOVERNANCE AND OPERATIONS

The financial year 2015/2016 coincided with the appointment of new Directors by the Minister. The new Directors had to oversee the implementation of the 2015/2016 Annual Performance Plan or the APP, as it is normally abbreviated. We are thankful to the previous Directors who ensured that we had an approved budget and APP by the time we assumed our fiduciary duties over ZADNA.

We have particularly focused on enhancing internal controls, which involved approving several policies and review of those existed for alignment, including financial, procurement, risk management, even appointment of Internal Audit and some.

These are just some of the key governance interventions that we made in the last year.

We are also pleased to state that while other organisations are faced with corruption, fraud, mismanagement of funds, we are currently not faced with that.

We are not yet having complete systems as there are more systems to be put in place which we are continuing to build in this financial year. We will again report to members on our progress.

3. POLICY AND REGULATION

Talking of policy at ZADNA inevitably brings into play namespace policy and regulatory issues.

a. General Policy

As you are aware, the .ZA Second Level Domain General Policy became effective on 1 April last year which is important to domain name registration in .ZA.

(The policy was a significant **sign-off by the previous Board**, as it confirms key principles underpinning domain name registration in .ZA. We have since noted that the implementation of the General Policy has gone smoothly).

This year is to report that the implementation thereof was carried out smoothly). We thank the team for that.

We note in particular the efforts and hard work of ZACR in bringing uniformity in domain name data under the Second Level Domains (SLDs) it operates. The SLDs under ZACR operations – includes co.za, net.za, org.za and web.za – account for well-around 99% of the total .ZA registrations. This means its compliance with the General Policy means that almost the entire namespace has complied. This means remarkable compliance.

a. SLD charters

The work of formalising charters for .ZA SLDs continues. We managed to have the ac.za, edu.za, gov.za and nom.za charters finalised and approved in November last year.

In addition, law.za had an interim charter finalised and the formal charter will be finalised expectably in this financial year.

We would like to thank the registry operators in this regard and SLD administrators for their cooperation and assistance in finalising this work. We would not have done it alone without you.

b. Extension and review of .ZA ADR Regulations

We are pleased to report that the Hon. Minister approved the extension of the Alternative Dispute Resolution (ADR) Regulations to include net.za, org.za and web.za in addition to co.za. This extension is cardinal to assist pertaining to the manner in which domain name disputes under its SLDs are dealt with.

We have also proposed detailed amendments to the ADR Regulations at the behest of the Department of Telecommunications and Postal Services (DTPS). We are anticipating that DTPS will publish the proposed amendments in the course of the current financial year.

We hereby express our appreciation to those ADR adjudicators who gave some input to the proposed amendments.

Such input means that the amendments should enhance the sustainability and success of the ADR process.

We note that around 200 domain name disputes have been resolved since the inception of the ADR process in 2007. We notice further that in the recent years more than 30 disputes are resolved in a single year. The fact that the ADR process is prevalently being accessed, it marks the importance of the process itself.

c. .ZA namespace developments

The number of .ZA registrations continues to increase however in a slow pace than it used to 2 years ago. The slow growth is attributable to a number of factors, in particular the entry of around 1000 new gTLDs.

Nevertheless, we notice that .ZA will soon reach 1.1 million registrations, and we are thankful to the .ZA domain name holders, registrars and registry operators. Their joint effort in making .ZA domain name registration accessible, fast and affordable is what is driving the growth.

Bearing in mind is the government's ethos to increase technological accessibility to South African community and my concern is that community in remote or rural areas. I plead with members to register more of those disadvantaged communities. We want the industry to grow more than this and you are the direct link to the community therefore looking up to you to grow this industry while we, as zaDNA provides support and protection through our effective systems.

Our quick check with different source show that .ZA is ranked somewhere between numbers 24 and 28 when measuring the largest country code Top Level Domains. This shows that we still have a lot to ahead of us, and we would like to find ways of supporting our registrars and registries to grow the number of registrations further.

Having said that, I would wish to involve the registrars and registries, at some times to be arranged, around the table to discuss ways pertaining to this issue and as to how can zaDNA support these structures without deviating from its rules. Like I said that you are the direct link to the end users and we can grow registrations if you also optimize on your marketing strategy.

You may be aware that one of the targets set for the 2015/2016 financial year was the delegation of new SLDs. We since then put in abeyance this initiative as further assessments by ZADNA management showed that delegating new SLDs when the current SLDs have not grown significantly in registration number could be counter-productive, as new SLDs would like struggle to grow. In any event the ambiance dictates that there is a need to first establish reasons for slow growth as it is experienced now to avoid similar challenge.

Our management informs us that there is a significant interest in allowing direct domain name registrations in .ZA. There have been increasing requests for such registrations following other jurisdictions such as .uk, .at and .nz moving to that model of direct registrations. Whether this will be viable a initiative we can't tell with authority save to say that this kind of model is being followed by the above mentioned countries. We are keen to listen from the ZADNA members and the local Internet community as well as benchmarking with those jurisdictions that are operating on the model. This is one of the issues that can be discussed together around the table as alluded herein above. Your inputs, references and research on the issue will be appreciated to make a case for migrating to this model.

The 2016 iWeek will take place next week, and ZADNA continues as one of the iWeek partners. We would like to express our gratitude to ISPA and its partners for seeing ZADNA as a key partner for this reputable event. This year's iWeek will have a session looking at the issue of direct registrations in .ZA. ZADNA will be listening attentively to the inputs that will be made. We believe that the inputs will be useful and will help the ZADNA Board make informed decisions about this matter.

4. INTERNET GOVERNANCE

ZADNA remains an active participant within different Internet Governance processes locally and abroad. We are happy with the close working relationship that ZADNA has with DTPS. The relationship has helped to synchronize several processes between ZADNA, DTPS and other entities.

We are pleased to announce that ZADNA will be co-hosting the Africa Internet Governance Forum with DTPS at the Durban ICC from 16 to 18 October. We would like

to encourage our members to participate in the event and provide their insight to the discussions.

We are also happy to announce that ZADNA is the local host of ICANN Policy Conference to be held at the Sandton Convention Centre in June 2017.

ZADNA has also been approached by Africa Top Level Domains (AfTLD) to host the 2017 Africa DNS Forum prior to the ICANN conference. We are pleased with these developments, but we invite ZADNA members to give us any support they can to make these events successful.

5. TECHNICAL MANAGEMENT OF THE .ZA DOMAIN

The .ZA namespace continues to function in a **robust**, stable and secure manner. ZADNA now manages the .ZA zone file, and is ready to DNSSec-sign the .ZA zone file. We are aware that several SLD registry operators are waiting patiently to starting signing their zones using DNSSec keys. Our management informs us that the signing of .ZA into the root zone of IANA should happen in the course of November this year. We are planning to celebrate this milestone in enhancing the reliability and integrity of the .ZA namespace.

6. FINANCE REPORT

Our 2015/2016 audited financial statement will be tabled for discussion shortly, and will show that ZADNA continues to utilise its finances in an accountable manner.

7. CONCLUSION

I would like to thank all ZADNA members, .ZA registries, registrars and domain name holders for their continued support of .ZA and ZADNA. Your contributions drive the success of .ZA, and as the Board of ZADNA we are thankful.

The last time I checked the GDP was largely build of the SMEs contribution. We want you to grow and create employment in your respective spaces. In future it will be important to take stock of how many employments did this industry create.

I thank you.

Presented by:

*Adv. Motlatjo Ralefatane
ZADNA Chairperson
16 September 2016*

