

DRAFT MINUTES

2017 Annual General Meeting
Held at Midrand Conference Centre, Pendulum
Street, Halfway House, Midrand

Tuesday, 27 February 2018

(Continuation of the adjourned AGM of the 15
December 2017)

1. WELCOME AND APOLOGIES

Adv. Josephine Ralefatane, in chair, welcomed all those present. The following apologies were noted:

- (a) Mr. Walter Muller
- (b) Dr. William Rowland
- (c) Mr. Walter Matli

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 with the following changes when Dr. Nono Mohutsioa-Mathabathe proposed and Dr. Jonty Tshipa seconded.

Agenda item 5.1: Add: **16 September** 2016 Annual General Meeting.

4. CONSIDERATION OF RECEIVED PROXY FORMS

One proxy form was received from Mr. Walter Muller, but the proxy form did not state who the nominated proxy was. Should it be necessary to vote, the Chair would pass the vote on Mr. Muller's behalf as he already voted in his proxy form.

5. ADOPTION OF THE MINUTES OF PREVIOUS GENERAL MEETINGS

5.1. Draft minutes of the 16 September 2016 Annual General Meeting

The minutes were adopted with the following changes when Dr. Jonty Tshipa proposed and Dr. Nono Mohutsioa-Mathabathe seconded.

- Page 2: Agenda item 6: Chairperson's Annual Report: Second sentence: Correct: Chairperson a stated to Chairperson stated

5.2 Draft minutes of the 28 February 2017 Special General Meeting

The minutes were adopted with the following changes when Dr. Jonty Tshipa proposed and Dr. Nono Mohutsioa-Mathabathe seconded.

- Page 2: Agenda item 6: **Change:** 13 members who does not have to 13 members who do not have

5.3 Draft minutes of the 15 December 2017 adjourned Annual General Meeting

The minutes were adopted with the following changes when Dr. Jonty Tshipa proposed and Dr. Nono Mohutsioa-Mathabathe seconded.

- The attendance register list should be included in the minutes.

6. CHAIRPERSON'S ANNUAL REPORT 2017

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

- (a) Governance and Operations
- (b) Policy and Regulations
- (c) .ZA ADR Regulations
- (d) .ZA namespace Developments
- (e) Schools Online Presence Project
- (f) Internet Governance
- (g) Technical Management of the .za Domain
- (h) ICT Policy Whitepaper

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

7. APPROVAL OF THE 2016/2017 AUDITED FINANCIAL STATEMENTS

The Treasurer, Mr. Nicholas Msibi and Mr. John de Jager presented the 2016/2017 Audited Financial Statements (AFS) to the members.

The meeting accepted Calvin Browne's correction in page 7 to change note 17 to Note 18 in the AFS.

Lucky Masilela proposed that the Note under "Events after the Reporting Period" should be deleted. The meeting declined this request because the Note made it clear that although ZADNA had to report on the actually received R7.00 per domain name revenue in its AFS, this was by no means intended to imply that

ZADNA was willing to abandon its pursuit of the R12.00 per domain name revenue in the ZACR arbitration.

The 2016/2017 AFS were accordingly approved when Mr. Mcebo Khumalo proposed and Dr. Jonty Tshipa seconded. Mr. Calvin Brown abstained.

8. APPROVAL OF THE APPOINTMENT OF EXTERNAL AUDITORS

The meeting was requested the members to approve the appointment of Rakoma and Associated for a period of 3 years. The appointment followed the 4 year tenure of PWC as ZADNA's external auditors. The meeting noted that Rakoma and Associates already possessed substantial experience in state owned entities as it provided similar services to Sentech and SITA.

The appointment of the external auditors was adopted when Mr. Jeremiah Meleila proposed and Mr. Lucky Masilela seconded. The meeting noted that the appointment of Rakoma and Associates as new external auditors showed ZADNA's commitment to transformation in the financial services sector and to granting opportunities to SMMEs.

9. APPROVAL OF THE 2018/2019 BUDGET

The meeting was requested the members to approve the 2018/2019 budget based on R7.00 per domain name income and expenditure taking into consideration the following:

1. Should ZADNA succeed in the arbitration to increase the per domain name fee to R12.00, ZADNA would be allowed to submit a revised budget to the Minister and Parliament based on R12.00.
2. The decision to budget based on R7.00 was based on the fact that it was not clear how long the arbitration process was still to continue. It was therefore better to budget based on R7.00 and later revise the budget.

A question was asked about the number of ZADNA Directors and their value to ZADNA in view of the limited funds. The meeting noted that the number of ZADNA Directors was stipulated in the ECT Act, and was not a matter that ZADNA Directors had control over.

Another question was asked about when the current Director remuneration was approved. The meeting noted that ZADNA members approved the current Director remuneration in 2014 together with the 2014/2015 budget. This was before the current Directors commenced their tenure in 2015.

10. ANY OTHER BUSINESS

The following was noted:

- (a) Some members requested access to the National Integrated ICT Policy White Paper of the Minister. The meeting noted that the document was available at [dtps.gov.za](https://www.dtps.gov.za). The CEO indicated that ZADNA was willing to send the White Paper to the members by email if they so require.
- (b) Some members felt that ZADNA should look at re-availing the members mailing list or another suitable platform to encourage discussion amongst ZADNA members.
- (c) ZADNA should consider reporting about their role in dotAfrica at the next Annual General Meeting.

11. CLOSE

The meeting ended at 17h25.

Attendance Register

Board of Non-Executive Directors:

Adv. Motlatjo Josephine Ralefatane
Dr. Nono Mohutsioa-Mathabathe
Mr. Nicolas Msibi
Mr. Mcebo Khumalo
Dr. Jonty Tshipa

Per Teleconference:

Ms. Nirvani Dhevcharran
Mr. Anthony Brooks
Dr. Nondumiso Mzizana
Ms. Mokgadi Morata

Members:

Mr. Calvin Browne
Mr. Mpho Sehoto
Mr. Bontshitswe Mothopeng
Mr. Avinash Singh
Mr. Bernard Vorster
Mr. Lucky Masilela
Mr. Jeremiah Maleila
Mr. Mvhungu Makatu
Mr. Oscar Modlala
Mr. Aubrey Marcana

Per Teleconference:

Mr. Duncan Martin
Mr. Mike Silber

Staff:

Mr. Vika Mpisane
Mr. Peter Madavhu
Mr. Cedrick Lumadi
Ms. Hendrina Williams
Ms. Angel Selebano
Ms. Doreen Mokoena

Per Teleconference:

Mr. Louis Bezuidenhout
Ms. Nature Ngomane

Proxies:

Mr. Walter Muller.

DTPS:

Mr. Zacharia Mphye
Mr. Jomo Masango

Secretarial Services:

Ms. Elaine De Lange

Financial Services:

Mr. John de Jager

Ladies and Gentlemen:

It is my great pleasure to welcome you all to this Annual General Meeting of ZADNA. This had to be adjourned on 15 December last year due to issues surrounding our 2016/2017 audited financial statements. We have since managed to address all issues surrounding the statement, and we are in a position to table the audited financial statements for the 2016/2017 financial year later in this meeting.

As the Board and staff of ZADNA, we are under no illusion that 2016/2017 was a challenging yet rewarding financial year in many respects. It was during this year that ZADNA grew significantly as an organisation as we increased the number of employees with a special focus on building up the management layer. I am glad that the increased human resource capacity started bearing some immediate fruits as this report will show.

I would like to take this opportunity to report on some of the activities ZADNA focused on for the year under review which are the following:

1. GOVERNANCE AND OPERATIONS

The Directors of ZADNA continued their oversight functions over ZADNA's management and operations. Not only did we see Directors' attendance of Board and Committee meetings effective, the interactions in the Board showed that in our second year as Directors, our Board discussions were improving in quality and content. We were able, for example, to put in place and oversee such important internal controls including appointing an internal auditors and ensuring that there is establishment of Audit Committee that deals with audit issues. The Board also approved salary grading framework – something that was not existent when we assumed our functions.

2. POLICY AND REGULATION

ZADNA's core statutory function centres around regulating the .ZA namespace. Our staff and management managed to review the .ZA SLD General Policy during the year and were satisfied that its implementation had been successful.

It was clear, however, from the assessment that additional policies may have to be developed to deal with issues relating to Whois and privacy.

2.1. Amendment of .ZA ADR Regulations

As you know the Minister extended the scope of the Alternative Disputes Resolution (ADR) Regulations to cover net.za, org.za and web.za in addition to co.za. In 2016/2017, the Minister reviewed the ADR Regulations again and introduced several substantive and procedural amendments.

Among these, the Regulations now mandate ZADNA to provide a voluntary mediation service. The work on ZADNA's mediation service commenced recently. We are hopeful that our legal staff will manage the mediation process and use it to resolve disputes before they enter the paid adjudication phase.

3. .ZA namespace developments

The number of .ZA registration continues to increase albeit slower than it used to three years ago. The slow growth is attributable to a number of factors, especially the entry of around 1000 new gTLDs. In 2016/2017, a little more than 65 000 new domain names were registered particularly in co.za. The total number of names is now nearing 1.2 million.

During 2016/2017, we realised substantial growth in the accredited .ZA registrars. The number of registrars now exceeds 500 and continues to grow. We are happy that ZADNA is playing an active albeit limited role in helping applicants for registrar accreditation and better manage the application process.

Our enterprise development initiative in cooperation and partnership with different ICT entities is also helping numerous local start-ups better understand domain name registration process and opportunities.

Some of the ZADNA registrar-reseller capacity building events took place in Polokwane, Pietermaritzburg, Mamelodi, Port Shepstone and Johannesburg. The response to these events has led to ZADNA partnering with DTSP and SEDA to provide similar capacity development to the entities registered in SEDA incubators.

4. Schools Online Presence Project

Our staff managed to provide 140 websites to different schools during 2016/2017. The school website project is part of ZADNA's mandate and also regarded as our social responsibility project that ZADNA uses to encourage usage of .ZA domain names in the school's sector.

The project has been well received in many quarters, especially in Parliament where ZADNA used to be challenged to do more using domain name revenue.

5. 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 report that ZADNA used its reserve funds to co-sponsor and co-host the 2016 Africa Internet Governance Forum with DTPS at the Durban ICC from 16 to 18 October 2016. The event was a great success as dignitaries including several Ministers attended the event.

ZADNA also remains an active participant in the local IGF process in collaboration with ISPA and ISOC Gauteng.

Going forward, we will continue to be more active in the IGF processes locally and internationally, and this is because the ICT Policy White Paper requires ZADNA to play a more active role in this regard.

6. 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 also had .ZA DNSSec-signed in 2016.

We are also aware that several SLD registry operators have also signed their Second Level Domains zones, and this subsequently allows 3rd level domain name holders to DNSSec-sign their names as well.

7. ICT POLICY WHITE PAPER

In September 2016, the Minister promulgated the National Integrated ICT Policy White Paper. The White Paper makes a number of policy determinations that will substantially change the regulatory landscape of the ICT sector. In particular, the White Paper determines that a new ICT Regulator will take over the regulatory functions that are currently allocated to ZADNA, ICASA and USAASA.

We are now waiting on the DTPS as they have commenced the amendment of relevant laws to bring these changes to bear.

We are not certain how fast these changes will happen, but we remain alert to follow the developments as they will certainly affect ZADNA's existence in the near future.

8. FINANCE REPORT

Our 2016/2017 audited financial statement will be tabled for discussion shortly and will show that ZADNA continues to utilise its finances in an accountable manner. The report will show that ZADNA received a clean audit. I must point out that our revenue was, however, collected based on the R7.00 per domain name fee instead of the budgeted R12.00 fee. Our Treasurer will shed more light on this, but what matters is that ZADNA managed to achieve most of its annual targets.

9. 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 remain thankful.

I thank you.

Adv MJ Ralefatane
ZADNA CHAIRPERSON

Presented by:

*Adv. Motlatjo Ralefatane
ZADNA Chairperson
27 February 2018*