

## Chairperson's Annual Report - 2019

Ladies and Gentlemen:

It is my great pleasure to welcome you all to this Annual General Meeting of ZADNA. This had to be postponed on 30 August this year due to issues surrounding our 2018/2019 audited financial (AFS) not being readily available to be shared to the members. We have managed to provide the statement, and we are in a position to table the audited financial statements for the 2018/2019 financial year later in this meeting.

As the Board and staff of ZADNA, we are under no illusion that 2018/2019 was a challenging yet rewarding financial year in many respects. Since the introduction of the management layer in the organisation, we have witnessed a great improvement in respect of the management of the organisation as well as growth in the .ZA namespace.

### **1. SIGNIFICANT EVENTS**

The growth and achievements are despite the challenges that we as an organisation faced during the year under review, notably changes on the leadership of the organisation such as on the membership of the accounting authority and also relating to accounting officer part.

We may be all aware that the former CEO, Mr Vika Mpisane is no longer with the organisation following a very prolonged undesired process.

Starting from the suspension to the disciplinary processes where after he was found guilty by the disciplinary committee following which he was relieved of his duties as the CEO of ZADNA.

Since the suspension on the former CEO, Mr Peter Madavhu has been acting in that position and he still is. We would like to thank him for the management and leadership that he displayed for the period till now. His capabilities are evidenced by the excellent organisational achievements where the organisation even obtained a clean audit for 2018/19.

We have gone out for the search of the new CEO, the AD was on Sunday Times, the closing date was 13 September 2019. The recruitment is on and till the appointment is done, Mr Peter Madavhu will remain acting or until further notice. As well as on the accounting authority side, there are three members that are no longer with ZADNA but that is the parameter of the executive authority.

## **2. GOVERNANCE AND OPERATIONS**

The Directors of ZADNA continued their oversight functions over ZADNA's management and operations. Not only did we see Director Attendance of Board and Committee meetings effectively, the interactions in the Board showed that in our fourth year as Directors, our Board discussions were improving in quality and content.

We were able, for example, to start the .ZA direct registration service provision appointment process - a significant milestone in regards to the .ZA namespace improvement and alignment to the current trend. Our strategy should be aligned to that of the Department as well as the national one and that include increasing access to technology, growing entrepreneurial space, with the hope of increasing employment.

Cyber security is one of the main economy destroying that keeps us awake, and it should bother us all. We need to be joining hands to fight this barrier to our success. It is a universal problem that requires us world-wide to collaborate in the war waging. You are not excluded. We need to have regular gatherings and workshops in order to strategize for the eradication of cyber crime etc and improve on security. We urge you to do your bit at your respective spaces and that will go a long way. We though acknowledge that this will not be overnight triumph but it can be reduced drastically with your involvement. It affects all of us in every environment.

ZADNA deferred the employment of new staff due to financial constraints, which was caused by the ongoing fee dispute between ZACR and ZADNA including the introduction of the executive authority's policy that is culminating in the entities' reconfigurations. That process is ongoing and we are kept informed of the developments by our executive authority.

As ZADNA, we are of the view that sometimes we need to invite you all to an information and discussion session where we will be positioning ourselves to the imminent changes to the ICT industry as a result of this ICT Policy introduction. Your contributions will be very much appreciated as the champions of the ICT space.

### **3. POLICY AND REGULATION**

ZADNA's core statutory function centres on regulating the .ZA namespace. Our staff and management managed to review the .ZA SLD General Policy during the year, the review focused on issues relating to direct registration.

We further succeeded in our work of publishing the draft SLR Policy for public consultation wherein substantive feedback was received from interested and relevant stakeholders. We thank you all immensely for your

feedback as it gave us confidence that we are embarking on a prestigious project that you supports.

We must bear in mind that together with you, we must serve the society to the better benefit.

#### **a. .ZA ADR Regulations**

As you know, in the last financial year, we reported that the executive authority extended the scope of the ADR Regulations to cover net.za, org.za and web.za in addition to co.za. These have seen several disputes being resolved outside of the usual co.za domain name space.

In November 2018, the executive authority promulgated amendments to the .ZA ADR Regulations. These amendments also introduced a free, voluntary mediation service that ZADNA is required to provide. It was made with the aim of improving the overall functioning of the dispute resolution process in respect of the domain names.

Our legal staff managed to resolve several disputes before they entered the paid adjudication phase. We notice with concern that currently our country's vogue of communication is through litigious language and we need to divorce from that and have an amicable way of resolving issues so that there are no barriers and obstacles in our dealings.

#### **4. .ZA NAMESPACE DEVELOPMENTS**

The number of .ZA registrations continues to decrease slightly compared to the rate at which it has been in previous years. The slow growth is attributable to a number of factors, especially the entry of over 2000 new gTLDs.

The total figure of domain name registration was merely 1.2 million registrations by 31 March 2019, a figure which was announced in the last financial year. This is concerning therefore going forward we must forge partnerships and collaborations to empower you on how to market and improve on registration. Depending on availability of resources the next budget may feature on that so that in the next financial year the strategy commences.

During 2018/2019, we realised substantial growth in the accredited .ZA registrars. This could be attributed to the continuous Registrar Reseller Training aiming at empowering young people in the country, an initiative started by ZADNA which focuses on developing new entrepreneurs and introducing DNS training to young people in the country. As previously reported, the number of registrars continues to grow. We are happy that ZADNA is playing an active albeit limited role in helping applicants for registrar accreditation.

ZADNA's registrar-reseller capacity building events took place in various provinces such as Limpopo, Polokwane, Kwa Zulu Natal, Pietermaritzburg, Northwest, Vryburg and Gauteng, Benoni. ZADNA continues to partner with DTPS and SEDA to provide similar capacity development to the entities registered in SEDA incubators.

When such events are upcoming you should be invited as part of partnerships and collaborations.

We are grateful that ZADNA's IT infrastructure used to manage .ZA SLDs function without any interruptions during the year. There are 5 name servers in total, 3 of which are Anycast servers and 2 are Unicast.

## **5. INTERNET GOVERNANCE**

ZADNA remains an active participant within different Internet Governance processes locally and abroad. We continue to work closely with the Department and other entities, following our Acting CEO being appointed as the .ZA Internet Governance Forum (ZAIGF) Chairperson.

As a result, ZADNA co-hosted the 2018 ZAIGF with the Department of Communications and Digital Technologies from 16 - 17 October 2018 in the Eastern Cape, East London.

Therefore, ZADNA continues to be more active in the IGF processes locally and internationally principal for the fact that the ICT Policy White Paper entrusted ZADNA with that role.

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

## **6. TECHNICAL MANAGEMENT OF THE .ZA DOMAIN**

The .ZA namespace is functioning in a robust, stable and secure manner. ZADNA continues to manage the .ZA zone file.

SLD registry operators are continuing to deploy DNSSEC to their zones, which allow more 3rd level domain names to be DNSSEC-signed.

## **7. STATE OWNED ENTITIES RATIONALISATION**

The Department of Communications and Digital Technologies, formally known as The Department of Telecommunications and Postal Services

(DTPS), announced the rationalisation of all its SOCs in recent period. This may affect ZADNA, its employees and stakeholders in a short run.

At the beginning of this year, the department conducted a skills audit on all of its SOCs employees. They later reported that phase one of this exercise has been completed and that they were satisfied with the information and skills which were highlighted by ZADNA employees in particular.

The Department further indicated that the entities must prepare to embark on phase 2 of the skills audit exercise in which we must focus on the identified skill gaps and specific skills which each employee would require in order to be 4IR ready. Once we have received a clear guideline from the Department regarding phase 2 we will proactively engage all employees regarding the required information.

As I have said earlier, you will also be kept informed.

## **8. FINANCE REPORT**

Our 2018/2019 audited financial statement will be tabled for discussion shortly, and will show that ZADNA utilises its finances in an accountable manner. The report will show that ZADNA received a clean audit.

I must indicate that it is a great relief that our revenue collection is now based on the R12.00 per domain name fee as outlined in the budget.

Our Treasurer will give a breakdown on this, as this will allow ZADNA to achieve its set targets for the financial year at hand. This was as a result of a fee increase dispute between ZADNA and ZACR which was then resolved in an amicable manner.

The financial resources are not sufficient to allow ZADNA to accomplish all its strategies but it is forging ahead with the available resources.

## **9. BUDGET**

The budget for 2019/20 will be presented to your good-self's approval where you will be invited to another meeting.

## **10. 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. Of course not forgetting the ZADNA employees for their unabated efforts to ensure that ZADNA succeeds.

I thank you.

*Presented by:*

*Adv. Motlatjo Ralefatane  
ZADNA Chairperson  
19 September 2019*