



ANNUAL REPORT

2016/2017

This is the 2016/2017 annual report of the .ZA Domain Name Authority (ZADNA). It reports on ZADNA's performance towards the achievements of its set annual targets in line with ZADNA's mandate, and is submitted to the Honourable Minister of Telecommunications and Postal Services as stipulated in the Electronic Communications and Transactions (ECT) Act 25 of 2002.

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Key Abbreviations and Definitions

ADR: means Alternative Dispute Resolution Regulations promulgated by the Minister of Communications to resolve disputes over .ZA domain names;

APP: means Annual Performance Plan;

ccTLD: means a “country code Top Level Domain” which assigned by ICANN based on the ISO country code list to identify a country’s Internet namespace (for example, .ZA for South Africa);

DNS: means “Domain Name System” of the Internet;

DTPS: means the Department of Telecommunications and Postal Services;

ECT Act or Act: means the Electronic Communications and Transactions Act 25 of 2002;

EPP: means “Extensible Provisioning Protocol”, a flexible protocol designed for allocating objects within registries over the Internet. The motivation for the creation of EPP was to create a robust and flexible protocol that could provide communication between domain name registries and domain name registrars. These transactions are required whenever a domain name is registered or renewed, thereby also preventing domain hijacking.

gTLD: means “generic Top Level Domain” and is a category used to identify TLDs other than ccTLDs. Typical gTLDs are dotAfrica

(.africa), dotCapeTown (.capetown), dotDurban (.durban), dotJoburg (.joburg), dotcom (.com) and dotNet (.net).

ICANN: means the “Internet Corporation for Assigned Names and Numbers”, a California-based, not-for-profit company appointed by the United States Government to oversee a number of Internet-related tasks previously performed directly on behalf of the U.S. government, including coordination of the Internet Protocol address spaces (IPv4 and IPv6), assignment of address blocks to regional Internet registries, and management of the top-level domain name space (DNS root zone), which includes the operation of root name servers.

Minister: means the Minister of Telecommunications and Postal Services;

SLD: means “second level domain” which follows immediately below .ZA, such as ac.za, co.za and gov.za.

TLD: means “top level domain” of the Internet domain name system.

ZADNA: means the “.ZA Domain Name Authority”

ZACR: means “.ZA Central Registry”, the entity that ZADNA appointed to serve as the Central Registry operator for selected .ZA SLDs.

1 CHAIRPERSON'S FOREWORD

It is my great pleasure to present the Annual Report for the 2016/2017 financial year on behalf of the Board and management of ZADNA. The organisation was able to achieve most of its targets. The management and staff of ZADNA are the driving force behind our achievements, and I am happy to see ZADNA growing as an entity and delivering more in the discharge of its statutory mandate.

ZADNA's core mandate is to manage, administer and regulate the .ZA namespace – the biggest namespace in Africa in terms of domain name registration numbers. South Africa has around 54 million people, and around 30 million people have Internet access. This amounts to around 54% Internet penetration, and the large portion of this penetration is attributable to mobile Internet access. South Africa's Internet penetration somehow indicates the potential reach of .ZA in particular and domain names in general. There are to date 1 133 215 million registered .ZA domain names. This amounts to around 2% of the total population and around 4% of the 30 million South Africans who have Internet access.

It is, therefore, not an unreasonable pursuit to target a 10% .ZA domain name penetration rate against SA's population size over the next 5 years. This would require significant investment in awareness and collaboration with various role players (especially the .ZA registrars) and a significant change to the .ZA business model. ZADNA's work in 2016/2017 was a progression in pursuit of stimulating increase in the registration and use of .ZA domain names. The fact that .ZA domain name fees are more competitive than the popular .com, .net and .org is a positive contributor to this pursuit.

ACHIEVEMENTS

The Annual Report contains a detailed annual performance information, which shows that ZADNA achieved 74% of its annual targets. More could have been achieved, but there were several mitigating factors that compelled the ZADNA management not to pursue certain targets.

(a) Education and awareness

The ZADNA team's performance in education and awareness surpassed the set targets. Much more than the targeted number of .ZA school websites was published without exceeding the budget.

(b) Enterprise development

The roll-out of .ZA Registrar-Reseller Development Project also proceeded as planned with more than 100 prospective registrars capacitated to participate in .ZA domain name registration and hosting business opportunities.

(c) Corporate governance

The ZADNA Board's work in enhancing the corporate governance environment bore fruits as more internal policies and controls were approved and implemented. The organisation also managed to implement an internal audit function for the first time since it came into existence.

(d) Risk management

A risk management strategy, containing a detailed risk register was also compiled and approved. The Board succeeded in putting in place a formal salary and job grading framework. Three (3) Managers were recruited to enhance ZADNA's management capacity using the grading framework. ZADNA also relocated its business premises during the year.

(e) Internet Governance

ZADNA co-hosted the African Internet Governance Forum in Durban in October 2016, and participated in the local ICT policy processes. During the year, there were no security lapses or breaches reported against ICT infrastructure used to manage .ZA domain names.

(f) .ZA namespace growth

The number of .ZA grew by 5.7% from 31 March 2016 to reach 1 133 215 names by 31 March 2017. This is testimony that interest in .ZA names is un-abating, and that we need to invest more in marketing and awareness to regularly achieve more registrations.

CHALLENGES AND MITIGATIONS

Our main challenge for the year was the uncertainty surrounding revenue generation from paid domain name registrations, which was due to the ZACR fee dispute. The uncertainty compelled Management to defer employment of new staff, which in itself meant delays in pursuing some of the set targets. While the challenge was eventually addressed by utilizing more than 50% of the reserves, the challenge in the short term will be to ensure that ZADNA builds sufficient reserves for contingency purposes.

Management is looking at ways in which ZADNA can have alternative revenue sources, and should be able to ensure that ZADNA avoids reliance on a single source of revenue. We are also mindful of the ICT Policy White Paper that determined that ICT regulators (including ZADNA) will be integrated in the near future. ZADNA does not consider this to be a risk but sees it as an opportunity to enhance its performance to ensure that the statutory mandate is fully discharged by the time the integration occurs.

It is incontrovertible that technology is the key communication and businesses management. In taking that into account, it needs to be noted that Cyber Security will continue to be a huge industry risk, which is upon us to address in order to protect the communities as they use technology. ZADNA has complaint processes in place, which the community is encouraged to utilise in case of disputes. ZADNA is persistent in strengthening that ADR process and welcoming reports and complaints of malpractice.

It is further prevalent that other government departments' information and letter heads are used to defraud communities and businesses. This is a global fraud phenomenon that requires not only the government of the Republic of South Africa, but also fellow countries together to fight it.

FINANCIAL PERFORMANCE

The Annual Report contains an Audited Financial Statement that explains in detail our financial performance. The main note is that reserves were substantially reduced to compensate for the shortfall caused by the ZACR fee dispute. However, expenditure was kept with budget for the year.

CONCLUSION

The 2016/2017 financial year was another fruitful year for ZADNA in spite of some challenges. ZADNA's performance is a course for optimism going forward. We are determined, more than ever, to ensure that ZADNA continuously improves its performance, and achieves its mandate of making .ZA a domain namespace of choice for South Africans.

I would like to take this opportunity to thank management and staff of ZADNA for driving the achievements we see, the stakeholders for their support, ZADNA Members for their corporation and guidance during Annual General Meetings.

I also thank the ZADNA Directors for providing direction to ZADNA, and the office of the Ministry and Department of Telecommunication and Postal Services for their continuous support, guidance and direction. Equally, my gratitude goes to the .ZA Registries and Registrars for joining hands with ZADNA in this prestigious and magnanimous undertaking to strive in technology access to the public.

Let us continue to work together going forward and face challenges as a team striving to make South Africa's Internet safe, secure and resilient to support our socioeconomic development.



ADV. MOTLATJO RALEFATANE

Advocate MJ Ralefatane

Chairperson of the ZADNA Board

2 CEO'S FOREWORD

I am delighted to present the Annual Report for the 2016/2017 financial year. The Annual Report explains ZADNA's performance towards achieving its annual targets, and its success in discharging the ECT Act mandate.

The 2016/2017 financial year was challenging but rewarding in several aspects. For the first time, ZADNA's workforce increased substantially from 3 full-time employees to 7 full-time employees (a +100% increase) during the year, and this was possible because of the firm resolve of the Board of Directors to ensure that ZADNA fully discharges its statutory mandate. The DTSP, together with Parliament's Portfolio Committee on Telecommunications and Postal Services, have helped ZADNA in enhancing its performance through their regular, honest and constructive feedback.

The 2016/2017 Annual Report will show that ZADNA output substantially improved due to increased human resources. There was particular improvement in the targets for public awareness and compliance with domain best practices. The increased personnel enabled ZADNA to implement, for the first time, a comprehensive national and provincial awareness through different media channels. ZADNA also conducted capacity development for prospective registrars and resellers, which resulted in at least 2 entities becoming accredited as .ZA registrars. ZADNA is planning to expand this initiative going forward through partnerships with other entities.

The global domain name industry continues to grow: around 300 million domain names have been registered worldwide and the number keeps on increasing. The entry of hundreds of new Top Level Domains from 2013 means that .ZA faces added competition. It is gratifying to see that the number of .ZA domain name registrations continues to grow in spite of this competition.

In fact, in 2016/2017 there was a net growth of 65 316 new domain name registrations (i.e. 5.7% growth) since 31 March 2016, the overwhelming majority of which was in co.za. The total number of .ZA registrations reached 1133215 of which 1 128 553 (99.6%) are paid-for domain name registrations in co.za, net.za, org.za and web.za by 31 March 2017. This means .ZA is still the biggest domain namespace in Africa by far, and is in the Top 30 country code namespaces globally.

The expenditure was contained within budget and revenue was collected successfully. However, there was a shortfall in revenue due to the ongoing dispute between ZADNA and ZACR about the increased per domain name fee that ZADNA collects from ZACR. As a result, ZADNA will be exploring alternative means of revenue generation to avoid dependency on a single source of revenue.

ZADNA also performed various activities in addition to its statutory functions. The organisation is particularly honoured by the trust and confidence shown by the Ministry and Department of Telecommunications and Postal Services in ZADNA, especially in matters relating to the digital economy. This recognition allows ZADNA to provide suitable policy advice based on the collective expertise gained over the past years.

There is certainly room to improve going forward, and ZADNA is committed to improvements that will support our Government's pursuit of realizing an inclusive digital society.

Vika Mpisane

CEO: ZADNA

3 EXECUTIVE SUMMARY

In accordance with the ECT Act and 2016/2017 Annual Performance Plan, we ensured that the .ZA namespace continues to function in a stable, secure and reliable manner.

CORPORATE GOVERNANCE

The ZADNA Board held 7 meetings during the financial year, 4 of which were ordinary Board meetings, 2 were special meetings and 1 was a Board strategy meeting. The Board Committees also met at least quarterly during the year: Farco held 4 meetings, Manco held 8 meetings and Techcom met 5 times during the year. Director attendance of Board and Committee meetings was consistent and reflected the earnestness with which the Directors treat their oversight functions.

INSTITUTIONAL DEVELOPMENT

- (a) ZADNA's headcount grew from 3 permanent employees to 7 full-time, permanent employees plus a temporary employee. Including the temporary employee (who was subsequently employed on a permanent basis), there are 4 female employees (one of whom is a manager) and 4 male employees. All vacancies were filled save 1 (Company Secretary), which amounts to an 11.1% vacancy rate.
- (b) For the first time, ZADNA implemented an internship programme starting in October 2016. There were 5 interns selected for the 12-month internship, and they are spread across communications, marketing, IT, project management and administration.

POLICY AND REGULATION

- (a) ZADNA's priorities in the Policy and Regulation work area focused on the review of the .ZA General Policy. The review focused on issues of protection of personal information, Whois service and data uniformity. ZADNA achieved its targets in these areas.
- (b) ZADNA also succeeded in its work of publishing ADR decisions within stipulated timelines. There were 24 ADR disputes resolved during the year.
- (c) However, targets for the completion of law.za and school.za charters and pricing framework were not achieved due to these SLD administrators not performing certain activities that ZADNA needed to meet the targets. The targets have since been carried over to 2017/2018. Notwithstanding, the school.za registry operator managed to implement the change in business model that now allows registrations to take place at the 3rd level instead of the 4th level of .ZA.

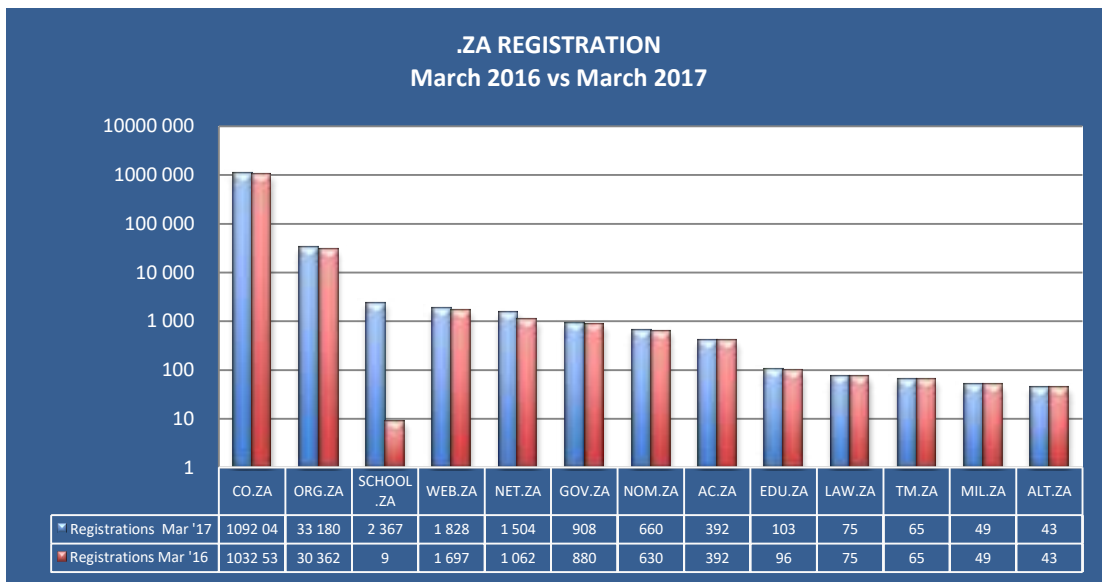
.ZA NAMESPACE DEVELOPMENT

- (a) ZADNA surpassed its awareness targets in: 6 events were targeted for building awareness about ZADNA mandate, and ZADNA completed 12 events; 10 events were targeted for .ZA public awareness, and ZADNA completed 11 events. In addition, 11 provincial awareness road shows were completed during the year over and above the set targets.
- (b) Targets for awareness through print and radio channels were also surpassed due to an intensive awareness campaign that was run during Quarter 4: the target for the radio channel was to achieve coverage in 4 national radio stations, and ZADNA achieved 16 coverage events across national, regional and community

radio stations. There were 4 print media coverage targets, and 16 coverage events were achieved. All targets for the Registrar-Reseller Capacity Building were achieved.

.ZA GROWTH

The .ZA namespace continued to grow gradually during 2016/2017, as 65 316 new registrations were added, representing a 5.7% growth since March 2016. There were 1 133 215 registrations by 31 March 2017 of which 1 128 553 (99.6%) are paid-for registrations in co.za, net.za, org.za and web.za.



COMMUNITY ENGAGEMENT

There was significant over-achievement in the target of publishing 40 school websites. Due to web development prices being significantly negotiated down, ZADNA published 135 school websites for different schools throughout the country. The .ZA Schools Online Project encourages .ZA domain name registration and use of .ZA websites among South African schools. The project is part of public awareness.

TECHNICAL OPERATIONS

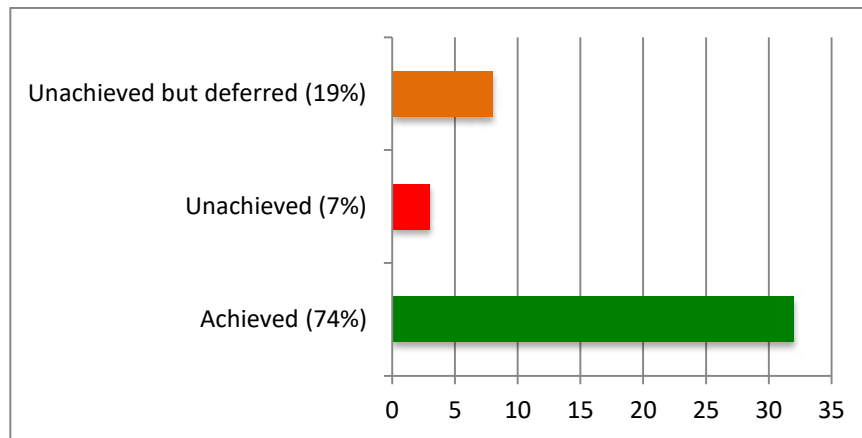
- (a) ZADNA's IT infrastructure operated without interruption during the year. There are 5 nameservers in total, 3 of which are Anycast servers and 2 are Unicast. ZADNA manages the .ZA zone file and achieved its target of integrating this function to the automated EPP registry system used to operate co.za, net.za, org.za and web.za. The IT infrastructure used to manage .ZA SLDs also functioned without any interruptions.
- (b) DNSSEC implementation progressed according to plan as .ZA was DNSSEC-signed during the year. This allows .ZA SLD registry operators to commence signing their SLDs, and enables individual domain name holders to DNSSEC-sign their domain names as means of added trust to the authenticity of their domain names.
- (c) ZADNA delegated nic.za during the year, and the SLD is used to provide technical information about .ZA, including DNSSEC implementation. Nic.za was also integrated with co.za, net.za, org.za, web.za and dotCities Whois service. This allows Nic.za to search name availability under these SLDs at nic.za. The SLD means that ZADNA now provides Whois service for 99% of the total .ZA registrations. ZADNA also developed .ZA Whois service that allows visitors to the website to do Whois searches about .ZA SLDs.

INTERNET GOVERNANCE

ZADNA participated in the National Integrated ICT Policy White Paper processes that followed the White Paper's promulgation in September 2016. ZADNA also sponsored the Africa Internet Governance Forum with DTIS in October 2016. This event succeeded the 2016 iWeek and 2016 South African Internet Governance Forum that took place in September 2016. ZADNA is a partner in the organisation of these 2 events.

PERFORMANCE AGAINST ANNUAL PERFORMANCE PLAN 2016/2017

ZADNA's success in carrying out the ECT Act mandate is explained in detail in the **2016/2017 Annual Performance Report (Annexure A)**, which explains the achievements against set performance targets. There was a total of 43 targets for the year, and ZADNA achieved 32 (74.4%) of the targets. There were 9 targets (19%) that were not achieved. These are deferred to 2017/2018. Only 2 targets (7%) were completely unachieved, and will no longer be pursued for various reasons.



FINANCIAL PERFORMANCE

Expenditure was contained within budget. The domain name fees were budgeted at R12.00 (VAT exclusive) per domain name following the increase from R7.00 to R12.00 in the domain names fees payable to ZADNA by ZACR. However, due ZACR declaring a dispute against the fee increase, the fees were only collected at R7.00 pending finalization of the arbitration proceedings. Notwithstanding, ZADNA utilised its surplus to compensate for the shortfall, and this allowed ZADNA to achieve its annual targets without revising the budget downward.

Statement of Financial Position as at 31 March, 2017

	Note(s)	2017 R	2016 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	802,949	157,717
Current Assets			
Trade and other receivables	3	1,827,696	776,491
Cash and cash equivalents	4	4,947,592	10,454,327
		<u>6,775,288</u>	<u>11,230,818</u>
Total Assets		<u>7,578,237</u>	<u>11,388,535</u>
Equity and Liabilities			
Equity			
Retained surplus/(deficit)		6,550,288	10,558,214
Liabilities			
Current Liabilities			
Trade and other payables	6	1,027,949	830,321
Total Equity and Liabilities		<u>7,578,237</u>	<u>11,388,535</u>

The 2016/2017 Audited Financial Statements are attached as **Annexure B**.

4 STRATEGIC PRIORITIES

ZADNA's strategic priorities and Annual Performance Plan (APPs) are informed by the mandate stipulated in the ECT Act.

4.1 ZADNA's Mandate

Chapter X (Section 65(1)) of the ECT Act 25 of 2002 stipulates ZADNA's mandate to be as follows:

"The Authority (ZADNA) must—

- (a) Administer and manage the .ZA domain name space;*
- (b) Comply with international best practice in the administration of the .ZA domain name space;*
- (c) License and regulate registries;*
- (d) License and regulate registrars for the respective registries;*
- (e) Publish guidelines on—*
 - (i) the general administration and management of the .ZA domain name space;*
 - (ii) the requirements and procedures for domain name registration; and*
 - (iii) the maintenance of and public access to a repository,*
with due regard to the policy directives which the Minister (of Communications) may make from time to time by notice in the Gazette.
- (f) Enhance public awareness on the economic and commercial benefits of domain name registration;*
- (g) Conduct such investigations as it may consider necessary;*
- (h) Conduct research into and keep abreast of developments in the Republic and elsewhere on the domain name system;*
- (i) Continually survey and evaluate the extent to which the .ZA domain name space meets the needs of the citizens of the Republic; and*

- (j) From time to time, issue information on the registration of domain names in the Republic.*
- (k) When so requested by the Minister, make recommendations to the Minister in relation to policy on any matter relating to the .ZA domain name space; and*
- (l) Continually evaluate the effectiveness of the ECT Act and things done in terms thereof towards the management of the .ZA domain name space.”*

Section 65(1) forms the core mandate of ZADNA, but in addition to it, Section 68 gives ZADNA an ability to make wide-ranging regulations as follows:

“The Authority may, with the approval of the Minister, make regulations regarding—

- (a) The requirements which registries and registrars must meet in order to be licensed, including objective standards relating to operational accuracy, stability, robustness and efficiency;*
- (b) The circumstances and manner in which registrations may be assigned, registered, renewed, refused, or revoked by the registries with due regard to the express recognition of the right of groups and members of groups within the Republic to identify with, use or communicate cultural, linguistic, geographical, indigenous or any other expressions of heritage including any visual or audible elements or attributes thereof;*
- (c) Pricing policy;*
- (d) Provisions for the restoration of a domain name registration and penalties for late payments;*
- (e) The terms of the domain name registration agreement which registries and registrars must adopt and use in registering domain names, including issues in respect of privacy, consumer protection and alternative dispute resolution;*
- (f) Processes and procedures to avoid unfair and anti-competitive practices, including bias to, or preferential treatment of actual or prospective registrants, registries or registrars, protocols or products;*
- (g) Requirements to ensure that each domain name contains an administrative and technical contact;*

- (h) The creation of new sub-domains;*
- (i) Procedures for ensuring monitoring of compliance with the provisions of this Act and the regulations provided for in this Chapter, including regular .ZA domain name space technical audits;*
- (j) Such other matters relating to the .ZA domain name space as it may be necessary to prescribe to achieve the objectives of this Chapter; and*
- (k) Policy to be applied by the Authority.”*

In addition, Section 69 of the Act mandated the Minister to promulgate Alternative Dispute Resolution (ADR) Regulations for the resolution of .ZA domain name disputes. The Regulations were promulgated in 2007, and allocate ZADNA the following responsibilities:

- (a) Accreditation of ADR providers;
- (b) Establishment of a fund to provide ADR financial assistance; and
- (c) Publication of ADR decisions on the ZADNA website.

4.2 2016/2017 Annual Performance Plan

ZADNA’s 2016/2017 APP was based on the abovementioned stipulations of the Act and ADR Regulations. Under each strategic goal was a set of performance targets for the year. A detailed **Annual Performance Report** is provided below **(Annexure A)**.

5 CORPORATE GOVERNANCE AND OPERATIONS

5.1 Board of Directors

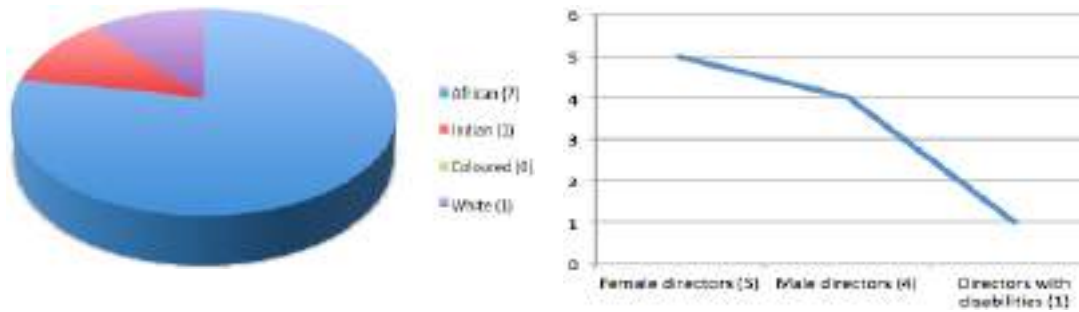
The Minister appoints ZADNA non-executive Directors (NEDs) as stipulated in Chapter X of the ECT Act. The Act stipulates that the Minister should appoint nine (9) NEDs. The current NEDs are:

Table 1: Current ZADNA Directors

Director	Tenure	Date appointed
1. Adv. Motlatjo Ralefatane (Chairperson)	4 years	1 March 2015
2. Mr. Mfana Msibi (Treasurer)	4 years	1 March 2015
3. Mr. Antony Brooks	4 years	1 March 2015
4. Ms. Nirvani Dhevcharran	4 years	1 March 2015
5. Mr. Mcebo Khumalo	4 years	1 March 2015
6. Dr. Nono Mohutsioa-Mathabathe	4 years	1 March 2015
7. Ms. Mokgadi Morata	4 years	1 March 2015
8. Dr. Nondumiso Mzizana	4 years	1 March 2015
9. Dr. Jonty Tshipa	4 years	1 March 2015

The tenure is determined in the ZADNA Memorandum and Articles of Association, and ranges from 3 to 4 years. The Articles allow each Director to serve a maximum of 2 tenures in succession. In the current Board, Mr. Antony Brooks and Ms. Nirvani Dhevcharran are serving second terms and will, therefore, be ineligible for re-appointment when the current tenure ends. **Figure A** is a breakdown of the Board composition across race, gender and people with disabilities.

Figure A: Board composition



Mr. Vika Mpisane (ZADNA CEO) is also an ex officio member of the Board and is currently the only executive of the company. ZADNA is in the process of appointing a Company Secretary. In the meantime, company secretarial services are provided by DUJA Chartered Accountants.

5.2 Board Meetings

During 2016/2017 the Board met every quarter and also had special meetings. **Table 2** lists the Board meetings that were held and the key matters to which the Board meetings focused.

Table 2: Board meeting in 2016/2017

Board meeting date	Main purpose
12 May 2016	This ordinary Board meeting dealt with Committee reports, approved the 2015/2016 Quarter 4 Report, Risk Management Policy, Corporate Governance Framework, Financial Controls Policy and ZADNA's office relocation.
22 July 2016	This ordinary Board meeting considered Committee reports, and approved the 2016/2017 Quarter 1 Report, the 2015/2016 Annual Report and Audited Financial Statements, Board Self-Evaluation Framework, amended organogram, salary grading framework, DNSSec Practice Statement and Policy, Nic.za Charter and Africa IGF 2017 sponsorship.
1 August 2016	This was a special Board meeting (teleconference) that discussed the issue of a Director who was interested in applying for an employment vacancy at ZADNA.
25 October 2016	This was a strategic planning workshop of the Board that considered the revised 2017/2018 to 2019/2020 strategic plans and objectives.
26 October 2016	This ordinary Board meeting considered Committee reports, and approved the Quarter 2 Report, amended Delegation of Authority Policy and Schedule, appointment of new staff, appointment of internal auditor, amended Techcom Charter, and draft strategic plan.
26 January 2017	This ordinary Board meeting considered Committee reports, and approved the Quarter 3 Report, Risk Register, amended Charter of the Finance, Risk and Audit Committee, and deduction of PAYE from Director compensation.
10 February 2017	This was a special Board meeting that focused on, and approved, the final 2017/2018 to 2019/2020 strategic plan, 2017/2018 Annual Performance Plan and Budget, Employee Recruitment and Selection Policy, ICT Acceptable Usage Policy, Marketing and Advertising Policy, and Stakeholder Relations Policy.

5.3 Director Attendance Report

Table 3 below outlines the attendance of Board meetings by individual Directors. There were 4 ordinary (quarterly) Board meetings and 3 special Board meetings during the year. Director attendance of the Board meetings was impressive with 6 of the Directors attending all the meetings.

Table 3: Directors' Board meeting attendance

Director name	Board meeting dates							Total
	12 May 2016	22 July 2016	1 August 2016	25 October 2016	26 October 2016	26 January 2017	10 February 2017	
Motlatjo Ralefatane	✓	✓	✓	✓	✓	✓	✓	7
Ant Brooks	✓	✓	✓	✓	✓	✓	✓	7
Nirvani Dhevcharran	✓	X	✓	✓	✓	✓	X	5
Mcebo Khumalo	✓	✓	✓	✓	✓	✓	✓	7
Nono Mohutsioa- Mathabathe	✓	✓	✓	✓	✓	✓	✓	7
Mokgadi Morata	✓	X	✓	✓	X	✓	X	4
Nondumiso Mzizana	✓	✓	✓	✓	✓	✓	✓	7
Mfana Msibi	✓	✓	✓	✓	✓	✓	✓	7
Jonty Tshipa	✓	✓	X	✓	✓	✓	✓	6

5.4 Board Self-Evaluation

The Board of Directors introduced a process of self-evaluation for the first time. This was done to allow the Board to self-critique and identify areas of improvement. The evaluation was concluded in the fourth quarter, and it showed that the Board is heading in the right direction in the performance of its fiduciary responsibilities. The evaluation outcomes were documented and discussed, and used to set improvement targets for 2017/2018. The self-evaluation exercise will be conducted on an annual basis.

5.5 Board Committees

The Board has 3 standing committees. The Board rotated Committee members towards the end of 2016/2017 as means of exposing the Directors to all ZADNA's operations. The rotations were scheduled to become effective in 2017/2018. **Table 4** shows the composition of Board Committees at the end of the 2016/2017 financial year.

Table 4: Current ZADNA Board Committee composition

Manco	Farco	Techcom
1. Dr Nono Mohutsioa-Mathabathe (Chair)	1. Mr. Mfana Msibi (Chair)	1. Mr. Anthony Brooks (Chair)
2. Dr. Nondumiso Mzizana	2. Dr. Nono Mohutsioa-Mathabathe	2. Ms. Nirvani Dhevcharran
3. Mr. Mcebo Khumalo	3. Dr. Nondumiso Mzizana	3. Mr. Mfana Msibi
4. Ms. Mokgadi Morata	4. Dr. Jonty Tshipa	4. Ms. Mokgadi Morata

(a) Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee (FARCO) met in each quarter. **Table 5** shows the Committee meetings held and each member's attendance thereof.

Table 5: Farco member attendance

Farco members	03/05/2016	11/07/2016	17/10/2016	19/01/2017	Total
Mr. Mfana Msibi (Chair)	✓	✓	✓	✓	4
Dr. Nono Mohutsioa- Mathabathe	✓	✓	✓	✓	4
Dr. Nondumiso Mzizana	X	✓	✓	✓	3
Dr. Jonty Tshipa	✓	✓	✓	✓	4

(b) Management Committee (Manco)

Table 6 outlines Manco meetings and member attendance thereof during the year:

Table 6: Manco member attendance

Manco members	14/04/ 16	09/06/ 16	14/7/1 6	18/08/ 16	29/08/ 16	15/09/ 16	24/10/ 16	20/01/ 17	Total
Dr Nono Mohutsioa - Mathabathe (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	8
Ms. Mkgadi Morata	✓	✓	✓	✓	✓	✓	✓	✓	8
Dr. Nondumiso Mzizana	X	X	X	X	X	X	✓	✓	2
Mr. Mcebo Khumalo	✓	✓	✓	✓	✓	✓	✓	✓	8

(c) Technical Committee (Techcom)

The Technical Committee (Techcom) met in each quarter and also held a special workshop to orientate its members of latest technical trends in the domain name sector(**Table 7**).

Table 7: Techcom member attendance

Techcom members	4/5/2016	6/7/2016	13/7/2016	7/10/2016	18/1/2017	TOTAL
Mr. Antony Brooks (Chair)	✓	✓	✓	✓	✓	5
Ms. Nirvani Dhevcharran	✓	✓	X	✓	✓	4
Mr. Mfana Msibi	✓	✓	✓	✓	✓	5
Ms. Mokgadi Morata	X	✓	✓	✓	✓	4

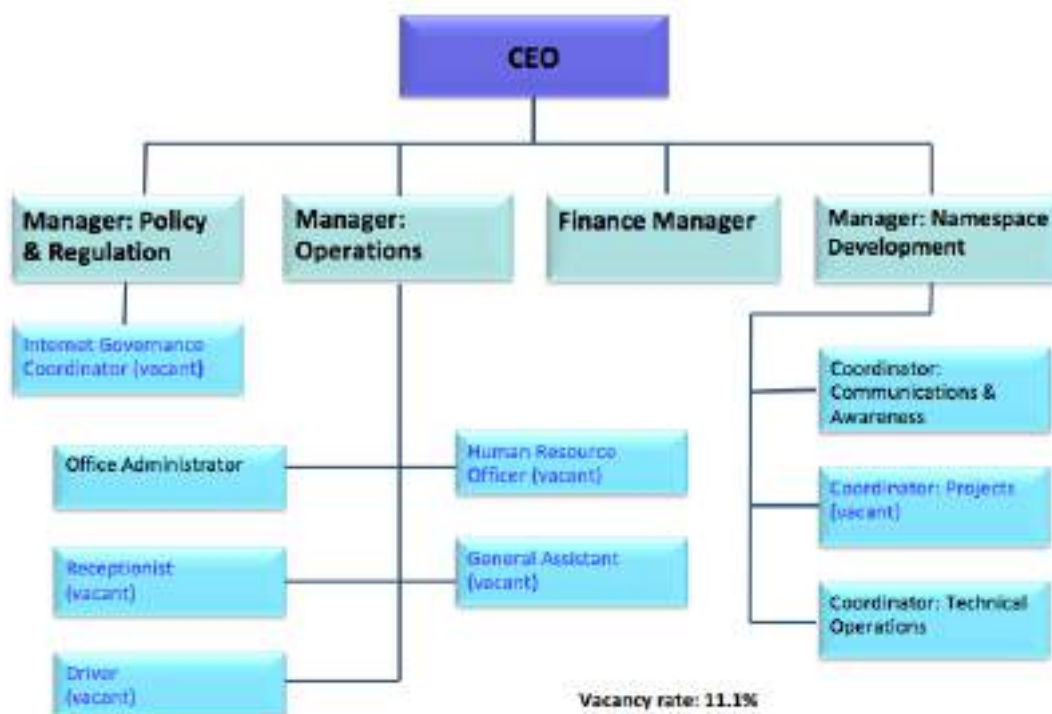
5.6 Human Resources

During the 2016/2017, ZADNA grew its staff headcount in line with its strategic plans. The number of employees grew from 3 full-time employees to 7 full-time employees, 3 of which are managers. A temporary employee was also employed to provide general office assistance (she was employed on a permanent basis after the end of the financial year).

The key driver to new staff appointments during the year was the need to fully discharge ZADNA's statutory mandate – something that ZADNA had not effectively achieved in the past due to limited financial and human resources. Mr. Peter Madavhu (formerly a Project Coordinator) was promoted to the position of Operations Manager from 1 August 2017.

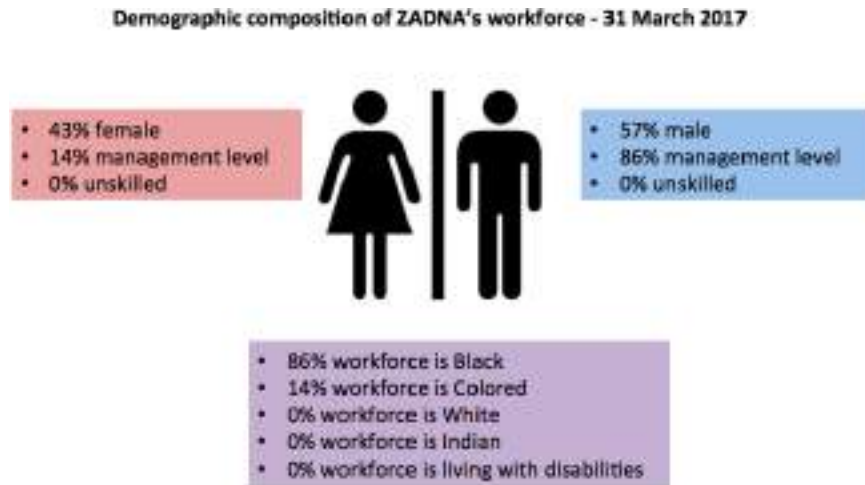
The vacancy rate, as at the end of the financial year, stood at a rate of 11.1% (see **Figure B**) below. The turnover rate was zero as there were no resignations (voluntary or non-voluntary) during the year under review. The Finance Manager position is currently outsourced due to the size of ZADNA and its limited financial activities.

Figure B: ZADNA organogram



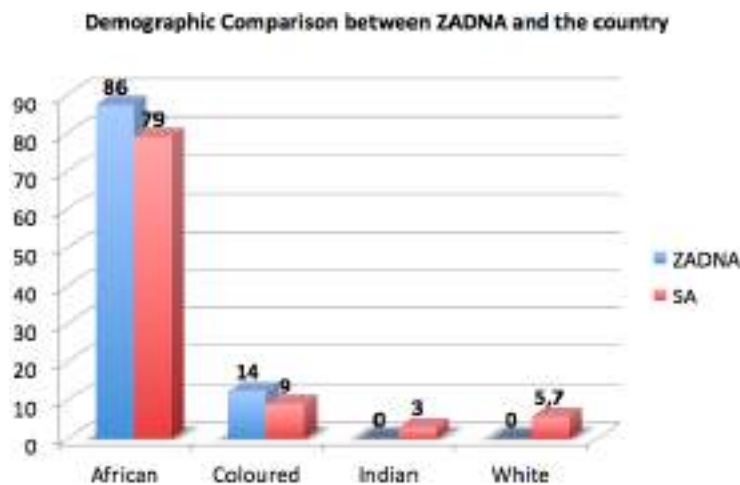
The demographic composition of ZADNA’s workforce improved in terms of gender from 100% male employee to a split of 43% female employees (excluding the then temporary General Assistant) and 57% male employees. One of the female employees holds a management position as the Policy and Regulation Manager. The demographic composition of the workforce still requires improvements in terms of race and people with disabilities (**Figure C**).

Figure C: Employee demographic composition



ZADNA's demographic composition is lagging behind the national demographic average in the employment of Indian and White employees (**Figure D**). Plans are underway to improve the demographic composition of the workforce in the 2017/2018 and 2018 and 2019 financial years.

Figure D:



5.7 Internship programme

For the first time since its inception, ZADNA implemented an internship programme. **Table 8** below lists the candidates that were participating in the internship programme that started in October 2016.

Table 8: ZADNA interns in 2016/2017

Intern name	Commencement date	Focus area
1. Ms. Angelina Manamela	1 November 2016	Marketing, communications
2. Ms. Lucia Mathonsi	1 November 2016	Administration, project support
3. Ms. Boitumelo Sebogodi	1 November 2016	Marketing, communications
4. Mr. Thamsanqa Mahayiya	1 October 2016	Administration, project support
5. Mr. Lereko Malapile	1 February 2017	IT, web development

The internship programme is spread over 12 months and is expected to end in October 2017. Our plan is to grant new internships once the current internship programme ends. The interns are assigned responsibilities across different divisions of the organisation, and participate in cross-cutting projects, under each divisional manager's supervision, to ensure that they get maximum exposure to ZADNA's business.

The possibility of granting employment to some of the interns will be explored towards the end of the internship, depending on ZADNA's organisational needs and performance of individual interns.

6 POLICY AND REGULATION

ZADNA's work as the .ZA country code Top Level Domain (ccTLD) manager involves substantive policy development work. In 2016/2017, the focus was on finalizing outstanding SLD charters. The targeted performance outcomes focussed on the review of the school.za and law.za charters. The achievement of the outcome required ZADNA to work in cooperation with the 2 SLD administrators.

6.1 SLD Charters

The school.za charter was reviewed and published for public comment. The purpose of the review was to assist the school.za administrator and registry operator to implement a new registration model that allows South African schools to register names at the third level (e.g. yourhigh.school.za) instead of the fourth level (e.g. yourhigh.gp.school.za). Although the school.za charter could not be finalised, the school.za registry operator was able to commence third level registrations with ZADNA's support.

The law.za charter was also reviewed in consultation with the different law societies, and was subsequently published for public comment. Its pricing framework remains unchanged following the consultation process, but is subject to annual review going forward. One of the key determinations that the law societies will make in the future is the possibility of allowing all lawyers (including advocates and law firms) to register law.za. Currently, law.za is accepting domain name applications from attorneys only.

6.2 .ZA General Policy

The implementation of the .ZA SLD General Policy has progressed smoothly since it became effective in April 2015. ZADNA reviewed the implementation especially within the ZACR SLDs (i.e. co.za, law.za, org.za, net.za and web.za) during 2016/2017. The review focused in the protection of personal information, Whois service, and Data Uniformity Policy (DUP). The DUP is a policy that ZACR developed, with ZADNA's input, to align its registry data structure with the requirements of the General Policy. ZADNA's review showed that ZACR's implementation of the General Policy was stable.

6.3 .ZA Domain Name Disputes

In 2016/2017, ZADNA submitted comprehensive, proposed amendments to the .ZA Alternative Dispute Resolution (ADR) Regulations. The amendments were canvassed from the .ZA ADR practitioners and focused on substantive and procedural areas. The Minister is expected to conduct a public consultation and thereafter promulgate the amendments in the course of 2017/2018.

Since April 2007, the ADR Regulations have helped resolved at least 215 domain name disputes involving around 250 domain names. The ADR decisions can be accessed at <https://www.zadna.org.za/content/page/adr-decisions/>.

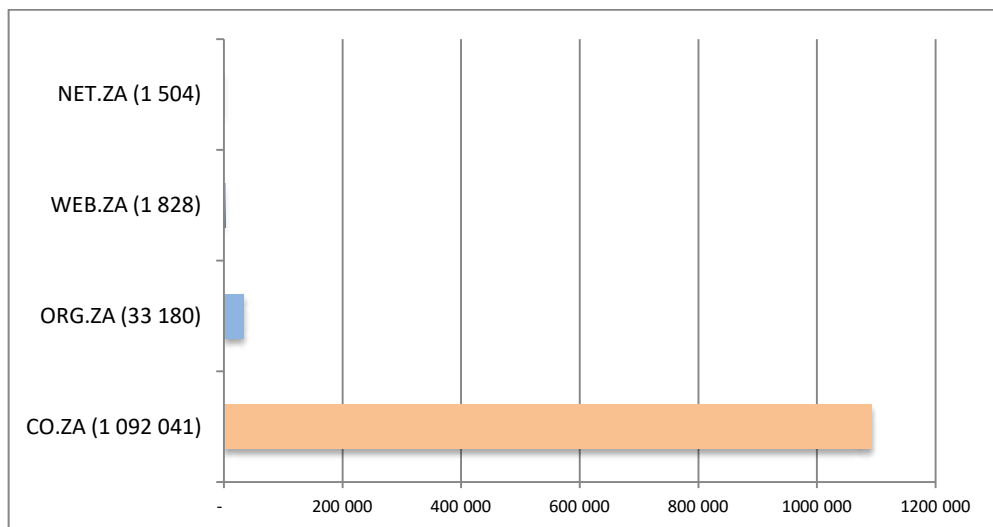
7 .ZA NAMESPACE DEVELOPMENT

The .ZA namespace continues to grow albeit at a steady rate due to increasing competition from the around 1 300 gTLDs that ICANN delegated from late 2012.

7.1 Commercial SLDs

The focus of .ZA’s growth was in the commercial SLDs (i.e. co.za, net.za, org.za and web.za), and these are the SLDs from which ZADNA receives revenue. There was a total of 1128553 paid-for domain name registrations across these SLDs by March 2017 (**Figure E**). Of these, co.za accounted for 1 092 041 (97%) registrations.

Figure E: Total registrations in commercial SLDs



The growth in co.za is founded on its brand value as the flagship SLD that was always available to the public without any restrictions, whereas org.za was restricted to not-for-profit entities until 2014 when it was opened to the public on

a first-come, first-served basis. Net.za and web.za were also restricted and did not accept any new registrations for almost 10 years. They resumed acceptance of new registrations on a first-come, first-served basis in 2014.

The fact that .ZA remains popular in South Africa and foreign markets is visible from the fact that there were more domain names registered than deleted in the commercial SLDs. **Figure F** shows the co.za new registrations (“creates”) versus deregistered domain names (“deletes) in both the EPP registry system and the old legacy system.

Figure F: Co.za creates vs deletes

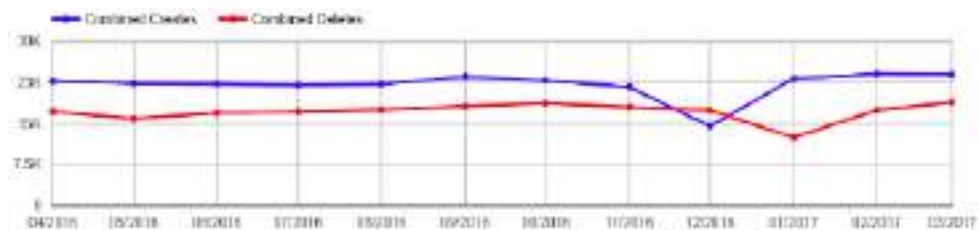


Figure G below shows the net gain of co.za renewals and new registrations over net deletions during the years. Except for January 2017 when the net monthly gain exceeded 10 000 registrations over deletions, the average monthly net gain was 5 000 more registrations and renewals than deletions.

Figure G: Co.za gains vs loss



Figure G shows that December 2017 was the only month when more co.za names were de-registered than were registered. This is in line with previous years because domain name registrations during December to January normally slow down globally, and this is due to less business activity resulting from the festive season.

7.2 Commercial and non-commercial SLD performance

Outside of the commercial SLDs, there is usually very limited growth. This is because non-commercial SLDs are restricted to specific communities, impose eligibility requirements, and are, therefore, not available on a first-come, first-served basis. **Figure H** below shows the total number of registrations across all .ZA domains (commercial and non-commercial).

Figure H: Total .ZA SLD performance as at 31 March 2017

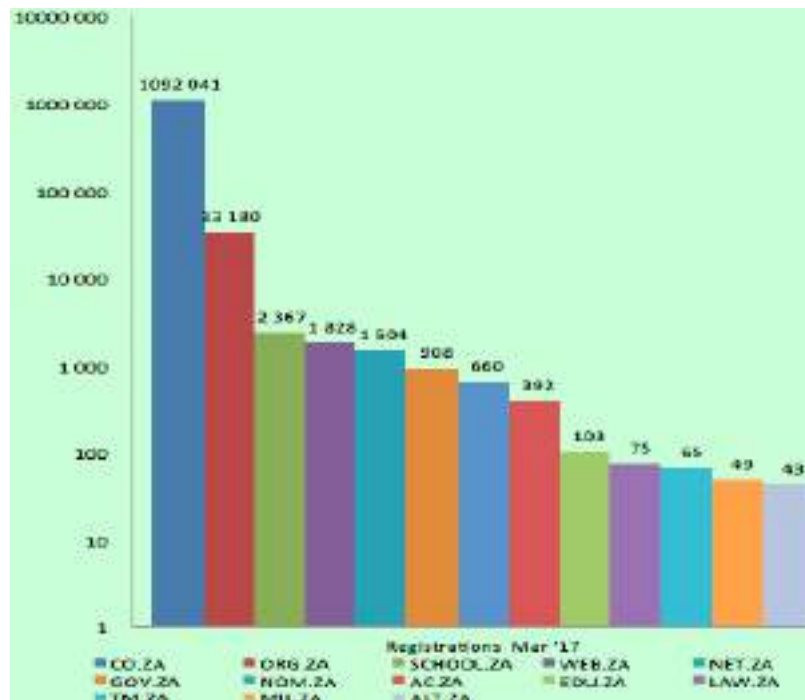


Figure 1 compares the performance of each SLD by 31 March 2017 with performance in March 2016 based on the registration figures. It is notable that alt.za, law.za, mil.za and tm.za experienced no growth during the year. Alt.za and tm.za are not expected to grow any further because they ceased accepting new registrations more than a decade ago.

Figure 1: Total .ZA registrations between 2016 and 2017

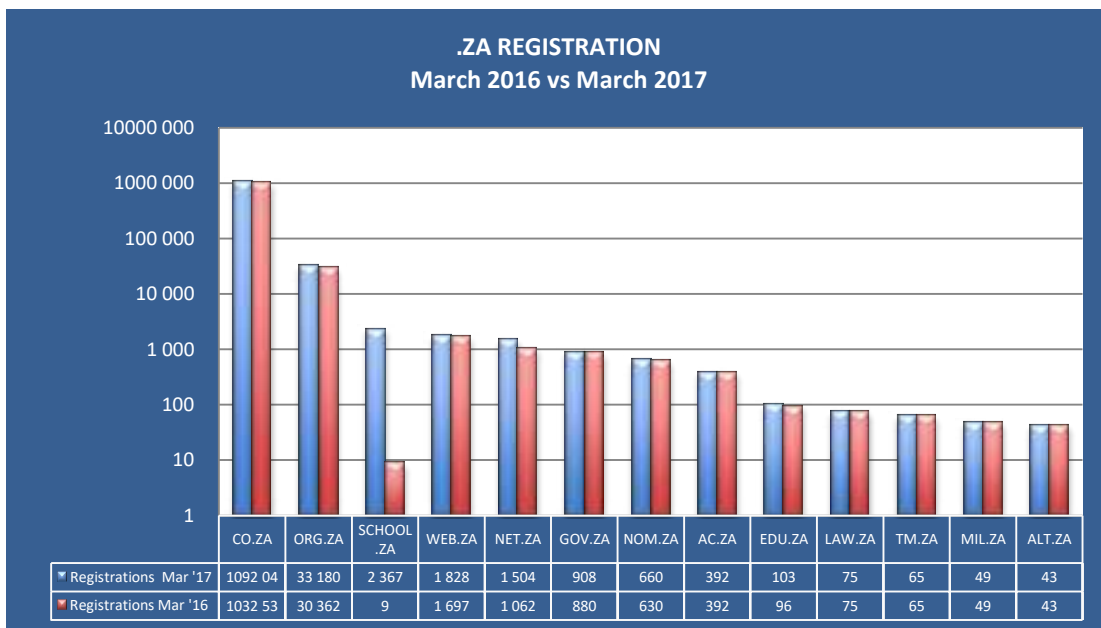


Table 9 shows that of all the non-commercial SLDs, only edu.za, gov.za, nom.za and school.za experienced some growth. Edu.za grew by 7 new registrations. Gov.za grew by 28 new registrations during the 2016/2017 financial year, and nom.za grew by 30 new registrations. All commercial SLDs (co.za, net.za, org.za and web.za) experienced growth.

Table 9: .ZA registrations by 31 March 2017 vs 31 March 2016

SLD	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16	Variance
	Registrations	Percentage	Registrations	Percentage	
ac.za	392	0,0%	392	0,0%	-
alt.za	43	0,0%	43	0,0%	-
co.za	1 092 041	96,4%	1 032 539	96,7%	59 502
edu.za	103	0,0%	96	0,0%	7
gov.za	908	0,1%	880	0,1%	28
law.za	75	0,0%	75	0,0%	-
mil.za	49	0,0%	49	0,0%	-
net.za	1 504	0,1%	1 062	0,1%	442
nom.za	660	0,1%	630	0,1%	30
org.za	33 180	2,9%	30 362	2,8%	2 818
school.za	2 367	0,2%	9	0,0%	2 358
tm.za	65	0,0%	65	0,0%	-
web.za	1 828	0,2%	1 697	0,2%	131
TOTAL	1 133 215	100%	1 067 899	100%	65 316

The growth in school.za registrations is not as strong as it appears: in March 2016, only on 3rd level registrations were reported, and these amounted only to 9 because the 3rd level was then reserved for the 9 provinces. In 2016/2017, the report covers both 3rd level registrations (yourhigh.school.za) and 4th level registrations (yourhigh.gp.school.za). This is because since early 2017, school.za abandoned the 4th level registration model and replaced it with 3rd level registrations.

7.3 Registrar Market Expansion

The number of accredited registrars continued to grow steadily, and this augurs well for the growth of .ZA going forward. This is because registrars provide the marketing and sales channel that reaches out to end users. The number of registrars grew from 429 in March 2016 to 462 in March 2017 (**Table 10**), which amounts to 33 new registrars (i.e. a 7.7% growth) added during 2016/2017.

Table 10: growth in .ZA registrar accreditation

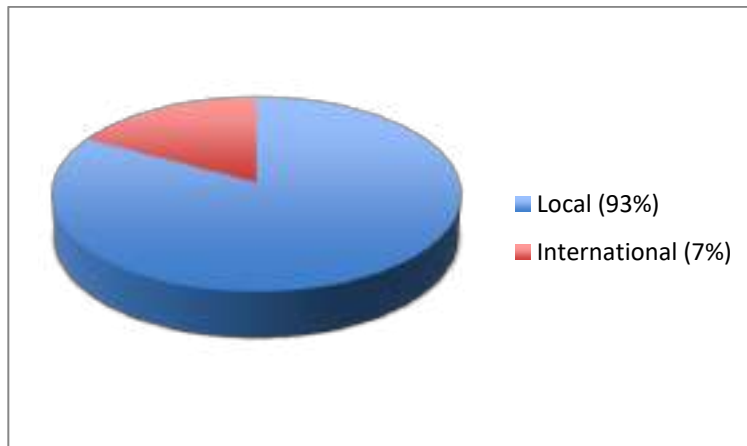
ZACR Registrar Accreditation			
	31-Mar-17	31-Mar-16	Variance
Accredited	462	429	33
In testing	51	54	-3
In application	504	251	253
ICANN registrars	79	63	16

The number of registrars “in testing” was slightly less in March 2017 than the same period in 2016. What matters is the fact that the number of accredited registrars increased since March 2016. This shows a continued, increasing interest in provisioning .ZA domain name registration by local and international Internet service providers (ISPs).

The interest is evident from there being 504 applications by 31 March 2017 compared to 251 by 31 March 2016 – a 100% increase. The radical increase in registrar accreditation applications is partially attributable to the success of ZADNA’s registrar-reseller capacity building initiative(see “Registrar-Reseller Project” below) that were held across different provinces in 2016/2017.

The number of ICANN-accredited registrars (i.e. international registrars) that have .ZA accreditation also grew by 16 new registrars over the same period - a 25% increase. **Figure J** shows the percentage of international registrars (both ICANN-accredited and non-ICANN-accredited) in comparison to local registrars.

Figure J: local vs international registrars



The increase in ICANN-accredited registrars that are accredited for .ZA signifies the integrity, trust and reputation of .ZA as an Internet namespace. It shows that .ZA is recognised globally and that international registrars are keen to add .ZA as one of their domain name products that they sell to their global customers.

7.4 Registrar-Reseller Development

Having a solid registrar base is a well-accepted best practice in the domain name industry. Accordingly, ZADNA focused on contributing to the growth in local registrars and resellers, and our focus was on youth and Black-owned ICT startups (e.g. web designers and hosting resellers).

This was done through the “.ZA Domain Name Business” workshops that ZADNA held in different locations during 2016/2017 (**Figure K** below) and were aimed at prospective registrars. More than 150 attendants participated the workshops, and the majority came from the youth, web developers and hosting resellers. *Figure K* provides a snapshot of the workshops held in Mamelodi, Wits University, Polokwane and Pietermaritzburg.

Figure K: ZADNA Registrar-Reseller Trainings

In Mamelodi



In Wits University



In Polokwane



In Pietermaritzburg



The main objective of our Registrar-Reseller Development project is to introduce local startups to business opportunities in the domain name value chain, and outline different options that are available to new entrants and ways in which they can obtain .ZA registrar accreditation.

Resulting from the training, ZADNA assisted 2 new entrants to obtain .ZA registrar accreditation between January and March 2017. The 2 companies are *ML Data Computer Systems* (mldata.co.za) and *Route 404 Digital Consultants* (route404.co.za). The support offered to prospective registrars focuses on limiting the barriers inherent in technical (IT) accreditation and negotiating accreditation fee waivers for the applicants. More details about this achievement are provided for in the **2016/2017 Annual Performance Report (Annexure A)**.

7.5 Communications and Awareness

The appointment of additional staff during November 2016 helped ZADNA significantly increase its communications and awareness reach. The details are provided in the Annual Performance Report, but it suffices to point out that ZADNA achieved all, and excelled some of, its communications and awareness performance targets.

In particular, in Quarter 4 ZADNA significantly increased its performance by running an education and awareness campaign covering online platforms (**Figure L**), print media (**Figure M**) and radio channels during February and March 2017.

Figure 1: ZADNA online banners



Figure M: City Press advert (19 March 2017)



.zadna
Domain Name Authority

GET A .ZA DOMAIN FOR YOUR BUSINESS AND GROW YOUR ONLINE PRESENCE

What is a domain name?

A domain name is a string of letters and numbers provided by the domain name system (DNS) to allow people to find their way to the Internet using names instead of the numeric Internet Protocol (IP) addresses. The Domain Name System (DNS) works by the collaborative effort of recording the files of computers and linking those files to the number that they need when you call them to get to reach that name. Likewise, the DNS shows you how to get to the domain name inside of a file (IP address), e.g. yourname.co.za.

Why choose a .ZA domain name?

- A .ZA domain name gives you a **clear South African online ID**, making it clear to visitors that you're South African from a .ZA domain name.
- .ZA domains work better on mobile devices as they're easier to type on a smaller screen and allow names to be registered online without having to physically visit a registrar.
- .ZA registration fees are very competitive** (e.g. .ZA, .co.za, .net.za, .org.za & .info.za are all the same cost) and are less than what you'd pay for other non-South African domains. And .ZA.co.za, .ZA.net.za, .ZA.org.za and .ZA.info.za are all **free!**
- .ZA has a proven track record for being a top choice for e-commerce and other online businesses. The system provides a platform for the registration of names that can be used to create a highly visible and trustworthy online presence that can be used to build a brand.
- You will be working in the southern internet landscape year after year, and in South Africa, .ZA registration has a wide and a number of South African schools to have computer facilities and their staff trained on how to use them. .ZA has a proven track record and published more than 100 school websites in the last 10 months. Just call from the help desk to register .ZA names.
- Global potential & extensions online** through your .ZA website. An extension for the internet is always when people search for South African business products & services.
- A .ZA domain name (web address) gives you exclusive South African online real estate. It's a valuable online media page that helps to get better and consistent .ZA domain name domain you to get to your own page to get back online again.
- The .ZA domain name is your own .ZA website and generates the revenue through advertising as you can be your own ads.

USE A .ZA WEBSITE TO TRACK AND MEASURE WHICH PRODUCT OR SERVICE YOUR WEBSITE VISITORS ARE LOOKING FOR, AND REORDER WHAT TO ADVERTISE.

What can I do with my .ZA domain?

Look professional with your very own personalised .ZA email address & .ZA website page | Link your social media profiles to your .ZA website | Advertise on your own .ZA web address | Open an online store using your .ZA website

How do I register a .ZA name?

- 1 Choose Your Name**
- 2 Check Your Budget**
- 3 Availability Check**
- 4 Register Your Name**

There are lots of free web address registrars to choose from and that offer very very competitive and processes.

You can register to another name or to another second level domain if you think this is a good idea.

Your rights will now expire and dates when you will have to pay them for the include website and email hosting cost.

For more info on domain name registration and how you can use your .ZA domain name to boost your business growth and enhance your online presence, please call 0800 123 456 or email info@zadna.org.za or visit us online at <http://www.zadna.org.za> or <http://www.zadna.co.za>

The campaign was run under “*Your Online Presence is Our Business*” tag line. Our radio campaign was translated into IsiZulu, IsiXhosa, IsiNdebele, IsiSwati, SeSotho, SePedi and Tshivenda, amongst others, and was aired in relevant indigenous language radio stations. The use of indigenous languages is important to ensure inclusion in domain name awareness and literacy. As a result, the number of domain name enquiries that ZADNA received significantly increased as the public became more aware of ZADNA and of the importance of registering .ZA domain names.

ZADNA’s social media channels became more active from March 2017 due to the campaign. **Figures N** and **O** below show performance in Facebook once the media campaign commenced in March 2017.

Figure N: @dotZADNA Facebook page performance

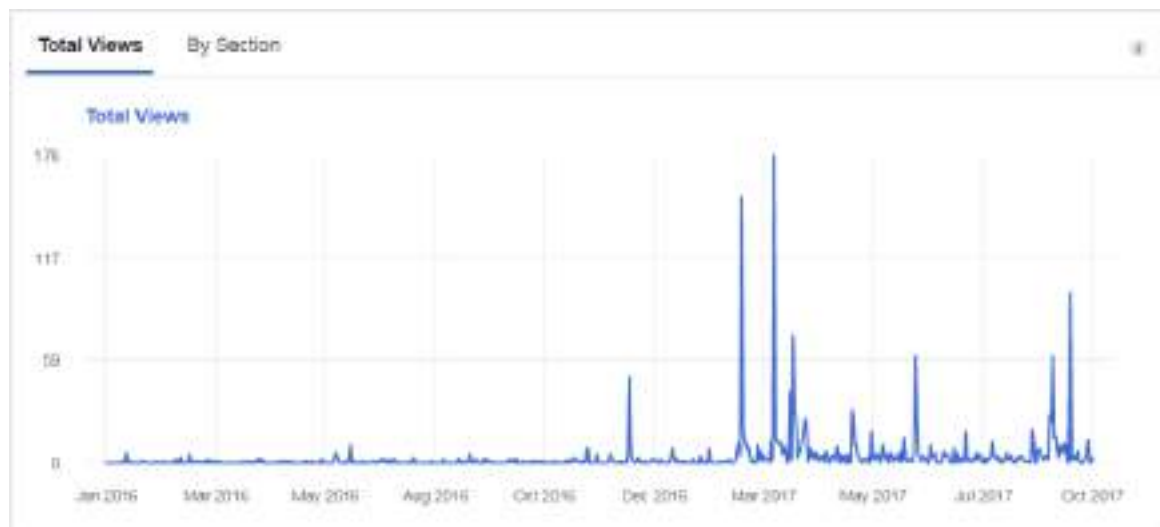
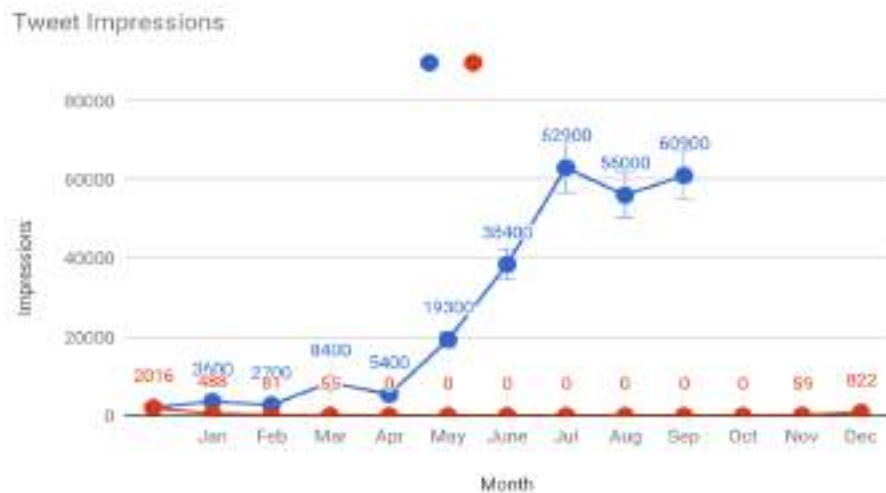


Figure O: @dotZADNA Facebook page likes



ZADNA’s social media presence goes beyond Facebook and includes Twitter, Instagram, YouTube, LinkedIn, Flickr and Google Plus. **Figure P** shows performance on Twitter. The Twitter performance mirrors that of the ZADNA Facebook page, and is a result of the awareness campaign that commenced in February 2017.

Figure P: @dotZADNA Tweet Impressions



Twitter impressions are a number of times a Twitter subscriber interacts with a Tweet (i.e. Twitter post). They include Retweets, replies, follows, likes, links, cards, hash tags, embedded media, username, profile photo and Tweet expansion. *Figure P* shows that ZADNA's tweets grew significantly starting from January 2017 and reached 8 400 actual views of ZADNA posts on Twitter. The reach of ZADNA posts on Twitter has since then grown to reach significantly to reach 62 900 impressions by July 2017.

The social media channels have improved ZADNA's engagements with the public, registrars and domain name holders especially from February 2017 when ZADNA ran a countrywide awareness campaign. Regular, relevant updates are posted, and the public is able to have quick ZADNA responses to their queries.

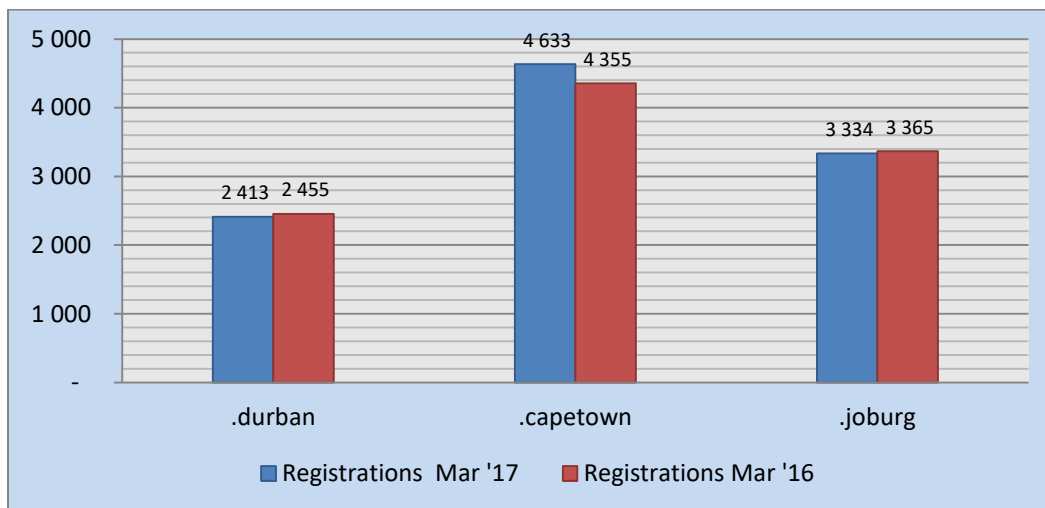
ZADNA's website management also significantly improved, and will improve more going forward due to the work being done to integrate the ZADNA website (www.zadna.org.za) to the social media channels, and to measure the traffic to the website.

7.6 dotCities

In 2015/2016, ZACR launched the dotJoburg, dotDurban and dotCapeTown (i.e. dotCities) TLDs with ZADNA's endorsement. ZADNA does not receive any revenue from the dotCities but continues to monitor their growth. The growth of the dotCities has not progressed as fast as initially anticipated (*Figure Q*), and this is largely because of passive marketing and awareness and much higher registration pricing than .ZA.

There is significant growth potential in the number of domain name registrations in .joburg, .durban and .capetown because these TLDs are uniquely South African and are more pointed in terms of geographic location. Other cities that have their own dedicated dotCities have experienced more growth. For example, .nyc (New York City), .Tokyo and .London each exceeds 70 000 registrations since they were launched between 12 and 24 months ago.

Figure Q: dotCities growth



The above graph shows that only .capetown experienced growth between March 2016 and March 2017 (it grew by 278 new registrations). The .durban and .joburg TLDs did not grow during the period, but actually lost a limited number of registrations due to non-renewal of registrations. So far, the marketing efforts of ZACR (the dotCities operator) have not yielded any meaningful impact, and more community awareness and marketing will be required going forward.

8 COMMUNITY ENGAGEMENT

In 2015/2016, ZADNA piloted the *Schools Online Presence Project* by developing and donating at least 10 websites to schools in Gauteng. In 2016/2017, ZADNA significantly expanded the reach of the Project: 135 school websites with URLs ending in .ZA were published. The purpose of this Project is two-fold: (a) to encourage usage of .ZA websites in the schools sector (which in itself boosts .ZA domain name registrations), and (b) to create public awareness about the importance of .ZA domain names.

The project is implemented under our “*Your Online Presence is our Business*” tag line. The actual development and maintenance of the websites was outsourced to local web developers. Web developers were selected from the provinces where the concerned schools are located. For example, for schools in Limpopo, we selected a web developer based in Limpopo. This was done to ensure that participation in the project is not concentrated in Gauteng, but is decentralised to other provinces.

This means that ICT economic opportunities are spread throughout the country. ZADNA is responsible for hosting and website maintenance costs of all the donated websites, and our cost responsibility will run between 2 and 3 years for each school.

The list of published school websites is available in the Annual Performance Report below. **Figures R, S** and **T** are snapshots of some the school websites that ZADNA published in 2016/2017.

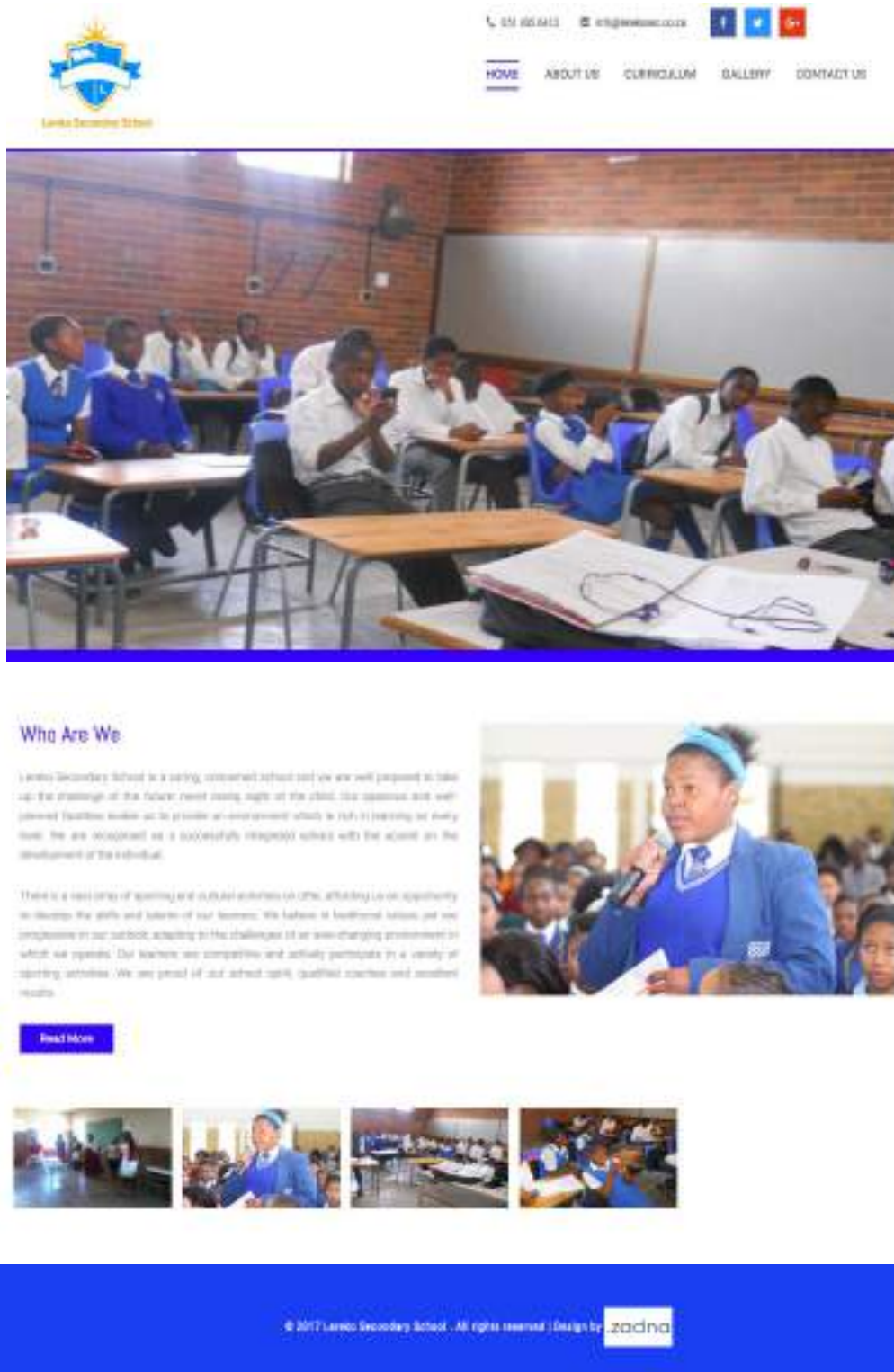
Figure R:

Noluthando School for the Deaf (<http://noluthandops.co.za>) Western Cape



Figure 5:

Lereko Secondary School(<http://lerkosec.co.za/>), Free State



The screenshot displays the website for Lereko Secondary School. At the top left is the school's crest, which features a shield with a cross and a banner, topped with a crown. To the right of the crest are contact details: a phone number (+27 853 6413), an email address (info@lerkosec.co.za), and social media icons for Facebook, Twitter, and YouTube. Below these are navigation links: HOME, ABOUT US, CURRICULUM, GALLERY, and CONTACT US.

The main content area features a large photograph of a classroom. Students in blue and white uniforms are seated at desks, some looking towards the camera and others at their work. A whiteboard is visible in the background.

Below the classroom photo is a section titled "Who Are We". It contains two paragraphs of text. The first paragraph states: "Lereko Secondary School is a caring, concerned school and we are well prepared to take up the challenge of the future: never being right at the start, but constant and well-planned learning enables us to provide an environment which is rich in learning for every learner. We are recognised as a successfully integrated school with the student as the development of the individual." The second paragraph states: "There is a rich culture of sporting and cultural activities on offer, affording us an opportunity to develop the skills and talents of our learners. We believe in continual review and are progressive in our outlook, adapting to the challenges of an ever-changing environment in which we operate. Our learners are competitive and actively participate in a variety of sporting activities. We are proud of our ahead-rising, qualified teachers and excellent results." To the right of this text is a photograph of a female student in a blue blazer speaking into a microphone.

Below the "Who Are We" section is a "Read More" button. At the bottom of the page is a blue footer bar containing the copyright notice: "© 2017 Lereko Secondary School. All rights reserved. Design by zadna" and the logo for "zadna".

Figure T:

Seshego High School (<http://www.seshegohigh.co.za/>), Limpopo

The screenshot displays the website for Seshego High School. At the top, there is a header with the school's name, contact information (Phone: 0833150015, Email: principal@seshegohigh.co.za / seshego@vodmail.co.za), and navigation links (HOME, CURRICULUM, MANAGEMENT & STAFF, ABOUT US, CONTACT US). The South African flag and the Limpopo Provincial Education logo are also present. Below the header is a large photograph of a classroom with students in white and red uniforms sitting at desks. The main content area features a "MESSAGE FROM THE PRINCIPAL" section with a photo of the principal, L. M. Mabelebele M, and a text message. Below this is a "HIGHLIGHTS" section with four cards: "Achievements", "High Matric Results", "Computer Centre", and "Spacious Classrooms". At the bottom is a "PHOTO GALLERY" section with four small images and a "See More Pictures" link. The footer contains copyright information and a logo for ZADNA.

Phone: 0833150015 | Email: principal@seshegohigh.co.za / seshego@vodmail.co.za

SESHIGO
HIGH SCHOOL
LIMPOPO

HOME | CURRICULUM | MANAGEMENT & STAFF | ABOUT US | CONTACT US

LIMPOPO
PROVINCIAL
EDUCATION

MESSAGE FROM THE PRINCIPAL



Welcome to Seshego High School. I, Mr. Mabelebele M, the Principal of the school, hope and believe you will enjoy knowing more about our school after going through the school's website.

Let me seize this opportunity to inform you that **Seshego High School** is a public school operating according to the statutes of the National Department of Education. This school strives to offer high quality service through zeal, imagination and common sense. Allow me to inform you that **Seshego High School** educators are proud of the service they render and are able to meet the demands of change. The school has produced prominent national and provincial leaders.

As you go through what appears on the website, I wish to invite your contribution in whatever positive way that will contribute towards the school's development.

I also wish to thank ZADNA (ZA DOMAIN NAME AUTHORITY), an organization that regulates the .za namespace in South Africa. Thank you for your contribution in assisting the school to have this website. We will forever remain grateful for this invaluable gesture.

Thank you

[Read More](#)

HIGHLIGHTS



Achievements

- The school is excelling in debate and athletics and has won numerous awards by the Limpopo Provincial government.



High Matric Results

- The school boasts in high pass rates.

[Read More](#)



Computer Centre

- The school has a computer centre.



Spacious Classrooms

- The school has spacious classrooms.

PHOTO GALLERY

See all our school moments in photos



[See More Pictures](#)

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9 TECHNICAL OPERATIONS

9.1 Nameserver infrastructure

ZADNA procured its own nameservers in 2015 in preparation for assuming full management of the .ZA zone file. The nameservers are hosted at COZA House and Terraco data centre. ZADNA manages the nameservers on its own with certain aspects outsourced to an IT service provider. The nameservers functioned without any interruption or outages during the year.

The .ZA zone consists of 3 Anycast nameservers and 2 Unicast servers (see **Table 11** below). Nsza.is.co.za is local name server and uses BIND, while disa.tenet.ac.za uses Windows operating system, which makes the entire .ZA zone diverse when it comes to operating platforms. Using different nameserver operating system is a best practice that enhances namespace robustness and resiliency.

Table 11: .ZA TLD name servers

```
;; ANSWER SECTION:
za.      604800  IN  SOA  nsza.is.co.za.
        dnsadmin.zadna.org.za. 2013082701 21600 3600 2592000 86400
```

```
;; AUTHORITY SECTION:
za.      86400  IN  NS   nsza.is.co.za.
za.      86400  IN  NS   za1.dnsnode.net.
za.      86400  IN  NS   disa.tenet.ac.za.**
za.      86400  IN  NS   za-ns.anycast.pch.net.
za.      86400  IN  NS   sns-pb.isc.org.
```

*** = disa.tenet.ac.za. has since then been dropped (as of October 2017) from ZADNA's nameservers due to its incompatibility with our DNSSEC implementation requirements.*

The nameservers provide ZADNA with diverse, reliable infrastructure capacity. The nameserver “*za1.dnsnode.net.*” is an Anycast server provided by Autonomica of Sweden. ZADNA has additional Anycast nameserver capacity in “*zans.anycast.pch.net.*” All the 3 Anycast servers are provided to ZADNA for free due to the small size of .ZA zone file that only has the 19 SLDs as its records.

9.2 Anycast and Unicast

Anycast allows at least 99% of ZA domain name data to be regularly backed up across different geographically distributed servers across the globe. Unlike Unicast nameserver architecture that allows authoritative nameservers to be deployed in single server units or clusters in disperse geographic locations, Anycast servers allow authoritative DNS server “instances” to be deployed globally with multiple copies of each authoritative DNS server located in many geographically dispersed locations.

Anycast gives the benefit of overall redundancy so that each nameserver instance distributes DNS service for the same IP (Internet Protocol) address across multiple, geographically diverse data centers. If there is a problem with nameserver instance, another nameserver in a different data centre should be able to respond. In addition, a global distribution of authoritative DNS nameservers significantly reduces the latency for users to obtain a DNS response when connecting to a site because of the distributed nature of the network. Users querying domain name information are automatically directed to the fastest available DNS servers.

9.3 Zone File Management

Our target for 2016/2017 was to ensure that the development of the registry EPP registry panel was completed in time. The EPP software that ZADNA uses to manage the .ZA zone file is the same software used to manage co.za, net.za,

org.za, web.za, dotCities (i.e. .capetown, .durban and .joburg) and .africa. The software has an advantage of giving ZADNA a better understanding of the technical aspects involved in managing the aforementioned SLDs.

The development of the registry panel took substantially longer than expected in 2016/2017 due to several technical alterations that ZADNA required from the software developer. By the end of 2016/2017, the proof of concept had been completed and ZADNA was ready to sign it off to go live. The registry panel allows ZADNA, amongst other things, to add and delete records (e.g. new SLDs and SLD nameservers) on its own – a measure that is integral to ZADNA’s role as the .ZA ccTLD manager.

9.4 DNSSec implementation

The key target was to ensure that DNSSec implementation progressed smoothly. This was achieved as the DNSSec-signing of .ZA was completed in late 2016. The signing allows the .ZA SLDs to be signed as well using DNSSec signing keys. Thereafter, domain names at the 3rd level can also be signed. The signature of .ZA allowed its addition into the root zone of the Internet, which ICANN manages through the Internet Assigned Numbers Authority (IANA).

DNSSec is an ICANN-adopted standard that is intended to address vulnerabilities in the Domain Name System (DNS) and protect it from online threats. It increases the security of the Internet as a whole by adding authentication to DNS to make the system more secure. DNSSec implementation is of critical importance to a vibrant namespace of the size of ZA, hence ZADNA’s focus on using it to ensure trust and integrity of the ZA domain name data.

9.5 Nic.za launch

ZADNA commenced the rollout of Nic.za before the end of the 2016/2017 financial year. Nic.za is for ZADNA's own use to provide specific information about the .ZA namespace. In particular, it is used to provide dedicated technical information about DNSSEC implementation, .ZA SLDs, and Whois services. The SLD was approved for delegation to avoid cluttering the ZADNA website (www.zadna.org.za) with technical information that the public may struggle to make sense of.

9.6 Centralised Whois service

Whois is a domain lookup service that allows the information about registered domain names to be searched. It shows, usually, such information as the holder of a name, the date when the name was registered, the registrar through which the name was registered, and nameservers in which the name is hosted.

ZADNA succeeded in providing 2 types of Whois services during the year. Firstly, ZADNA launched the SLD Whois (<http://whois.nic.za/>) to provide relevant information about administrators and registry operators of all .ZA SLDs. This information helps Whois users identify the administrators and registry operators of the SLDs, especially for registration purposes. The SLD Whois does not provide any domain name information for 3rd level registrations.

The Whois service for 3rd level registrations in co.za, net.za, org.za and web.za and the dotCities (.capetown, .durban and .joburg) TLDs can be accessed at <http://nic.za/whois/>. This Whois service provides relevant registrar and domain name holder information about each of the more than 1.1 million domain registrations in co.za, net.za, org.za, web.za and the dotCities.

SLDs that are currently not part of the ZADNA 3rd level Whois still have their individual Whois service (see **Table 12**). In the future, ZADNA will also integrate Whois domain name information from these SLDs into the ZADNA Whois portal.

Table 12: SLD Whois links

SLD	URL
Ac.za	http://protea.tenet.ac.za/cgi/cgi_domainquery.exe
Alt.za	https://whois.alt.za/
Edu.za	https://whois.edu.za/
Gov.za	http://dnsadmin.gov.za/whois.htm
Nom.za	http://www.nom.za/

10 INTERNET GOVERNANCE

ZADNA plays a key role in local and international Internet Governance processes. Our participation in these fora enables us to provide a globally competitive domain name regulation and management service on par with technical, business and regulatory best practices. The ECT Act requires ZADNA to comply with international best practice in the domain name industry, manage and administer .ZA and explore ways to make .ZA competitive. There were several processes that ZADNA monitored and influenced at various levels of the Internet Governance value chain.

10.1 ICANN

ZADNA continued its participation in ICANN meetings (see **Table 13**) below. The participation allowed ZADNA to provide input in relevant policy processes, especially those that relate to country code Top Level Domains (ccTLDs) such as .ZA.

Table 13: ICANN conferences ZADNA attended

Conference	Date	Venue
ICANN-56 (Policy Forum)	27-30 June 2016	Helsinki, Finland
ICANN-57 (AGM)	3-9 November 2016	Hyderabad, India
ICANN-58 (Community Forum)	11-16 March 2017	Copenhagen, Denmark

Some of the key processes in which ZADNA participated included the *IANA Transition Process*, which started in earnest in 2015 when the United States government determined to relinquish its sole oversight over ICANN to a multi-

stakeholder body determined by the ICANN community. This process was concluded in mid-2016 when ICANN Board handed over IANA Transition Coordinating Group (ICG) report to the US government.

The ICG report proposed a suitable multistakeholder oversight mechanism, which the US government subsequently approved. As a result, ICANN assumed the oversight function from the US government. Additional work was done in several other processes, including the *TLD Operations Working Group* of the ICANN ccNSO (country code Names Supporting Organisation). The TLD-Ops process is to encourage communication and collaboration amongst TLD managers and operators.

10.2 Internet Governance Forum process

ZADNA participated in all the 3 layers of the *Internet Governance Forum (IGF)* process. ZADNA participated in the South African IGF that was co-hosted together with ISOC Gauteng and ISPA during the 2015 iWeek (in September 2015). ZADNA then sponsored and co-hosted the Africa IGF with DTSP in Durban in October 2016. Several African ICT Ministers attended the event.

ZADNA also sponsored and participated (as a presenter) in the African School of Internet Governance that took place in Durban before the commencement of the Africa IGF. Several students from across the African continent attended the School. ZADNA also attended the 2016 United Nations IGF in Guadalajara (Mexico) in December 2016.

10.3 National Integrated ICT Policy White Paper

Following the finalization of the ICT Policy Review Panel's Green Paper in 2015, the Minister and DTSP focused on formulating a definite *ICT Policy (White Paper)*. The White Paper was promulgated in September 2016, and it stipulates a number of structural changes across the Government's ICT entities. The following stipulations are the most relevant to ZADNA:

- (a) The integration of all ICT regulators (ZADNA, ICASA and USAASA) to form an integrated ICT Regulator;
- (b) The definite pronouncement of a local Internet Governance process and principles;
- (c) The transfer of all .ZA SLD and dotCities registry operations from the current registry operators to the integrated ICT Regulator; and
- (d) The transfer of current and future local dotCities registry operations, policy development and strategy to the integrated ICT Regulator. This includes the .joburg, .durban and .capetown gTLDs.

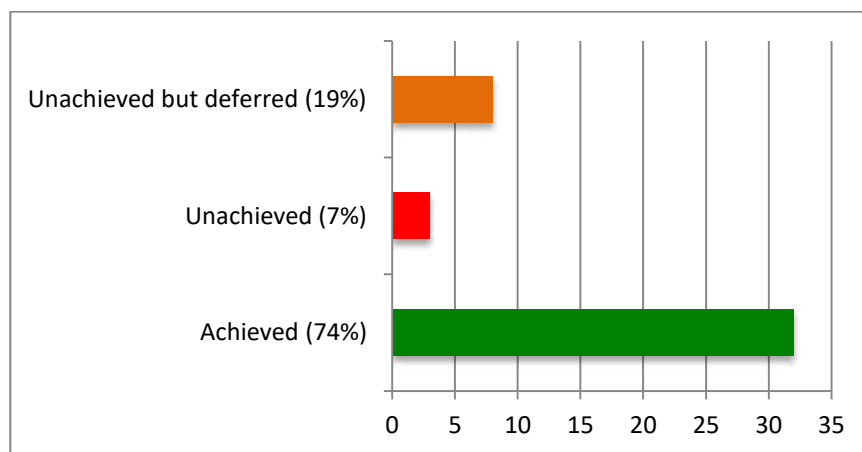
Following the promulgation of the White Paper, ZADNA participated in several processes that sought to dissect the White Paper and its impact. Chief amongst these were the *ICT White Paper Symposium* (<http://ictwhitepaper.co.za/>) that took place in 31 October to 2 November 2016. ZADNA played an active role in the Symposium and informed and led discussions about digital economy. ZADNA also participated in the Minister's Engagement for the Implementation of the ICT White Paper in February 2017.

11 ANNUAL PERFORMANCE REPORT

2016/2017

The **2016/2017 Annual Performance Report (Annexure A)** provides a detailed explanation of ZADNA’s performance against each set target. In a nutshell, there were 43 targets across all the mandatory obligations in the ECT ACT. Of the 43 targets, ZADNA achieved 32 (74.4%) targets (**Figure U**). While this achievement is slightly less than that of 2015/2016 (75%), there was over-achievement across a number of our targets, and this compensates for the un-achieved targets.

Figure U: 2016/17 target achievement



There were 2(7%) un-achieved targets, and 9(19%) targets that could not be achieved because their implementation was deferred to 2017/2018 for various reasons. One of the main reasons was the fact that some of the deferred targets did not wholly depend on ZADNA for accomplishment i.e. ZADNA needed another

party to perform certain functions or make certain decisions for ZADNA to achieve the target.

There were only 2 targets that were not achieved and will no longer be pursued:

- (a) **Generation of revenue from the dotCities** (.capetown, .durban and .joburg): the target will no longer be pursued until DTSP makes a policy determination about whether or not ZADNA should be entitled to a portion of the dotCities revenue target.

- (b) **.ZA market survey**: the survey was abandoned in 2017/2018 and replaced by different feasibility assessments that should better inform the growth of the .ZA namespace.

12 2016/2017 FINANCIAL MATTERS

ZADNA's financial performance is shown in the attached **2016/2017 Audited Financial Statements (Annexure B)**. Essentially, ZADNA managed to keep its expenditure within budget, and collected revenue on time.

12.1 Domain Name Revenue

ZADNA is funded from the co.za, net.za, org.za and web.za per domain name revenue, which revenue model became effective from 1 April 2012. In February 2016, ZADNA approved a R5.00 increase to the per domain name fee, which raised the fee from R7.00 to R12.00. The 2016/2017 budget was based on the R12.00 per domain name fee. However, ZACR (the co.za, net.za, org.za and web.za registry operator) decided to declare a dispute against ZADNA's fee increase. As a result, ZADNA's revenue for the entire 2016/2017 financial year remained at R7.00 pending the resolution of the dispute.

The dispute resolution process is enshrined in the .ZA Second Level Domain Operating Agreement that ZADNA concluded with the former UniForum SA (now ZACR) in 2012 for the registry operation of the aforesaid SLDs. The Operating Agreement gives ZADNA exclusive authority to review, increase or decrease registrar fees (i.e. per domain name fees that ZACR collects from its accredited registrars) and registry fees (i.e. per domain name fees payable by ZACR to ZADNA), subject to consultation with relevant parties.

The R5.00 registry fee increase was based on the Operating Agreement provisions. By the end of 2016/2017, the arbitration had not yet set as it was scheduled to take place later in 2017. Once the arbitration is finalised, ZADNA will be able to

implement the increase or implement a different increase, depending on the outcome of the arbitration process.

As a result of the fee dispute, ZADNA collected its revenue based on the R7.00 per domain name fee pending the finalisation of the arbitration proceedings. An independent legal opinion was also obtained subsequently to verify ZADNA's prospects of success in the arbitration. The legal opinion concluded that ZADNA has a strong probability of success in the arbitration.

As a result of the shortfall in collected revenue, the ZADNA Board resolved to use surplus funds from prior years to fund the deficit in our operating budget. This was done to show commitment to the achievement of the approved annual performance targets that both the Minister and Parliament had approved at the beginning of 2016/2017.

12.2 Key Expenditure and Savings

ZADNA significantly improved the performance of its statutory duties as a result of the employment of additional staff. The total expenditure for the year was R12 486 383, and amounts to a little more than 100% increase from the 2015/2016 total expenditure (R6 015 535).

(a) Africa Internet Governance Forum

ZADNA co-sponsored and co-hosted the Africa Internet Governance Forum at a cost of R747 192 that took place in Durban in October 2017. The sponsorship amounted to 6% of the total expenditure, and was granted at the request of DTPS, which hosted the event. This expense was unbudgeted for and was financed by savings in other budget items.

(b) Communications and Awareness

The employment of additional managerial and support staff during the year significantly increased ZADNA's marketing, communications and awareness output. The expenditure amounted to R3 675 165 compared to just R286 128 in 2016. Communications and awareness expenditure amounted to 29% of the total expenditure. The increase in awareness output occurred especially in the 4th quarter (January to March 2017) when a.ZA education and awareness campaign was carried out different media channels.

(c) Property, Plant and Equipment

There was a substantial increase (from R312 898 in March 2016 to R1 071 110 in March 2017) in expenditure on items such as computers, furniture and transport due to the increase in staff numbers and office relocation (the expenditure amounted to 8.5% of the total expenditure). During the year, ZADNA also purchased its own vehicle to help meet its increasing transport requirements especially relating to its awareness campaigns.

(d) Salaries

Salaries totalled R2 962 286 (23.7%) of the total expenditure. This amounts to 8% increase on the preceding year's (2015/2016) salary expenditure (of R2 734 552). The salary expenditure could have increased to around 40% of the total expenditure were it not for delayed staff appointments.

(e) ICANN Travel and Accommodation

Expenditure in travel and accommodation for ICANN events totalled R423 701 (3.4% of total expenditure). This line item's expenditure decreased by 26% from the preceding year when ICANN travel and accommodation totaled R575 790. The decrease is attributable to the Directors not participating in the attendance of ICANN events during the year.

(f) Legal Expenses

Legal expenses amounted to R230 672 (1.8% of the total expenditure), which is somewhat an insignificant figure, but amounts to a significant increase compared to the mere R3 500 expenditure in 2015/2016. The increase is attributable to the legal fees inherent in the ZACR fee dispute.

(g) PAYE

Pay-As-You-Earn (PAYE) increased to R779 169 (6.2% of the total expenditure). This total amounts to a 29% increase from the 2016 PAYE total of R604 653, and is indicative of the increasing ZADNA personnel.

(h) Rent

Rental costs increased by 93% from R301 200 in 2016 to R582 750 in 2017 (4.7% of the total expenditure). The substantial increase resulted from ZADNA relocating to new, larger business premises in from September 2016.

(i) Stakeholder Relations

Expenditure in stakeholder relations increased substantially (183%) due to ZADNA's increased activity with DTPS in international events. The total of R255 044 amounts to 2% of the total expenditure and to a 65% increase from R90 000 in 2016.

12.3 2016/2017 Audit

The **2016/2017 Audited Financial Statements** are attached as **Annexure B** and provide more details about ZADNA's financial standing by 31 March 2017.

12.4 Tax Matters

ZADNA started paying VAT since 2013 when it started receiving domain name revenue. However, as a not for profit company, ZADNA is tax-exempted. This practice is expected to continue into the future.

13 CONCLUSION

This Annual Report has shown that the 2016/2017 financial year was a positive year for ZADNA in many respects. There was much stability as the current Board of Directors got better understanding of ZADNA's statutory mandate, while at the same enhancing ZADNA's adherence to corporate governance standards. There was growth in ZADNA's personnel, especially as new managers were employed. The employment of new staff started bearing tangible outcomes in the 4th Quarter of the year.

The achievement of annual performance targets (at 74%) was consistent with the preceding financial year. Of the unachieved targets, the majority was due to deferment to 2017/2018 as opposed to actual failure to achieve. There were significant achievements in communications and awareness, as ZADNA, for the first time, ran a countrywide awareness campaign across different media channels. The number of targeted awareness events was surpassed by 100%.

ZADNA's financial performance was positive because expenditure was kept within budget. There was substantial savings across certain budget items, while there was substantial over-expenditure in other line items. This dynamic resulted in the budget line items balancing each other out to allow us to maintain expenditure within budget. ZADNA's cash reserves were utilised to compensate for the shortfall caused by the ZACR fee dispute. ZADNA is optimistic, going forward, that the conclusion of the arbitration process will allow for certainty and clarity future planning.

END

Annexure A:

Annual Performance Report

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
1. ADMINISTER AND MANAGE .ZA DOMAIN NAMESPACE	1.1 Monitored ZA Operating Agreement implementation: (a) Ensure ZACR compliance with Operating Agreement	Achieved	<p>The ultimate target was to measure ZACR performance as a registry in line with Operating Agreement between ZADNA and ZACR.</p> <p>ZADNA succeeded in securing quarterly reports from ZACR and satisfy itself that ZACR complied with the Operating Agreement. There were a few exceptions where ZACR did not fully comply.</p> <p>In particular, these were granting ZADNA access to registers of domain names under each of the co.za, net.za, org.za and web.za SLDs, and depositing domain name data (i.e. registry data) in ZADNA's own escrow account.</p> <p>ZACR's non-compliance in these areas results from ZADNA not being in a position to set in place necessary IT platforms that will allow ZACR to grant ZADNA the necessary access. This will be addressed in 2018 through better capacitation of ZADNA personnel.</p>	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
1. ADMINISTER AND MANAGE .ZA DOMAIN NAMESPACE	1.2 Standardized SLD policy framework: (a) Finalised outstanding SLD charters	Achieved	<p>The ultimate target was to assist the law.za and school.za administrators to transition their SLDs to new charters and registration models. ZADNA succeeded in this regard. The pricing frameworks were finalised in the process with the law.za administrator eventually deciding not to change the law.za registration fee.</p>	N/A
	(b) Monitored SLD General policy implementation	Achieved	<p>The school.za administrator decided not to change from its free registration model. The SLD charters were also published for consultation, and there were no submissions that justified any substantial changes to the charters. School.za has now commenced accepting registrations at a third level (yourname.school.za) in addition to the old model of 4th level registrations (i.e. yourname.gp.school.za).</p> <p>The annual target was to compile an annual report assessing SLD compliance with the .ZA SLD General Policy (GP) in relation to Privacy and Proxy Services, Data Uniformity and Whois. ZADNA succeeded in assessing the SLD compliance. The reports showed that there was sufficient compliance with these specific GP requirements.</p> <p>The reports showed that ZADNA should explore developing additional policy to look at the issue of access Whois data in view of ongoing developments in the global domain name industry.</p>	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
2. COMPLY WITH INTERNATIONAL BEST PRACTICE IN .ZA ADMINISTRATION	2.1. Implemented secure & reliable infrastructure & best practices: (a)) Oversee DNSSec* deployment	Achieved	Following the DNSSec-signing of .ZA, DNSSec deployment was extended to net.za and web.za. ZADNA succeeded to implement its procedure and system for administering the DNSSec management.	N/A
	(b) Ensure Uninterrupted .ZA zone file management	Achieved	ZADNA monthly assessment of the continued operation of its nameserver infrastructure showed that the nameservers operated without any interruption. Such continued operation means that .ZA and domain names registered in .ZA SLDs were regularly available and accessible on the Internet.	N/A
	2.2 Identified best practices gaps: (a) Measure .ZA performance against other Top Level Domains (TLDs)	Achieved	ZADNA focused on benchmarking .ZA against other TLDs. The focus of the benchmark was on assessing the feasibility of second level registrations (yourname.za in addition to yourname.co.za) especially following the introduction of 1 300 new top level domains (TLDs) by ICANN between 2013 and 2015. Several ccTLDs (i.e. .uk, .ke, .nz and .au) had responded by introducing second level registrations (SLRs) in addition to the usual 3 rd level registrations are feasible and acceptable within the local registrar community. A report was presented to the ZADNA Board in October 2016, and this resulted in several SLR implementation targets forming part of the 2017/18 APP.	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
3. LICENSE & REGULATE REGISTRIES & REGISTRARS	3.1 Influence shift in broader policy legislative regime: (a) Contribute to DTSP policy and legislative amendments to enhance ZADNA's regulatory mandate	Not achieved (deferred)	<p>This target did not solely depend on ZADNA. The annual target was to submit to the Ministry proposed amendments to the ECT Act in relation to the ICT Policy White Paper.</p> <p>While substantial work was done inside ZADNA in this regard, the focus was on making submissions for consideration in the ECT Act and other legislative amendments affecting ZADNA's mandate.</p> <p>In view of the legislative amendments only scheduled for 2017/18 by DTSP, ZADNA deferred submitting its proposed amendments to 2017/18.</p>	ZADNA has submitted its preliminary views on legislative amendments for consideration by DTSP before the amendments are released for public comment.

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
4. PUBLISH DOMAIN NAME REGISTRATIONS GUIDELINES	4.1 Develop SLD registration practices and guidelines (a) Publish .ZA Registration Practices and Guidelines	Achieved	.ZA Registration Guidelines were revised and published on the ZADNA's website. The guidelines outline the procedure and requirements for registering .ZA domain names.	N/A
	(b) Publish SLD Charter Guidelines	Achieved	The SLD Charter Guidelines are published in the ZADNA website. They clarify the purpose and any applicable eligible eligibility requirements for each second level domain (SLD) charter. They are an aid to parties interested in registering .ZA domain names.	N/A
	(c) Publish ZACR registrar accreditation guidelines	Achieved	The ZACR Registrar Accreditation Guidelines were revised and published on ZADNA's website. They are an aid to prospective registrars, outlining how ZACR registrar accreditation works, and directing visitors to relevant information in ZACR website.	N/A
	4.2. Publish global registration guidelines & practices	Achieved	ZADNA finalised (for the first time) and published guidelines outlining the basics about domain name registration in other top level domains (TLDs) outside .ZA.	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (a) Implement ZADNA awareness (6 <i>STAKEHOLDER BRIEFS</i>)	<i>Achieved</i>	<p>The annual target was to complete 6 stakeholder briefings to explain ZADNA's role and explore collaboration. However, ZADNA surpassed its target as it completed 12 events during the year (100% more than the target).</p> <p>The success is attributable to new staff reinforcements during 2016/2017. ZADNA succeeded in this as follows:</p> <ul style="list-style-type: none"> (i) Presentation to members of the Nelson Mandela Metro's Chamber of Business during ZADNA Domain Name Business Breakfast in Port Elizabeth (12 April 2016); (ii) Briefing to a community during DTPS stakeholder event in Polokwane (22 April 2016); (iii) Briefing to SEDA Gauteng branch in June 2016 about ZADNA's mandate and possible areas of collaboration; (iv) Briefing to .ZA registrars during ZADNA's Domain Name Day at iWeek Conference in September 2016 in Wanderers (Johannesburg); 	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (a) Implemented ZADNA awareness(6 <i>STAKEHOLDER BRIEFS</i>)	As above	<ul style="list-style-type: none"> (v) Briefing and exhibition in South African Internet Governance Forum in September 2016 in Wanderers (Johannesburg); (vi) Briefing to select African students during the African School of Governance in Durban on the 13 October 2016 in Durban; (vii) Briefing to stakeholders during ICT White Paper Symposium on 31 October to 2 November 2016 in Midrand; (viii) Briefing to Black IT Forum Durban, KZN (October 2016); (ix) Briefing to Durban Smart Xchange (February 2017); (x) Briefing to Invotech in Durban University of Technology (February 2017); (xi) Briefing to Limpopo ICT Forum on 23 February 2017 (which explored collaboration opportunities); and (xii) Briefing to KZN Provincial Government and Municipalities' ICT Managers on the different aspects of the digital value chain on 27 March 2017. 	

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
<p>5. ENHANCE PUBLIC AWARENESS</p>	<p>5.1 Implemented .ZA education & awareness campaign</p> <p>(b) Implement .ZA public awareness (10 EVENTS)</p>	<p>Achieved</p>	<p>ZADNA set an annual target of holding 10 .ZA domain name public awareness events. We surpassed this target as we held 11 events:</p> <ul style="list-style-type: none"> (i) Presentation to the members of the Nelson Mandela (Eastern Cape) Metro’s Chamber of Business during ZADNA Domain Name Business Breakfast in Port Elizabeth (12 April 2016); (ii) Presentation during Startup Launch in Mbombela, Mpumalanga (28 May 2016); (iii) Presentation to SME Growth Champions in Midrand, Gauteng (9 June 2016); (iv) Presentation and exhibition in ZADNA’s Business of Domain Names workshop in Mafikeng, North West in August 2016. The event was held in collaboration with Small Enterprise Development Agency (SEDA); (v) Briefing and exhibition in iWeek Conference in September 2016 in Wanderers, Johannesburg, Gauteng; (vi) Exhibition in 2016 GovTech Conference and Expo on 1-2 October 2016 in Midrand, Gauteng; (vii) Exhibition in Annual ICT Summit in East London, Eastern Cape on 22-23 November 2016; 	<p>N/A</p>

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (b) Implement .ZA public awareness(10 EVENTS)	As above	(viii)Exhibition and presentation about the importance of .ZA domain names during the National Small Business Council’s conference in Gallagher Estate, Gauteng, 15 - 16 February 2017 (between 13 000 and 15000 delegates attended the conference); (ix) Exhibition at the Advanced Alternative Dispute Resolution (ADR) for domain names workshop of the SA Institute of Intellectual Property Law (SAIIPL) on 23 Feb 2017 in Pretoria. (x) Presentation and exhibition at Business Day TV SME Summit in Sandton, Gauteng (8 March 2017); (xi) Exhibition at the Global Entrepreneur Congress in Johannesburg (13-16 March 2017);	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (b) Implement .ZA public awareness: <i>RADIO</i>	<i>Achieved</i>	<p>ZADNA's annual target was to achieve coverage in 4 national radio stations. ZADNA surpassed the target by achieving 16 coverage events across national, regional and community radio stations:</p> <ul style="list-style-type: none"> (i) Metro FM interview about 25 Years of the Internet in SA (October 2016); (ii) Capricorn FM interview of Namespace Development Manager (February 2017); (iii) Turf FM interview (February 2017); (iv) 702 FM interview about .ZA importance (February 2017); (v) East Coast Radio infomercial (March 2017); (vi) Jacaranda FM infomercial (March 2017); (vii) Smile FM interview (March 2017); (viii) Phalaphala FM infomercial (March 2017); (ix) Ukhosi FM infomercial (March 2017); (x) Lesedi FM infomercial (March 2017); (xi) Ligwalagwala FM infomercial (March 2017); (xii) Motsweding FM infomercial (March 2017); (xiii) East Coast Radio interview (February 2017); (xiv) 702 FM infomercial (March 2017); (xv) Metro FM infomercial (March 2017); and (xvi) Metro FM interview about 2017 Digitize Africa. 	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (c) Implement .ZA public awareness: <i>PRINT MEDIA</i>	Achieved	We had an annual target of achieving 4 print media coverage events . We surpassed this target as we achieved 10 coverage events (8 of the 9 events were achieved through our .ZA media advertising campaign): (i) Business Day Article (in September 2016) about .ZA second level registrations at iWeek 2016; (ii) Article in the Financial Mail about second level registrations in October 2016; (iii) The STAR advert (March 2017); (iv) Sowetan advert (February 2017); (v) Business Day advert (March 2017); (vi) City Press advert (February 2017); (vii) The New Age advert (March 2017); (viii) Cape Times advert (March 2017); (ix) Daily News advert (March 2017); and (x) Daily Dispatch advert (March 2017).	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (c) Implement .ZA public awareness: <i>OUTREACH (6 provincial events)</i>	<i>Achieved</i>	ZADNA targeted to complete 6 provincial outreaches during the year. The following 7 outreach events were held: (i) Exhibition in DTPS community road show in Polokwane, Limpopo (22 April 2016); (ii) Exhibition and briefing during Tshwane Business and Arts event in Soshanguve, Gauteng (14 May 2016); (iii) Limpopo University Road Show (17 February 2017); (iv) Briefing and exhibition to high school students and community during a National Government road show in Coffee Bay, Eastern Cape (3 - 4 March 2017); (v) Wits University Road Show about .ZA importance (6 March 2017); (vi) KZN University (Westville Campus) Road Show (10 March 2017); and (vii) Western Cape University Road Show (30 March 2017);	

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. ENHANCE PUBLIC AWARENESS	5.1 Implement .ZA education & awareness campaign (c) Implement .ZA public awareness: <i>OTHER</i>	N/A	In addition, we managed to achieve awareness coverage through unplanned, un-targeted channels : (i) SME South Africa (smesouthafrica.com) TV interview on basics of entrepreneurship (29 May 2016); (ii) My Big Startup TV interview (mybigstartup.com) about online presence and .ZA (26 February 2017); (iii) Huffingtonpost.co.za article about ZADNA's Registrar-Reseller workshop in Polokwane (9 March 2017); (iv) Mybroadband.co.za article about ZACR fee increase and its potential impact on registrar fees (17 March 2017); (v) Business Day TV interview about .ZA importance for businesses (8 March 2017); and (vi) SABC Network (Channel 404 on DSTV) about Digitize Africa 2017 (19 March 2017).	

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
<p>5. ENHANCE PUBLIC AWARENESS</p>	<p>5.3 Enhance .ZA website Presence for Strategic Communities</p> <p>(a) Implement Schools .ZA website Project</p>	<p>Achieved</p>	<p>The annual target was to publish 40 school websites as part of our social-responsibility-oriented public awareness. ZADNA surpassed this target by publishing 135 school websites across different provinces (see Table: Published School Websites below). The achievement came through achieving discounted web development costs and savings in other budget items.</p> <p>The purpose of the Schools Online Presence program providing for free domain name registration, website design and hosting to a minimum of 5 schools per quarter per province. The main goal is to encourage usage and visibility of .ZA domain name registration and websites.</p> <p>The initiative supports SME development and job creation because ZADNA contracts local web developers to design and maintain websites for schools within their geographic areas.</p>	<p>N/A</p>

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
6.CONDUCT RESEARCH, SURVEYS AND INVESTIGATIONS	6.1 Release annual research report (a) Completed .ZA market survey	Not achieved	<p>The target of completing an annual survey report was not finalised largely partly due to delayed staff appointments, and partly (largely) due to a decision to focus research initiatives to the Research ICT Africa ICT Access research that should be completed during the 2017/18 financial year.</p> <p>ZADNA felt that this Research should provide a good insight for Internet access trends in SA, which should form the basis of future research and strategic interventions.</p>	ZADNA will await the outcome of the Research ICT Africa research before carrying out any new research projects.

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
6.CONDUCT RESEARCH, SURVEYS AND INVESTIGATIONS	6.2 Enforce ZACR compliance with Operating Agreement (a) Audit ZACR compliance with Operating Agreement	Achieved	<p>The annual target was to complete an audit of ZACR’s compliance with the .ZA SLD Operating Agreement. Although ZADNA initially planned to contract a suitable service provider, the costs involved were prohibitive. As a result, the ZADNA Policy and Regulation Manager and Namespace Development Manager completed the compliance audit in Quarter 4. The key outcomes of the exercise showed substantial compliance in core areas (e.g. systems stability, registry policies, registrar accreditation).</p> <p>However, compliance with reporting obligations was found substantially lacking as some of the quarterly and annual reports were not submitted to ZADNA, at least in time. These matters were discussed with ZACR in February 2017, and has since improved ZACR reporting. In addition, ZACR was required to complete an audit of accredited registrars’ compliance with the ZACR policy and other obligations. The audit outcomes should be finalised in 2017/2018. ZACR also completed an audit of its technical registry provider in in Quarter 3, which showed that the registry systems were performing in a stable, secure and robust manner in line with the agreed service levels.</p>	The ZACR Compliance Audit will be conducted

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
7. PUBLISH .ZA DOMAIN NAMES REGISTRATIONS GUIDELINES	7.1 Publish annual .ZA registrations report (a) Monitor & compile .ZA Registration statistic and trends	Achieved	<p>The annual target was to publish .ZA registration statistics on a quarterly basis.The registration reports were completed on a quarterly basis based on ZACR reports and statistics. We currently have just over 1.128 million domain registrations in ZACR SLDs (i.e. co.za, net.za, web.za and org.za). The statistics are updated on a quarterly basis, and can be accessed at https://www.zadna.org.za/.ZA-domain-registrations/.</p> <p>A separate annual .ZA Registrations Report was also completed upon the end of the 2016/2017 financial year. The annual report covers growth in other SLDs that fall outside the ZACR registry operations ambit.</p>	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
8. MAKE DOMAIN NAMES POLICY RECOMMENDATIONS TO THE MINISTER	8.1 Influence local Internet Governance (a) Participate in coordination local Internet Governance (IG) dialogue	Achieved	The annual target was to hold an annual Internet Governance event and prepare a report of the same. ZADNA achieved this target as it collaborated with ISOC Gauteng, DTPS and ISPA to hold the 2016 SA Internet Governance Forum after iWeek 2016 (September 2016). In addition, ZADNA completed its own annual Internet Governance report.	N/A
	(b) Recommend SA-centric IG policy to DTPS	Achieved	The annual target was to submit IG recommendations to DTPS. A document was submitted to DTPS outlining a possible framework for the management on Internet resources in view of the ICT Policy White Paper.	N/A
	8.2 Enhance participation in key Internet policy fora (a) Contribution to ICANN and other relevant for a processes	Achieved	The annual target was to complete reports analysing ICANN processes and how they impact on .ZA. The purpose was to use the analyses to determine if ZADNA needed to submit any inputs. While ZADNA closely monitored the ICANN process relating to the treatment of registry data in ICANN gTLDs, we did not find basis to make any submissions. However, ZADNA is planning to use the outcomes of this process to enhance the publication of Whois data in .ZA SLDs in compliance with applicable privacy laws.	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
8. MAKE DOMAIN NAMES POLICY RECOMMENDATIONS TO THE MINISTER	8.2 Enhance participation in key Internet policy fora (a) Contribute to ICANN and other relevant for a processes	As above	ZADNA continued its participation in relevant ICANN processes. ZADNA also participated in the following events: (i) Africa Internet Summit in Botswana (6 - 10 June 2016); (ii) ICANN Helsinki conference (27 – 30 June 2016); (iii) South African Internet Governance Forum (September 2016, Johannesburg); (iv) Africa Internet Governance Forum (October 2016, Durban); (v) ICANN Hyderabad conference (3 to 9 November 2016); (vi) United Nations’ Internet Governance Forum 2016 (Guadalajara, Mexico); and (vii) ICANN Copenhagen conference (11 - 16 March 2017.	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
8. MAKE DOMAIN NAMES POLICY RECOMMENDATIONS TO THE MINISTER	8.3 Enhance relationship with Government and Parliament (a) Regularly updates DTPS about ZADNA's work	Achieved	ZADNA provided quarterly reports to DTPS outlining ZADNA's progress in implementing its statutory and Internet Governance mandate. An annual Internet Governance Report was completed in March 2017, and forms part of the ZADNA Annual Report 2016/17.	N/A
9. EVALUATE ECT ACT EFFECTIVENESS IN RELATION TO .ZA MANAGEMENT	9.1 Contribute to ECTA amendments (a) Submit ZADNA's proposed amendments to DTPS	Not achieved (deferred)	Following the Cabinet approval of the ICT Policy White Paper on 28 September 2016, ZADNA completed its analysis of the White Paper and identified different areas of legislative amendments that should be made in line with provisions of the Policy. However, ZADNA did not make any submission to legislative amendments only scheduled to take place in 2017/2018.	ZADNA is already participating in DTPS legislative amendments in the 2017/2018 financial year and has already made preliminary submissions regarding ECT Act amendments.

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
10. OVERSEE .ZA ALTERNATIVE DISPUTE RESOLUTION (ADR) PROCESS	10.1 Oversee ADR implementation (a) Ensure adjudicator & registry compliance (i) Timely published ADR decisions	Achieved	<p>The Alternative Dispute Resolution (ADR) Regulations require ZADNA to publish adjudicator decisions on its website within 48 hours of receipt of each decision. ZADNA continued its achievement of publishing all ADR decision within 24 hours.</p> <p>The disputes can be accessed at https://www.zadna.org.za/content/page/adr-decisions/.</p>	N/A
	(ii) Timely payment of ADR fees to ZADNA	Achieved	<p>The ADR Regulations require that upon resolving a dispute, ADR providers should pay 10% of the dispute fee to ZADNA for ZADNA to set up an ADR assistance fund. The fund is intended to provide financial support to parties interested lodging ADR disputes, but that cannot afford ADR fees.</p> <p>Normally, most of the disputes were resolved through a single adjudicator panel, which costs R10 000. ZADNA then was paid 10% (R1000) once each dispute was resolved. The ADR fees are deposited in a separate bank account that had accumulated close to R200 000 by the end of the year. During 2016/2017, ZADNA collected all such fees within 30 days of each resolved dispute.</p>	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
11. ENSURE ZADNA BUSINESS SUSTAINABILITY AND EFFECTIVENESS	11.1 Achieve financial sustainability (a) Regularly collect domain name revenue (i) Monthly domain name revenue collection	Achieved	<p>ZADNA collects per-domain name revenue from ZACR on a monthly basis. ADR fees payable to ZADNA by ZACR were collected and paid in time (normally within the same month of the receipt of the dispute outcome by ZADNA).</p> <p>ZADNA billed ZACR for each month within 4 business days of the end of the month in question. ZACR has regularly settled the invoices no later than the 20th of each month.</p>	N/A
	(ii) Expenditure within budget	Achieved	<p>Expenditure was kept within budget during the year. There was substantial under-expenditure until Quarters 3 and 4 when new employees joined the workforce. The new employees gave increased capacity in carrying out the work programme.</p> <p>There was substantially increased expenditure in Communications and Awareness in Quarter 4 as ZADNA implemented an aggressive public awareness campaign. We spent more than the budgeted amount in the campaign, but this was “subsidised” by under-expenditure in budget line items such as salaries, travel and accommodation.</p> <p>At the end of the financial year, our expenditure remained within budget</p>	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
11. ENSURE ZADNA BUSINESS SUSTAINABILITY AND EFFECTIVENESS	11.1 Achieved financial sustainability (b) Increase ZADNA's share in ZACR's per domain revenue	Achieved	<p>ZADNA succeeded in finalizing the registry fee increase (of R5.00 per domain name) on co.za, net.za, org.za and web.za registrations. The increase resulted in the per domain name fee rising from R7.00 to R12.00.</p> <p>However, ZACR (the co.za, net.za, org.za and web.za registry operator) lodged a dispute against ZADNA as a result of the increase. The dispute was lodged in accordance with the ZA SLD Operating Agreement that ZADNA concluded with the former UniForum SA in 2012 to appoint UniForum to serve as the ZA Central Registry.</p> <p>By the end of 2016/2017 financial year, the dispute was yet to be resolved. The arbitration was set for July 2017. As a result, ZACR has so far refused to pay the R12.00 fee (and continued to pay the R7.00 fee pending the adjudicator decision.</p>	<p>Unless the arbitrator declares the registry fee increase as unreasonable and/or invalid, ZADNA will collect the outstanding fees upon the conclusion of the arbitration.</p> <p>In case the arbitration finds against ZADNA, ZADNA will likely have to re-commence the registry fee increase consultations, which will likely mean that ZADNA forfeits all currently outstanding fees.</p> <p>As a result of the arbitration process, ZADNA had to request the Minister and Parliament to grant extended timeline to finalize its 2016/2017 audited financial statements.</p> <p>The statements will be finalised once the arbitration outcome is finalised. The expected timeline for finalizing the arbitration is December 2017.</p>

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
11. ENSURE ZADNA BUSINESS SUSTAINABILITY AND EFFECTIVENESS	11.1 Achieved financial sustainability (c) Collect law.za per domain name fee	Not achieved (deferred)	<p>The target did not wholly depend on ZADNA. We published the law.za charter for public comment, but could not finalize the law.za domain name pricing framework due to prolonged consultations between the Cape Law Society (current law.za administrator) and other law societies about a commonly acceptable law.za registry operation and moderation framework.</p> <p>Currently, law.za is already transferred to ZACR at the request of the law.za administrator, but domain name pricing is still based on an old framework. ZADNA does not intend to collect fees from law.za registrations until law.za amended charter is amended and a new pricing framework is implemented.</p>	The amended law.za charter and revised law.za pricing framework will be tabled for Board approval in 2017/2018 following the law.za administrator reaching a common understanding with other law societies about the charter amendments.
	(d) Generate dotCities revenue	Not achieved	<p>The target did not wholly depend on ZADNA. The achievement of this target depended on the implementation of the ICT Policy White Paper.</p> <p>The White Paper requires the operation of the dotCities registries to be transferred to the domain name regulator. ZADNA is awaiting clarity from DTSP about when the transfer will happen.</p>	ZADNA will participate in DTSP ICT Policy White Paper processes to support the transfer of dotCities registries from the current incumbent, which transfer should allow ZADNA to share in the dotCities revenue.

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
11. ENSURE ZADNA BUSINESS SUSTAINABILITY AND EFFECTIVENESS	11.2 Enhance Internal controls and corporate government framework (a) Implement additional internal policies and procedures	Achieved	<p>The annual target was to complete the drafting, approval and/or revision of 14 internal policies and controls. This was achieved as the following 14 policies were approved:</p> <ul style="list-style-type: none"> (i) Consumer Complaints Policy; (ii) Fraud Prevention Policy; (iii) Access to Information Policy; (iv) Risk Management Policy and Principles; (v) Risk Register; (vi) Employee Recruitment Policy; (vii) Stakeholder Relations Policy; (viii) Marketing and Advertising Policy; (ix) ICT Usage Policy (which includes website management, social media and email policies); (x) Amendments to Travel and Subsistence Policy; (xi) Amendments to Financial Policies and Procedures; (xii) Revised Delegation of Authority Policy and Schedule; (xiii) Board Self-Evaluation Framework; and (xiv) Approval of Salary Grading and Progression Framework. 	

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
11. ENSURE ZADNA BUSINESS SUSTAINABILITY AND EFFECTIVENESS	11.2 Enhance Internal controls and corporate government framework (b) Appoint internal auditor	Achieved	Nduma Chartered Accountants were appointed as internal auditor, and they so far they have audited Quarters 3 and 4 of the 2016/2017 financial year.	N/A
	(c) Appoint Company secretary	Not achieved (deferred)	The appointment of a dedicated Company Secretary was deferred to 2017/2018 pending further assessment of the most suitable engagement in view of ZADNA's business. In the meantime, Duja Chartered Accountants provided company secretarial services until a new appointment is made.	The appointment should be made in 2017/2018.
	(d) Appoint new external auditor	Not achieved (deferred)	The RFP for appointment of the external auditor was advertised in February 2017. However, the appointment was deferred to later in 2017 to coincide with the 2017 Annual General Meeting that needs to approved the appointment. In the meantime, PWC remains as the external auditor.	A new auditor will be appointed at 2017 AGM.
	(e) Implement Board Charter	Not achieved (deferred)	The charter was finalized in Quarter 4, but could not be tabled for the Board approval until April 2017, which falls outside the 2016/2017 financial year. The Board Charter was since approved at the 24 April 2017 Board meeting.	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
11. ENSURE ZADNA BUSINESS SUSTAINABILITY AND EFFECTIVENESS	11.2 Enhance Internal controls and corporate government framework (f) Implemented Code of Ethics	Not achieved (deferred)	The Board's Ethics Policy and Code of Conduct were finalised in Quarter 4, but could only approve it at the 24 April 2017 meeting (i.e. after 2016/2017 ended). The meeting also approved the Employee Ethics Policy and Code of Conduct.	N/A
	(g) Develop Conflict of Interest Policy	Not achieved (deferred)	The Board's Conflict of Interest Policy was finalised in Quarter 4, but was only approved at the 24 April 2017 Board meeting (i.e. after the end of 2016/2017). An Employee Conflict of Interest Policy was approved in April 2017.	N/A
	(h) Review Board Committee charters	Achieved	The annual target was to review the Charters of the Board Committees (Farco, Manco and Techcom). All the Charters were reviewed and amendments approved by the Board.	N/A
	11.3 Built human resource sustainability (a) Implement human capital development strategy	Not achieved (deferred)	Although the Salary Grading Framework was approved as part of the Human Capital Development Strategy, the preparation of a complete strategy was deferred due to funding uncertainty as a result of the ZACR fee dispute.	The strategy is likely to be pursued in the course of 2017/2018.
	(b) Implement internship program	Achieved	ZADNA has 5 interns for a period of 10 to 12 months for each intern. The interns are being given practical exposure across different fields including communications and awareness, IT services, project management, policy and regulation and administration.	N/A

END

Annexure B:
2016/2017 Audited Financial Statements