

.nz Registrar Conference

.au Registry Transformation Project

3 May 2018

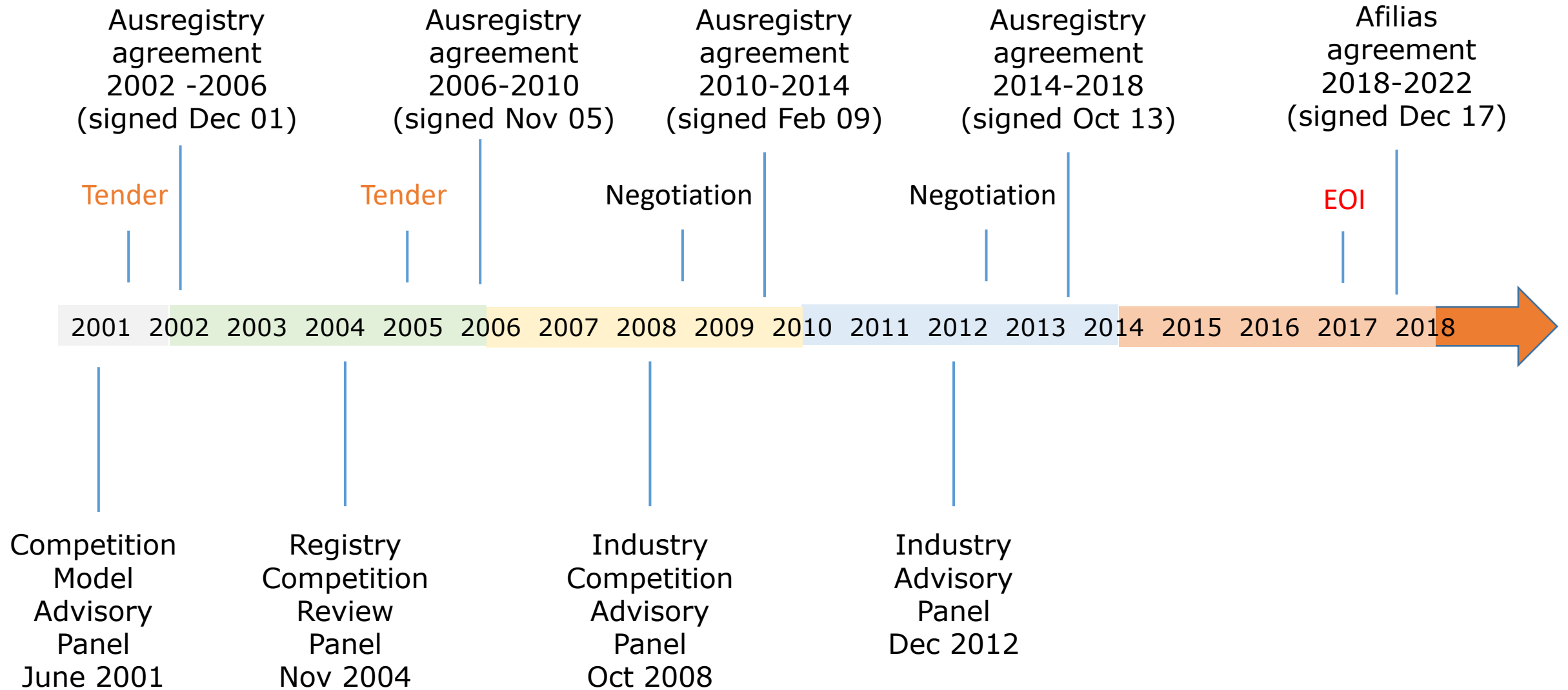
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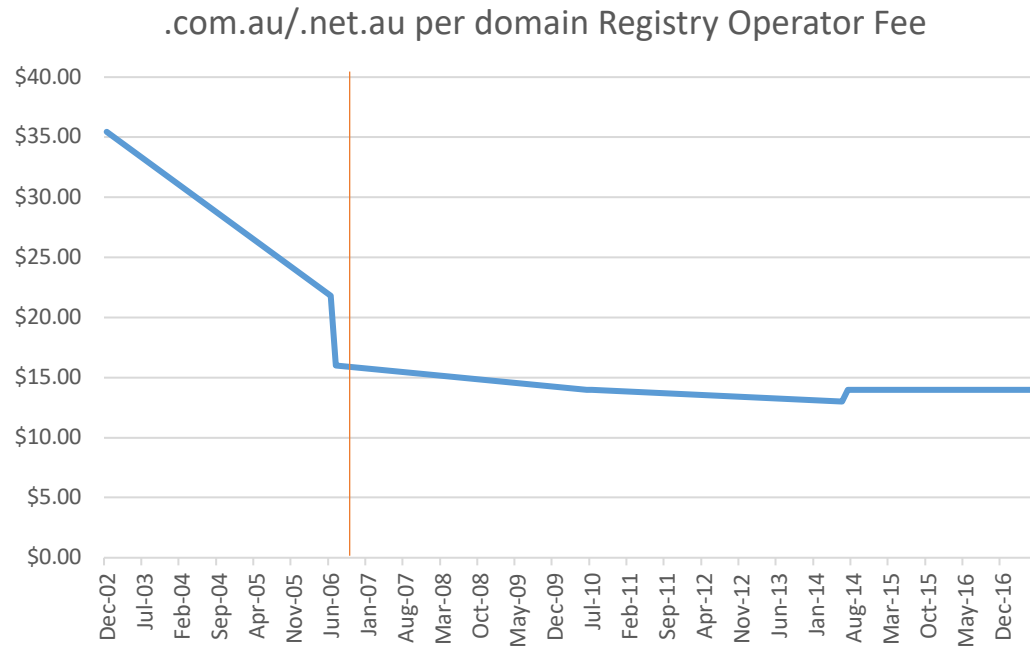


Background

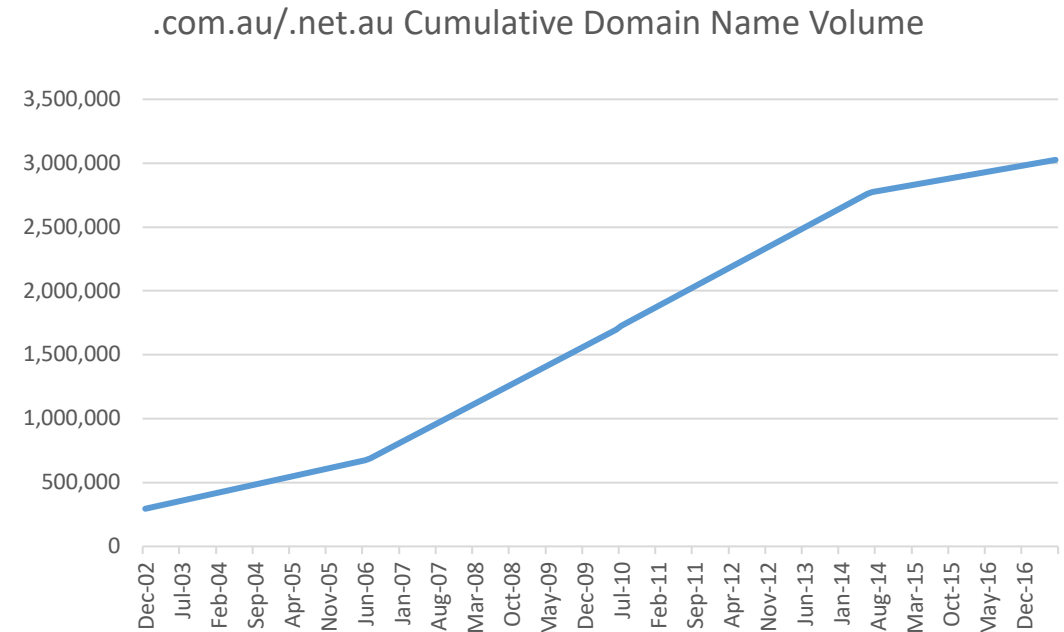
Background - Timeline



Background – Registry Fee changes



All fees for two years and ex GST



References: <https://www.ausregistry.com.au/domain-reports>

Background

- Competition model was reviewed by the 2012 Industry **Advisory Panel**
- 2001 Competition model retained
- Initiate **renegotiations with Ausregistry**
 - At that time most potential responders to a tender were focussed on ICANN's new gTLD program
 - Expected that new gTLD program would result in additional potential registry operators and it would take 2-3 years for the market to evolve and for new registry operators to establish market experience and track-record
 - Resulted in **current agreement with Ausregistry – 2014 – 2018 (4th term)**
- auDA should **undertake a formal RFT process once the renegotiated registry agreement expires.**
- The recommendations from the Advisory Panel relating to the registry were approved by the auDA Board in Feb 2013

Background 2016/2017

- .au registry has not been through a market exercise since 2005, and the current registry operator has been in place since 2002
- The current registry agreement expires on 30 June 2018
- auDA Board resolved to **undertake** a restricted **tender exercise** starting with a scoping exercise, sourcing expert advice
 - Consistent with the 2012 Advisory Panel recommendations approved by the auDA Board in Feb 2013
- **Registry Transformation Project** commenced in May 2017

Registry Transformation Project Goals

- a) Clear and effective separation between policy and operations
- b) Maintain and further enhance trust with the Australian Government and the Australian community
- c) Maintain operational stability and utility of the .au ccTLD
- d) Becoming a world leader in managing security, confidentiality, integrity and availability of .au registry data
- e) Supporting longer term goal to be an Emergency Back-end Registry Operator (EBERO) for other gTLDs or ccTLDs
- f) Supporting a data science and data analytics capability in relation to the registry data

Committees

- Registrar Liaison Committee
 - All registrars invited to participate
 - Focus on registrar and technical requirements
- Tender Process Committee
 - Dr Stephen Arnott (Aust Gov't), Dr Liz Williams (ISG), Jay Daley (.nz), Nigel Phair (Uni. Canberra)
 - Advice on the tender process – EOI and RFT approach, and evaluation criteria
- Tender Evaluation Committee
 - Teams led by partners: Jeff Schmidt (JAS Global), Charlie Offer (Ernst & Young), Colin Egan (PPB Advisory), Cameron Whittfield (PwC Legal)
 - Carried out evaluations of EOI respondents and RFT respondents
- Probitry Advisor
 - Adrian Gibby (KPMG)

Request for Expression of Interest

Expression of Interest process

- The Request for Expressions of Interest (**REOI**) was the initial scoping exercise to:
 - define parameters of the subsequent restricted tender process
 - assess potential suppliers and options
- Call for Expression of Interest – 29 May 2017
- Expression of Interest closed – 26 June 2017

EOI Evaluation Criteria

- Financial
 - Value for money – financial and non-financial
 - Whole-of-life costs
- Technical and Operational
 - Ability to meet technical specs
 - Flexibility – ability to update software and continue to innovate
 - Similar experience and performance history
- Security
 - ability to support security, confidentiality, integrity and availability capabilities
- Ability to meet and deliver on the registry transformation project goals

EOI Respondents

- 15 responses
- 2 DNS offers
- 1 business analytics offer
- 5 large and experienced gTLD and ccTLD operators (>10m names each)
 - Well resourced with significant migration experience
- 3 experienced gTLD and ccTLD operators (>1 m names each)
 - Very flexible, smaller and more complex gTLDs and ccTLDs
- 2 new gTLD market entrants
 - Modern, high quality software but limited experience
- 2 small software development teams
 - Local Staff with 15 years experience in domain names – build using open source software, public cloud services and recruit staff to operate

Board meeting – 24 July 2017

The Board resolved to proceed with the next phase of the RFT for an outsourced registry operation.



Request for Tender

Request for Tender process

- Draft Technical Specification published for comment – 26 August 2017
 - Summary of changes to Technical Specification published 21 September 2017
- Request for Tender (RFT) issued – 1 September 2017
- RFT closed – 3 October 2017

Value for Money

- Achieving **value for money** is the core rule of the Commonwealth Procurement Rules
- Requires consideration of the financial and non-financial costs and benefits
- Non-Financial – 65%
- Financial – 35%

Non-Financial criteria

- Technical and Operation Capability (35%)
- Project Goals (10%)
- Risk management (10%)
- Financial Capability (10%)

RFT Respondents

- 9 Respondents
- All strong technically and operating at significant scale
- All proposing to set up primary and secondary platforms in Australia that are geographically separated
- All proposing to set up a team in Australia
- Operate 9 of the top 20 TLDs representing over 43 million names

Afilias selected

- Highest score for non-financial criteria around technical and operational capability
- Close to average price for financial criteria
- Overall best value for money

Contracting

Focus on international standards

- ISO 31000 – Risk management
- ISO 27000 – Information Security Management Systems
- ISO 22301 – Business Continuity Management Systems
- ISO 20000 – Service Management
- ITIL Service Operation – 2011 edition

Relevant Australian Security standards

- Australian Signals Directorate – Essential Eight
 - Application Whitelisting
 - Patch applications
 - Configure Microsoft Office macro stings
 - User application hardening
 - Restrict Administrative privileges
 - Patch Operating Systems
 - Multi-factor authentication
 - Daily backups
- Aust Gov't Information Security Manual (ISM) – Protected level

Outcomes

Key outcomes

- Lower registry fee
- Registry Data to remain in Australia
- DNS services in all Australian capital cities
 - Perth, Adelaide, Melbourne, Hobart, Canberra, Sydney, Brisbane, Darwin
- Pro-active security monitoring – daily inspection of new names
- Extensive data collection for advanced data analytics to move to proactive compliance management and development of business information for registrars
- Focus on improved security and performance
- Hybrid – physical and cloud solution



Transition

Transition progress

- Largest ever migration of a TLD
- 6 month process
- Test environments for registrars delivered in March (phase 1) and April (Phase 2) 2018
- Going live with services using data from Neustar Asia Pacific – DNS name services and WHOIS services in May 2018
- Planning a transition day of 30 June

Risk management

- Independent security reviews and penetration testing of all environments before they go live\
- Testing at three levels
 - Afilias
 - Registrars
 - auDA testing team
- Ernst & Young engaged for independent risk assurance
 - Review of all documentation and transition progress