



COUNCIL MEETING - DECEMBER 2020

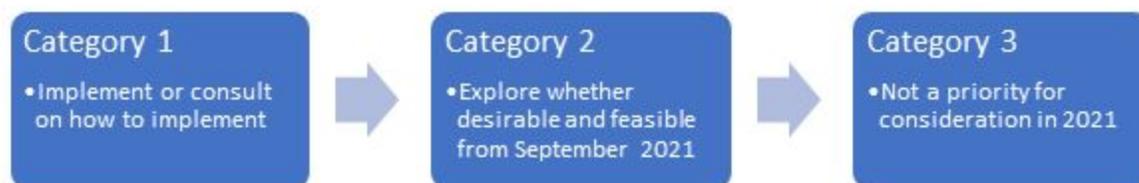
.nz policy review: Prioritisation of Panel recommendations and public consultation

ITEM NO: 2.1
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PURPOSE: To seek agreement to the prioritisation of the .nz Advisory Panel's recommendations and a public consultation in February 2021
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Summary

The first phase of the .nz review ended when the .nz Advisory Panel (the **Panel**) submitted its [Recommendations Report of the .nz Advisory Panel](#) on 30 September 2020.

The Policy Committee now seeks agreement for InternetNZ to prioritise the Panel's recommendations as follows:



This paper also notes there is work underway preparing an exposure draft of the new .nz Rules, together with consultation materials on the draft and various Registry Replacement project issues, for a public consultation in February 2021.



Prioritising the Panel's recommendations

We recommend that the Panel's recommendations be organised into three categories, as shown in **Appendix 1**. These are summarised here.

Category 1: Implement or consult on how to implement

A recommendation is in this category if it can either be implemented immediately or included in public consultation in February 2021 (see below).

There are only 2 recommendations in this category we consider can begin to be implemented immediately: recommendation 14 (ensuring InternetNZ has the capability needed to engage with Māori) and 17 (ensuring policy documents are produced in an accessible format that meets web accessibility standards).

The other recommendations in this category are ones where we need to consult on how to implement.

There are two sets of Category 1 recommendations where we will apply best endeavours. These are the 'Registrant details' and 'Growth' recommendations (recommendations 29-31 and 33-36). These recommendations have interdependencies with the Registry Replacement project. However, it might not be possible to include these in the February consultation given the workloads of the relevant teams.

We will update you in February 2020 to confirm whether we have been able to include them.

Category 2: Explore whether desirable and feasible, from September 2021

A recommendation has been put into this category if due to its complexity, interdependence with other work, or need to prioritise Category 1 work, our consideration of whether it is desirable and feasible to implement the recommendation will start in September 2021 (or earlier if time permits). In other words, we are not yet in a position to advise you on whether these recommendations should be accepted or not.

We are likely to be at full capacity in the first half of 2021 with the Category 1 work, the Registry Replacement project as well as other day to day functions. We may be unable to turn our full attention to the Category 2 recommendations until around September 2021. We will however look to assess them earlier if the opportunity arises.

Category 3: Not a priority in 2021

We have put a recommendation into this category if it is not to be considered any time in 2021. These recommendations (45 - 53) are additional ideas the Panel wanted

to put to InternetNZ as opportunities for .nz. They were not a part of the Options Report that was released as part of consultation.

As with category 2, we are not yet in a position to advise you on whether these Category 3 recommendations should be accepted or not.

Appendix 1 organises the recommendations into categories, so you can see what we are recommending be consulted on in February (Category 1) and the recommendations we need to consider further before presenting advice to you (Categories 2 and 3).

There is also a spreadsheet with further information

We have also prepared a spreadsheet that presents the Panel's recommendations in numerical order with our advice on which category each recommendation should be in. We have provided information on the rationale for each recommendation and why we think it should be categorised as it has been. The spreadsheet has space for you to make notes about the recommendations to aid your preparation for the Council meeting.

February 2021 consultation

There are two drivers for consulting with the public in February 2021. The first is the desirability of progressing the Category 1 recommendations, and making some progress with the implementation phase of the review. The second is the Registry Replacement project.

Progressing the Category 1 recommendations

We are preparing an exposure draft of the new .nz Rules. The exposure draft is intended to facilitate discussion on a proposed way of implementing Category 1 recommendations 1-13 and 20.

The exposure draft is broadly consistent with these Category 1 recommendations. However, there will be differences between what the Panel recommended and what we include in the exposure draft for consultation. For example:

- Recommendation 1 was to introduce five new guiding principles for .nz. One of these was that “.nz should be secure, trusted and safe”. Our exposure draft will include a new guiding principle that says “.nz should be secure and trusted”. This is because it is not clear what ‘safe’ means in this context (see the spreadsheet in **Appendix 2** for more details). We can incorporate a discussion on this issue in the consultation document.
- Recommendation 2 was to restructure the .nz policies into a new policy framework consisting of four categories: principles, policies, rules and

procedures, with a guidelines appendix. We broadly agree with this recommendation and are preparing the exposure draft along those lines. However, we are not convinced that a guideline appendix is needed at this stage (see the spreadsheet in **Appendix 2** for more details).

- Recommendation 5 was to amend the Policy Development Process to detail how principles, policies, rules and procedures can be changed. The Panel considered that there should be a different level of engagement for each level (principles, policies, rules, procedures etc). We propose having a different level of engagement for the procedures & requirements only (see the spreadsheet in **Appendix 2** for more details). We would however be comfortable testing in the consultation whether there should be more consultation differentiation.

The exposure draft of the new .nz Rules incorporates some existing principles as policies rather than principles. This should not necessarily be interpreted as meaning that they would become less meaningful or effective. For example, the first come, first served rule appears in the exposure draft as a policy in a section on registration of a .nz domain name. We consider that the concept more appropriately sits there, rather than as a general principle suggesting it is relevant to the system as a whole (i.e., including transfers of .nz domain names, cancellations, authorisation of registrars etc).

We currently consider that questions on how the 'first come, first served' principle might be modified should be included in the February consultation as well as in our engagements with Māori. However, our view on including this in the February consultation may change after our initial engagements with Māori in December 2020. We will advise you in February if we no longer consider that this should be included in the February consultation (see the spreadsheet in **Appendix 2** for more details).

Registry Replacement project

We propose two other groups of issues be included in the February 2021 consultation:

- Panel recommendations 29-31 and 33-36 if possible (the 'Registrant details' and 'Growth' Category 1 recommendations mentioned earlier). Determining InternetNZ's position on those recommendations will help to inform decisions needed on the Registry Replacement project.
- Various matters relating to the Registry Replacement project. These are not connected to any Panel recommendations. The project will be looking at an alignment of our registration policies with the new system capabilities, EPP standards and international best practices in order to future proof our investment. An example of the type of policy change likely to be consulted on

is the replacement of the UDAI (Unique Domain Authentication ID) with the EPP Auth Code and allowing registrars to set this value.

To avoid overlapping consultation and engagement fatigue, we recommend including known Registry Replacement project issues in the February 2021 consultation.

Extract from proposed exposure draft

To give you an idea of what the reorganised .nz Rules might look like, we have included an extract of the draft exposure draft in **Appendix 3**.

The draft exposure draft is still very much in development. We are not seeking your feedback on the wording or accuracy of the document, as there are still issues we need to resolve. We do however hope that the extract will help you understand how we propose the principles, policies, operational rules and procedures and requirements operate together.

Progressing other Category 1 recommendations

We are holding some ‘meet and greet’ hui with members of the Māori digital and Internet sectors in December. These will be an opportunity for people to meet the recently appointed Chief Advisor, Māori and to begin discussions on various issues of interest. This will provide an opportunity to begin a discussion on recommendations 14-16(a) (the recommendations under .nz and Māori in **Appendix 1**) as well as on recommendation 7 (on the ‘first come, first served’ principle).

The final Category 1 recommendation (recommendation 17) can be implemented independently of the other Category 1 work. It involves ensuring that the .nz policy documents are in an accessible format that meets accessibility standards. We consider that this will be comparatively straightforward to implement (see the spreadsheet in **Appendix 2** for more details).

Proposed timeline

We propose the following timeline for the .nz work:

When	What
December 2020	Chief Advisor, Māori holds ‘meet and greet’ hui with members of the Māori digital and Internet sectors to discuss (among other issues) the Panel’s recommendations of interest to Māori.
February 2021	Release consultation document on: <ul style="list-style-type: none">● exposure draft of the new .nz Rules● Registry Replacement project-related Category 1 Panel recommendations

	<ul style="list-style-type: none"> Registry Replacement project issues independent of Panel recommendations.
April 2021	Advice to Policy Committee on outcomes of consultation and next steps.
May 2021	Council decisions on next steps following feedback from consultation (make policy changes or do further consultation).
June - August 2021	Either: implementation of policy changes or further consultation.
September 2021	Start to focus on Category 2 recommendations (exploring whether these recommendations are desirable or feasible to enable us to offer advice on whether they should be accepted or not).

Recommendations

It is recommended that Council:

1. Agree to prioritise the Panel’s recommendations as set out in **Appendix 1**.
2. Note that staff intend to publicly consult in February 2021 on:
 - a. the exposure draft of the new .nz Rules, incorporating many of the Panel’s Category 1 recommendations
 - b. recommendations 29-31 and 33-36 relating to the Registry Replacement project, subject to recommendation 3
 - c. various issues relating to the Registry Replacement project.
3. Note that we may not be able to include recommendations 29-31 and 33-36 given the high workload of the teams involved.

Appendix 1: Prioritisation of Panel recommendations

Category 1: Implement or consult on how to implement

A recommendation is in this category if it can either be implemented immediately or included in public consultation in February 2021.

Rec no.	Recommendation
Simplification and consolidation of .nz policies	
2	InternetNZ should restructure the .nz policies into a new policy framework consisting of four categories: principles, policies, rules and procedures, with a guidelines appendix
3	InternetNZ should rewrite the .nz policies so they are easier to understand and navigate
4	InternetNZ should explain how the policy framework functions, including definitions, the relationship between principles, policies, rules and procedures
Principles	
1	<p>InternetNZ should introduce five guiding principles for the management of .nz:</p> <ul style="list-style-type: none"> ○ .nz should be secure, trusted and safe: .nz infrastructure must be dependable and secure, and .nz be trusted and safe ○ .nz should be open and accessible: everybody should be able to observe, participate, innovate and enjoy the benefits of .nz ○ .nz should serve and benefit New Zealand and reflect and be responsive to our diverse social, cultural and ethnic environment ○ .nz should support te reo Māori and participation in .nz by Māori ○ .nz should enable New Zealand to grow and develop: it should help people, businesses and organisations connect, create, innovate and grow
6	The "rule of law" principle should be retained in the .nz policies
7	The "first come first served" principle should be modified and retained in the .nz policies
8	The "no concern for use" principle should be modified and retained in the .nz policies
9	The "low barriers to entry" principle should be modified and retained in the .nz policies

10	The "Registrant rights come first" principle should be removed
11	The "structural separation" principle should be retained in the .nz policies
12	The "clear chain of relationships " principle should be retained in the .nz policies
Policy Development process	
5	InternetNZ should amend the Policy Development Process to detail how principles, policies, rules and procedures can be changed
13	The .nz Policy Development Process policy should be amended to require InternetNZ to take reasonable steps to engage with Māori in the policy-making process
.nz and Māori	
14	InternetNZ should ensure it has the capability needed to engage with Māori
15	InternetNZ should engage with Māori on specific issues identified by the Panel and any other issues that arise in the engagement process
16 (a)	The .nz policies should be translated into te reo Māori
Accessibility	
17	InternetNZ and DNCL should produce policy documents in an accessible format that meets web accessibility standards
Emergency provision	
20	The interim provision should be modified and made permanent
Registrant details	
29	Registrant details other than name should be protected by default
30	Providing admin and technical contacts should be optional but made publicly available if chosen
31	InternetNZ should provide an email communication function to enable registrants to be contacted without revealing their email address (e.g. web form)
Growth	
33	Enable variable wholesale pricing to Registrars
34	Allow Registry to offer rebates to the registrant via the wholesale fee

35	Allow registrar incentives to drive specific initiatives
36	Require all pricing mechanisms (variable wholesale price / rebate / incentive) to be designed to promote .nz policy goals

Category 2: Explore whether desirable and feasible

A recommendation is in this category if we still need to do more work to explore whether it is desirable and feasible to implement due to its complexity, interdependence with other work or need to prioritise Category 1 work. We are not yet in a position to advise you whether or not these recommendations should be accepted.

Rec no.	Recommendation
Accessibility	
16 (b)	There should be a long term vision to provide policy information in languages used by New Zealanders other than te reo Māori
18	InternetNZ should continue to monitor the utility of IDNs as a way to support all New Zealanders’ use of .nz
19	InternetNZ should undertake a work programme to minimise the risk, or perception of risk, associated with the assumption that .nz is limited to New Zealand
Security and trust	
21	InternetNZ and the DNCL should undertake a work programme to develop a trusted notifier regime
22	InternetNZ should build necessary protections into the policy to include accountability and transparency
23	InternetNZ should introduce a requirement for registrars to meet minimum security standards
Conflicted domain names	
24	InternetNZ should set a deadline for registrants to resolve self-conflicted domain names
25	InternetNZ should set a deadline for parties to come to an agreement on resolving conflicted domain names

26	Following deadline expiration, names should be released for general registration
Registrant details	
27	InternetNZ should work with registrars to strengthen registrant validation practices
28	InternetNZ should clarify the purpose of collection of each field in the registrant, administrative and technical fields
32	InternetNZ should offer an optional NZ Legal Person Verification process which would result in a marker being added to the domain name registration data
Growth	
37	InternetNZ should work with registrars to establish a statement of registrant rights which the DNCL should monitor and registrars be accountable for by annual monitoring
38	DNCL should publish expanded objective market information to better inform registrant choice e.g. market share and renewal rates, but consults with registrars further on the specific material
39	The registry should define minimum service/feature set all registrars must provide
40	The registry should not be permitted to sell or market commercial services provided by InternetNZ directly to registrants via registry data
41	The registry should incentivise registrars to provide services it provides under agreed rules
42	Establish a Registrar Service Level Agreement System to enhance market operation
43	The registry should collect and communicate market information including customer segments, activity/utilisation and product use for industry to better understand and develop the .nz market
44	InternetNZ should change the policies to enable credible new second level names to be considered

Category 3: Not a priority in 2021

A recommendation is in this category if we do not plan to consider or prioritise it any time in 2021. These recommendations are generally not about the .nz policies and are more about our operations.

Rec no.	Recommendation
45	InternetNZ should embark on an education campaign with the registrar community to ensure registrants and the public are aware of the .nz domain space and its key benefits to New Zealanders
46	InternetNZ should develop an anti-abuse statement to be used as a non statutory tool to make it clear what actions will not be tolerated on .nz
47	Establish a value measure for .nz: Develop a measure for the value .nz creates in New Zealand, tied to the New Zealand Wellbeing framework
48	Set specific sector growth targets: Set targets for .nz growth in key target and underrepresented areas eg. SMEs, Māori
49	Support SME connectivity: Collaborate with Government digital forums referred to in the Small Business Council report to boost SME connectivity
50	Establish a Registrar/Registry marketing panel: Establish a new .nz marketing panel comprising the Registry, registrar, reseller and registrant representatives to provide .nz marketing and pricing guidance to InternetNZ
51	Make it easier for SMEs to get online: Work with the Registrar Advisory Group to develop bundled small business product including a domain and landing page - to make it easier for SMEs to get online
52	Review .nz registrant switching behaviour: Examine the existing domain switching/transfer activity by registrants between registrars to see if this can be made easier or more visible
53	Explore domain-drop mechanisms: A reasonable volume of domain names regularly “drop” or are not renewed by registrants. Internet NZ should explore a domain-drop mechanisms such as auctions to capture potential value in reacquired domain names