

## AGENDA – COUNCIL MEETING

Friday 10 April 2015

Level 9 16 Willis Street Wellington			
8.45 am		Refreshments on arrival	
9.00am		Meeting start	
10.15am		Morning tea	
1.00 pm		Lunch	
3.30 pm		Meeting close	
<b>Section 1 - Council Governance</b>			
9.00-9.40am	1	Welcome	
	2	<b>Council Only</b>	
	3	<b>Council and CE only</b>	
9.40-10.15am	4	Apologies	
	5	Councillor's Declaration of Interest	<b>S2 3</b>
	6	Confirm Minutes – February 2015 Meeting	<b>S2 9</b>
	7	Actions from February 2015 Meeting	<b>S2 17</b>
	8	Membership update	<b>S2 19</b>
	9	Evote ratification	<b>S2 21</b>
	10	Industry Scan - Issues & Opportunities	
<b>Section 2 – Strategic Priorities</b>			
10.15-10.30am		<b>Morning Tea</b>	
10.30-11.15am	11	Activity Plan & Budget 2015/16	<b>S1</b>
<b>Section 3 – Matters for Decision</b>			
11.15-11.30am	12	Financial Reporting <ul style="list-style-type: none"> <li>Draft Audit &amp; Risk minutes (2 February 2015)</li> </ul>	<b>S2 25</b>
11.30-midday	13	Governance Framework <ul style="list-style-type: none"> <li>Governance Manual</li> <li>Policy Development policy</li> </ul>	<b>S1</b>
<b>Section 4 – Matters for Discussion</b>			
Midday-12.15pm	14	CEO Report <ul style="list-style-type: none"> <li>Property update (confidential)</li> </ul>	<b>S2 29</b>
12.15-1.00pm	15	Management reporting: <ul style="list-style-type: none"> <li>Internet Issues report</li> </ul>	<b>S2 33</b>

12.55-1pm	16	<ul style="list-style-type: none"> <li>• Business Plan report <ul style="list-style-type: none"> <li>◦ Strategic Partners Reports</li> </ul> </li> <li>• International report</li> </ul> Grants Committee discussion	S2 89
1.00-1.30pm		Lunch	
<b>Section 5 - Subsidiaries</b>			
1.30-2.30pm	17	<p>Alone time (Chairs, CE and Council - confidential)</p> <p>Subsidiaries reports</p> <ul style="list-style-type: none"> <li>• .nz fee recommendation (confidential)</li> <li>• 3<sup>rd</sup> quarterly report NZRS</li> <li>• constraints on financial return for NZRS</li> <li>• Statement of Directions and Goals (SoD&amp;G) NZRS</li> </ul>	S2 91 S2 99 S2 105
	18	<ul style="list-style-type: none"> <li>• .nz Framework (verbal)</li> </ul>	
	19	<p>Business Development (confidential)</p> <p>Any general items</p> <ul style="list-style-type: none"> <li>• .nz ownership mind-map (discussion)</li> </ul>	
<b>Section 6 - Other Matters</b>			
2.30-2.50pm	20	<p>Matters for Communication - key messages</p> <ul style="list-style-type: none"> <li>• Communications in general</li> <li>• Council governance training update</li> </ul>	
2.50-3.30pm	21	<p>General Business</p> <ul style="list-style-type: none"> <li>• Honorarium</li> <li>• Appointments Process 2015</li> <li>• Membership Committee update (1/4/2015)</li> <li>• List of Acronyms</li> </ul>	S2 125 S2 127 S2

## REGISTER OF INTERESTS

as at ~~16 February~~  
31 March 2015

### FOR INFORMATION

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#### INTERNETNZ COUNCILLOR REGISTER OF INTERESTS

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Officers and Councillors are required to register any interests, commercial, political or organisational, which they believe may be relevant to the perception of their conduct as a Councillor or Officer. Officers and Councillors are, however, still required to declare a Conflict of Interest, or an Interest, and have that recorded in the Minutes.

Officers and Councillors receive the following annual honoraria:

##### Honoraria

President - \$30,000

Vice President - \$18,750

Councillor - \$15,000

##### Name: Jamie Baddeley

Position: President, InternetNZ

Term: AGM 2012 - AGM 2015

Declaration Date: 28 August 2007, updated 28 May 2014

##### Interests:

- Owner and Director of Viewpoint Consulting Ltd
- Viewpoint Consulting Ltd is a shareholder of FX Networks Ltd
- Registrant of vpc.co.nz, is.org.nz, internetstandards.org.nz
- Member of the New Zealand IPv6 Steering Group
- NZNOG Trustee
- Employee of TeamTalk
- Officer's Honorarium for InternetNZ

##### Name: Joy Liddicoat

Position: Vice President, InternetNZ

Term: 22-Aug-2014 (*by-election*)-AGM 2015

**Declaration Date:** 22 September 2014

##### Interests:

- Holder of .nz domain name registrations
- Holder of .com domain name registrations
- Member of the New Zealand Law Society
- Representative of APC in the Non Commercial Users Constituency of ICANN
- Founding Director and Shareholder of Oceania Women's Satellite Network (OWNSAT) PTE Limited. OWNSAT is a shareholder in Kacific Broadband Satellite.
- Member of Pacific Chapter, Internet Society (PICISOC)
- Officer's honorarium for InternetNZ

- Assistant Commissioner, Policy and Operations) at the Office of the Privacy Commissioner
- Member, Non-Government Advisory Committee to Public Interest Registry .org

**Name: Neil James**

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 28 August 2008, updated 20 November 2013

Interests:

- Fellow of IITP
- Member of the Dunedin Computers in Homes Steering Group
- Councillor's Honorarium for InternetNZ

**Name: Hamish MacEwan**

Position: Councillor, InternetNZ

Term: AGM 2012 - AGM 2015

Declaration Date: 24 August 2007; updated 31 March 2014

Interests:

- Self-employed Open ICT consultant
- Registrant of sundry .nz domains
- Member of Internet Party
- Councillor's Honorarium for InternetNZ

**Name: Brenda Wallace**

Position: Councillor, InternetNZ

Term: AGM 2012 - AGM 2015; updated 22 July 2014

Interests:

- 
- Employee of Rabid Tech
- Member of Green Party of Aotearoa New Zealand
- A gazillion .nz domain names
- Organiser of Girl Geek Dinners Wellington
- Member and volunteer for Tech Liberty
- Councillor's Honorarium for InternetNZ

**Name: Lance Wiggs**

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 9 August 2010, updated 22 June 2014

Interests:

- Director and shareholder in several NZ companies, generally operating online
- Including: Director and, through Punakaiki Fund, shareholder of ISP Vibe Communications Limited
- Direct and indirect owner of various .nz domain names (<40)
- Director of Lance Wiggs Capital Management
- Director, and, through LWCM, Manager of Punakaiki Fund Limited
- Member of two Return on Science Investment Committees
- Better By Capital provider for NZTE
- Member of the Institute of Directors

- Member of NZCS / Institute of IT Professionals
- Wife (Su Yin Khoo) is Director and Shareholder of Gather Conference Limited and Gather Workshops Limited, and has performed work for Kiwi Foo Camp
- Councillor's Honorarium for InternetNZ
- Member of the Green Party

**Name: Dave Moskovitz**

Position: Councillor, InternetNZ

Term: AGM 2011 - AGM 2017

Declaration Date: 9 August 2010, updated 20 November 2013

Interests:

- Registrant of .nz, .com, .org, .pe domains
- Director, Domain Name Commission Limited
- **Board memberships:**
- Think Tank Consulting Limited
- WebFund Limited
- Hyperstart Limited
- Golden Ticket Limited
- MusicHype Inc.
- Publons Limited
- Expander Limited
- Startup New Zealand Limited
- Open Polytechnic
- **Shareholdings (all of the above except for *SWNZ Limited and Open Polytechnic*, plus):**
- Lightning Lab 2013
- WIP APP Limited
- Learn Coach Limited
- Ponoko Limited
- Celsias Limited
- 8interactive Limited
- Admin Innovations Limited
- DIY Father Limited
- Smaratshow Limited
- Common Ledger Limited
- Cloud Cannon Limited
- Small holdings in numerous publicly listed companies
- **Non-profit Activity:**
- Global Facilitator
- Startup Weekend (Trustee)
- Pacific Internet Partners (Trustee)
- Think Tank Charitable Trust (Co-Chair)
- Wellington Council of Christians and Jews
- **Other memberships:**
- NZ Open Source Society
- NZ Rise
- Royal Society
- Registered marriage celebrant
- Councillor's Honorarium for InternetNZ

**Name: Richard Wood**

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 15 July 2013, updated 31 January 2014, updated February 2015, updated March 2015

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Interests:

- Holds .nz and .net domain name registrations
- Member of ISOC, PICISOC and ~~Pacific Internet Partnership Inc.~~
- Councillor's Honorarium for InternetNZ
- Employee of and investor in Parts Trader Markets Ltd

**Name: Amber Craig**

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 18 July 2013, updated 30 July 2014

Interests:

- Organiser of Girl Geek Dinners Wellington
- Consultant and organiser of some corporate unconferences
- Holds .nz domain name registrations
- Employee of ANZ
- Creator & Director of Beyond the Achievements
- Councillor's Honorarium for InternetNZ
- Family member work as part of DNCL internship

**Name: Rochelle Furneaux**

Position: Councillor, InternetNZ

Term: AGM 2014 - AGM 2017

Declaration Date: 13 February 2014

Interests:

- Shareholder of Enspiral Foundation Ltd
- Director and Shareholder of Enspiral Legal Ltd
- Director of Enspiral Spaces Ltd
- Member of New Zealand Law Society
- Councillor's Honorarium for InternetNZ
- Trustee at Fabriko Trust

**Name: Sarah Lee**

Position: Councillor, InternetNZ

Term: AGM 2014 - AGM 2017

Declaration Date: 23 September 2014

Interests:

Contact to 2020 Communications Trust

- Member of New Zealand Māori Internet Society
- Māori Advisory Group member for Injury Prevention Network
- Councillor's Honorarium for InternetNZ

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**Name: Hayden Glass**

Position: Councillor, InternetNZ

Term: AGM 2014 - AGM 2017

Declaration Date: ~~23 September 2014~~ 25 March 2015

- Interests:

- Consulting Economist with the Sapere Research Group. Clients are generally
- telco/media/Internet companies and government agencies, and have included Chorus, Sky TV, Google, TUANZ, MBIE, and The Treasury, as well as the Innovation Partnership and Internet NZ.
- Convenor of the Moxie Sessions, an ~~Auckland~~ tech-economy discussion group.
- Founder and Director of Kuda Ltd, a (~~very~~ slow moving) big data analytics startup
- ~~Volunteer COO~~ at Wiki New Zealand
- Member of Techliberty
- Registrant of .org, .com and .nz domains

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## **DRAFT MINUTES OF COUNCIL MEETING**

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**Status:** Draft

**Present:** Jamie Baddeley (President), Joy Liddicoat (Vice President), Neil James, Hamish MacEwan, Dave Moskovitz, Hayden Glass, Sarah Lee, Richard Wood, Amber Craig, Rochelle Furneaux and Lance Wiggs.

**In Attendance:** Jordan Carter (Chief Executive), Marian Donaldson (minute taker), Debbie Monahan (Domain Name Commissioner, *in part*), David Farrar (DNCL Chair, *in part*), Richard Currey (NZRS Chair, *in part*), Jay Daley (NZRS CE, *in part*), Andrew Cushen (InternetNZ, *in part*), Ellen Strickland (InternetNZ, *in part- audio conference*).

**Meeting Opened:** 9.00am

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### **1. Apologies**

An apology was received from Brenda Wallace.

### **2. Declaration of Interest**

The declaration of interests paper was tabled showing updated information from Richard Wood. It was also noted that Lance Wiggs has joined the Green Party.

### **3. Approval of minutes**

**RN 01/15** THAT the minutes of the meeting held on 5 December 2014 be received and adopted as a true and correct record noting the departure and arrival times for Amber Craig and the arrival times for Lance Wiggs and Hayden Glass, and THAT the following reports be received:

- a. Ratification of minutes: 5 December 2014
- b. Outstanding action points
- c. E-votes ratification
- d. Membership update

(President/A Craig)  
**CARRIED U**

#### **4. New Members List**

RN 02/15 THAT Council approved the new members.

(Vice President/R Furneaux)

**CARRIED U**

#### **5. Agenda consideration – in committee items**

There were no in-committee agenda items noted.

#### **6. InternetNZ Draft Strategic Plan 2015-2018**

Prior to the Council meeting the CE had asked members for feedback on the draft InternetNZ Strategic Plan 2015-2018. There was one email in response which was positive.

The President advised that he was happy with the Strategic Plan and with the iterative and open way it had been developed.

After discussion it was agreed that the Internet Use Portfolio, Internet Technology Portfolio and Internet Security Portfolio transformations need further work and rewording, which the CE was asked to do and then recirculate to Council for final review.

AP 01/15 Jordan Carter and Andrew Cushen to explain how the communications transformations would manifest themselves.

RN 03/15 THAT Council approved the draft InternetNZ Strategic Plan for 2015-2018, following updates from the Council meeting, and ask the Chief Executive to circulate it for member review.

(President/Vice President)

**CARRIED U**

*10.45-11.00am morning tea was held.*

#### **7. InternetNZ Business Plan 2015/16**

The draft InternetNZ Business Plan 2015/16 was presented by Jordan Carter. He noted that the final budget and business plan will be presented at the April Council meeting, following further development and member engagement input.

Council agreed the need for greater clarity in a number of the sections relating to the Internet Issues area (Use and Technology portfolios sections), and a check for alignment between these areas and the Strategic Plan. Further development is also required for the communications section on the same basis. President and Vice President agreed to lead development of the governance section of the Business Plan.

AP 02/15 Acronym paper to be included in the Council papers in the future.

AP 03/15 President and Vice President to develop content for the Council part of the Business Plan.

RN 04/15 THAT Council note the draft InternetNZ Business Plan for 2015-16 and ask the Chief Executive to continue to the final stage of the plan to be presented at the April Council meeting.

(President/S Lee)

**CARRIED U**

*11.40am A Craig left the meeting*

## **8. Group Financial report (Deloitte)**

RN 05/15 THAT Council approved the Group Financial report prepared by Deloitte for the quarter ending 31 December 2014.

(President/N James)

**CARRIED U**

## **9. Governance Policy Framework**

### ***Appointments policy***

Council discussed the proposed revisions to the Board Appointments and Roles policy, which were minor and technical in nature. The Chief Executive explained that the aim is to see this updated policy applying to both subsidiaries, and that this would come into effect as the Operating Agreements are updated in 2015 (the DNCL OA currently references an out-of-date, company-specific version of the policy).

RN 06/15 THAT Council approve the changes to the Board Appointments and Roles policy.

(H MacEwan/H Glass)

**CARRIED U**

The Chief Executive agreed that in future a one page cover note would be presented in kicking off reviews of governance policy documents, to clearly set out the issues and proposed changes.

### ***Policy Development policy***

The Chief Executive apologised for this not being done by paper. He outlined for Council his plans to draft the PDP, noting a key question is how much input to seek from members in what is quite technical work. The view around the Council table was that members could be informed, and any issues discussed at member engagement meetings, but that detailed involvement was probably not necessary.

- AP 04/15** Chief Executive to draft Policy Development Policy and work with Councillors intersessionally on advancing it.
- AP 05/15** Policy development approach to be tested with members informally at engagement meetings in March.

## **10. Chief Executive's Report**

The Chief Executive's written report was taken as read.

The main focus areas for the Chief Executive at a high level are:

- Communicating our story effectively
- Refreshing the membership offer
- Managing international commitments (esp. ICANN accountability) effectively
- Execution of the 2014/15 business plan's remaining commitments
- Preparing the 2015/16 business plan

Points raised in discussion included:

- Venue options for NetHui 2015 (back in SkyCity; Wellington planned for 2016)
- The excellent performance of Andrew Cushen in the Acting Chief Executive role in Jordan's absence December-January
- The importance of the membership work
- The importance of getting the business development strategy right
- The need for this reporting to be better pitched at governance requirements - with less detail and critical issues better raised to Council's attention.

**RN 07/15** THAT Council approve the Chief Executive's report.

(R Furneaux/R Wood)  
CARRIED U

*12.35pm A Craig returned to the meeting*

## **11. Internet Issues Report and Business Plan Report**

A number of issues were raised in discussion of these reports:

- Net neutrality has gained good momentum and Andrew will be taking the net neutrality document to large companies for feedback.
- Recruitment for the new members of the Internet Issues team is proceeding well.
- Communications needs, including how best to tell our story and to keep our membership better informed.

The discussion turned to the previous work done on InternetNZ's objects, and whether it was time now, with rebranding out of the way, to complete that review process.

**AP 06/15** Chief Executive to review the draft of the objects prepared in 2013 and present an updated draft proposal to the April Council meeting for discussion.

**RN 08/15** THAT Council note the business plan and internet issues programme reports.

(H Glass/A Craig)  
CARRIED U

### ***Strategic Partners***

Ellen gave a verbal update on the progress made with the proposed slate of strategic partnerships. An evote will be sent to Council in March seeking approval for three new strategic partnerships.

*Lunch 1.00-1.30pm*

## **12. International update**

The Chief Executive gave a brief on ICANN 52 in Singapore (8-12 Feb) which was attended by Jordan, Debbie, Jay, Keith, and with governors Jamie Baddeley, Brenda Wallace and Lucy Elwood attending due to the unplanned proximity of the meeting (it had been scheduled to be held in Marrakech, Morocco)..

A critical issue is the ongoing work to transition stewardship of the IANA functions from the U.S. government to the Internet community. Participants described the tensions and debates involved. InternetNZ's experience in dealing with similar issues is useful to bring to the table. There is a lot of work to do in developing a consensus among ccTLD managers about what would make for an acceptable transition plan.

Jamie thanked Jordan, Debbie and Jay for their efforts at this meeting and advised the Council that the Internet community in New Zealand is well represented in this arena.

**RN 09/15** THAT Council note the International update.

(President/Vice President)  
CARRIED U

## **13. Subsidiaries – DNCL and NZRS update**

Written reports from the subsidiaries were taken as read.

A debrief on the registrations at the Second Level project will be jointly conducted after the process is finished.

Council noted that DNCL and NZRS are holding a joint board meeting on 17 February to develop the joint .nz Strategy, and welcomed this. Councillors are looking forward to seeing the outcomes of this work.

### ***Joint .nz 3<sup>rd</sup> quarterly report***

The joint .nz 3<sup>rd</sup> quarter report was taken as read.

**RN 10/15** THAT Council receive the Joint .nz 3<sup>rd</sup> quarter report.

(R Furneaux/S Lee)  
**CARRIED U**

### ***Business Development (verbal)***

Jay Daley gave a briefing on NZRS business development with the main focus currently being on the National Broadband Map. At present negotiating a contract with MBIE for the transfer to NZRS.

It was noted that a written Business Development updated by prepared for the next Council meeting in April 2015.

### ***NZRS Financial model***

R Curry, NZRS Board Chair, gave a presentation to Council that explained how the NZRS financial model works, and various drivers for the Board's appetite for risk in dealing with the considerable pre-paid funds on the balance sheet.

In discussion sparked by the presentation, Council agreed to write to NZRS to ask if any particular features of the policy or agreements framework artificially lower the company's ability to maximise returns on funds held consistent with its risk appetite. Council would consider the company's reply, noting the critical importance of being a good steward of registrant prepayments.

**AP 07/15** Chief Executive to draft a letter to NZRS to ask if there are constraints in the policy or agreements framework that unnecessarily prevent the realisation of the best possible return on funds held consistent with the company's obligation to be a responsible steward of registrant prepayments.

**RN 11/15** THAT Council approve the subsidiaries reports.

(President/A Craig)  
**CARRIED U**

*2.35pm D Moskovitz left the meeting.*

## **14. Matters for Communication**

Council agreed that the wording of diversity requirements in the business plan and strategic plan needs careful consideration: what does this mean in our community and how would this be measured? Staff to consider this in preparing the next versions of these documents.

## **15. Other Business**

There was no other business to report.

## **16. Meeting Feedback**

Councillors were generally happy with the meeting, and expressed their views in a feedback round.

**Next Meeting:** The next scheduled Council meeting is Friday 10 April 2015 in Wellington.

**Meeting Closed:** 3.15pm

**Signed as a true and correct record:**

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Jamie Baddeley  
President, CHAIR





	<b>2015 Action Point Register</b>				
	<b>Action</b>	<b>Who</b>	<b>Status</b>	<b>Due by</b>	<b>Comment</b>
	<b>FEBRUARY</b>				
AP01/15	Jordan Carter and Andrew Cushen to explain how the communications transformations would manifest themselves.	Andrew/Jordan	In progress		
AP02/15	Acronym paper to be included in the Council papers in the future.	Marian	In progress		
AP03/15	President and Vice President to develop content for the Council part of the Business Plan.	Jamie/Joy			
AP04/15	Chief Executive to draft Policy Development Policy and work with Councillors intersessionally on advancing it.	Jordan	In progress		
AP05/15	Policy development approach to be tested with members informally at engagement meetings in March.	Jordan	In progress		
AP06/15	Chief Executive to review the draft of the objects prepared in 2013 and present an updated draft proposal to the April Council meeting for discussion.	Jordan	In progress		
AP07/15	Chief Executive to draft a letter to NZRS to ask if there are constraints in the policy or agreements framework that unnecessarily prevent the realisation of the best possible return on funds held consistent with the company's obligation to be a responsible steward of registrant prepayments.	Jordan	Complete		
	<b>ACTIONS C/F FROM 2014</b>				
	<b>DECEMBER</b>				
AP33/14	Word Community - Staff to revisit this issue and at the December Council meeting look at the definition of Internet Community refined in 2007.	Jordan	ongoing		
AP35/14	Joy suggested that a debrief review of the rollout of the second level registration be done group wide, with the results shared across the group.	Jordan	ongoing		
AP43/14	Word Community - Staff to revisit this issue and at the December Council meeting look at the definition of Internet Community refined in 2007.	Jordan	ongoing		
AP44/14	Sarah Lee to start the process of identifying a potential Kaumatua for InternetNZ and report back to the February 2015 meeting.	Cr Lee	In progress		
AP46/14	Strategic Partners - Further verbal update to be presented at the February meeting, with e-votes on agreements likely in late February or early March 2015.	Ellen	In progress	February 2015	



## INTERNETNZ MEMBERSHIP REPORT

**Status:** FINAL  
**Author:** Maria Reyes

### 2014-15

	April 2015	February 2015	December 2014	October 2014
Fellows:	23	23	23	23
Individual:	283	271	270	262
Professional Individual:	74	74	71	70
Small Organisation:	29	29	28	27
Large Organisation:	8	8	8	8
<b>Total Membership:</b>	<b>417</b>	<b>405</b>	<b>400</b>	<b>390</b>

### 2013-14

	April 2014	February 2014	December 2013	October 2013
Fellows:	24	24	24	24
Individual:	290	281	253	252
Professional Individual:	83	82	76	76
Small Organisation:	30	30	26	23
Large Organisation:	6	5	5	5
<b>Total Membership:</b>	<b>433</b>	<b>422</b>	<b>384</b>	<b>380</b>

### Membership by region

#### *North Islands (Northern):*

Joined in	Number
2015	3
2013-2014	47
2010-2012	34
2005-2009	38
Foundation-2004	3
<i>TOTAL</i>	<i>125</i>

**North Islands (Southern):**

Joined in	Number
2015	10
2013-2014	80
2010-2012	61
2005-2009	61
Foundation-2004	7
<i>TOTAL</i>	<i>219</i>

**South Islands (Northern):**

Joined in	Number
2015	2
2013-2014	22
2010-2012	17
2005-2009	4
Foundation-2004	1
<i>TOTAL</i>	<i>46</i>

**South Islands (Southern):**

Joined in	Number
2015	1
2013-2014	2
2010-2012	6
2005-2009	3
Foundation-2004	1
<i>TOTAL</i>	<i>13</i>

**\* International members - 14**

**Please note**, membership renewals are currently in progress. Members whose membership is expiring on 31 March 2015 have until 1 July 2015 to renew their membership so they can maintain a continuous membership. If the subscription remains unpaid after 1 July 2015, the membership terminates and a new application for this will have to be made if the Member wishes to rejoin the Society.

**Recommendation:** THAT the new members be approved.

## E-votes Ratification

**Author:** Maria Reyes

There have been **three** e-votes conducted since the last Council Meeting:

Evote:	Motion:	For:	Against:	Abstain:
12022015	<p>THAT the following criteria for the Internet Research funding round be adopted:</p> <p>(a) Alignment with Purpose This criterion relates to the extent to which the research project is aligned with the InternetNZ Internet Research Community Grant purpose and related community goals and objectives. For this criterion it is suggested that you:</p> <ol style="list-style-type: none"> <li>Explain how this research project matches the InternetNZ purpose for the community grants round.</li> <li>Identify any engagement within the community relevant to this research, including the research community, and where applicable give an indication how this research can help address community goals and objectives.</li> <li>The extent of co-funding by other organisations</li> </ol> <p>(b) Potential Benefit With this criterion the committee is assessing the outcomes and potential benefit of the research projects, including value for money. It is suggested that you:</p> <ol style="list-style-type: none"> <li>Give an indication of the expected research outcomes and the impact/use of those outcomes.</li> <li>Identify any potential benefits to communities, disadvantaged groups or segments of the population, including to the research community and/or broader Internet community (government, business, users, etc)</li> <li>Identify how and to what</li> </ol>	Neil James Hayden Glass Sarah Lee Rochelle Furneaux Hamish MacEwan Brenda Wallace Lance Wiggs Dave Moskovitz Richard Wood Joy Liddicoat Amber Craig		

	<p>extent this is addressing research needs that have been clearly identified and how.</p> <ul style="list-style-type: none"> <li>iv. Identify the research project's relationship to other existing research projects in New Zealand or internationally.</li> <li>v. Describe what makes this research project different or innovative.</li> <li>vi. Identify the research project's ongoing commitment and viability, if any.</li> </ul> <p>(c) Likelihood of Success With this criterion the committee is trying to understand the likelihood of the research project being successfully completed, towards delivering the outcomes and benefits intended. So it is suggested that you:</p> <ul style="list-style-type: none"> <li>i. Identify evidence of the commitment of others, especially involved or affected groups or communities.</li> <li>ii. Show clearly through how this research will be implemented.</li> <li>iii. Outline your approach and management of ethical considerations.</li> <li>iv. State whether or not there is real financial or in-kind backing from others and what commitment exists.</li> <li>v. Where possible, describe the experience of the people applying, ie a successful track record of implementing projects of this kind.</li> <li>vi. State what qualifications the applicants have that is relevant to the requirements of the project</li> </ul>			
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3032015	<p>(1) THAT Jeffrey Lai be awarded funding of \$800 from the Conference Attendance Funding Round.</p> <p>(2) THAT Aniket Mahanti (University of Auckland) be awarded funding of \$3,900 from the Conference Attendance Funding Round.</p> <p>(3) THAT Huu Trung Truong be awarded funding of \$776 from the Conference Attendance Funding Round.</p> <p>(4) THAT Tanya Gray (Gather Workshop) be awarded \$1,200 from the Conference Attendance Funding Round.</p> <p>(5) THAT Natalie Dudley be awarded funding of \$4,800 from the Conference Attendance Funding Round.</p> <p>(6) THAT Adon Moskal be awarded funding of \$3,000 from the Conference Attendance Funding Round.</p> <p>(7) THAT Nicole Price be awarded funding of \$2,500 from the Conference Attendance Funding Round.</p> <p>(8) THAT Mark Frater be awarded funding of \$5,050 from the Conference Attendance Funding Round.</p>	<p>Lance Wiggs Hamish MacEwan Hayden Glass Rochelle Furneaux Sarah Lee Dave Moskovitz Amber Craig Neil James Brenda Wallace Richard Wood Jamie Baddeley Joy Liddicoat</p>		
13032015	<p>(1) THAT Addington.net Computer Centre be awarded funding of \$3,000 from the Canterbury Projects round.</p> <p>(2) THAT Technology Workshops (Frabriko Ltd) be awarded funding of \$3,500 from the Canterbury Project round.</p> <p>(3) THAT Computer Science Field Guide and Unplugged website (University of Canterbury) be awarded funding of \$20,000 from the Canterbury Projects round.</p> <p>(4) THAT Greater Christchurch School's Network be awarded funding of \$47,500 from the Canterbury Projects round.</p> <p>(5) THAT Code Club Aotearoa be awarded funding of \$20,000 from the Canterbury Projects round.</p> <p>(6) THAT Internet of Things Cycling Data Project (Fabriko Ltd) be awarded funding of \$15,000 from the Canterbury Projects round.</p>	<p>Amber Craig Dave Moskovitz Sarah Lee Rochelle Furneaux Brenda Wallace Richard Wood Jamie Baddeley Hayden Glass Hamish MacEwan Neil James Joy Liddicoat</p>	Lance Wiggs	

**Recommendation:** THAT the e-votes be ratified.





**DRAFT MINUTES OF AUDIT AND RISK COMMITTEE MEETING**

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**Status:** Draft

**Present:** Neil James (Chair, *via video conference*), Lance Wiggs (*via video conference*), Amber Craig, Joy Liddicoat

**In Attendance:** Jordan Carter, Mary Tovey, Marian Donaldson (minute taker)

*The Chair opened the meeting at 11.08am*

**1. Minutes from previous meeting held 11 June 2014**

The minutes of the previous meeting held on 11 June 2014 were approved with no comments or questions raised from the Committee.

**2. Review of Interim Management Report for YE 31 March 2014**

Discussion was held on the Interim Management Report and Audit Arrangements report provided by BDO noting the requirement for all credit card purchases to be supported with receipts.

It was AGREED that INZ must at all times exceed the standard required and make mandatory receipts with all purchase.

**3. Audit appointment process**

The Audit Tender Plan, to appoint auditors for the financial years 2016-2019, was considered and the Audit and Risk committee timing to interview potential auditors noted as being either 14 or 21 March 2015. It was agreed that a date be determined by Doodle poll, after consideration to members meeting was made.

**4. Counter Fraud Gap Analysis and Fraud Risk Assessment report**

Gap analysis for high risk was discussed. It was recommended that INZ not proceed with decoding and will look at other checking mechanisms, due to the discovery of a fundamental flaw with the d-code service offered e.g. direct debits – automatic payments were not captured.

Risk register – have identified four high risks and 13 moderate areas as priority.

It was noted that INZ have addressed all 34 risks noted on the risk register.

## **5. Internal Financial Policies and Procedures**

It was noted that the final document will be finalised within the next two weeks and distributed to the Audit and Risk Committee for comment.

## **6. Audit timetable**

Safety audit, layer audits and spot auditors were discussed.

Mary Tovey advised that auditors, in future, will be undertaking these audits. Lance Wiggs questioned this practice and felt these random audits should be undertaken by Councillors from time to time as well.

## **7. Induction to Audit and Risk committee**

Neil James advised that the committee has a comprehensive Terms of Reference but the committee hasn't been pro-active in the past at inducing new members.

The question arose as to how involved the committee should be in governance vs execution. The committee must be aware of the risk environment that we are working in. The reputation of INZ is in the hands of the Audit and Risk and Council members and the main focus is to stop a catastrophic risk of the whole group.

Investment arm was discussed and this again was pointed out that we must invest wisely to avoid a catastrophic loss.

The question arose as to how would an Independent Director to the Audit and Risk committee help with governance issues.

It was agreed that the role of the Audit and Risk committee has grown in responsibility and does need further skills.

The question was raised as to the Audit and Risk committee having access to INZ accounting system.

It was agreed that there will need to be a further discussion on this subject at management level.

Further work on an induction process is required and to include a list of annual meetings, topics that will and need to be covered at certain times of the year. It was also pointed out to management that there is big changes coming through this year in the Health and Safety arena; another area of risk.

## **8. Risk management**

Jordan Carter advised that a separate risk register is required for INZ.

## 9. Other business

Amber Craig advised of the upcoming courses she is attending at IoD.

It was AGREED that the Chair and management will set a schedule of meetings for the remainder of the year for the Audit and Risk committee.

*The Chair closed the meeting at 11.50am.*

**Date of next meeting:** TBC

**Signed as a true and correct record:**

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Neil James, Chair

DRAFT



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## Chief Executive's Report

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**Author:** Jordan Carter, Chief Executive

**Purpose of paper:** Report for the two months to 31 March 2015

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### Introduction

This report sets out critical risks or other risks Council should be aware of, my priorities in the period since the February Council meeting, planned priorities for the three months from now until the end of June 2015, longer range priorities, and a brief update on staffing and contractor issues.

It is worth noting that in the first quarter of this year, we have completed almost all of the commitments set out in the 2014/15 Business Plan; prepared the 2015/16 Activity Plan and Budget, met with members to discuss plans for the coming year, and been involved in a wide range of other activities in New Zealand and internationally.

It has been a cracking busy start to the calendar year, and our job in the operating team in the next quarter is to be very focused on making sure we are well set up for the methodical, manageable implementation of the new year's plan.

I also want to thank Andrew Cushen again for his work as Acting CE during my absence at APRICOT and at the ICANN meetings during the period of this report.

As always, feedback from Councillors, members or anyone else on the content of this report is very welcome.

### Reporting changes

Rather than attaching reports to this CE report as we have done in the past, for this meeting we present a set of management reports as follows:

- Internet Issues Programme Report
- International Report
- Business Plan Report

all for the two months to 31 March 2015.

From the start of the 1 April year, our intention is to provide different reporting: only key issues in each of the above areas will be directly reported to Council, with more detailed maps of activity posted on the website where anyone can access them. This will help ensure that Council time and attention is focused on the most important issues, and mean that there is less reading to be done for each meeting.

## 1: Critical / Other / Potential Risks

There are no critical risks to advise the Council of at the reporting date.

## 2: Recent Priorities

### *Chief Executive*

Since the February meeting of the Council, I have been focused on the following issues, generally in descending priority order:

- Activity and budget planning for 2015/16
- Preparations for major events in 2016 – APRICOT in particular
- Working on options to restore the group to common premises
- Discussions with officials regarding a possible .nz MOU
- Reviewing and re-ordering the governance policy framework
- Copyright in the .nz register, where matters are almost resolved
- Participating in ICANN accountability matters

Between the date of this report and the Council meeting, I will also have made progress on two other matters:

- Membership group
- Māori engagement group

A number of the priorities identified in the February report have not been advanced, for the reasons set out:

Priority not advanced	Explanation
Business development strategy	Time commitments have not allowed this to be advanced, first discussions happening in April and on target to bring a strategy to the June meeting.
Performance plans for 2015/16	These are a couple of weeks late due to the very busy start to the year, but will be completed in April.
Reintroduction campaign & stakeholders	This combined item is a little behind in development with more preparatory work still to do.

All these matters are picked up in my priorities for the coming quarter.

### *Operating team*

The separate reports on the Internet Issues and Community programmes, Interational and Business Plan set out the detail at this meeting. We will discuss those reports at the appropriate place on the agenda.

I will note here that it has been a very busy start to the year across all areas – on Internet issues (copper pricing, network neutrality); community (holding the Internet research forum, planning for NetHui, negotiating new Strategic Partnerships); events (APRICOT 2016); communications (a much more aggressive schedule of blog posts, and a new newsletter publication being introduced).

A more measured pace is needed as we commence the 2015/16 Activity Plan in the coming quarter.

### **3: Priorities for the next three months**

#### ***Chief Executive***

The following are my planned broad areas of focus in the period to the end of June, in priority order:

1. **Work Plan:** with the Activity Plan for 2015/16 signed off, we will finish the work of scheduling all the activities it contains, and align staff performance plans with these requirements – in particular to ensure a sustainable workload for all team members.
2. **Members:** assisting with the work of the Membership working group and implementing the findings as they arise and are agreed among members to improve what our team does in this area. There are some quick changes we can implement in April that will help in this area.
3. **Business development:** working with NZRS to kick off the strategy development under the Strategic Plan's requirement for new thinking in this area.
4. **Stakeholders:** "selling" the work we do and making best use of our newly refreshed identity will take a fair amount of my time in the coming quarter.
5. **Subsidiary and .nz stewardship:** two areas of focus here: developing the ".nz policy" arising from the .nz Framework review; ongoing discussions regarding an MOU between MBIE and InternetNZ regarding .nz.
6. **Our team:** I anticipate three new staff starting in the April-June period – two Internet Issues advisors and one community staffer. These will likely form the last changes required to build the staff team we need.
7. **International:** ICANN accountability remains my focus, through participating in the Working Group being established to discuss this. I will also progress the work of developing our updated International Strategy and plan.

I particularly welcome Council feedback on my priorities.

#### ***Operating Team***

The following priorities are evident:

- **Team wide:** finishing preparation of the work plan for the year, aligned with the 2015/16 Activity Plan, and making sure reporting reflects this.
- **Community Engagement:** NetHui 2015 will go from planning to full implementation in this quarter, with a particular focus on the programming, sponsorship and marketing aspects.
- **Community Funding:** Creation a Community Grants Policy Framework and preparations for the Projects Round will be occurring in this quarter.
- **Internet Issues:** Completion of hiring process for Issues Advisors; completing outstanding work items from 14/15 Business Plan, particularly State of the Internet Portal and Net Neutrality; commencing delivery of 2015/16 Activity Plan.

- **Core operations:** new team allocation of responsibilities in place and plan being developed from here; ongoing development of communications and events plans for the year ahead (and in particular a good deal of advance planning for APRICOT).

#### **4: Longer Range Priorities**

The big picture issues on my mind, in no particular priority order at this stage, remain similar to those set out in my previous two reports, and are:

- **Team and Group culture and dynamics:** getting the best bang-for-buck across the group is important, and restoring common premises will help with this.
- **Identity:** living up to the new brand identity and “spreading the word” on this, so that our public profile becomes clearer.
- **Making business development work:** the strategic direction for our business development efforts needs clarity and drive – and this will be an area for focus for me next year.
- **Role of and relationship with Members:** there is a good deal to do to better understand our members and develop a stronger culture of respect and inclusion among them.
- **Securitisation:** I believe that in 2015 there will be an increasing tendency on the part of states to continue to use national security rationales to undermine the open Internet. Understanding this and its implications is important for us.

#### **5: Staffing and Contractor matters**

As noted above, recruitment is in progress for our Internet Issues positions, and is pending for the Community position.

In general, people have been very busy in the first few months of the year.

#### **6: Other matters**

- None to report.

As a final note, the commitments I have had to travel in the last quarter have been less than ideal in terms of presence in the office and for the team, and in Wellington generally. I am hugely looking forward to being on deck and around for the coming few months without the disruptions and distractions inevitably caused by international travel commitments.

Jordan Carter  
Chief Executive

31 March 2015



# Internet Issues Programme Report

## Two months to 31 March 2015

### Commentary

The purpose of this report is to summarise both the deliverables in the final part of this year, as well as report on delivery versus the plan as a whole.

I am very proud that the Internet Issues Programme and Team has delivered well above targets (A = 85%, B = 65% C/D = 50%) on the most ambitious and comprehensive Issues Plan that this organisation has undertaken, as well as adopting another 9 substantive matters and delivering those as well. Some of these items will continue into the New Year, in which case DONE means that all that has been scheduled or is possible to be done in the current financial has been. Please note the comments for how some of these items may lead into next year's Activity Plan. These items are noted in the comments included in this report.

Recruitment for the Internet Issues team continues; at the time of writing, a final shortlist of two candidates for both the Senior Advisor and Advisor role is being considered.

I want to thank all of those that have contributed to an excellent formation year of this Programme. Thank you for meeting this challenge with me.

### Progress made since last report:

		Done	In Progress	Not Done
Priority A	Apr	10/11 (91%)	1/11	0/11
	Feb	8/11	3/11	0/11
Priority B	Apr	13/20 (65%)	0/20	7/20
	Feb	4/20	12/20	4/20
Priority C & D	Apr	8/9 (89%)	0/9	1/9
	Feb	7/9	1/9	1/9
New	Apr	9/9 (100%)	0/9	0/9
	Feb	1/7	6/7	0/7

## Highlights:

- Developing a new proposal on State of the Internet
- Response to Net Neutrality document to date
- Timely delivery of a number of key reports that substantiate delivery to a number of items on this plan – Copyright, ILO, RealMe, HHP.
- Feedback received for InternetNZ's positive contribution to HDC Bill
- Timely responses to a number of meaningful issues – surveillance and customs.
- Generation of next year's Activity Plan

## Lowlights:

- STILL: The absolutely massive amount of material to consider as part of the Copper/FPP review process. This item will blow both the time allowed for it and the corresponding budget, and will progress well into the 2015/16 plan year.
- Time commitments of being Acting CE.

## Next Priorities:

- Next year's Activity Plan
- Net Neutrality – continuing discussions
- State of the Internet Data Portal - launch

## Reporting Key

**DONE** = Item Completed

**IP** = In Progress in accordance with the Business Plan

**DLY** = Delayed and out of alignment with Business Plan

**DEFER** = Deferred to next Financial Year Business Plan

**NS** = Not started in accordance with the Business Plan

**NEW** = A new item not included in the Business Plan

# 1: Internet Issues Programme

Lead Staff: Andrew Cushen

## Transformations

	Current state	→	Desired state
1.1	InternetNZ is one of a number of groups active in Internet Issues.	→	InternetNZ is a leading provider of information, discussion, debate on, and solutions to, Internet Issues in New Zealand.
1.2	InternetNZ's approach to issues is largely reactive	→	InternetNZ is a proactive leader of its objectives, while also responding in a timely and considered manner to reactive issues.
1.3	InternetNZ's approach to issue and policy development is unclear, and New Zealand's Internet community wishes to have clearer grounds for involvement in discussion, priorities, objectives and desired outcomes.	→	InternetNZ has a clearly defined issue and policy development process, and utilises the skills, experience and perspective of its members effectively to deliver against InternetNZ's policy principles.
1.4	Link to community and collaboration programme is ad-hoc	→	Explicit link between the Internet Use portfolio and Community and collaboration programme

## 2014/15 Goal

Goal	<i>InternetNZ is the known by its actions and deliverables, and is looked to as a leader of both considered thought and careful action in furthering a better world through a better Internet.</i>
Measures	<ol style="list-style-type: none"><li>1. InternetNZ is called upon by the media as a trusted authority on Internet Issues</li><li>2. Success in advancing positions taken on various issues, to the benefit of the open Internet</li><li>3. Delivery of each of the Issues Portfolios below</li></ol>

	Activity	Priority	Status	When	Comment
1.A	Develop a statement of important issues for release during the 2014 General Election campaign to provide InternetNZ's perspective on Internet Policy issues.	A	DONE		Engagement with parties now
1.B	Inform New Zealand voters interested in Internet Issues about our perspective on these, so they have the opportunity to make informed choices in Election 2014	A	DONE		Net Safe videos Summary blog posts Policy questionnaires
1.C	Development of a New Zealand "State of the Internet" report to highlight key trends and perspectives on the Internet in NZ	B	IP	Developing now; launch in April/May	Pursuing a new data portal concept with WikiNZ.
1.D	Provide a briefing to the Incoming Government, particularly the incoming Minister of ICT, on Internet related issues as a method of advising the Government on key Internet Issues	B	DONE		
1.E	Clarify the role of and staff relationship with the Policy Advisory Group, providing it with an appropriate role in the policy development process, a forum through which members can be heard, and in which robust debate on Internet Issues and our perspectives may be had.	C	DONE	Feb-Mar	As per PAG on 2 <sup>nd</sup> of Dec
1.F	Methodology and practice established between the Issues Programme and the Community Engagement and Community Funding work areas to determine the appropriate method for advancing particular opportunities	C	DONE	Oct	As part of wider strategy work.

## 1A: Internet Law & Rights Portfolio

Lead Staff: Andrew Cushen with Susan Chalmers

### Transformations

	Current state	→	Desired state
A.1	New legislation does not take the Internet into account at a principled, fundamental level	→	New legislation understands and takes into account the Internet at a principled, fundamental level.
A.2	Legislation currently progressing through the House, or already implemented but subject to review, is harmful to the open Internet	→	We engage in the legislative process to advise upon Internet-friendly approaches to current legislative challenges.
A.3	Legislators and public agencies do not always have sufficient knowledge of the Internet and the online economy to effectively legislate	→	Legislators and public agencies are informed and adopt a multistakeholder approach in legislating for matters related to the Internet.
A.4	Confusion about how law and policy recognises Human Rights in the online environment.	→	Human rights are appropriately recognised, respected, and extended in their application to the online environment

### 2014/15 Goal

In this portfolio, the key outcome we are seeking to bring about this year is as follows:

Goal	<i>New Zealand's legal system is tangibly improved in respect of how it promotes and protects people's rights in the online environment.</i>
Measures	1. Current proposed legislation and debates on "Internet Rights" reflect these as "Human Rights on the Internet", rather than as a separate construct.

	<ul style="list-style-type: none"> <li>2. Submission process concluded on Harmful Digital Communications and community of interest on this matter fostered</li> <li>3. InternetNZ takes a leading position on the Net Neutrality debate in New Zealand in accordance with the NZ market structure and legislative landscape</li> <li>4. InternetNZ takes a leading position on State Surveillance on the Internet, advocating for the right for New Zealanders to be able to use the Internet without having their privacy violated.</li> </ul>
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	Activity	Priority	Status	When	Comment
A.A	Internet Law Observatory – work on the establishment of this as a new body with its phase one objective to report on new legislation with an Internet centric lens.	B	DONE	March	Phase 2 report done that delivers to this objective.
A.B	Copyright review – establish a position on what Internet friendly copyright law would look like and promulgate it.	B	DONE	Sept-Nov	Report completed. Consultation to take place next year.
A.C	Harmful digital communications – continue to advise Parliament on this legislation, recognising that there is indeed harm being done and develop our position with regard to approved agency	B	DONE	Feb-March	2 <sup>nd</sup> Reading done. Further engagement as per legislative process.
A.D	Net neutrality – clarify the NZ-centric viewpoint on net neutrality, and seek to establish a leadership position on how the appropriate protections need to be built into NZ law and regulation and commercial operations	A	IP	Feb-Mar	Consulting with industry now; also absorbing the US decision.
A.E	State surveillance – articulate, develop and deliver a programme of work that preserves New Zealander's right to privacy over the internet.	A	DONE	Jan	Creation of new Security Portfolio to focus long term.
A.F	Internet rights – understanding which Human Rights are being recognised and respected in the online environment through current legislation, and which are not, and then fostering discussion on which legislation need be updated, left alone, or created in order to bring the current regulatory regime up to date.	B	DEFER	Jan-Mar	To be pursued under Internet Law Observatory future work as part of the 15/16 Activity Plan.
A.G	Parliamentary Internet Forum – review the construct of this community with the objective of fostering and develop it further.	C	DONE	Oct-Nov	Discussion had with all members, will kick off again

					in first quarter.
	Consider the ramifications of Slingshot's Global Mode service, and advise the New Zealand Internet Community accordingly.	NEW	DONE	Dec-Mar	Initiative in 2015/16 Activity Plan.
	Parliamentary engagement with Google, Facebook, Twitter on effective use of the Internet by Parliamentarians. INZ providing funding.	NEW	DONE	Feb	Delivered, excellent feedback.

## 1B: Internet Use Portfolio

Lead Staff: Andrew Cushen

### Transformations

	Current state	→	Desired state
B.1	Drivers and benefits of Internet uptake and use in NZ not clearly understood	→	Drivers of Internet uptake and use in NZ known, and the benefits of usage and uptake clearly appreciated.
B.2	Collaboration with the Internet Community on delivering initiatives to improve uptake and use ad-hoc	→	Deliberate targeting of Collaboration and Community Funding to deliver to uptake and usage goals.
B.3	Methods for reviewing and communicating lessons and successes in driving greater uptake and use of the Internet not developed	→	Clear methodology for reviewing success against targets and for communicating outcomes to all interested stakeholders.

### 2014/15 Goal

In this portfolio, the key outcome we are seeking to bring about this year is as follows:

Goal	<i>For InternetNZ to be acknowledged as an authority in understanding how and why New Zealanders use the Internet, and effectively argue for and implements programmes that encourage uptake and usage of the Internet in New Zealand</i>
Measures	<ol style="list-style-type: none"><li>1. New Internet Research commissioned, publicised and recognised as high quality</li><li>2. Mechanism for delivery of insights in collaboration with the Internet Community developed and deployed</li><li>3. Developing measures for better and more use happening as a result of 1 &amp; 2</li></ol>



	Activity	Priority	Status	When	Comment
B.A	Commission new research into uptake and use in New Zealand, preferably in a manner that allows for comparison internationally - likely to be in partnership with the Web Index	A	DONE	Feb	Delivered via the Research Community Engagement, and also through revised SOTI
B.B	Whangarei transformation study - kick off a process to look at what being the first fully fibre-deployed city in NZ does on key economic and social indicators (look to a partnership with Northpower, CFH and/or MBIE)	B	DEFER	Jan-Mar	No requirement for this research now. Money utilised elsewhere.
B.C	Assess the progress of the Government on Better Public Services goals 9 & 10 and make proactive suggestions for further enhancement in these areas	D	DEFER		Not a priority this year.
B.D	REANNZ collaboration to highlight the benefits of connectivity with their network, and their ability to transform the higher education experience	B	DEFER	Jan-Mar	Not a priority this year.
B.E	Work with NZRS on understanding and driving SME uptake, enhancing the current Digital Journey tool, and look to coordinate this with initiatives by relevant government agencies	C	DONE	Oct-Dec	Digital Journey Phase 2 funding provided, launching in New Year
B.F	Process and methodology developed with Community Funding and Engagement Programmes to best target those to common Internet Use goals.	A	DONE	Oct	As part of wider strategy work.
B.G	Reporting methodology developed and deployed to robustly track and quantify improvements made	B	DONE		Included in State of the Internet Scope
B.H	Contract with NetSafe to undertake work around understanding 'Digital Challenges', including cybercrime and safety issues and the role of law enforcement.	B	DONE	?	Net Safe report launched in February.
	Online Voting - furthering the outcomes of the Online Voting Working Party Commissioned by the Department of Internal Affairs.	NEW	DONE	Oct-Nov	Policy process complete, recommendation made.
	South Auckland Digital Inclusion - opportunity to play a leading role with 2020 in coordinating digital inclusion	NEW	DONE		Amore substantial initiative in Activity Plan for FY15/16

	initiaitives in South Auckland, as a trial for larger interventions in future years.				
	Internet Research Coordination – through MBIE, encouraged the creation of a research funders forum. Initial work to establish a shared sector research plan.	NEW	DONE		Body established and sector research strategy drafted.

## 1C: Internet Connectivity Portfolio

Lead Staff: Reg Hammond

### Transformations

	Current state	→	Desired state
C.1	Regulatory and policy setting debates led by telecommunications and narrow commercial interests	→	Regulatory and policy setting debates reflect Multistakeholderism
C.2	Future regulatory models unclear	→	Regulatory standards developed and articulated through to 2020
C.3	High speed connectivity to some	→	High speed connectivity to all
C.4	Internet as a value added service	→	Internet as a utility

### 2014/15 Goal

In this portfolio, the key outcome we are seeking to bring about this year is as follows:

Goal	<i>A process for the development of a 2020 policy and regulatory landscape is set at both a central and local government level, while the short term interests of consumers in viable copper services are protected to ensure widespread, competitive and affordable Internet access in New Zealand</i>
Measures	<ol style="list-style-type: none"><li>1. Copper FPP process resolves with the consumer interest protected</li><li>2. Clarity on the process to be used to develop a 2020 policy and regulatory landscape</li></ol>

	Activity	Priority	Status	When	Comment
C.A	Participate in the Commerce Commission-led copper pricing processes for UCLL and UBA, representing the consumer interest in these matters.	B	DONE	Ongoing	Submissions and Cross Submissions done via Wigley. Next steps included in 2015/16 plan.
C.B	Lead a process of discussion and development within the industry to assist MBIE in developing a coherent and Internet and consumer-friendly regulatory model for New Zealand.	A	DONE		MBIE workshop 2020+ went excellently.
C.C	Encourage local government to understand their role in encouraging deployment and connectivity and to assist infrastructure deployments through an appropriately targeted relationship with Local Government New Zealand	D	DONE		Attendance at LGNZ conference led to relationships & initiatives for 2015/16 Business Plan.
C.D	Lead discussions on what a “next generation” approach is to Universal Service Obligations	B	DONE	Oct/Nov	Component of legislative review submissions.
	Hills Holes and Poles – an investigation into Rural Connectivity Solutions to build capability and inform the RBI extension process	NEW	DONE	Nov-Mar	Final report delivered.
	MBIE discussions - Phase 2, competition workshops to be held in December	NEW	DONE	Dec	Positive feedback from MBIE and attendees.
	Radiocommunications Act Review – INZ submission lodged in October; INZ’s perspective concerns spectrum liberalisation to increase alternative use and competition	NEW	DONE	2015/16	Submission and cross submission done. Awaiting further process from MBIE.
	Legislative review – MBIE has commenced the formal stages of reviewing the Telecommunications Act, and related legislation.	NEW	DONE	2015/16	This will be a big focus for INZ continuing into 2015/16

## 1D: Internet Governance Portfolio

Lead Staff: Jordan Carter

### Transformations

	Current state	→	Desired state
D.1	Debate on Internet Governance is largely framed by governments and the ITU	→	Debate on Internet Governance is largely framed by Internet Stakeholders.
D.2	NZ Government is an ally of the open Internet	→	NZ Government is a principled advocate of the open Internet
D.3	Shallow multistakeholderism is evident in the Internet Governance world	→	Multistakeholderism is firmly embedded in the Internet Governance world
D.4	Stakeholders do not understand Internet Governance and its relevance	→	Stakeholders understand and appreciate why we do this and they may appropriately engage in a true multistakeholder fashion

### 2014/15 Goal

In this portfolio, the key outcome we are seeking to bring about this year is as follows:

Goal	<i>We effectively contribute to Internet Governance processes regionally and globally.</i>
Measures	<ol style="list-style-type: none"><li>1. Local multistakeholder model developed by furthering collaboration with the five “key constituencies” and effectively discussing and collaborating with them</li><li>2. Reflect New Zealand Internet governance debates in wider forums and reflect those wider debates in New Zealand forums</li><li>3. Group International Strategy and Plan are fully developed and signed off by Council in October 2014</li></ol>

	Activity	Priority	Status	When	Comment
D.A	Support ICANN's evolution in the post-NTIA era, including through a workable structural separation of the IANA functions	A	DONE	Ongoing	See other updates
D.B	Develop International Strategy and Plan to guide participation in international activities across the different parts of the InternetNZ Group	B	DONE	Jan	Included in overall business planning.
D.C	Implement process changes and relevant tools for better collaboration and information sharing regarding Internet Governance work across the group.	A	DONE	Oct-Nov	Mapping of internal interest, goals and responsibilities done.
D.D	Develop and use an assessment framework for the difference InternetNZ makes in Internet Governance	B	NS	Oct-Nov	Not a priority.
D.E	Consider the overall level of resource devoted to Internet Governance participation	C	DONE	Jan-Mar	Has been considered in the context of 2015/16 budget.
D.F	Participate in a range of Internet Governance fora: <ul style="list-style-type: none"> <li>• ICANN</li> <li>• ITU</li> <li>• United Nations (IGF, WSIS)</li> <li>• Other (NetMundial, Pacific, contingency)</li> </ul> <b>Note:</b> these costs relate to all travel and accommodation costs for attendances at the specified forums. ICANN attendance is high in 2014/15 as continued handover of relationships and responsibilities from the outgoing International Director to permanent staff continues, and will reduce in 2015/16 and beyond.	B	DONE	Ongoing	See other updates on international work.

## 1E: Internet Technology Portfolio

Lead Staff: Dean Pemberton

### Transformations

	Current state	→	Desired state
E.1	Communications on the Internet not authorised and identified by reliable systems	→	Reliable systems in place to identify and authorise online communications
E.2	Network design does not anticipate likely future demands, features, resilience and stability	→	Best practice in future proofing networks for demand, features, resilience and stability are developed and shared
E.3	Many online activities, products and services are insecure	→	All Internet products and services have positive security models
E.4	InternetNZ engagement with the development of Open Protocol Standards lacks strategy and focus	→	InternetNZ's strategy and engagement with the development of Open Protocol Standards bodies well documented and focused
E.5	The technical components within the New Zealand Internet community are not well mapped	→	The technical components within the New Zealand Internet community are well mapped.

### 2014/15 Goal

In this area/portfolio, the key outcome we are seeking to bring about this year is as follows:

Goal	<i>To ensure that we are a leading supporter of the technical development of the Internet in New Zealand by developing and sharing robust analysis of key technical challenges.</i>
Measures	1. Successful InTAC conference held as judged by participant feedback 2. Publication of technical analysis on issues related to transformations in the business year

	<p>3. Feedback from the New Zealand technical community is largely supportive of InternetNZ's stances and activities</p> <p>4. We are represented and engaged at IETF and RIR policy and protocol standards development fora</p>
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	Activity	Priority	Status	When	Comment
E.A	Undertake an evaluation of the RealMe system, including a review of alternatives, and determine whether and how this could be more widely implemented, in collaboration with DIA if appropriate and available.	A	DONE	Oct-Dec	Final report drafted and ready for release.
E.B	Research and advise upon systems that allow users to remain anonymous on the Internet while still complying with local laws and regulations	B	DONE	Oct-Nov	Final report drafted and ready for release.
E.C	Advocate for the widespread adoption of DNSSEC to ensure that the domain name resolution system is protected from interception and redirection	B	NS		Inherently tied to NZRS objectives
E.D	Undertake or commission research into possible CSIRT models for NZ. This should include collaboration with PacCERT where possible.	A	DONE		Draft report received & reviewed. Released in early October
E.E	Advocating for the deployment of RPKI to ensure that the Internet routing system is free of interference and can be trusted, in collaboration with NZRS.	B	NS		Inherently tied to NZRS objectives
E.F	Ensure that Internet exchanges within NZ are operating at an appropriate level to attract large global participants (e.g. CDN providers) to best provide content and services to NZers.	D	DONE	Jan-Mar	Monitoring the IXP panel at NZNOG. Ensuring that where IXPs are claiming to be neutral that this is actually the case.
E.G	Publish and promote material educating the NZ Technical community regarding new technologies such as Software Defined Networking (SDN)	C	DONE		SDN tutorial at APNIC38. SDN being taught at VUW. Invited to participate at REANNZ SDNCon.



					Will continue to look for ways to promote.
E.H	Active participation with the APNIC, RIPE NCC and IETF communities to ensure that both New Zealand views are represented in policies and that emerging technologies are communicated to the NZ Internet community.	B	DONE		Attendance and active involvement at APNIC38 is the last of these engagements in this year.
E.I	Organise and hold InTAC conference	B	DONE		Successful & positive feedback.



# Business Plan Report

## Two months to 31 March 2015

### Commentary

This report provides information on progress against agreed Business Plan requirements. The companion Internet Issues Programme Report deals with that part of the business plan separately, as it is likely to be of most interest to members and the public. Note that as this is the final report considering items of the 2014/15 Business Plan, some aspects of this report relate to summarising the total commitments of the year.

The basis for reporting will change markedly from the June 2015 Council meeting onwards, as reflected by the new Activity Plan approach for 2015/16.

### Progress made:

		Done	In Progress	Not Done
Priority A	2. CD	2/2	0/2	0/2
	3. CF	1/3	2/3	0/3
	4. ONI	3/3	0/3	0/3
	5. IOP	3/3	0/3	0/3
Priority B	2. CD	5/6	1/6	0/6
	3. CF	5/6	0/6	1/6
	4. ONI	2/3	0/3	1/3
	5. IOP	1/4	1/4	2/4
Priority C & D	2. CD	1/2	0/2	1/2
	3. CF	0/0	0/0	0/0
	4. ONI	0/0	0/0	0/0
	5. IOP	0/0	0/0	0/0

Please note that of the two outstanding A Priorities in the Community Development section of the plan, these are intended to be completed by the end of April 2015.

### Highlights:



### ***Community Engagement and Funding:***

- Successful NZ Internet Research Forum Event held.
- Conference Attendance and Canterbury Projects Community Grant Rounds completed.
- Internet Research Community Grants Round 2014/15 launched and progressed to Stage Two assessment, with a high number of high quality applications.
- NetHui 2015 sponsorship drive off to a strong start and logistics and programme planning progressing well.

### ***Identity:***

- Delivery of two of “Whats Up at InternetNZ” newsletters, to positive feedback from members and stakeholders.
- Developed a communications strategy for the Community Programme for 2015/16, including specific planning for community funding and engagement.
- Helped plan for 2015 ANZIAs
- The formation of a brand new approach to Sponsorship Prospectus for Net Hui 2015.
- Net Hui 2015 website refresh

### **Lowlights:**

#### ***Community Engagement and Funding:***

- Two Priority A Business Plan Items have not quite been completed by end of year.
  - o Strategic Partnership negotiations have taken longer than anticipated for reasons outside INZ control.
  - o The final Community Grant rounds, Internet Research, was delayed to coincide with NZIRG event, and assessment will be finalised and recommendations to Council in early/mid April.

### **Next Priorities:**

#### ***Community Engagement and Funding:***

- NetHui 2015 website and community programme process to launch
- Community Grants Policy Framework
- Strategic Partnership Portfolio agreed

### *Identity*

- NetHui delivery support and website launch
- Sponsorship for NetHui

### *Improved Organisational Performance*

- Performance and goals planning for 15/16
- Performance reviews for 14/15

### **Reporting Key**

**DONE** = Item Completed

**IP** = In Progress in accordance with the Business Plan

**DLY** = Delayed and out of alignment with Business Plan

**NS** = Not started in accordance with the Business Plan

## 2: Community Engagement

Lead Staff: Ellen Strickland

### Transformations

	Current state	→	Desired state
2.1	The NZ Internet Community is poorly defined	→	An understanding of the NZ Internet community, encompassing all user categories in New Zealand, is developed by InternetNZ, with the community.
2.2	The role of NZ Internet Community in the development of the Internet is seen as important but not core to its development.	→	The role of the NZ Internet Community, and its importance, in the decisions and activities related to the development of the Internet is understood widely.
2.3	The NZ Internet Community through NetHui is made aware of and engaged in some of decisions and activities related to the future of the Internet in NZ.	→	The NZ Internet Community is supported by InternetNZ with processes and platforms, including NetHui, to engage in a broad range of decisions and activities related to the future of the Internet in NZ.

### 2014/15 Goal

In this area/portfolio, the key outcome we are seeking to bring about this year is as follows:

<b>Goal</b>	<i>Develop and share understanding of, and support, the New Zealand Internet Community.</i>
<b>Measures</b>	<ol style="list-style-type: none"> <li>1. New Zealand Internet Community “map” (i.e. directory and understanding of interrelationships) developed and published.</li> <li>2. All InternetNZ work includes a ‘community’ check, with a focus on supporting and ensuring community engagement, as appropriate.</li> <li>3. InternetNZ engages with and supports a range of community existing processes and platforms.</li> </ol>

	Activity	Priority	Status	When	Comment
2.A	NetHui14	A	DONE		
2.B	NetHui South	A	DONE		
2.C	Community platform development: Internet Research focus (with Strategic Partner AUT ICDC)	C	DONE		
2.D	Sponsorship Process for Community events (also related to Work Area 5 Identity)	B	DONE		
2.E	Develop and host public events (i.e. speaker series) for the NZ Internet Community	C	NS		In 2015-16 Business Plan
2.F	Relationship and Engagement Management System Implemented (with CRM)	B	DONE		
2.G	Development of NZ Internet Community Map	B	IP		
2.H	Baseline research of community engagement in existing processes, esp NetHui	B	DONE		With Stakeholder Survey
2.I	Support for other community organisations (NZNOG, NZITF etc) clarified and framework created.	B	DONE		MoU developed and progressing with Orgs.
2.J	NZNOG Conference support	B	DONE		

### 3: Community Funding

Lead Staff: Ellen Strickland

#### Transformations

	Current state	→	Desired state
3.1	Community Funding has a low profile.	→	The broader community views Community Funding as a beneficial and integral part of InternetNZ's activities.
3.2	How community funding works is not widely known about or understood by potential funding recipients and partners.	→	Potential partners and recipients know about InternetNZ Community Funding and understand how it works.
3.3	Community Funding has an unclear impact.	→	InternetNZ understands and communicates the impact of Community Funding.
3.4	Community Funding supports work of people and organisations with areas of work related to InternetNZ's objects.	→	Community Funding supports work of others through Community Grants and both supports and works directly with Strategic Partnership organisations.

#### 2014/15 Goal

In this area/portfolio, the key outcome we are seeking to bring about this year is as follows:

<b>Goal</b>	<i>Maximise the impact in New Zealand of the community funding programme, including telling the story better so more people are aware of this work.</i>
<b>Measures</b>	<ol style="list-style-type: none"> <li>1. Create and implement a process to measure the Community Funding: understand baseline and changes of who, what and how is funded.</li> <li>2. Process to understand impact of funding, including benefits and results, developed and implemented to demonstrate the public benefit of InternetNZ funding.</li> <li>3. Perceptions of stakeholders, internal and external, on components of community funding understood.</li> <li>4. A plan implemented to communicate the beneficial and important role of Community Funding</li> </ol>



	with the wider community and that Community Funding applicants and recipient have a clear understanding of process as.
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	Activity	Priority	Status	When	Comment
3.A	Baseline research on stakeholder perceptions and awareness of Community Funding (note - linkage to 4.G)	B	DONE		As part of Stakeholder Survey
3.B	Finalisation & implementation of Community Funding review processes	B	DONE		
3.C	Communications plans developed and implemented for Community Funding, including for each Partnership and Community Grants.	A	DONE		Communications Leading. Comms plans for partnerships to be worked on collaboratively with Strategic Partnership organisations in 2015-16
3.D	Implement funding rounds: - June/July: Community Projects and Conference Att'd - Nov/Dec: Special Canterbury Funding Round - Dec/Jan: Internet Research and Conference Attendance	A	IP DONE in April 2015		Projects, Canterbury and two conference rounds completed. Research in Stage Two assessment to be received by Council.
3.E	New Partnerships for 2015 onwards identified, negotiated and agreed with Council and in accordance with InternetNZ's charitable obligations to benefit the public.	A	IP DONE in April 2015		Two partnerships being finalised but delay in Council due to circumstances beyond our control.
3.F	Develop framework for measuring for impact of Community Funding	B	NS		In 2015-16 Business Plan.
3.G	Community Funding Reports and Information related to impact are available	B	DONE		Reports available but impact will be next year when 3.F is completed.
3H	Management and review of Ad Hoc Community Grant Requests under \$5k	B	DONE		

	Activity	Priority	Status	When	Comment
3.I-P	Area of Focus Activities with Strategic Partners (related to Engagement & Issues areas)	B	DONE		Strategic Partnership Updates for information attached as appendices to this report.

## 4: Our New Identity

Lead Staff: David Cormack

### Transformations

	Current state	→	Desired state
4.1	Current brand is not immediately recognisable or connected to who we are and what we do as an organisation	→	New brand connected to charitable objects, issues and interests, brand is recognisable and respected
4.2	Stakeholder perceptions not objectively analysed and collected	→	Stakeholder perceptions evaluated and benchmarked, and an appropriate management plan linked to new identity developed and implemented
4.3	Ambitions and purpose not widely understood or defined both internally and externally	→	Clear articulation of our vision, mission and objects and alignment across the Group about our various roles in supporting and delivering to them
4.4	We are sometimes seen variously as overly technical, reactionary and anti-government, anti-industry, theoretical & unrealistic	→	We are viewed as a trusted authority by all stakeholders, recognised for the range of work we do, and the range of work we do our vision, mission and objects, are understood

## 2014/15 Goal

In this area/portfolio, the key outcome we are seeking to bring about this year is as follows:

<b>Goal</b>	<i>To develop and live up to our new identity in all that we do.</i>
<b>Measures</b>	<ol style="list-style-type: none"> <li>1. Brand refresh adopted and implemented</li> <li>2. New website rolled out successfully, and other online presences updated accordingly</li> <li>3. Increased identity recognition measured among stakeholders and the public.</li> <li>4. Develop and articulate a core story, encompassing our vision, mission and objects that will provide a clear understanding of who we are, and what we do across the InternetNZ Group, with all constituent parts of the organisation understanding how they contribute to this vision.</li> </ol>

	Activity	Priority	Status	When	Comment
4.A	New brand identity developed, signed off and implemented across InternetNZ activities and presences	A	DONE		Brand identity completely rolled out. All collateral now has new logo.
4.B	New website developed, signed off and implemented	A	DONE	Dec 1	Final stage, accessibility testing done - penetration testing required before go-live.
4.C	New “core story” for InternetNZ developed, signed off and used whenever appropriate to explain who we are, what we do and why we do it and representing our mission and objects.	A	DONE		Included in external docs.
4.E	Public Relations and Communications strategies refreshed in light of the new brand framework, and continually revised on a quarterly basis.	B	DONE		Times arranged with Community and Collaboration Lead and Work Programme Director to implement

					new internal comms strategy
4.F	Relationship between the InternetNZ brand and those of DNCL, NZRS and .NZ reviewed and a brands framework developed for use across the group.	B	NS		Closely related to .NZ framework which is still in discussion and development.
4.G	Comprehensive stakeholder review completed and baseline established for further engagement and development (note - linkage to 3.A)	B	DONE	Feb 1 2015	Third party company hired and stakeholder list identified. Questions drafted.

## 5: Improved Organisational Performance

Lead Staff: Jordan Carter

### Transformations

	Current state	→	Desired state
5.1	Performance management, goal setting and expectation management done in an ad-hoc fashion	→	Performance, goals and expectations clearly discussed, set and managed in accordance with best practice
5.2	Accountabilities and priorities are not always clear across the organisation	→	Staff, contractors, and Council are all clear about their accountability for achieving our goals and performance
5.3	No established methodology or baseline for discussing improvements in performance and measuring success	→	Baseline set and performance and successes understood and measured.
5.4	Tools, processes and structures are not necessarily available	→	Tools, processes and structures enable continual improved performance
5.5	Our internal team culture does not encourage cooperation, collaboration, performance or enjoyment to the degree it could	→	Our internal team culture facilitates a stronger, more collaborative working environment for greater performance and enjoyment

### 2014/15 Goal

In this area/portfolio, the key outcome we are seeking to bring about this year is as follows:

<b>Goal</b>	<i>Our members, the Council and the public at large can clearly see what we do as an organisation so they can hold us to account for measurable performance in all our work;</i>
<b>Measures</b>	<ol style="list-style-type: none"> <li>1. New processes introduced that allow for clear management of staff and contractor priorities, goals and objective</li> <li>2. New quarterly activity reporting to members and the community introduced</li> <li>3. Planning and accountability documents clear about the outcomes sought and the measures of success of these</li> </ol>

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	Activity	Priority	Status	When	Comment
5.A	Develop and implement good performance management, measurement and analysis frameworks that over time provide the information to continuously improve performance (both objective and subjective)	A	DONE		Staff perf mgmt done.
5.B	Identify barriers/incentives to working efficiently and effectively across the InternetNZ group and within the internal InternetNZ operating team and develop strategies to address those barriers/incentives.	A	DONE		Ongoing work.
5.C	The right tools are available to support efficient working, reduce duplication and encourage collaboration.	B	NS		
5.D	Internal communications, meetings and collaboration methods refined to make these as efficient as possible.	B	DONE		Ongoing work.
5.E	Develop and implement new external engagement and relationship management systems and processes.	B	IP		Deployment of tools done
5.F	Develop and implement new reporting framework on progress made on the business plan, with this reporting done on a quarterly basis.	A	DONE		Concept in place, implementation due.
5.G	Develop and implement an appropriate recognition structure that supports highlighting excellent performance and provides incentives for the same (note, not necessarily financial).	B	NS		

## 6: Core Operations

**Note:** A detailed plan for this area has now been developed for implementation in the 2015/16 Business Plan.

*Work done in the period to 31 March – lead staffer COT Team:*

- COT Activity Planning for 2015/16
- Property – inspection, negotiation and development of the 80 Boulcott St option
- Council paper preparation
- Travel tender management
- Governance documents revision
- Continued Community Funding management and support
- Grants funding round support
- Audit of CiviCRM database
- Prepare and produce DNCL accounts and financial reports for Jan and Feb
- Monthly/Weekly Creditors payments for DNCL and INZ
- Prepare and produce INZ’s management accounts and financial reports for Jan and Feb
- Audit and Risk Committee support and meeting
- Completion of Audit tender process
- Started the process of Health and Safety programme.
- Governance manual in Council papers in draft form.



## 7: Governance and Members

**Note:** A detailed plan for this area has now been developed for implementation in the 2015/16 Activity Plan.

*Work done in the period to 31 March – lead staffer Maria Reyes*

- Council meeting held February 2015 in Wellington
- Delivery of member engagements in Auckland, Wellington, Christchurch and Dunedin in March 2015

Jordan Carter, Chief Executive  
31 March 2015



# STRATEGIC PARTNERS' REPORTS

1. 2020
2. CREATIVE COMMONS
3. AUT / ICDC
4. NETSAFE



## Strategic Partnership Progress Report: 30 March 2015

Focus Area	Update
Auckland digital inclusion	<p>12 people attended our half-day meetup group at TSI offices in Manukau on 2 December 2014; a useful outcome was a mapping of current initiatives against digital inclusion element (access, skills and use) and application areas (learning, work and life). Laurence Zwimpfer and Michael Howden (2020 Trust) also met with Gael Surgenor (The Southern Initiative - TSI) on 9 February; Gael shared her thinking on the development of a digital strategy for TSI that includes digital inclusion as a focus area. The scoping paper for TSI has been further developed and now includes a very good definition of digital inclusion as well as an overview of measurement indicators.</p> <p>The Trust is continuing to identify digital inclusion initiatives in the region alongside the Auckland Council. Robert Lundberg (Auckland Council), Michael Howden and Vanisa Dhuru (2020 Trust) have been exploring and identifying quantitative metrics for digital inclusion of the TSI, with a view the scorecard/framework can be used nationally. They continue to compile ideas, sources of obtaining the data, and over the next quarter seek to approach those sources to see if they are able to share this information.</p>
Stepping UP in libraries	<p>Te Takere (Levin) library has begun to deliver Stepping Up this month. Nelson library has assisted with Marlborough and Picton library delivery. Far North library programme has also increased with the inclusion of Kerikeri library also looking to deliver programmes.</p> <p>In Auckland, 2020 has met with Greg Morgan, to initiate more libraries in the Auckland region to become involved, which followed from the paper delivered at the National Digital Forum on 26 November <i>"Digital Skills for a Digital Future: The role of libraries as digital community hubs"</i>.</p> <p>We continue to use ARLO as our short course management software. We are also trialling this software for use in our ICDL Jobseeker (Kiwiskills) programme delivery partners, providing better value for the software by the Trust.</p> <p>Stepping Up and Computers in Homes trainers will be soon added to a new LinkedIn Group page to share best practice around the country.</p>
Digital divide research	<p>Laurence Zwimpfer participated in the inaugural Internet Research Forum, convened by InternetNZ at AUT on 9 February. Barbara Craig participated in the second MBIE-convened workshop on an Internet and Broadband Sector Research Strategy on 26 February.</p> <p>The Auckland Digital Inclusion meetup group has produced a Digital Inclusion Discussion Paper, with a suggested definition and high level measures. The definition encompasses three inter-dependent dimensions – the 'opportunity to access', the 'skills and confidence to use' and the 'motivation to use'.</p> <p>Barbara Craig (2020 Trustee) presented at the DIA-convened "Assisted Digital" Expo at</p>

Focus Area	Update
	<p>the National Library on 24 February 2015. The Trust's ICDL team also ran a digital literacy challenge at the event.</p> <p>Barbara and Laurence are assisting Prof Miriam Lipps, Chair in e-Government at Victoria University, develop a research proposal on "Understanding and Measuring Digital Inclusion in New Zealand", to be submitted to the MBIE Targeted Research (Health and Society) Fund. The fund is for projects up to \$600k per annum over four years. We are seeking a letter of endorsement from InternetNZ.</p>
Media/Public awareness of digital divide issues	<p>Our website continues to be our main host of information about 2020 Trust programmes and related digital inclusion initiatives and developments. Recent posts include:</p> <ul style="list-style-type: none"> <li>• Lyall Bay students recognised for Living Heritage site</li> <li>• Get South Auckland Online, Learning and Connected!</li> <li>• 2020 Trust encourages Government to increase investment in digital literacy programmes for at-risk children and their families</li> <li>• A Driver Licence Required?</li> <li>• 2020 Trust appoints Vanisa Dhiru as Executive Director</li> <li>• 2020 Trust signs up to Lyon Declaration</li> <li>• Hutt City Stepping UP classes filling fast</li> <li>• Wide range of Stepping UP classes available at Nelson-Marlborough libraries</li> <li>• Digital literacy the key to NZ's ICT skills shortage</li> <li>• Government to support another 1500 families for Computers in Homes</li> <li>• In the drivers seat.</li> </ul> <p>The Trust also is hosting a third year student intern from Victoria University of Wellington for 5 months, Mikhail Birch. She is who is working on a draft of our own online communications strategy, with a focus on social media. Mikhail will be supported by a volunteer industry mentor over her 6 months with the Trust.</p> <p>We are close to 500 likes on our Computers in Homes Facebook page, and near 180 for Stepping Up page. We have created new 2020 Trust Facebook, LinkedIn and Twitter accounts in preparation of our social media strategy testing. Our new Executive Director will also help drive this work.</p>

### Other Updates

We have published our **Computer in Homes Half-Year Report** for 2015/15 and copies will be available to the Council at its meeting. We have also issued **new brochures for the ICDL Kiwiskills** Jobseekers programme.

On 17 February, Ministers Parata and Kaye announced another year of funding for 1500 Computers in Homes Families in fiscal year 2015-16. The Ministry of Education has also contracted Martin Jenkins to provide a "value for money" review of Computers in Homes.

**Computers in Homes coordinators met** on 4-5 March in Invercargill for their quarterly hui. At the Invercargill meeting, we shared personal financial education software Bamzonia with our team, of which some coordinators will be sharing with families in our programme. <https://bamzonia.co.nz>. The next hui will be in Wellington on 27-28 May 2015.

Before Christmas, Trustees **appointed our new Executive Director**, Vanisa Dhiru. She started on 16 February and her key roles will be to: further expansion of the Trust's digital literacy programmes and activities particularly in Auckland; to provide a point of accountability for interaction with the Board of Trustees; strengthen "corporate" functions of Finance, HR, IT, Risk and Communications.

The organisation has put in place a stronger reporting function to Trustees through this role, and works toward **developing and reviewing operational policy** in anticipation for programme growth. The March Trustees meeting also saw had an external facilitator come in to help with strategic direction, values and mission setting.

InternetNZ Strategic Partnership:  
Update from Creative Commons Aotearoa New Zealand  
17 March 2015

## Overview

CCANZ's new structure within the OERF and Otago Polytechnic is now well established. The greater autonomy achieved with this new structure has enabled us to do more with our limited resources. By 30 June 2015, CCANZ is likely to have increased its outreach activities by 30-40%, despite a 27% reduction in funding. Policy adoption remains steady in our target sectors, and we are producing a greater number of print and online resources.

The general story of CCANZ in the last twelve months is one of increased capacity. First and foremost, we have a new Communications Lead, Elizabeth Heritage. The CCANZ Advisory Panel has also been refreshed, with new members bringing new energy and ideas to the project. Finally, CCANZ's Regional Facilitators and volunteers have started to deliver their first workshops to positive feedback.

In the next twelve months, our priority is to consolidate the new structure, particularly the use of volunteer and regional facilitators, in order to continue to meet the increasing demand for CCANZ's services. We will also continue to grow the range and quality of our online resources, to empower smaller organisations and communities to implement CC licensing.

## CCANZ's Recent Activities

### ***Workshops: CC Roadshow***

As at 17 March, CCANZ staff and volunteers are midway through a twenty-event March roadshow for schools and heritage organisations. The aim of the roadshow is to support the passage of open policy and practice across the education and GLAM sector. We received in-kind support from LIANZA and Te Papa to hold the events, which took place in Auckland, Hamilton, Tauranga, Napier, Havelock North, Whanganui, Palmerston North, Hutt Valley, Wellington, Nelson, Westport, Christchurch and Dunedin. Total turnout for the events is likely to cross 500. Feedback so far has been extremely positive, with over a dozen follow-up events already planned.

### ***Expanding the CC Roadshow to OERs in the tertiary education sector***

Working with AUT, CPIT and VUW, we are holding three introductory events to further the discussion on open educational resources in the tertiary education sector. These discussion will help progress our work with the NZ University Students' Association, and lead into research on the impacts of textbook prices on student achievement, a declaration in support of OERs and advocacy for OER policy adoption at tertiary education institutions. These events will be held in April.<sup>1</sup>

## ***Resources***

The beta version of the CCANZ toolkits has been published.<sup>2</sup> The toolkits include three new brochures, three short papers, two template policies and a range of supplementary materials from CCANZ and our international partners. We will continue to supplement these resources on a rolling basis for the rest of 2015.

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<sup>1</sup> <http://creativecommons.org.nz/2015/03/events-the-future-of-open-education-in-aotearoa/>

<sup>2</sup> [resources.creativecommons.org.nz](http://resources.creativecommons.org.nz).

We have also printed and are in the process of distributing 5000 generic CCANZ brochures and 2000 'donor and depositor' brochures for collecting institutions.

### ***Website: NZCommons***

NZCommons continues to publish several articles per week on the commons in New Zealand and around the world. We have adopted a monthly theme-based approach and are soliciting national and international contributions. As mentioned in the last report, the first theme - on open research - will feature writing from Heather Joseph (Executive Director of SPARC), Francis Pinter (of Knowledge Unlatched) and Louise Saunders (of Unitec's CC-Licensed Epress). Future themes will consider indigenous knowledge. We are planning to revisit the structure of the site in June 2015.

### ***Indigenous Knowledge***

Consultation on the translation of the Creative Commons 4.0 licences into te reo is ongoing, and will conclude on 1 April. The indigenous knowledge notice is currently being drafted, and should be released for discussion within the month.

### ***International Community***

As mentioned in the previous report, CCANZ has become an active member of the global open education working group, and is receiving positive feedback from our international partners. CCANZ is has also become a country champion for the OER World Map, a Hewlett-funded project to map every OER project and policy in the world.

### ***Visiting Keynotes***

Former Creative Commons International Open Education Project Manager Billy Meinke is visiting New Zealand in April to keynote the Open Source // Open Society conference. In October, Global Education Manager of Creative Commons International Cable Green is visiting New Zealand to keynote ULearn, New Zealand's largest education conference.

### ***Media Coverage***

CCANZ continues to publish in professional magazines in the education and heritage sectors - the most recent being an article in the *Education Gazette*. We have had some local media coverage of the CCANZ roadshow from newspapers, including the Bay of Plenty Herald and the Southland Times.

### ***Open Research***

Fabiana and Matt are attending 2015 E-Research NZ to present a session on "Digital Literacy for Reproducible, Open, Collaborative Science (ROCS)." This workshop is intended to test and develop learning materials that can be used by early career researchers to develop skills in open research.

### ***Network for Learning and Pond***

We have worked with the Network for Learning to include information on CC licensing and CC policies for schools using the Pond portal. We expect Pond to become the primary resource-sharing portal for New Zealand teachers; as such, it will become a central part of the process of implementing CC policies in schools. The portal has already simplified the process of licensing works.





## **AUT/ICDC Report to InternetNZ on its 2014/15 partnership**

AUT/ICDC's partnership with InternetNZ during the past year has led to a number of positive outcomes which support InternetNZ's vision (which we fully endorse) for 'a better world through a better internet'. With the last survey for the World Internet Project in New Zealand being conducted in 2013, the objective of the WIPNZ research team during a non-survey year in 2014 was to focus on the comparative analysis of past survey data, the presentations of findings to interested parties, progressing related-research (eg focus groups/disability research), and establishing links with potential funders for the next survey in 2015.

Overall, through our various projects we have sought to enhance the knowledge about internet use in New Zealand, maximise opportunities for the wide dissemination of our research findings nationally and internationally, and encourage greater networking between academics, researchers, organisations, government departments and individuals who have an interest in the internet.

Below is a summary of our activities for the past year which were aided by support through the partnership with InternetNZ:

- *WIPNZ — Internet Trends in NZ Report 2007–2013* –  
A comparative report of the findings from all four surveys was conducted which tracked seven years of New Zealanders' internet use. The report reviewed changes over this time, reported key trends and investigated how internet usage and its effects vary across major social groupings. A series of vignettes was used to describe the experiences of individuals, delving into a cohort of respondents who had participated in all four rounds of the survey. This report was a significant milestone in the history of the WIPNZ because of the overview that it provided of how New Zealanders had responded to growing new media technologies over time. It was made publicly accessible through the ICDC website and a number of printed copies distributed to key contacts in government, funding groups and organisation, and public and school/university libraries around New Zealand.

- Several presentations of the WIPNZ comparative data were made to government departments and potential funders during the year including the Department of Internal Affairs, the National Library of New Zealand, StatisticsNZ and the Ministry for Business, Innovation and Employment's Communications and IT Policy team. Professor Jeffrey Cole, the international director of the World Internet Project, visited New Zealand as part of AUT's *The Project* (30 April -1 May, 2014) and participated in a meeting with AUT staff and representatives from the National Library of New Zealand who were interested in the digitisation of government services. Allan Bell also presented WIPNZ findings at the meeting of the international partners of the World Internet Project in Milan, Italy in July.
- Philippa Smith talked about the WIPNZ trends data at InternetNZ's *Nethui Conference* held at Sky City, Auckland, 9-11 July 2014. Along with Ellen Strickland Philippa also facilitated a discussion group on internet research which led to the first NZ Internet Research forum being held at AUT in February 2015. Philippa represented the WIPNZ team at the InternetNZ's partners meeting in Wellington and, on a lighter note, she was one of the guest speakers at a Geek Girl dinner in March where she included details about the WIPNZ in her talk. The funders of the WIPNZ, including InternetNZ, are acknowledged at all of our presentations as well as in our reports and on our ICDC website.
- The inaugural *New Zealand Internet Research Forum* was held at the Auckland University of Technology on February 9, 2015. This was organised collaboratively by ICDC and InternetNZ in an effort to bring together, as the InternetNZ website states, 'those people involved in and/or interested in the Internet, to share perspectives, discuss potential links and collaborations, and most importantly to build a network community that benefits New Zealanders'. Both Philippa Smith and Charles Crothers were members on the two forum panels. The forum worked successfully in aiding the cross-fertilization of ideas and thoughts about the 'where and how' of internet research in New Zealand. While this event took place only recently a number of outcomes have already been put into action by InternetNZ including the establishment of an e-list for internet researchers and plans to incorporate a follow-up forum at the next Nethui. We believe that the New Zealand Internet Research Network will continue to gain momentum aided by this initial event.

- Other smaller projects that AUT/ICDC has conducted this year include:
  - Thematic analysis from focus group research drawn from interviews with WIPNZ participants (Charles Crothers)
  - Development of a bibliography of internet research in New Zealand presented at Nethui and at the NZ Internet Research Forum (Charles Crothers)
  - Research into the use of the internet by people with disabilities. This involved interviews with participants over 45 years of age with a range of different disabilities. They were able to give personal accounts of their lives before and after the advent of the internet providing insight into their needs and recommendations for the future. These interviews will be analysed and findings reported back to communities and others in 2015 (Philippa Smith)
  - Charles Crothers has conducted a number of other internet research projects on internet rights, the use of the internet for elections and census internet patterns – although these are not directly linked to the partnership.
  
- Each year we respond to numerous enquiries from organisations and individuals requesting specific data or comment on the findings from the WIPNZ, or who wish to cite the survey in their own publications/presentations. We believe that any request should be responded to whether it comes from a school pupil or university student, or a key figure such as the Banking Ombudsman. In addition, we receive many media inquiries which have resulted in the WIPNZ being referenced in newspapers, on radio and television. It was particularly pleasing to see representatives from the WIPNZ, InternetNZ and Netsafe each being included in Mark Sainsbury's Sunday programme on Radio Live as part of an hour long special on the internet in 2014. Clearly all three partners are increasingly seen as 'go to' organisations by the media looking for comment about the internet. The growing interest in the WIPNZ, we believe, is indicative of how our research has become recognised as a significant and reliable source of information about internet use in New Zealand.
  
- Lobbying for funds is a necessary and on-going activity when it comes to academic research projects such as the WIPNZ surveys because a great deal of financial support is required in the gathering and analysis of the data from around New Zealand. It is also important that our data contributes to the cross-country comparisons as part of the World Internet Project. We have been reliant on groups such as the Department of Internal Affairs/National Library, InternetNZ and Buzz Channel (who conduct the online component of the survey at a large discount) for support as well as from AUT itself. ICDC and InternetNZ have continued to work together in meeting with potential funders particularly when the next WIPNZ survey is scheduled for 2015. While clearly there are many organisations and government departments which use and rely on our survey data, getting contributions to ensure the continuation of the project has not been easy particularly during an election year and we still need to secure adequate funding to proceed in 2015. However we wish to acknowledge the efforts of InternetNZ

not only in offering its support through this partnership, but also for playing an active role in lobbying key people and organisations on our behalf.

The WIPNZ team includes:

**Professor Allan Bell,**  
Project Director

**Dr. Philippa Smith,**  
Executive Director

**Professor Charles Crothers,**  
Project Methodologist

**Andy Gibson,**  
Data Analyst, report co-ordinator

**Melissa Miller,**  
Data Analyst

## **Update for InternetNZ (April 2015)**

The focus of much of our time recently, and this report, is on supporting the process of the HDC Bill. The development of the new cyber offence reporting system is also a high priority. NetSafe has released a new resource for schools, and hosted Safer Internet Day.

### **1 The Harmful Digital Communications Bill**

The HDC has passed its second reading and NetSafe has been providing information to political parties across the house. The Bill was supported through the second reading by the Government support parties and the Greens.

In terms of the outstanding Parliamentary concerns around the bill, it is useful to divide it into four parts.

1. The civil HDC process
2. The Criminal Offence
3. The Safe Harbour and
4. The updates to the other four Acts

The civil process including the use of the Approved Agency and the four other Acts being updated are generally supported. There are some remaining concerns around the new criminal offence and safe harbour provision.

#### **1.1 Criminal Offence**

Some of the criticisms of the criminal provision are nonsense. For example the claim that it will criminalise children ignores the reality of New Zealand's law and enforcement regimes. However, a reasonable case can be made that the criminal provision is not defined specifically enough to capture only criminal abusers of communication technology – and that reasonable protections that should be applied to these communications are not specifically included.

In general terms, this argument is predicated on the idea that a law can be considered in the absence of other laws - which is not correct. The 'colour of right' and other protections under New Zealand law exist and apply to this offence as they do all others in the absence of being specifically excluded.

However, this is a new offence – and some legal experts have postulated some plausible (if unlikely) possibilities that would generate a different outcome than Parliament desires. They speculate that a Judge might apply a different interpretation of the balancing of this offence and the existing protections.

The logical response to this concern is to add a clause(s) that specifically recognises existing protections.

#### **1.2 The Safe Harbour**

The safe harbour provision provides a mechanism that Online Content Hosts can follow to qualify for safe harbour from prosecution. The main criticism is that the provision does not specifically allow for OCH's to remove content immediately using their existing mechanisms.

OCH's that remove content immediately do not need safe harbour from prosecution for leaving content online. Therefore, it is not necessary to mention it in this context. However, given that the Safe Harbour

provision is likely to be used more broadly, it can be strengthened by specifically mentioning the OCH's right to remove content.

If an OCH removes content that is illegal, or breaches its terms and conditions – it has protection under existing law. Adding a statement to clarify that fact does not weaken the Bill or change its intent.

It is conceivable that an OCH would wish to remove content that is neither illegal, nor covered by its terms and conditions. To allow this level of unsupported takedown activity, the safe harbour provisions would need to be deliberately extended. However, I feel that would be extending the safe harbour provisions too far and would essentially allow OCH's to censor content without legal recourse.

Our recommendation is to add to Section 19 a statement that notes that the protections do not preclude OCH's from taking remedial actions in accordance with their terms and conditions.

### **1.3 The ICT Industry Lobby**

Much was made in the house of the ICT industry lobby, and its intentions. A timely reminder to the likes of NetSafe and InternetNZ to remain as independent, transparent, and as knowledgeable as possible when supporting the Parliamentary process.

## **2 Cyber Crime Reporting and the ORB**

In 2013, we met and discussed a plan (The Digital Challenge Coordination Centre – DC3) for the improvements of cyber offence reporting in NZ with the Minister of CIT and the National Cyber Policy Office. This project was put on hold when the National Cyber Policy Office (NCPO) stated that cyber crime reporting would fall under its remit and a new national cyber crime reporting system would be built.

More latterly, the NCPO has indicated that any new reporting system is likely to be a minimum of two years away. Given this update and the age of the existing service, we are proposing to re-start that project.

Essentially, NetSafe and its ORB partners will be looking to construct a new national cyber offence reporting point to replace the ORB. This new system will reflect the experience of running the ORB for the last five years and will better meet the needs of both New Zealanders and the partner agencies.

## **3 Funding Squeeze**

NetSafe has been funded by the Ministry of Education at \$712,000 per year since 2004. This funding is now worth approximately 30% less than it was then. InternetNZ funding has decreased over the last three years from \$125,000 per annum to \$75,000 per annum – and the availability of general sponsorships and trust funding has been tight since the global financial crisis.

In short - funding for Online Safety has trended down, whilst every other online safety metric has trended up. The HDC and the appointment of the Approved Agency have been seen as the re-boot for online safety funding – but the wait for the HDC has now stretched to three years. Whilst NetSafe is not in any financial risk – the services we are delivering are under significant funding pressure.

## **4 International**

The work in the Pacific has been fairly quiet, although we have reactivated some discussion with the Government of Tonga around the strengthening of their online safety programme.

We have been working with the Australian Government and the Australian Communications and Media Authority (ACMA) on the implementation of the e-safety commissioner's office. The legislation activating the office (the Enhancing Online Safety for Children Act) has passed and the office will be active from July 2015.

### **5 Safer Internet Day**

NetSafe delivered Safer Internet Day on 10 February 2015. 19 organisations participated in the day.

A report about "Digital Challenges and New Zealanders" was released to coincide with Safer Internet Day. This report draws from the 8000 requests for help that NetSafe received from individuals, schools, businesses and other organisations in 2014.

### **6 Education Act 1989 – Update for Search and Surrender in the digital age**

NetSafe and the Ministry of Education developed a guide for schools on managing digital technology in relation to the updates in the Education Act.

The resource was released to schools on SID 2015, 10 February 2015. The way this work was approached and developed was significant in that it was very much a partnered approach between the Ministry and NetSafe; while under the umbrella of the Online Safety Advisory Group (OSAG).





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## International Update

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**Author:** Jordan Carter, Chief Executive

**Purpose of paper:** Report for the two months to 31 March 2015

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Since the last Council meeting I have conducted the following major activities offshore:

### APRICOT 2015

We are hosting APRICOT (the Asia Pacific Regional Internet Conference on Operating Technologies) in 2016, and so I attended (24 Feb – 6 Mar) along with Yvonne Shelton. Yvonne's main focus was on learning the logistics of the event and participating in the organising, to be better prepared for our hosting duties next year. My main focus was on participating in various parts of the conference and associated meetings (including APTLD, where I presented on the IANA stewardship transition), as well as presenting in the closing plenary to invite people to attend in Auckland. There was a good feeling to the event and people are excited about coming to Auckland next year.

### ICANN meetings

I attended two meetings in Istanbul 23-27 March – of the crosscommunity groups working on improving ICANN accountability (within which I am a rapporteur) and on the domain names community proposal for the IANA stewardship transition.

Both meetings can be counted a success: the mood was one of collaboration and compromise.

In the **Accountability** setting the main focus was on the following items:

- How to incorporate parts of the Affirmation of Commitments, including the reviews it requires, in the bylaws in a permanent way;
- Improvements to the review and redress and independent appeals mechanisms;
- New powers the community requires to hold ICANN accountable post the NTIA contract; and
- Structures or institutions to be used to give the community these powers.

Progress was significant and the CCWG is now heading towards a thirty-day public comment period on its proposals starting in **late April**.

In the **CWG-Stewardship** setting the aim was to work towards a second draft proposal, following the public response to the first draft in December being not entirely positive, and further discussion of the topic in Singapore leading to a need for a fresh approach.

Opinion seems to be consolidating around a model of stewardship where ICANN is the steward of the DNS, and continues to operate the IANA functions. There should be good representation for customers, and a clear escalation process for any IANA performance issues that is aimed at resolving them.

Much of the work is common across any models; the next draft proposal will display these, and **may** canvass options regarding the method used to decide on separation (within the bylaws, or an external entity?) and on the nature of the separation of the IANA functions operation from broader ICANN operations (functional separation like today, or a more structural option?).

While the external “contract co” model is not off the table, efforts are now focused on developing the internal model. The independent counsel is proving helpful in these efforts. We can expect a public consultation with the community in **May**.

Considerable further discussion on both these topics will happen at the ICANN Meeting in Buenos Aires, Argentina, coming up in June 2015.

There are no planned international commitments for InternetNZ staff in the period between now and the next Council meeting in June. There is only one contingency that may affect this: depending on community responses, there may be a meeting of the Accountability CCWG in late May – but this is not looking likely at the report date.

Jordan Carter  
30 March 2015

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## Joint Report: ICANN 52 Singapore

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**Authors:** Jordan Carter, Jay Daley, Keith Davidson, Debbie Monahan

**Purpose:** To update the group on events at the ICANN meeting held in Singapore in February 2015.

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The 52<sup>nd</sup> ICANN meeting was held in Singapore from 8 to 12 February 2015. Attendance across the group was as follows:

- Jamie Baddeley, Keith Davidson and Jordan Carter from InternetNZ
- Brenda Wallace and Jay Daley from NZRS
- Lucy Elwood and Debbie Monahan from DNCL

This attendance was a little higher than usual due to the unexpected proximity of the meeting – it had been planned to be held in Marrakech, Morocco. The closer location gave an economical opportunity to induct governing body members across the group into how ICANN operates and its importance to InternetNZ.

The meeting was intensely busy and so we have added a very brief High-level Summary below. The synthesis report follows, and then individual updates from each staff member/contractor on their own areas of focus. This is a public report.

Information on the sessions, including transcripts and presentations, can be accessed through <http://singapore52.icann.org/en/>.

## High-level Summary

- A heavy focus on the **IANA stewardship transition** pervaded the meeting, with ICANN pushing for it to be the steward and the operator through an “internal” solution, and significant community pushback resulting.
  - ICANN's **other work is struggling to compete for airtime**.
  - Most **new gTLDs** are struggling, and this does not seem likely to change – with unknown impacts still to flow from this, including to ICANN's revenue modelling.
  - The **InternetNZ team is having an ongoing and substantial impact** in the ICANN community, as set out in the detailed content below.

# Synthesis Report

## *IANA Stewardship / ICANN Accountability*

- The focus of this meeting was very much on the IANA stewardship transition and the interlinked ICANN accountability work, with a new phase of intensity evident. With a number of different working groups involving a range of stakeholders many of the sessions were around sharing where things were at to date and seeking the views of the ICANN community in how to move forward.
- ICANN's campaign for its preferred model, which is that ICANN takes full control of IANA in perpetuity, has shifted up a gear and become quite intense. ICANN board members have pleaded their case emotionally with the ccTLD community, while the ICANN CEO has taken to personal attacks and unjustifiable claims. Our principled position of separability of function external to ICANN is supported by large parts of the domain name community as an important safeguard against a captured ICANN but there is not yet a clear outcome.
- With Keith Davidson a member of the ICG and Jordan Carter on the CCWG, InternetNZ is well represented. Keith and Jordan are supported by Jay Daley and Debbie Monahan to present the .nz view on how we consider the IANA transition should progress and how we view the link between the ICANN accountability work and the transition.
- Our preferred position for the IANA transition is that it be structurally separate to ICANN. This was widely referred to as the 'external' model in Singapore and differs to the preferences of others who are seeking an 'internal' model which would leave ICANN in control of the DNS unencumbered.
- One of the people actively promoting the internal model is Chris Disspain, a current ccNSO representative on the ICANN Board and CEO of auDA. There have been a number of discussions with Chris and others as to why we consider the external model to be superior but there is a significant push by proponents of ICANN to gain the support of those who have either not expressed a view or who are unsure exactly what the issues are and the impact of any change.

## *ccTLD matters*

- Keith's work on the FoI formally came to an end with the adoption of the work by the ccNSO council and acceptance of the report by the GAC. By way of background, Keith has been working for some years to raise the policy for delegating and re-delegation country code TLDs (ccTLDs) to a level where the ICANN board cannot continue to ignore it and make arbitrary decisions. The final step in the work is to handle how the GAC views the document that Keith's team have produced, a Framework of Interpretations (FOI) for existing ccTLD policy that should act as the new process bible for the IANA function in ICANN. The GAC produced a set of principles on delegation and redelegation of ccTLDs in 2005 that many on the GAC believe asserts government authority over ccTLDs, which would

be contrary to the founding principles of ccTLDs, RFC1591. This incongruity is still to be resolved.

- Keith Davidson was re-elected vice chair of the ccNSO for the 2015 year, which he is intending to be his last.

### ***ICANN: the corporation & the community***

- ICANN continues to grow in numbers not least because of more direct appointments of unadvertised posts by the CEO. During the opening session the ICANN staff sitting in the audience were asked to stand up and the number exceeded 50, most of whom are 'liaison' staff for various community sectors. We would not be surprised if an AU/NZ liaison were appointed in the near future. It is becoming clearer to long term participants that there a substantial fraction of ICANN attendees have received money from ICANN in one way or another and that there is not transparency around this. We have begun to recommend full transparency, particularly given the apparent correlation between the strength with which some people are supporting the ICANN view of IANA and the amount they have received from ICANN over the years.
- In the same session the ICANN CEO acknowledged for the first time that ICANN has overloaded the community with consultations; a message that the community has been conveying through blog posts and public comment for several months. However he implied that it was the duty of the community to put aside any personal hardship this might cause and do the work because the future of the Internet needed it. This was another stark disconnect between the views of ICANN, that is controls the agenda, and the views of the community, that the agenda emerges from the bottom-up conversation and is facilitated but not led by ICANN.
- The intense work on the IANA stewardship transition is 'sucking all the oxygen out of the room' and reducing resources and progress directed at other policy matters. Some of the other policy work has been suspended but some groups continue to meet and important things are said but there is reduced will to prioritise any actions that emerge. The one notable exception is the self-organisation of the registry and registrar community to tackle important commercial and operational issues of interoperability between the parties. This group is proving much more independent and analytical than expected and has so far resisted any attempts to draw it into the politics.

### ***Other matters***

- The new chair of the Government Advisory Committee (GAC) is turning out to be more principles-led than expected given the block vote of EU countries that elected him to that position. The GAC is at a critical juncture as it becomes clear that the net result of its multitude of advice to the ICANN board is a disproportionate effect on the gTLD policy process, which threatens to undermine the multistakeholder model. For some GAC members that suits their aims but others recognise that if ICANN gets its way and is set free of all external scrutiny then the danger of governmental capture through the GAC is real.

- Most of the new gTLDs continue to struggle to gain expected levels of registrations. Dot Kiwi would almost certainly be in this category. It is interesting that ICANN's own revenue forecasts continue to show they are expecting the legacy gTLDs to continue to dominate growth for the foreseeable future. Those gTLDs that are doing well, particularly the large portfolio holders, are still highly visible and engaged in the ICANN process. Those who are struggling seem more subdued and many may not be attending as they conserve cash. It is inevitable this will have some market impact, such as registry collapse or forced consolidation, but we are not yet seeing this happen. We should be aware that once one new gTLD owner starts to cut its losses and offload the gTLD then a flood of others is likely to follow.

## Individual Summaries

### Jordan Carter

- Main focus was on the work of the Accountability debate (CCWG) and the IANA Stewardship transition debate (CWG). Also participated in the CCWG on Internet Governance, and spent time in the ccNSO meeting. Made a number of presentations and interventions in support of these issues.
- Attended at .nl's invitation a Chief Executive's dinner on the Sunday evening. Around 25 TLDs were present and I had the chance to talk extensively with Russell Haworth the new Nominet CEO (.uk), with Roelof Meijer from .nl and with Ram Mohan from Afilias and the ICANN Board. This was a useful function to be invited to. Also attended the ISOC gathering as part of the ICANN meeting.
- Spent some time with Jamie Baddeley, the InternetNZ President, at his first ICANN meeting in many years, talking through the dynamics and introducing him to some key players. I am grateful to the assistance that Jay, Debbie and Keith provided in this given my disappearance into the CCWG work.

### Jay Daley

- Presented on a panel updating people on DNSSEC developments in Asia Pacific and then answering questions. We are still one of the regional leaders in DNSSEC with Australia only announcing at this meeting that they had gone live with DNSSEC. Our recent investment in new signing infrastructure was well received as we are one of the few to upgrade to a second generation of equipment.
- Presented as part of the Technical Experts Group meet the board session. This was well attended by the ICANN board with eight members present including the newer members. I presented on the trend to design systems that increase the systemic dependency on ICANN and the lack of any strategic plan around this. There was much agreement but no actions. I may need to ask the SSAC formally to consider this.
- Met with .fr (France), .se (Sweden), .nl (Netherlands) to discuss business development and the provision of business intelligence to registrars. All four ccTLDs are investing heavily in these areas and sharing progress and

ideas was very useful. Also met with .lb (Lebanon) to discuss open source registry systems and introduced them to CoCCA

- Introduced Brenda to lots of people.

## Debbie Monahan

- The ccNSO Strategic and Operational Planning Working Group (SOPWG) met with ICANN staff to discuss the feedback provided by the SOPWG to the latest draft of the 5 year strategic plan and the ICANN response to each of the points raised. A document summarising the comments received and ICANN's response to them had been published just prior to the Singapore meeting (<https://www.icann.org/en/system/files/files/report-comments-draft-five-year-ops-06feb15-en.pdf>).
- As indicated in the previous report on the LA meeting, ICANN have made significant improvements to their strategic planning cycle and to the document produced. Though there remain concerns around some of the Key Performance Indicators, and the scope of responsibility on ICANN in some areas, the FY16-FY20 Strategic Plan is a vastly improved document over those previously produced. It is anticipated that the final product will be even better if the changes indicated are made following community feedback.
- Development of the business plan and budget will flow out of the strategic plan and as part of that two representatives from the SOPWG were invited to send two representatives to the ICANN Budget Planning meeting. I joined with Giovanni Seppia, the newly appointed Chair of the SOPWG, in attending an interesting and valuable meeting in which we discussed the basis around ICANN forecasting revenues and allocating and reporting on expenses. In all 10 community representatives joined with 5 ICANN staff for a robust exchange of views around how ICANN can enhance its financial accountability.
- As noted earlier in this report, the main focus of this Singapore ICANN meeting was the IANA transition and ICANN accountability work. This was no different in the ccNSO sessions where a number were given over to discuss the work being done by the working groups and seek the views of the ccTLDs present. It was also a key theme in discussions with the board and with the ccNSO Board representatives.
- One of the standard ccNSO sessions is an update from various ccTLDs and this was included as usual in the Singapore meeting. One presentation from .dk covered the impact of a legislative change covering .dk registrations that demands better WHOIS data and also a requirement for synchronisation of registrant data with the Danish Civil Registration Number database to ensure those who become anonymous on the database become anonymous on the WHOIS simultaneously. This is causing a number of issues for the .dk registry in implementation and is a great illustration why we should strive to ensure that .nz is not governed by legislation.

## Keith Davidson

- Focus was on the IANA Stewardship Transition Coordination Group (ICG), ccNSO Council responsibilities.
- At the ccNSO meeting on the Wednesday I chaired the panel discussion on the IANA transition, including the progress on the accountability workstream.
- During the ccNSO Council meeting I was re-elected as the senior vice-chair of the ccNSO for the upcoming year. I did advise the ccNSO that I may not complete the year, and intend to resign from the ccNSO Council and vice chair role at the point the IANA transition plan is lodged with the US Government.
- Friday saw me transitioning from my ICANN roles to my ISOC Board directors role. There was a joint meeting of the ICANN and ISOC boards, which was testing as issues over the divergent views between the boards over the Net Mundial Initiative still rankle. The afternoon was spent in ISOC board committee meetings, where I serve on their Nominations Committee, Compensation Committee and Governance Committee.
- I then attended the ISOC Board meetings over the Saturday and Sunday including joint board meetings with the Public Internet Registry (PIR) Board (the ISOC subsidiary that operates the .org domain name). The next ISOC Board meeting, which will be my last as an ISOC director, will be in Auckland in July, back to back with Nethui.

16 March 2015



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**Grants Committee Paper to Council**

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**Author:** Prepared on behalf of the Grants Committee

**Purpose of paper:** Information and Communication with Council

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This paper contains the outcomes of a Grants Committee meeting discussion on providing information to and communications with Council.

Discussion was around how much feedback to provide to applicants, as well as what information on assessment be shared with Council for decision-making.

It was agreed that individual scores/comments made on the applications by the Committee and discussed in the meetings are only to provide as a guide to assess applications and shouldn't be shared outside of the Committee.

Committee agreed it will provide an analysis for assessment Council's information, as well have overall comments that can be forwarded to the applicant.

Committee agreed to provide the following assessment information to Council around the final stage of each Community Grants round:

- overall consensus score for each category,
- ranking scores,
- copies of the raw applications,
- 1-2 bullet points for analysis
- information around any Conflict of Interest.

Should Council require any specific information regarding the assessment of applications these should be addressed as a request to the Chair of the Grants Committee.



31 December 2014

Jamie Baddeley  
President  
InternetNZ  
PO Box 11 881  
Wellington

Dear Jamie

**Re: 3<sup>rd</sup> Quarter 2014 - 2015 Report**

We enclose our third quarterly report of the 2014 - 2015 year; the quarter ended 31<sup>st</sup> December 2014. The report, which I submit on behalf of the Board, consists of the summarised management accounts and a commentary on financial, operational, and strategic issues in relation to the company's performance. There is nothing in the report that we regard as confidential.

This report meets the requirement of the Reporting Policy incorporated in the July 2008 INZ - NZRS Operating Agreement.

All reporting on .nz is found in our joint report with DNCL.

**1. Financial**

Enclosed are Statements of:

- Financial performance; and
- Financial position

These statements are based on our management accounts for the quarter.

The net profit before tax of \$738,079 for the quarter was 22.0% above the budgeted \$604,128.

Domain name growth was below budget for the quarter. Growth was 31,103 versus a budgeted 39,000. October's net growth was 21,623, November's net growth was 3,962 and December's net growth was 5,518. Actual domain name fee income for the quarter was above budget by \$64,481 (actual \$2,250,857 versus budgeted \$2,186,376).

Expenses for the quarter were \$70,941 below budget (actual \$1,592,898 versus budgeted \$1,663,839) due mainly to the timing of expenditure, with some projects expecting the bulk of their expenditure in the last quarter of the year.

The company's liquidity ratio was met.

\$700,000 was paid in dividends during this quarter.

**2. Other Key Strategic and Operational Activities**

a) Staff survey

During this quarter we conducted a staff engagement survey using the IBM Kenexa Best Workplaces survey, benchmarked against all other NZ IT companies that have also taken the survey. This is a popular survey in NZ. Some highlights are:

- There was 100% survey completion rate by NZRS employees, which IBM/Kenexa tells us is extremely rare.
- There is an extremely high level of confidence in the leadership of NZRS and people strongly agree that they are proud to recommend NZRS as a fun place to work.
- Almost everyone also agrees that that a high standard of work is expected and that NZRS is a successful business that delivers high quality products and services to its customers.
- Most people agree or strongly agree that they are encouraged to develop knowledge and skills and new ways of doing things at NZRS.
- The survey shows the overall level of staff engagement is high and that most people feel inspired to go the extra mile to help NZRS succeed.

A number of areas for improvement were identified and the CE and his management team have a process in place to address these.

b) Company name and brand

As advised at the December Council meeting, the board has agreed to a change in the company name to NZRS Ltd and the adoption of a new brand that mirrors that of InternetNZ.

### 3. Business/service development

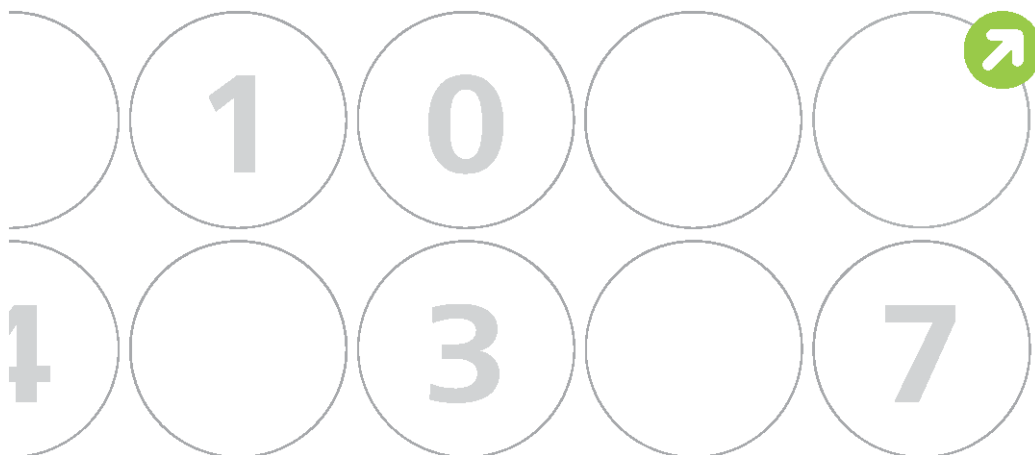
In this quarter we continued our work on redeveloping the National Broadband Map and completed an alpha release for internal testing.

Please do not hesitate to contact me if you have any queries.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Currey', with a stylized, cursive script.

Richard Currey  
Chair



# NZ Domain Name Registry Ltd

Financial Statements

For the Quarter Ended 31 December 2014

**New Zealand Domain Name Registry Limited**  
**Financial Statements**  
**For the Quarter Ended 31 December 2014**

Statement of Financial Performance

Balance Sheet

Statement of Cash Flows

# Profit & Loss

## NZ Domain Name Registry Ltd For the 3 months ended 31 December 2014

	Actual	Budget	Var NZD	Var %	YTD Actual	YTD Budget	Var NZD	Var %
Income								
Registry Fees	2,250,857	2,186,376	64,481.....	2.9%6--	6,454,282	6,350,560	103,722	1.6%-6-
Total Income	2,250,857	2,186,376	64,481	2.9%	6,454,282	6,350,560	103,722	1.6%
Less Cost of Sales								
DNC Fee (348)	467,460	467,460		0.0%	1,402,380	1,402,380		0.0%
DNS Expenses	84,743	99,574	(14,831)T	-14.9%T	273,031	317,765	(44,734)T	-14.1%T
Other IT	41,538	40,984	554.....	1.4%6--	79,660	123,211	(43,551)T	-35.3%T
SRS Expenses	35,470	55,597	(20,127)T	-36.2%T	141,116	201,127	(60,012)T	-29.8%T
Total Cost of Sales	629,211	663,615	(34,404)	-5.2%	1,896,186	2,044,483	(148,297)	-7.3%
Gross Profit	1,621,646	1,522,761	98,885	6.0%	4,558,096	4,306,077	252,019	6.0%
Less Operating Expenses								
Depreciation & Amortisation	199,760	201,318	(1,558)T	-Q.8%T	606,151	597,227	8,924.....	1.5%-6-
Overhead Expenses	763,927	798,906	(34,979).....	-4.4%T	2,168,457	2,396,724	(228,267)T	-9.5%T
Total Operating Expenses	963,687	1,000,224	(36,537)	-3.7%	2,774,608	2,993,951	(219,343)	-7.3%
Operating Profit	657,959	522,537	135,422	26.0%	1,783,488	1,312,126	471,362	36.0%
Non-operating Income								
Interest Received (203)	80,120	81,591	(1,471)T	-1.8%T	234,311	246,768	(12,457)T	-5.0%T
Total Non-operating Income	80,120	81,591	(1,471)	-1.8%	234,311	246,768	(12,457)	-5.0%
Net Profit	738,079	604,128	133,951	22.0%	2,017,799	1,558,894	458,905	29.0%

# Balance Sheet

## NZ Domain Name Registry Ltd As at 31 December 2014

31 Dec 2014

30Sep2014

### Assets

Bank		
Cash and Cash Equivalents	9,187,556	8,411,905
<b>Total Bank</b>	<b>9,187,556</b>	<b>8,411,905</b>
Current Assets		
Accounts Receivable	670,512	1,123,649
Interest Receivable (688)	63,787	95,292
Prepayments/Credits (687)	46,180	53,008
<b>Total Current Assets</b>	<b>780,479</b>	<b>1,271,949</b>
Fixed Assets		
Fixed Assets	1,089,219	1,139,766
<b>Total Fixed Assets</b>	<b>1,089,219</b>	<b>1,139,766</b>
<b>Total Assets</b>	<b>11,057,254</b>	<b>10,823,619</b>

### Liabilities

Current Liabilities		
Accounts Payable	335,745	281,712
Credit Cards	18,068	26,492
Deferred Income - Registry Fees	6,855,806	6,624,700
GST	16,041	97,200
Rounding (860)		
<b>Total Current Liabilities</b>	<b>7,225,660</b>	<b>7,030,104</b>
Non-Current Liabilities		
Deferred Income - Adjustment (81700)	343,242	343,242
<b>Total Non-Current Liabilities</b>	<b>343,242</b>	<b>343,242</b>
<b>Total Liabilities</b>	<b>7,568,902</b>	<b>7,373,346</b>
<b>Net Assets</b>	<b>3,488,352</b>	<b>3,450,273</b>

### Equity

30,000 Ordinary Shares (60100)	30,000	30,000
Current Year Earnings	2,017,799	1,279,720
Retained Earnings (638)	1,440,553	2,140,553
<b>Total Equity</b>	<b>3,488,352</b>	<b>3,450,273</b>



**New Zealand Domain Name Registry Limited**  
**Statement of Cash Flows**  
**For the Quarter Ended 31 December 2014**



	Actual	This Quarter Budget	Variance	Actual	Year to Date Budget	Variance	Last Year (YTD)	Full Year Budget	LY Actual
<b>Cash Flows From Operating Activities</b>									
<b>Cash Was Provided From:</b>									
Registry Fees Received	3,179,179	2,674,234	504,945	8,325,586	7,953,586	372,000	7,192,065	10,813,528	9,299,977
Other Receipts	111,625	81,591	30,034	258,749	246,768	11,981	245,015	329,626	294,663
	3,290,805	2,755,825	534,980	8,584,336	8,200,354	383,981	7,437,080	11,143,154	9,594,640
<b>Cash Was Distributed To:</b>									
Payments to Suppliers and Employees	1,612,593	1,604,501	8,092	4,583,986	5,017,579	(433,593)	3,724,659	6,622,085	5,094,056
Net Taxation Paid (Refunded)	0	0	0	0	0	0	0	0	0
Net Dividend Paid	700,000	700,000	0	2,055,776	2,055,776	0	2,099,637	2,755,776	2,559,637
Net GST Paid	97,201	228,998	(131,797)	185,062	425,651	(240,589)	275,353	555,057	339,143
	2,409,793	2,533,499	(123,706)	6,824,824	7,499,006	(674,182)	6,099,649	9,932,918	7,992,836
<b>Net Cashflows from Operating</b>	881,012	222,326	658,686	1,759,512	701,348	1,058,163	1,337,431	1,210,236	1,601,803
<b>Cash Flows from Financing Activities</b>									
<b>Cash was Provided From:</b>									
Share Capital	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0		0	0
<b>Cash was Distributed To:</b>									
Repayment of Redeemable Preference Shares									0
Inland Revenue Use of Money Interest	0	0	0	0	0	0	0	0	0
<b>Net Cash flows from Financing</b>	0	0	0	0	0	0	0	0	0
<b>Cash Flows from Investing Activities</b>									
<b>Cash was Provided From:</b>									
Fitout Contribution	0	0	0	0	0	0	0	0	0
<b>Cash was Distributed To:</b>									
Purchase of Fixed Assets & Formation Expenses	96,936	235,750	(138,814)	689,596	628,666	60,930	531,968	864,416	955,386
<b>Net Cash flows from Investing Activities</b>	(96,936)	(235,750)	138,814	(689,596)	(628,666)	(60,930)	(531,968)	(864,416)	(955,386)
Net Increase (Decrease) in Cash Held	784,076	(13,424)	797,500	1,069,916	72,682	997,234	805,464	345,820	646,417
Plus Opening Cash Balance	8,385,413	8,185,678	199,735	8,099,572	8,099,572	0	7,423,866	8,099,572	7,423,866
<b>Closing Cash Carried Forward</b>	9,169,489	8,172,254	997,235	9,169,489	8,172,254	997,235	8,229,330	8,445,392	8,070,283
<b>Closing Cash Comprises</b>									
ASB Bank Cheque Account	1,207,616	-	-	1,207,616	-	-	772,084	8,445,392	618,366
ASB Bank Call Account	1,276,570	-	-	1,276,570	-	-	301,601	0	252,326
Term Deposits	6,703,371	-	-	6,703,371	-	-	7,179,726	0	7,228,880
ASB Credit Cards	(18,068)	-	-	(18,068)	-	-	(24,081)	0	(29,289)
<b>Total Cash Held</b>	9,169,489	8,172,254	997,235	9,169,489	8,172,254	997,235	8,229,330	8,445,392	8,070,283



5 March 2015

Richard Currey  
Chair, NZRS Ltd  
Wellington

By email: [richard@jalu.nz](mailto:richard@jalu.nz)

Dear Richard

**Structural constraints on return on assets**

Following our conversation at the Council meeting on 16 February 2015, I write to confirm that the Council would like to understand the company's views on the following questions:

Are there any features of InternetNZ's structural or policy environment applying to NZRS that prevent it realising a return on financial assets consistent with its risk appetite? If so what are they, and what would the company propose be changed?

A possible example of such a feature is the provision in the NZRS Operating Agreement that allows InternetNZ to terminate it with 30 days' notice. This requires funds to be highly liquid, which in turn lowers achievable rates of return – possibly below the company's risk appetite.

It is not in the group's interests to maintain any unnecessary policies or agreements that reduce the returns available below those demanded by the company's risk preferences – unless there are other objectives that require the maintenance of such agreements or policy features.

I would appreciate a reply in time to circulate to Council on or before Thursday 26 March, so it can be considered as part of our next meeting.

Yours sincerely



Jamie Baddeley  
**President**



Jamie Baddeley, President  
InternetNZ  
PO Box 11881  
Wellington

27 March 2015

**Re: Structural constraints on return on assets**

Dear Jamie

I am writing in reply to your letter of 5 March 2015 where you asked the following question on behalf of Council:

*Are there are any features of InternetNZ's structural or policy environment applying to NZRS that prevent it realising a return on financial assets consistent with its risk appetite? If so what are they, and what would the company propose be changed.*

**Current position – Low risk**

The current provision in our operating agreement for termination with 30 days' notice means that we must invest our prepayments in anticipation of one of two termination scenarios:

1. A new operator is appointed to take over at the end of the notice period and the remaining prepayments are paid in full to the new operator at that point.
2. A rapid wind down of .nz takes place and at the end of the notice period all remaining prepayments are refunded in full to our customers.

The key characteristics of the investment strategy we have in place to meet these requirements are:

- Self managed
- Very low risk to capital
- Guaranteed income
- Investment only in high rated banks with spread of risk
- Short notice access to funds

The unexpected failure of a bank could lead to capital loss but that is a very low risk.

**Alternative approach – Medium risk**

An alternative approach would be to amend the operating agreement to allow for two different termination scenarios

3. A new operator is appointed and a gradual transfer of functions takes place with the new operator taking over fully at the end of the notice period. All remaining prepayments are paid in full to the new operator at that point.
4. An ordered wind down of .nz takes place during which time no new registrations are accepted while most domains receive the service they paid for and only the remaining few receive a refund.

This would be achieved by changing our operating agreement to require a 1 year notice period, which would match InternetNZ's previously stated requirement that NZRS provide full services for a minimum of the average term of the Register – currently approximately 13 months. This could then allow for a revised investment strategy to be applied to a large portion of the prepayments with the potential for a higher return than currently achieved:

- Third party fund manager appointed
- Very low risk to capital
- No guarantee of income
- Investment across multiple asset classes
- Longer notice for access to funds

As with the low risk scenario, the unexpected failure of a major institution could lead to capital loss but this remains a very low risk. That leaves the most likely worst case scenario from such an approach as not receiving the investment income that we currently have guaranteed, budgeted at approximately \$370k for 2015-16.

If a shorter notice period were adopted, no less than 6 months, then that would reintroduce termination scenario 2 (a rapid wind down), though under that scenario the need to liquidate investments in less than 1 year may lead to early exit penalties and reduced income.

### **Risk to capital and dividend – High risk**

It can be reasonably assumed, that the prepayments we hold are more than needed to deliver the service and so contain an element of likely future operating profit. Council may wish that NZRS adopt a higher risk profile for a significant portion of this likely future profit as the impact of a loss of capital will be limited to the likely dividends that InternetNZ is budgeted to receive and will not affect the service provision by NZRS.

### **Risk to capital and operating income – Very high risk**

If an even higher risk profile were adopted then that would necessitate a risk to more than just the likely future operating profit

but also the deferred income needed for future service delivery. The loss of this capital would leave NZRS unable to provide the service that it has contracted to provide. If InternetNZ wishes NZRS to adopt this risk profile then it would need to indemnify NZRS against the loss of capital needed for future service delivery.

### **Conclusion**

NZRS's choice of risk profile is not determined by structural constraints alone but is also based on our understanding of InternetNZ's income requirements and how much it is willing to risk that for greater return.

NZRS could only move to a higher risk profile as outlined above if:

- a) The notice period for termination in our operating agreement was changed from 30 days to 1 year/6 months;
- b) InternetNZ accepted the higher risk of such a profile and the potential negative impact on dividend;
- c) Due consideration were given to the wider repercussions of the change in notice than just enabling a different investment strategy. For example the NZ Internet community may agree a change of designated manager for .nz, and so require a transfer to a new operator in less than 1 year/6 months.

Finally we note that changing risk profile would also have an impact on moving to a licensing fee. The proportion of income coming from the monthly fee would need to be lower and the proportion coming from the washup dividend higher than in the current low risk scenario as investment income is no longer guaranteed and so could not form part of the monthly fee.

Yours sincerely



Richard Currey, Chair  
NZRS Ltd







# **Statement of Direction and Goals**

**DRAFT**

Incorporating strategy, key performance indicators  
and 3-year budgets

For the 3 Years  
2015 - 2016 to 2017 - 2018

**March 2015**

# NZRS Statement of Direction and Goals

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## Introduction

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This NZRS Statement of Direction and Goals has been prepared under the Planning and Reporting framework adopted by InternetNZ Council following the 2007 InternetNZ Structural Review. That framework provides for this Statement of Direction and Goals to include strategic direction, key performance indicators and 3-year budgets.

This Statement of Direction and Goals InternetNZ incorporates the expectations set out by InternetNZ in its Statement of Expectations.

This Statement of Direction and Goals is draft as it awaits:

- Our actual figures for the end of year including actual expenditure and actual domain name numbers. For this draft version the surplus from the end of 2014-15 is as per our original budget and domain name figures are estimated.
- InternetNZ's decision on the joint NZRS/DNCL fee recommendation.
- The end of year adjustment to income recognition required by our new income recognition policy.
- Any other audit adjustments.
- InternetNZ's decision on revisions to the transformations for .nz set out in the Group Strategic Plan, which NZRS and DNCL will recommend in due course.

## Role of NZRS

---

The Operating Agreement between InternetNZ and NZRS sets out clearly the role of NZRS in the .nz domain name space:

*"InternetNZ hereby grants NZRS the exclusive right to operate and manage the register of domain names and Domain Name System (DNS) in the .nz domain name space."*

This dual focus on the .nz register and the .nz DNS is reflected in our vision, mission and goals as set out below.

Over time the role has been expanded by InternetNZ to include three new areas:

- Marketing of .nz
- Technical research
- Business development

## The Changed NZRS Operating Environment

---

### Impact of new gTLDs

It is our view that the introduction of many new TLDs has fundamentally changed the market and the previously experienced trading conditions are unlikely to return. This is down to the following factors:

## 1. Undermining of speculative behaviour.

We use 'speculative' in a broad sense here to cover two overlapping behaviours:

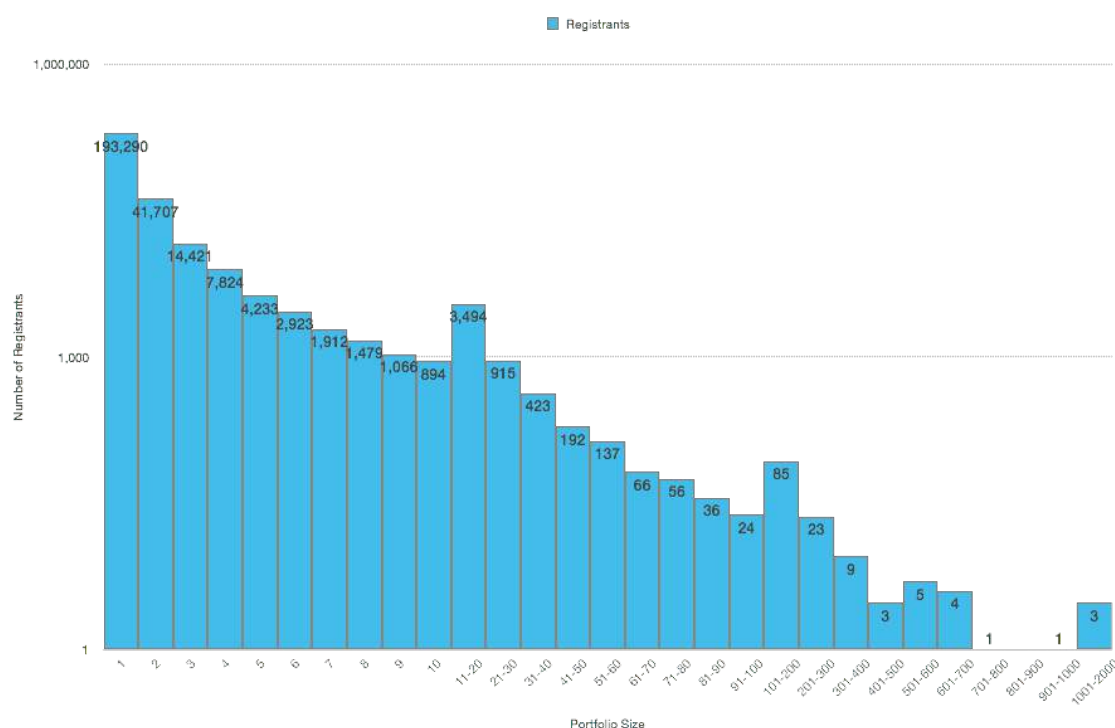
- Early purchase of a domain name that the registrant is thinking of using in the future; and
- Purchasing a domain name that the registrant believes has value greater than the purchase price that they can unlock at a later date through use or resale.

It is our view that this speculative behaviour emerged because of the relative scarcity of domain names. By 'relative' we mean that the perceptions of meaningfulness of domain names by potential registrants is what created the scarcity rather than any technical limitation.

For those that were thinking of using a domain name, it became important for them to purchase it when they had the idea, long before they were ready to execute, because failure to do so would often mean losing the domain name.

For those looking to arbitrage on prices, speculating on domain names was a good bet. While there are no reliable figures for second hand domain name sales in .nz, in other TLDs that are many examples of domains being resold for hundreds of thousands of dollars and sometimes up into the millions.

It is commonly believed that domain name speculators are a small group of people who purchase domain names in bulk and so can easily be spotted by a registry through examining portfolios. However there is no clear boundary in portfolio sizes as demonstrated by the following chart:



The impact of new gTLDs has been to solve the 'meaningfulness problem' by the creation of hundreds of new gTLDs and this in turn directly affects the perception of scarcity. This reduction in scarcity is in turn reducing the incentive to speculate.

It is our assertion that this speculative behaviour has been a significant factor in our historical growth and so our growth prospects are partly dependent on what happens to that behaviour. At the macro level, global speculative behaviour in domain names will reduce and the money will switch to a different scarce asset, permanently leaving our industry.

## 2. Branding

Our launch of registrations directly under .nz would have put us at number 15 on the table of TLD launch size had .nz been a new gTLD. This is undoubtedly down to the strength of .nz as an established brand. At the current time it appears that familiarity with our brand is keeping our sales up but against soft opposition.

## 3. Choice

In our view this is the biggest threat to growth, if demands dissipates across many hundreds of new gTLDs. There is strong evidence that this is already happening with 16,457 domains names spread across 257 new gTLDs purchased from within NZ (as at Feb 2015).

### Registrars and their resellers

Registrars across the board are finding it much harder to gain business – less customers and those customers are more expensive to acquire. Registrars are still key to our growth because of some key market influences:

- Registrars, rather than being passive shops waiting for customers to walk in, actively sell to their customers. Some of our largest registrars have a telesales team calling prospective customers all day.
- Registrars provide awareness of the products available. We are confident that almost every registrant that has heard of a new TLD and made a purchase decision, did so on the back of communications from a registrar or reseller.
- Registrars and resellers in particular help registrants choose what domain name to buy. Their recommendations come from their own perceptions of TLD brands, their knowledge of the market and their understanding of the customer.

About 18 months ago, as the launch of new gTLDs approached, many registrars switched their focus away from us towards the new gTLDs. However their initial dealings with new gTLDs led them to predict that the launch of the new gTLDs would be a disappointment and to our surprise they quickly switched their focus back to us. The success of the opening of the second level has cemented that.

It is our view that easy pickings have dried up for registrars and they now need to be much smarter in how they sell. That means understanding the market better, using smarter sales techniques and selling better services. We have active plans to support them in all three areas and expect that to be our biggest contribution to increased sales. This support includes:

- New registrar portal giving them much better market data, which will grow significantly over time.
- Marketing materials, which we regularly see used by registrars.

- Educating them on the importance of usability and customer experience (primarily through talks and workshops at our registrar conference).

### Global developments in domain name registries

The leading edge country-code registries are now fully engaged in business development and where once we were a leader we have been overtaken. Examples of business development being undertaken by other country-code registries include:

- Compliance checking under contract to ICANN.
- Comprehensive security reports in specific industries looking at a company's external Internet profile.
- Building home routers.
- Showcasing whitespace devices and a whitespace registry.
- Selling internally developed data analysis tools.
- Broadband measurement.

## NZRS Vision, Mission and Values

---

Vision:

***A world class Internet in NZ.***

Mission:

***To provide world class critical Internet infrastructure and authoritative Internet data.***

The Board, management and staff are committed to the following set of values in the way NZRS operates:

- Ethical behaviour shown by professional practice with integrity
- Excellence in service and systems through continuous improvement, technological innovation and understanding the customers
- Independence of contribution, diversity of views, evidence-based opinion
- Commitment to leadership, innovation and an outward focus
- Inclusive approach, accessible and uncomplicated
- Respect for fair competition in the market place through efficiency and transparency.

These values shape the culture of the company.

## Strategic Goals

---

Our five strategic goals are to:

1. Deliver a world-class domain name service to registrars, their customers and all Internet users.
2. Deliver world-class registry services that continually improve.
3. Support InternetNZ through tangible contributions of income, governance and management resources, and expert knowledge.
4. Develop our services and technology within a long-term evolutionary framework to meet the future needs of Internet users.
5. Deliver, in partnership with DNCL, a successful long-term strategy for .nz.

NZRS delivers its Strategic Goals through a combination of Business As Usual work, Audit and Review, a Strategic Plan and a Business Plan.

## Business as Usual

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NZRS is a mature company with a long track record of delivering on its strategic goals. To maintain this level of delivery the company maintains a strong focus on the BAU aspect of its work by:

- Providing value for customers through a fast, robust, reliable, value for money service
- Respecting and protecting the rights and interests of the registrants
- Utilising technology innovatively to provide a more cost effective, superior service
- Building partnerships with key stakeholders
- Keeping abreast of the market and industry developments in the technology sector to identify trends and growth opportunities
- Maintaining professional service-focused relationships.
- A thorough approach to board governance and external audit and review.

## Audit and Review

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Our annual cycle of external audit and review of systems, processes and entities remains core to our goals of world-class services. In an annual cycle we:

- Commission a wide-ranging sophisticated and independent security review and implement the recommendations. This includes the commissioning of real-world penetration tests across our production systems.
- Review all our internal policies and procedures, including the normal twice-yearly financial audits, against a wide range of sources of best practice.
- Conduct thorough risk reviews that feed directly into company strategy and budget planning cycle.
- Maintain a comprehensive disaster recovery plan that is both externally reviewed and tested in an annual exercise involving multiple suppliers and personnel.



## Strategic Plan - .nz

The development of the InternetNZ Group Strategic Plan saw the introduction of a set of transformations for .nz at the group level for the first time. These transformations align well with the Strategic Plan that NZRS had previously developed and so will be used here.

### Primary Transformation

From	To
.nz operates as a successful ccTLD held in high regard domestically and internationally	.nz is widely recognised as a successful ccTLD held in high regard domestically and internationally

### Underlying transformations

Transformation/s		
	From	To
1.1	Global benchmarks or best practice regarding what a world-class ccTLD is are varied and partly documented	There are agreed global benchmarks and best practice for what a world-class ccTLD is, and .nz does well in assessments against these standards
1.2	.nz is the preferred choice for New Zealanders	.nz remains the preferred choice for New Zealanders
1.3	The market for .nz registration services (among registrars and resellers) is competitive	The market for .nz registration services (among registrars and resellers) is sophisticated and competitive
1.4	Roles and responsibilities in managing .nz are being clarified	Roles and responsibilities in managing .nz are clear, well documented and transparent
1.5	The .nz policy framework has evolved from its origins in 2002	The .nz policy framework has been reviewed and updated for current needs, and is validated as meeting the needs of the New Zealand Internet community
1.6	Inconsistency in the articulation of the role, purpose and mandate for the operation of .nz across the Group – resulting in a lack of clarity among stakeholders	The whole Group is confident in consistently articulating our role and purpose, and the mandate for our operation of .nz – resulting in the wider Internet community being clear about and supportive of our role

The Statement of Expectations lists the *Promotion and marketing of the .nz product* as a secondary function for NZRS. In NZRS marketing goes hand in hand with customer relationship management and this dual function is now a fully integrated part of the .nz service provision. A decade ago it would have been unusual for any registry let alone a ccTLD to have a marketing function but this is now a core function

in all mature ccTLDs and all gTLDs. This is a natural evolutionary change for registries brought about by the advent of strong competition and the changing purchasing behaviour of registrants.

The Group Strategic Plan contains no transformations relevant to the marketing and customer relationship management function, which will be addressed in the Joint .nz Strategy. Until then the following transformations will be used:

From		To
<b>.nz Brand and registrant market</b>		
Very few know what a domain name is and are still confused with web/email addresses	→	People understand domain names and their use as a portable identifier for multiple applications
Individuals don't know how easy and cheap it is to get online	→	Everyone knows just how easy and cheap it is to be online
.nz brand is unknown	→	.nz is a household name
<b>Registrar relationships</b>		
We are perceived as a very good registry	→	We are perceived as an outstanding registry
The data we publish to registrars is very basic, without analysis and we are unsure what value it adds	→	We make extensive use of enhanced .nz data and analysis to deliver value for registrars
<b>Broader channel</b>		
We have limited knowledge of the broader channel of resellers and influencers	→	We have extensive knowledge of the broader channel of resellers and influencers

## Strategic Plan – Business Development

The Group Strategic Plan includes a set of strategic transformations for Business Development as a secondary function of NZRS. These do not align so well with the Strategic Plan that NZRS had previously developed but it is expected that the development of the Group Business Development Strategy will lead to a revision in the same way as with the development of the Joint .nz Strategy.

The transformations for Business Development from the Group Strategic Plan are:

### Primary Transformation

From	To
All significant group income is dependent on being the designated manager for .nz	\$1m of group income comes from sources that are not dependent on being the designated manager for .nz

### Underlying transformations

Transformation/s		
	From	To
5.1	Clarity about forms of business development to be pursued is missing	Agreement across the group regarding what forms of business development to pursue
5.2	No clear business development strategy	Clear business development strategy agreed after engagement with membership
5.3	No commercial products developed and in production	Three commercial products developed and in production by 2018

The transformations for Business Development from the NZRS Strategic Plan are:

From		To
Business and service development		
NZRS/INZ Group has static single income stream	→	NZRS/INZ Group has evolved and diversified income stream
Free services are low profile	→	Free services are higher profile
NZRS is perceived externally solely as a domain name registry	→	NZRS is recognised as the vehicle for INZ technical research and business development
Ad-hoc communications around business development and technical research	→	Strategic communications around business development and technical research

Single channel/customer base of registrars/registrants	→	Dual channel/customer base of registrars/registrants and ISPs/Internet users
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## Strategic Plan – Technical Research

The Statement of Expectations lists Technical Research as secondary function for NZRS but the Group Strategic Plan has no transformations.

The NZRS Technical Research Team has four areas of work:

- Research into .nz that directly supports .nz such as identifying data or analysis that can be shared through the registrar portal.
- Research into the Internet in NZ, such as our BGP Topology Map.
- Research that supports future business development, such as the Broadband Map.
- Research that directly supports InternetNZ such as providing data and analysis for the State of the Domain.

The transformations for the Technical Research function are:

From		To
Technical research		
Valued participant in NZ Internet	→	NZ Internet technical leadership role
NZRS known as an authority solely for DNS	→	NZRS known as an authority for a range of areas relating to the Internet in NZ

## Strategic Plan – Supporting InternetNZ

While the Statement of Expectations does not list this as secondary function, NZRS continues to aim to achieve its Strategic Goal of supporting InternetNZ. The Strategic Plan contains the following transformation regarding this:

From		To
InternetNZ technical policy		
The potential for our contribution to INZ technical policy is unclear	→	NZRS seen as a valued partner for INZ technical policy and a trusted source of data and analysis

## Business Plan

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The work items in the Business Plan for the coming year are aligned with our strategic goals:

### ***1. Deliver a world-class domain name service to registrars, their customers and all Internet users***

- Review and re-architect our entire DNS infrastructure. This has grown organically over the last decade with some key elements designed by third parties that we no longer use.
- Scheduled hardware replacement of all DNS servers.

### ***2. Deliver world-class registry services that continually improve***

- SRS systems review. With the architectural review complete the focus is now on system performance, security, reliability and management.
- Registrar portal. We expect regular releases of the registrar portal during 2015-16 as new features are introduced.
- ANZSIC coding of the register. This is a project that delivers a new understanding of our register that can then be used in multiple places, including:
  - i. The registrar portal
  - ii. Supporting InternetNZ
  - iii. .nz Marketing
  - iv. Technical research
- Churn analysis. Research project to understand churn within our register.

### ***3. Support InternetNZ through tangible contributions of income, governance and management resources, and expert knowledge***

- Supporting InternetNZ in their development of a 'State of the Internet' report.

### ***4. Develop our services and technology within a long term evolutionary framework to meet the future needs of Internet users***

- National Broadband Map.
- Full web scan of .nz.
- NZ Internet topology mapping.
- Open data portal. To discharge our duty to share the data that we collect, suitably anonymised and aggregated to prevent misuse.
- Continue the expansion of our NTP network.
- ISP Switching (TelMe). Work with Consumer and InternetNZ to develop a new ISP switching site.

- Broadband measurement. A watching brief on developments in the TCF to see where we might add value.

**5. *Deliver, in partnership with DNCL, a successful long-term strategy for .nz***

- Work with DNCL to create a full strategy for .nz.
- Work with DNCL on how the .nz policy framework might be adapted to explicitly allow business development.
- Actively seek out best practice at the international level and share .nz best practice.

## Marketing

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Marketing has now moved into BAU with the following goals:

- Registrars actively selling second level names when PRR expires and ensuring that second level names renew and we don't have the drop off we saw with .kiwi.nz.
- Reaching the whole channel of resellers and influencers so that they have the motivation, knowledge and resources to recommend .nz to their customers as an informed choice.
- Showcase second level names as a good choice for registrants to take.
- Registrars much better informed on their existing customers and domain portfolio so that they can understand them better, increase sales and be better at acquiring new customers.
- Build .nz as a nationally recognised brand, with strong brand attributes.
- Raising the user experience that registrants get when dealing with registrars, with a focus on usability of online sites.
- Encourage registrars to innovate and develop new products to meet the changing needs of their customers.

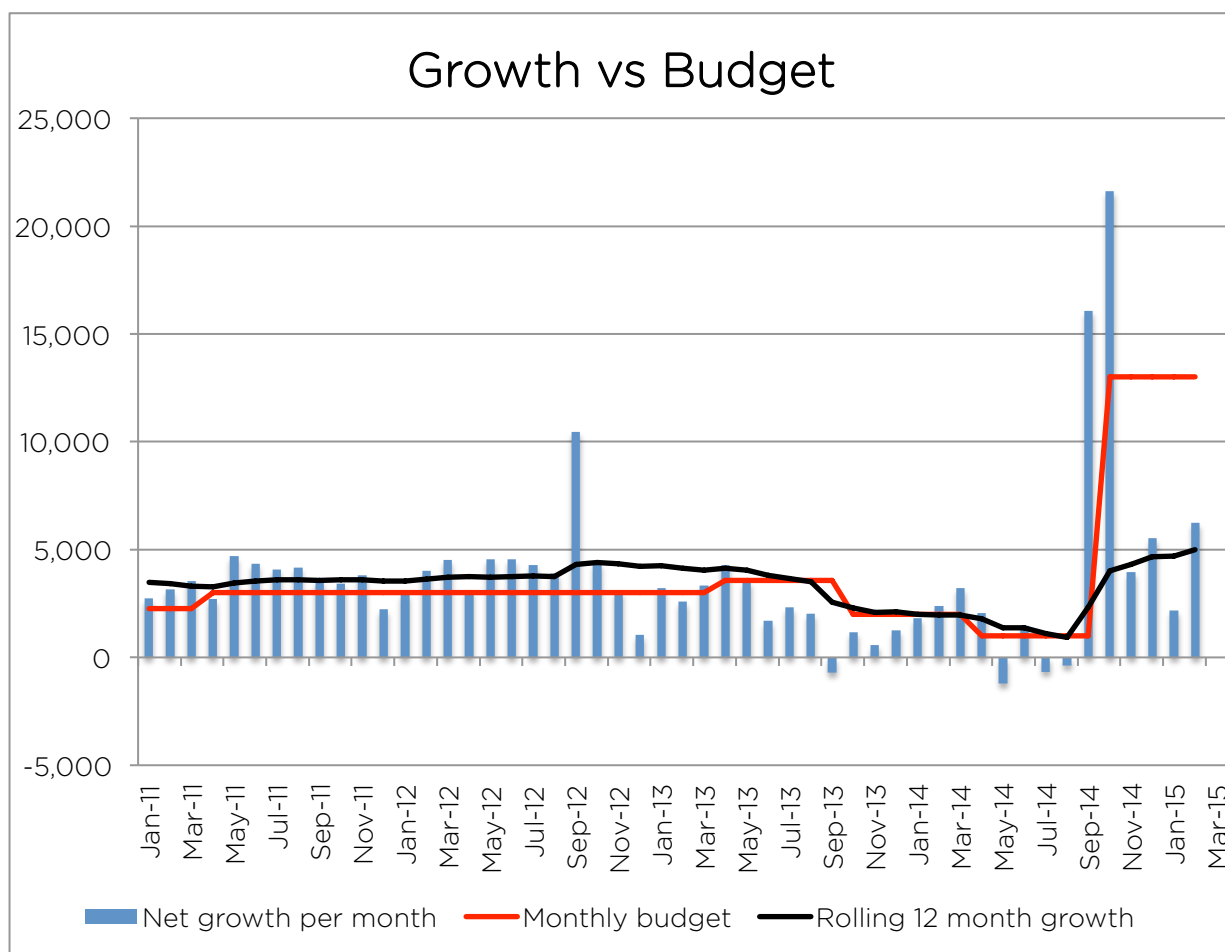
## Budget - Assumptions

### Domain name growth

Growth varies significantly from month to month and so is best understood using a rolling 12-month average, which is the measure we aim to track for budgeting purposes.

While growth this year is close to forecast our forecasting for future years is significantly lower than previously forecast in recognition of the changing environment noted above.

The following chart shows growth against budget:



From analysis of current and past growth and the environmental factors detailed above, we forecast growth three years ahead, which is then incorporated into our budget. This process is much more complex now as a result of the decision to open the second level, which will lead to a combination of people registering directly under .nz while also dropping current registrations at the third level.

Annual growth	2014-2015	2015-2016	2016-17	2017-18
Estimate	84,000	11,269	17,129	9,936
Actual	TBA	-	-	-
above / (below)	TBA	-	-	-

### System availability

NZRS's key performance targets for SRS and DNS systems availability are based on the current Service Level Agreement (SLA) with DNCL, which contains a suite of availability and response times metrics. The company has consistently met the key metrics under the SLA and is committing to do so across this planning period. NZRS's key performance targets based on the main availability metrics under the SLA are:

- DNS availability: 100%
- SRS availability: 99.9%
- WHOIS availability: 99.9%

### General assumptions

The following general assumptions are made for budgeting purposes:

- All financial amounts noted in budget exclude GST.
- The current dividend policy remains in place.
- NZRS pays no income tax as a consequence of our charitable status, which in turn is dependent on the charitable status of InternetNZ.
- NZRS continues to pay a management fee to Domain Name Commission Ltd.

## Budget - Significant Changes

The following significant changes have been made to our budget since that presented in last year's Statement of Direction and Goals. Much of this has been made in response to the reduced income forecast from our lower growth forecasts:

- The direct costs budget (primarily paid to ISPs for service hosting) has been completely restructured to reflect the changes in the way we are billed by ISPs. As part of this a significant structural underspend has been eliminated.
- Marketing costs have reduced significantly as they were temporarily elevated last year to incorporate campaigns around opening of the second level.
- The one-off budgets for Catalyst transition costs are no longer required.
- The capital budget has dropped considerably as internal developers now meet all of our software development requirements.
- While the purpose of the insourcing was not cost saving it produced an annual saving of almost \$300k, which was incorporated into last year's budget. Since then we have identified one area that was not resourced correctly and will be employing a new staff member in Application Support. This will still leave a considerable net saving of over \$200k from that project.



- The backlog of work in the technical research team has begun to have operational consequence, particularly for the development of the registrar portal where that research is turned into valuable commercial insight for our registrars. Consequently we are investing in a junior researcher to bolster that team.

## Budget - Key Performance Indicators

NZRS's financial performance indicators are shown in the table below:

\$'000s	Budget 2014 /15	Actual <sup>1</sup> 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18
Domain name fee revenue	8,673		9,243	9,389	9,572
Other income	339		373	402	436
DNCL fee	1,870		1,870	1,870	1,870
Expenses (excl DNCL)	4,830		4,680	4,478	4,627
Net Profit	2,312		3,065	3,488	3,512
Dividend	(2,756)		(3,427)	(3,354)	(3,533)
Retained earnings	(444)		(362)	134	(21)
Capital expenditure	860		469	478	488
Liquidity ratio (31-Mar)	104%		102%	102%	102%
EBIT as a % of Expenses <sup>2</sup>	42%		60%	71%	69%

The key points to note are:

1. The EBIT target has been significantly exceeded.
2. The dividend target of \$3.8m has not been met though actual figures may be higher when the financial year has closed.
3. NZRS expenses (excl DNCL) reduce for two years before rising again in the third year.

The nature of these targets remains a concern as the cost of delivery of .nz is primarily determined by policy, which in turn follows the strategy set by Council for .nz to be a world-class ccTLD.

<sup>1</sup> This column will be completed for the final version of the SoDaG

<sup>2</sup> This calculated slightly differently from the requirement in the SoE in that it years 2015/16 onwards it includes 50% of the cost of Technical Research not 25% as that more accurately reflects the resources of that team working on .nz.

## Appendix 1 – Budgets for the 3 Years to 31st March 2018

### BUDGETED STATEMENT OF FINANCIAL PERFORMANCE

	14 - 15 \$	15 - 16 \$	16 - 17 \$	17 - 18 \$
INCOME	9,011,579	9,615,182	9,792,657	10,009,400
DIRECT COSTS	2,708,104	2,612,252	2,627,102	2,642,241
GROSS PROFIT	6,303,475	7,002,930	7,165,555	7,367,159
OVERHEADS	3,195,235	3,305,396	3,371,684	3,439,301
OTHER COSTS	796,201	632,325	305,050	415,404
OPERATING PROFIT	2,312,039	3,065,209	3,488,821	3,512,454
NET PROFIT	2,312,039	3,065,209	3,488,821	3,512,454
INCOME TAX	0	0	0	0
PROFIT AFTER TAX	2,312,039	3,065,209	3,488,821	3,512,454
DIVIDEND ACCRUAL	-2,755,776	-3,427,454	-3,354,666	-3,533,631
RETAINED EARNINGS	-443,737	-362,245	134,155	-21,177
CUMULATIVE	-443,737	-805,982	-671,827	-693,004

## BUDGETED CASHFLOW

	14 - 15	15 - 16	16 - 17	17 - 18
	\$	\$	\$	\$
RECEIPTS				
Income	11,226,023	11,636,597	11,811,575	12,052,741
Other Income	338,503	372,180	402,865	437,020
	11,564,526	12,008,777	12,214,440	12,489,761
PAYMENTS				
Invoiced Costs	351,173	0	0	0
Direct Costs	3,031,413	3,007,521	3,019,748	3,037,119
Overheads	3,231,428	3,488,750	3,550,050	3,621,220
Fixed Asset Purchases	864,416	572,989	549,242	560,220
Other Assets/Liab's Out	3,368,460	4,291,753	4,246,371	4,450,441
	10,846,890	11,361,013	11,365,411	11,669,000
NET CASH FLOW	717,636	647,764	849,029	820,761
OPENING BANK	8,099,572	8,817,208	9,464,972	10,314,001
CLOSING BANK	8,817,208	9,464,972	10,314,001	11,134,762



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## Appointments Process 2015

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**Author:** Jamie Baddeley, President

**Purpose of paper:** To seek Council agreement to the basics of the subsidiary boards appointments process in 2015.

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### Introduction

Membership of the Boards of our subsidiary companies is deliberately staggered so that appointments are spread over time. This delivers some continuity to the membership of each Board and generally allows for each Council to have the chance to shape each Board.

For the 2015 round of appointments there are retiring directors on each Board as follows:

- For NZRS, the retiring directors are Doug Mercer (term limited) and David Wright (eligible for reappointment)
- For DNCL, the retiring director is Adam Hunt (eligible for reappointment)

### NZRS

In discussion with Richard Currey, the recommended approach is to reappoint **David Wright** for a further three year term. He is de facto Vice Chair of the Board and performing well in his role. However, a full appointments process needs to be run for the other position, with Doug at the end of his term and ineligible for reappointment.

### DNCL

In discussion with David Farrar, the recommended approach is to reappoint **Adam Hunt** for a three year term. Adam was appointed last year for a one year term to introduce him to the Board, and is seen as a strong performer. As such, no appointment process would be required.

### Appointments Panel

As per the policy, the Appointments Panel for each subsidiary is the President, the Chair of the relevant Board, an independent member and one other Councillor.

I am recommending **Rochelle Furneaux** to be the other Council member, in view of her experience on the panel in 2014 and relevant skills to participate in this role. I am also recommending we continue to use Ron Hamilton as our independent panel member, given his solid performance in previous years.

## **Recommendations**

**THAT** Council note that the Appointments Panel will be advertising for one director to join the NZRS Board following the process set out in the relevant governance policy.

**THAT** David Wright be reappointed to the NZRS Board for a three year term expiring at the company's AGM in 2018

**THAT** Adam Hunt be reappointed to the DNCL Board for a three year term expiring at the company's AGM in 2018.

**THAT** Rochelle Furneaux be appointed as the Council member of the Appointments Panel.

**THAT** Ron Hamilton be appointed as the independent member of the Appointments Panel, subject to his confirmation.

Jamie Baddeley  
**President**

31 March 2015

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## MINUTES OF MEMBERSHIP ENGAGEMENT COMMITTEE

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Status:	Draft
Present:	Amber Craig ( <i>video</i> ), Hayden Glass
In Attendance:	Jordan Carter, Andrew Cushen ( <i>video</i> ), Ellen Strickland ( <i>video</i> ), Maria Reyes (minute taker)
Apologies:	Joy Liddicoat

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Meeting started at 12.35pm.

### Update from last meeting

Following the last meeting, a paper was tabled at the December Council meeting. The only action point that was raised from this meeting is for the Membership Committee to check whether there is a need for member's physical address for the database.

Jordan had look into this and advised that according to section 22 of the Incorporated Societies Act 1908, *"the register (of its members) must contain the names and addresses of the members, and the dates when they became members"*.

### Feedback from Membership meet-ups

The Committee discussed the issues raised by members at the recent Membership meet-ups which were held in Dunedin, Christchurch, Auckland and Wellington between the period of 16-24 March.

Some of the feedback received was as follows:

- The current tools used to engage with members are a bit "wonky" and can be seen as horrible by some.
- Email list format tends to stifle some of the comments/conversations from members so some of the new members tend to not participate in the discussion. The mailing list also doesn't do a good job in archiving discussion in an easy-to-read way, and a suggestion was raised whether Loomio can be used as an optional tool.
- Focus on the current members (and how to engage with them better) rather than aiming to grow the membership.
- Having diversity among members and encouraging youth (students) to sign-up for membership.

- Have more events for members to encourage members to get to know each other.
- Having smaller conversations around specific topics or issues, rather than being “part of a whole” – i.e. topics that are sent to members are those that only relate to areas they are interested in rather than sending all topics to the whole members or PAG list.
- Better use of our web presence – e.g. Facebook could be used better to provide information and/or have discussions.

**ACTION POINT:** Andrew to collate all notes for all the members meet-ups and circulate these for review, and then to members to share the information.

The committee then thought about how to address some of the feedback raised. It has come up with the following possible solutions:

1. Clarity on what InternetNZ wants from members and find a better way to engage with members. Being clear on when inputs are needed, as currently this is not clear to most members (i.e. sometimes we ask inputs from them and other times we are just providing information).
2. Defining the different roles of members (e.g. are they doers, “lurkers”, contributors, advocate, etc.) – and having clarity on how we can work in support of these roles.
3. Sorting out the method for discussing issues to encourage members to engage/contribute. Start investigating on options that can work alongside mailing lists but provide a different form of usability.
4. Conduct a survey with members to get feedback on a set of proposed improvements, and particularly around options on how we can better engage with members. Ask what sort of features they like; what is missing that we are not providing yet; do they have any tolerance in having new “forums” other than the ones that they might already have – such as Facebook, Twitter, etc. Survey can also be extended to non-members so we can get feedback outside of the membership.
5. Lift our game to driving engagement through social media – such as improving the use of Facebook.
6. Get in touch with the new members either via a short phone call or email from InternetNZ staff and have a quick chat with them about their membership.
7. Make more use of the website in setting out simple information about the current Internet topics/issues.
8. Create a New Members mailing list where new members can introduce themselves and start conversations with other new members, as well as raise any questions/topics that they like to discuss (which they might not be comfortable raising at the members-announce/discuss list). Can also include



some of the Councillors in this mailing list who can provide some advice, if needed. This would work in a cohort fashion.

9. Organise more events for members to allow them to meet and network with other members.
10. Sending reminders to members on the kaupapa or code of conduct for the members' mailing lists.
11. Send an email to members asking them to update their list of "Areas of Interest" in CiviCRM and include what role they are interested in (e.g. contributor, for information, etc.).

In summary the Committee agreed that there should be clarity on the roles of members as well as their function/purpose. There should be better tools in place to enable members to participate and contribute to discussions and be more active in their membership, as well as having events for members for them to get to know other members. Having a separate forum for new members would be good so that they can get to know other new members; raise questions or get some advice on some of the topics or issues, and not just get an email sent to the members-announce which doesn't happen that often (unless subscribed to the members-discuss list).

As part of the first phase, the Committee agreed to focus on the following actions first:

**Immediate Proposed Follow-up Actions:**

- Maria to check settings for the mailing lists and make sure they send monthly reminders which also include details on the Code of Conduct for online discussion (AUP already exists, Ellen to review and update).
- Maria to set-up a new mailing list for new members.
- Jordan to draft/send personal greetings to new members.
- Andrew to organise a membership survey on the proposed changes
- Maria to organise emailing members to update their 'areas of interest' (via CiviCRM)
- Jordan to prepare a one-page for Council regarding the above discussion.

Meeting closed at 1.55pm.



Glossary of Terminology	
2020	2020 Communications Trust
2TLD	Second Level Domain
3TLD	Third Level Domain
ACCC	Australian Competition & Consumer Commission
ACTA	Anti-Counterfeiting Trade Agreement
ADA	Australian Digital Alliance
ANZIAs	Australia New Zealand Internet Awards
APEC	Asia-Pacific Economic Cooperation
APNIC	Asia Pacific Network Information Center ( <i>RIR for the Asia Pacific region</i> )
APRICOT	Asia Pacific Regional Internet Conference on Operational Technologies
APTLD	Asia Pacific Top Level Domains Associations ( <i>organisation for ccTLD registries in Asia Pacific region</i> )
auDA	.au Domain Administration Ltd ( <i>Australian equivalent of DNCL</i> )
BCOP	Best Current Operational Practices
BIM	Brief to Incoming Minister
ccNSO	County Code Names Supporting Organisations
ccTLD	Country Code Top Level Domain ( <i>such as .nz for New Zealand, .uk for United Kingdom</i> )
CDMA	Code Division Multiple Access ( <i>server</i> ) ( <i>a means to transmit bits of information</i> )
CFH	Crown Fibre Holdings
CIRA	Canadian Internet Registry Authority ( <i>operators of the .ca ccTLD</i> )
DHB	District Health Boards
DIDO	Distributed-Input Distributed-Output ( <i>wireless protocol system</i> )
DNCL	Domain Name Commission Limited
DNS	Domain Name System
DNSSEC	DNS Security ( <i>adds security to the Domain Name System</i> )
DSLAM	Digital Subscriber Line Access Multiplier
DRS	Dispute Resolution Service
FTTH	Fibre To The Home
GAC	Government Advisory Committee
GCSN	Greater Christchurch Schools Network Trust
GNSO	Generic Name Supporting Organisation ( <i>makes recommendations re gTLD to ICANN</i> )
gTLD	Generic Top Level Domain ( <i>such as .com / .edu</i> )
HDC	Harmful Digital Communications
IANA	Internet Assigned Numbers Authority
ICANN	Internet Corporation for Assigned Names and Numbers

Glossary of Terminology	
ICT	Information and Communications Technologies
IGF	Internet Governance Forum
ISOC	Internet Society
ISPANZ	Internet Service Provider Association of New Zealand
ITAC	Internet Technical Advisory Committee
ITU	International Telecommunications Union
ITR	International Telecommunications Regulations
LFC	Local Fibre Company
MAG	Multistakeholder Advisory Group
MBIE	Ministry of Business, Innovation and Employment
MTR	Mobile Termination Rates
NCSG	Non-Commercial Stakeholders Group ( <i>committee under ICANN's GNSO</i> )
NTIA	U.S. Commerce Department's National Telecommunications and Information Administration
NZITF	New Zealand Internet Task Force
NZNOG	New Zealand Network Operators Group
OECD	Organisation for Economic Co-operation and Development
OFDM	Optical Frequency Division Multiplexing
PAG	Policy Advisory Group
PIP	Pacific Internet Partners ( <i>group revived by Keith to help IGF</i> )
RBI	Rural Broadband Initiative
RIR	Regional Internet Registry
STD	Standard Terms Determination
TCF	Telecommunications Carriers' Forum
TLD	Top Level Domain
TPP	Trans-Pacific Partnership
TPPA	Trans-Pacific Partnership Agreement
TSO	Telecommunications Services Obligation
UBA	Unbundled Bitstream Access
UCLL	Unbundled Copper Local Loop
UFB	Ultra Fast Broadband
WSA	Wholesale Services Agreement
W3C	World Wide Web Consortium