

AGENDA

Council Meeting

Friday 11 October 2019

InternetNZ, Level 11 Boulcott Street, Wellington

8.45am	Refreshments on arrival
9.00am	Meeting start
10:45am	Morning tea
12:30pm	Meeting closed followed by lunch

Section 1 – Meeting Preliminaries

9.00am	1.1	Council only (in committee)
9.10am	1.2	Council and CE alone time (in committee)
9.20am	1.3	Karakia, apologies, interests register and agenda review
9.30am	1.4	Environment Scan

Section 2 – Strategic Priorities

9.35am	2.1	.nz Registry Replacement Project
10.00am	2.2	.nz Registration Fees Framework Input
10.20am	2.3	.nz Policy: Interim Post Christchurch Policy Extension
10.30am	2.4	Response to the Pickens Review <ul style="list-style-type: none"> 2.4.1 DNCL's Response to Pickens review
10:45am	-	Morning tea

Section 3 – Matters for Decision

11.00am	3.1	Council Skills and Diversity Matrix
11.10am	3.2	Policies Updates <ul style="list-style-type: none">● 3.2.1 Reporting Cases of Misappropriation● 3.2.2 Health and Safety Policy

Section 4 – Matters for Discussion

11.30am	4.1	President’s Report
11.35am	4.2	Management Items for Discussion
11.50am	4.3	Financial and Budget Update

Section 5 – Consent Agenda

12.00pm	5.1	Confirm Minutes – 23 August 2019
	5.2	Actions Register
	5.3	Membership Update
	5.4	E-vote Ratification (no E-vote since last Council Meeting)
	5.5	Health and Safety and Wellbeing Update
	5.6	Operational Reports <ul style="list-style-type: none">● 5.6.1 .nz Quarterly Report● 5.6.2 Product Pipeline Report● 5.6.3 International Engagement Update <p>NOTE - other standard reports are not available due to this meeting being scheduled very close to the end of the previous quarter.</p>

Section 6 – Other Matters

12:20pm	6.1	CONTINGENCY (for any overflow)
	6.2	Matters for communication – key messages
	6.3	General business

	6.4	Meeting review
	6.5	Meeting close (waiata), followed by lunch
12:30pm		Lunch

Council Register of Interest

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:

President - \$35,470

Vice President - \$22,169

Councillor - \$17,735*

**Sub-Committee Chairs also receives additional 10% of their honoraria*

Name: Jamie Baddeley

Position: President, InternetNZ

Term: AGM 2014 - AGM 2021

Declaration Date: 27 May 2017

Interests:

- Officer's Honorarium for InternetNZ

Name: Joy Liddicoat

Position: Vice President, InternetNZ

Term: AGM 2014 - AGM 2021

Declaration Date: 4 October 2018

Interests:

- Holder of .nz domain name registrations
- Holder of .com domain name registrations
- Member of the New Zealand Law Society
- Member, 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)
- Started a new job at University of Otago, researching human rights and artificial intelligence for this project:
<https://www.cs.otago.ac.nz/research/ai/AI-Law/index.html> The project also links with the recently established [Centre for Artificial Intelligence and Public Policy](#)
- Officer's honorarium for InternetNZ

Name: Dave Moskovitz

Position: Councillor, InternetNZ

Term: AGM 2011 - AGM 2020

Declaration Date: 24 August 2018

Interests:

- Registrant of .nz, .com, .org, .pe domains
- Full list of register of interest (i.e. Board memberships, Shareholdings, and other memberships & non-profit activity) – see <http://dave.mosk.nz/coi>
- Councillor's Honorarium for InternetNZ

Name: Amber Craig

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2019

Declaration Date: August 2019

Interests:

- ~~Consultant and organiser of some corporate unconferences~~
- Holds .nz domain name registrations
- Trust Chair of Whare Hauora Charity
- Receives additional honoraria for being Chair of the Audit and Risk Committee
- ~~Co-opted Trustee Pāpāwai Marae~~
- Trustee of Rangitāne o Wairarapa Rurunga
- ~~Co-creator of Te Rua o Mahara~~
- Director of Tahetoka Limited (Facilitation and Consulting)
- Research Assistant for Victoria University project Ngā Takahuringā o te ao
- Trustee of Te Rua o Mahara Wairarapa Trust
- Director and Shareholder of Te Rua o Mahara Tours Tapui Limited
- Councillor's Honorarium for InternetNZ

Name: Sarah Lee

Position: Councillor, InternetNZ

Term: AGM 2014 - AGM 2020

Declaration Date: 24 August 2018

Interests:

- Member of New Zealand Māori Internet Society
- Board member Injury Prevention Aotearoa
- Receives additional honoraria for being Chair of the Māori Engagement Committee
- Councillor's Honorarium for InternetNZ

Name: Richard Hulse

Position: Councillor, InternetNZ

Term: AGM 2015 – AGM 2021

Declaration Date: 11 September 2018

Interests:

- Employee of GS1 New Zealand
- Holder of .nz domain name registrations
- Councillor's honorarium for InternetNZ

Name: Don Stokes

Position: Councillor, InternetNZ

Term: AGM 2017 – AGM 2020

Declaration Date: 16 August 2017

Interests:

- Shareholder/Director, Knossos Networks Ltd, an authorised .nz registrar
- Shareholder/director of several inactive companies
- Registrant of .nz and .net domains
- Small holdings in publicly listed companies
- Councillor's Honorarium for InternetNZ

Name: Kate Pearce

Position: Councillor, InternetNZ

Term: AGM 2017 – AGM 2020

Declaration Date: 15 February 2019

Interests:

- Employee of TradeMe
- Member of the New Zealand Labour Party
- Holder of .nz, .com, .org, .net domain registrations
- Member of NZ Internet Task Force
- Board Member of New Zealand Internet Task Force (NZITF)
- Member and Co-leader of Aotearoa Tech Union
- Receives additional honoraria for being Chair of the Audit and Risk Committee
- Councillor's Honorarium for Internet NZ

Name: aimee whitcroft

Position: Councillor, InternetNZ

Term: AGM 2019 – AGM 2022

Declaration Date: 30 July 2019

Interests:

- Holder of .nz domain names
- Open Data Charter Board Member
- Holdings in publicly-listed international tech stocks / companies
- Organiser for unconferences and related events
- Have previously been employed by InternetNZ on contractual basis
- Have previously been awarded an InternetNZ conference grant
- Councillor's Honorarium for InternetNZ

The register was last updated in October 2019.

COUNCIL MEETING - 11 OCTOBER 2019

.nz Registry Replacement Project: Goals and Governance

AUTHOR:	Dave Baker, Jordan Carter
ITEM:	2.1
FOR:	Council
PURPOSE:	To seek agreement to the goals to guide the .nz Registry Replacement Project, the governance structure and the budget envelope for the next phase.
DATE WRITTEN:	3 October 2019

Introduction

At the August 2019 Council meeting the .nz Registry Replacement Project Initiation paper was presented.

Council acknowledged:

- the need to replace the Shared Registry System, and asked the Chief Executive to deliver a replacement.
- that a replacement registry system will not include the SRS Protocol.

Council agreed in principle that implementation of the updated .nz policy framework resulting from the .nz Policy Review will not be done in the current Shared Registry System.

It was noted that staff will initiate the project to replace the SRS within existing budget limit, but that once the project is developed, Council will be asked to agree an overall cost envelope as part of a Business Case analysis.

This paper sets out the proposed project goals, the project governance structure and a high level project approach that have been developed which will enable market engagement to obtain Expressions of Interest (EOI) to enable the project to complete a multi-staged Business Case analysis for the replacement project.

At the end of the Expressions of Interest market engagement phase, Council will be provided the shortlist of preferred solution providers for the next market engagement phase of Request for Procurement (RFP) and an indicative multi-staged Business Case.

Project Goals

The systems, technology and services required for the .nz Registry Replacement Project must support InternetNZ to:

1. Implement a registry system that is flexible, efficient and reliable, to meet the current and future needs of our users.

What does a contemporary registry system look like for New Zealand?

Points to consider: contingency and emergency planning, data integrity, data sovereignty, intellectual property rights, maintenance and support, and how the registry system can be easily transported to another platform or location. Note: we don't want to be at the bleeding edge of technology but instead want a contemporary, up-to-date, proven and tested solution. It should be a system that can demonstrate success in importing registry data from another system and exporting registry data to another system.

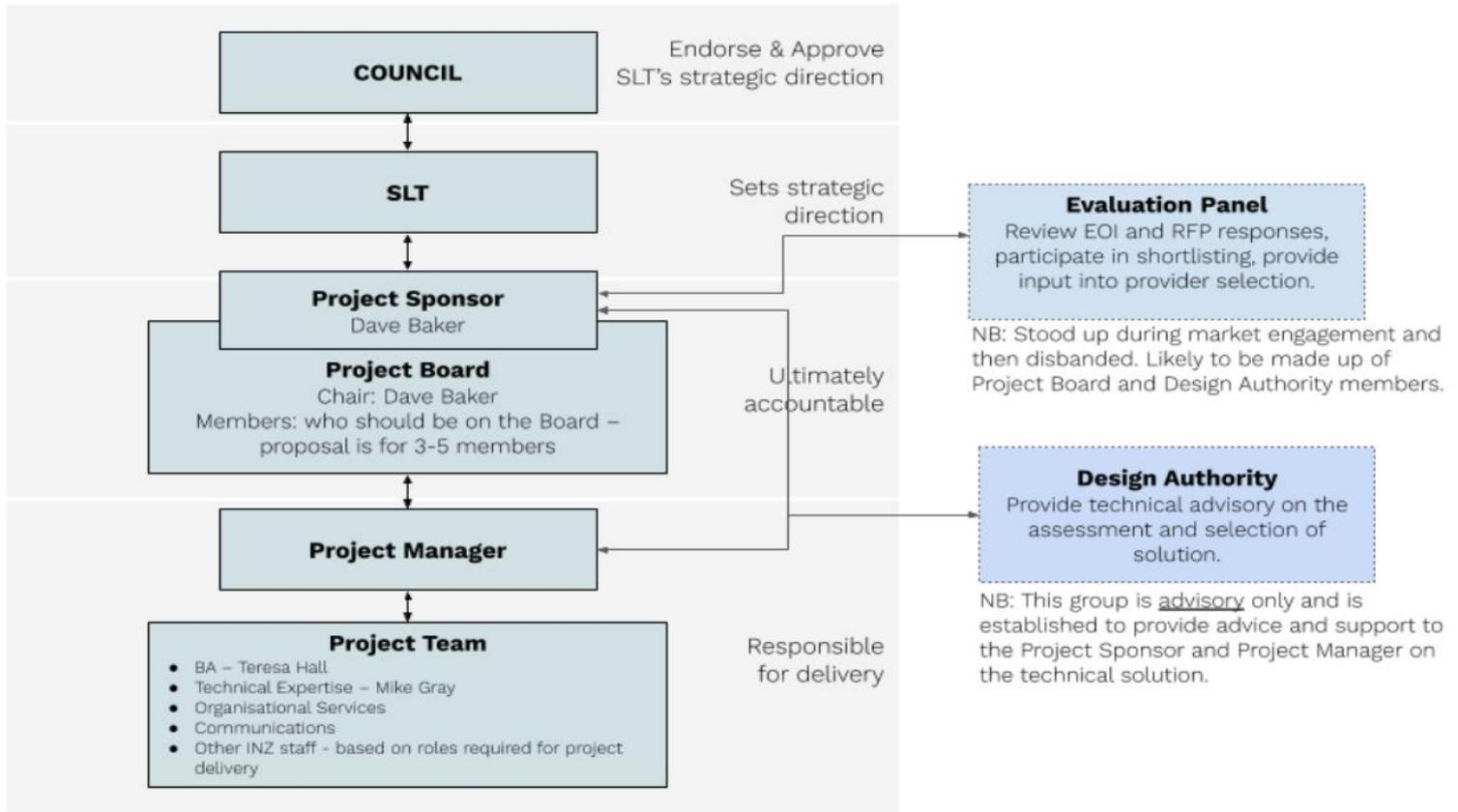
2. Strengthen the trust and confidence of the New Zealand Internet community in InternetNZ, consistent with our stewardship obligations.

Points to consider: InternetNZ standing in the community; to continue to be the trusted guardian. Deliver to InternetNZ's mission and strategy.

3. Strengthen the trust and confidence of New Zealanders in .nz as the top level domain of choice.
4. Ensure privacy, and ensure that the security of data and systems in .nz serves the interest of users and is designed to mitigate the complex threats faced by ccTLD registries. How might we enhance the operation of the .nz ccTLD whilst maintaining privacy, security and stability?
5. Deliver unrestricted access to rich registry data in order to grow our strong data analytics capabilities. How can we use data to further support and promote innovation in the .nz ecosystem and the InternetNZ group?
6. Maintain local control of .nz data and systems, consistent with our stewardship obligations.
7. In the longer term, build capability to provide core registry and back-up services for Top Level Domains in the Asia Pacific region.

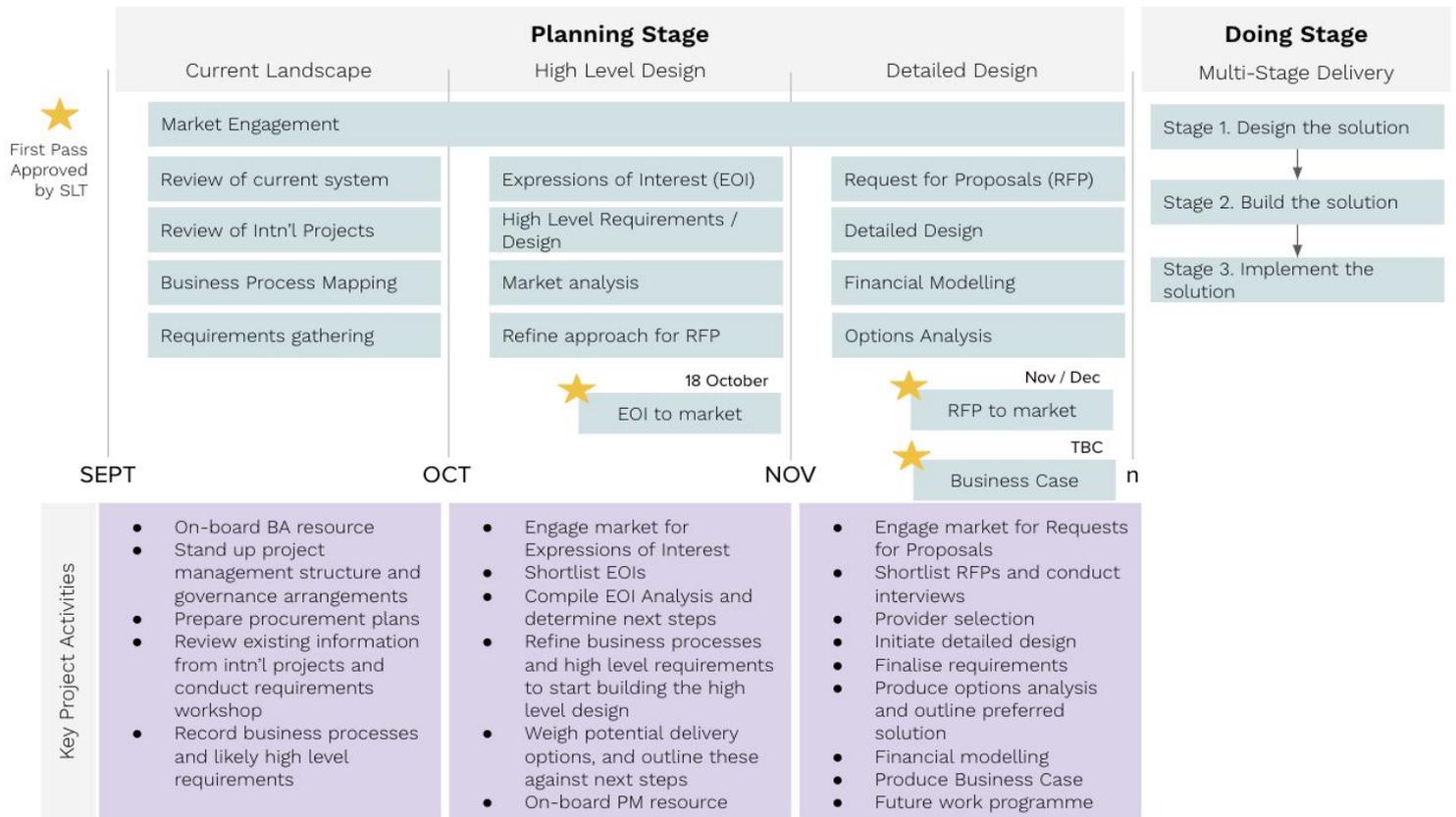
Governance of the Project

The following Project Structure has been established for the Project following the philosophy of high quality and low risk, given the importance of the service and the critical impacts of any material failure in the course of the project.



Project roles and responsibilities and Terms of Reference for the Project Board, Design Authority and Evaluation Panel are in **Appendix 1**.

High-Level Project Approach



Cost Estimates - Project Kick-off and EOI phase

Costs spent to date:

- AUDA Trip \$ 3,344

Cost estimates to close of EOI:

- Project establishment \$62,500
including ICANN attendance, PM and BA resource
 - Evaluation and shortlisting of EOI \$20,000*
- Total Cost Estimates \$82,500

* Cost estimates do not include any fees for external expert to the evaluation panel.

Recommendations

The purpose of these recommendations for Council to consider is to confirm the project goals and governance. Council feedback will be taken on board for the EOI market engagement phase and developing the multi-staged Business Case paper that will be shared with Council in December.

THAT Council acknowledge and confirm the project goals..

THAT Council acknowledge and confirm the project governance.

THAT Council agree in principle the project approach for market engagement and multi-staged Business Case.

THAT Council acknowledge the cost spent to date and the cost estimates for the EOI market engagement phase.

Jordan Carter,
Group Chief Executive

Dave Baker
Technology Services Director

Appendix 1

- Project roles and responsibilities

The Registry System Replacement Project roles will be grouped into two functions - governance and management. The Project Sponsor role is the link between governance and management.

Role	Responsibilities
Council	<ul style="list-style-type: none">● Approve the vision, mission and high-level strategy for INZ; maintaining a future focus and providing leadership and direction.● Approve the business plans and budgets, ensuring these are consistent with those of the organisation as a whole.● Endorse the recommendations of the Senior Leadership Team's on selection, prioritisation and governance of the delivery of the project portfolio.● Confirm the goals for approved projects within INZ project portfolio.● Review and approve the major objectives and budgets for approved projects within INZ project portfolio.
CE + Senior Leadership Team (SLT)	<ul style="list-style-type: none">● Select, prioritise, and govern the delivery of the project portfolio in order to achieve INZ strategic objectives.● Monitor delivery of programmes and projects to maximise return on investment and ensure programmes/projects remain viable and aligned to deliver on strategic outcomes.● Approve, reject, put on hold new project requests and/or in-flight projects depending on priority, financial, resource and other constraints.● Approve Portfolio Pipeline stage progression and release of new funding.● Approve or authorise any major deviation that exceeds, or is forecast to exceed, programme or project tolerances – i.e. Exception Reports.● Govern and monitor portfolio benefits realisation.
Project Board	<ul style="list-style-type: none">● Govern and monitor the business justification for the project ensuring that it remains both valid and achievable. If at any point this is in doubt the Project Board will alert the Senior Leadership team.● Ensure sufficient thought and consultation has been applied to ensure the Business Case reflects a well thought out, realistic and fit for purpose approach and that the appropriate people have been involved in its development.● Ensure the project is on track to produce the required deliverables and achieve the expected business benefits.● Ensure the project is engaging all relevant stakeholders

Project Sponsor

Key Relationships:

- Project Board
- Project Manager

Project Manager

Key Relationships:

- Project Sponsor
- Project Board
- Design Authority
- Project Team

- in an appropriate way.
- Monitor that sufficient management processes are in place to ensure the effective delivery of the project.
- Ultimately accountable for the project, supported by the Project Manager and SLT.
- Ultimate decision maker within approved project tolerances (or parameters) set by SLT.
- Owner of the First Pass Proposal and Business Case - oversees and provides input and direction for their development.
- Responsible for ensuring that the project remains focused throughout its life on achieving its objectives and delivering product/s that will achieve the forecast benefits.
- Provide a vision for the product
- Communicate the project vision to the team
- Motivate the team to subscribe to the product vision
- Communicate the business benefits of the entire product and each individual feature
- Support and provide advice to the Project Manager.
- Create, prioritise and continuously refine the product backlog (the work of writing user stories will be delegated to the Project Team, but the Project Sponsor is still responsible that the work is being done and is being done properly)
- Define release and sprint goals
- Continuously answer questions to add detail to requirements
- Accept/reject developed user stories at the end of the sprint (or during the sprint)
- Communicate about the project within the organisation (e.g. demo attendance and invites, forecasting, management reporting, sponsor liaison)
- Responsible for the day-to-day running of the project on behalf of the Project Sponsor.
- Prepares First Pass Proposal, Business Case and other required documentation – ensuring it is developed to a high standard.
- Ensures that the project delivers on its objectives and delivers product/s that will achieve the forecast benefits.
- Manages the flow of information between the Project Sponsor, Project Team/s, SLT, and Organisational Services. Estimate and plan for the whole project.
- Establishes and manages the project's procedures and controls (including registers and reporting).
- Responsible for monitoring and management of risks and issues – ensuring they have owners and mitigation plans in place.
- Advises the Project Sponsor of any deviations from the plan and escalates decisions appropriately.

Project Team

Key Relationships:

- Project Sponsor
- Project Manager

- Contribute to overall project objectives.
- Provide expertise.
- Complete individual deliverables.
- Work with users to determine and meet business needs.
- Document the requirements for individual project deliverables.

Design Authority

Key Relationships:

- Project Sponsor
- Project Manager

- Provide technical advisory on assessment and selection of solution.
- Provide advice and support to Project Sponsor and Project Manager on the technical solution.

Evaluation Panel

Key Relationships:

- Project Sponsor
- Project Manager

- Review EOI responses.
- Review RFP responses.
- Participate and provide input into the solution provider selection.

Note: The Panel is stood up during market engagement and then disbanded. Likely to comprise of members from Project Board and Design Authority

Organisational Services

Key Relationships:

- SLT
- Project Sponsor
- Product Owner
- Project Manager

- Information hub for the INZ Portfolio and Project Delivery community by providing advice, expertise and guidance with best practice frameworks, processes, and tools.
- Provide on-going support for delivering organisational change.
- Provides capability, business knowledge and subject matter expertise for business case development, planning of initiatives and projects.
- Facilitate and enable strategic execution by providing fact-based information to business groups resulting in informed decision making and project delivery that aligns with business plans and strategy.
- Management of, and support with, planning and change impact assessments.
- Enterprise monitoring of benefits realisation.

- Terms of Reference - Project Board

Role and Purpose

1. The Registry System Replacement Project Board supports the Project Sponsor to ensure successful delivery of the project in order to achieve the expected benefits of this investment.
2. The Project Board will provide direction, oversight, and senior support to the project. It is not a consultation forum, it is decision-based.

Key responsibilities

3. The Registry System Replacement Project Board is responsible for ensuring that:
 - a. The business justification for the project remains both valid and achievable. If at any point this is in doubt the Project Board will alert the Senior Leadership team.
 - b. Sufficient thought and consultation has been applied to ensure the Business Case reflects a well thought out, realistic and fit for purpose approach and that the appropriate people have been involved in its development.
 - c. The project is on track to produce the required deliverables and achieve the expected business benefits.
 - d. The project is engaging all relevant stakeholders in an appropriate way.
 - e. Sufficient management processes are in place to ensure the effective delivery of the project. This includes reporting and communications to ensure all stakeholders are kept informed with the appropriate messages and at the right level and stages of the project.

Membership

Chair	Dave Baker, Technology Services Director, Project Sponsor
Members	David Morrison, Commercial Director Andrew Cushen, Engagement Director Ann Ibrahim, Domain Name Commission Catherine Fenwick, Organisational Services Director

Nominated representatives

4. It is expected that members will attend every meeting. In the event a member cannot attend, a nominated representative can only attend if they are acting in that member's substantive position.
5. If the Chair (Sponsor) is unable to attend, Chairmanship should be delegated to a Member of the Project Board (not the Project Manager).

6. The quorum for a meeting is 3, including the Chair.

Attendees

7. The Project Manager, who provides a regular status update and ensures appropriate secretariat services are provided to the Project Board by an Administrator.
8. The Project Board may invite any internal or external manager or expert to attend some or all of a meeting as required.

Authority and decision-making

9. Although decision-making rests, ultimately, with the Project Sponsor, wherever possible key decisions should be a collaborative process within the Project Board.
10. The Sponsor will ensure that all decisions and approvals are:
 - a. Within the Business Case tolerances (or parameters set for time, cost, quality, and scope) and any special conditions as approved or directed by the SLT.
 - b. Within the financial and HR delegations of their substantive position within the INZ (if applicable).
 - c. Any decision or approval that is outside of the above will be escalated to SLT via a Project Exception Report.

- Terms of Reference - Design Authority

Role and Purpose

1. The Registry Replacement System Design Authority is established to provide advice and support to the Project Sponsor and Project Manager on the assessment and selection of the technical solution to ensure successful delivery of the project in order to achieve the expected benefits of this investment.
2. The Design Authority provide technical advisory and assurance to the Project on the technical design and supports the project to ensure the technical solution selected is fit for purpose and meets requirements.

Key responsibilities

3. The Registry Replacement System Design Authority is responsible for technical design assurance to the Project by:
 - a. Reviews of the technical input and subject matter expertise input into the proposed solution selection, covering areas areas such as the definition of requirements, legal compliance, security considerations, functional fit, technological capability, cost, support modelling (such as skill and resource requirements) and delivery capability.

- b. Confirming that the overall technical solution design and project level ‘trade-offs’ will deliver the benefits defined in the project business case, and that the business will not be unduly constrained in further growth or change by design decisions. Assessing the feasibility of the solution selection.
- c. Assessing the feasibility of the proposed technical solution, specifically the functional capability and organisational fit.
- d. Recommend critical architecture and design decisions.

Membership

Chair	Sebastian Castro, Chief Scientist
Members	Mike Gray, Systems & Security Architect Dane Foster, Infrastructure Manager Sam Sargeant, Chief Security Officer Cam Findlay, Product Manager

Note: The members forming the Design Authority may change post the completion of the Procurement phase. The technical input and subject matter expertise input requirements will be dependent on the selection of the preferred solution.

Nominated representatives

- 4. It is expected that members will attend every meeting. In the event a member cannot attend, a nominated representative can only attend if they are acting in that member’s substantive position.
- 5. The quorum for a meeting is 3, including the Chair.

Attendees

- 7. The Project Manager provides a regular status update and ensures appropriate secretariat services are provided to the Design Authority by an Administrator.
- 8. The Design Authority may invite any internal or external manager or expert to attend some or all of a meeting as required.

Authority and decision-making

- 9. The Design Authority is established to provide technical advisory on the assessment and selection of the solution for the Project and supports the Project Sponsor and Project Manager in providing technical assurance. It is not a decision-making forum, as decision-making rests with the Project Sponsor/Project Board.

- Terms of Reference - Evaluation Panel

Role and Purpose

1. The Registry Replacement System Evaluation Panel is established during market engagement to participate and provide input into the solution provider selection.
2. The Evaluation Panel will ensure a consistent, transparent and non-discriminatory evaluation of:
 - o Expression of Interest (EOI) responses
 - and
 - o Proposal (RFP) responses
3. The Evaluation Panel will evaluate the EOI and RFP responses against pre-defined evaluation criteria and recommend:
 - o a shortlist of solution providers from the EOI responses received for the next stage of the Procurement process
 - and
 - o a preferred solution provider from the RFP tender process

Key responsibilities

3. The Registry Replacement System Evaluation Panel is responsible for evaluating and assessing submissions received during the EOI and RFP phases of the Project :
 - a. Review and score the quality and technical aspects of the responses independently using the pre-defined evaluation criteria and weighting system set by the Project.
 - b. Seek additional information from respondents and to conduct face-to-face or teleconference interviews if required.
 - c. Attend the Evaluation Panel meetings to agree the final scores for the EOI and RFP responses.
 - d. Fully document the evaluation process ensuring that it is consistent, transparent and non-discriminatory.
 - e. Recommend to the Project the shortlist of solutions providers from the EOI phase and the preferred solution provider from the RFP tender process.

Membership - Suggested

Chair	Dave Baker
Members	Jordan Carter, Catherine Fenwick, David Morrison, Keith Davidson, External experts

Nominated representatives

4. It is expected that members will attend every evaluation meeting.

Attendees

7. The Project Manager ensures appropriate secretariat services are provided to the Evaluation Panel by an Administrator to fully document the evaluation process and decisions.

Authority and decision-making

9. The Evaluation Panel is established during Market Engagement to evaluate responses received during the EOI and RFP phases of the Project. The Panel will be disbanded at the completion of the RFP tender phase.
10. The Evaluation Panel is responsible for the assessment, selection and recommendation of the preferred solution provider for the Project.



COUNCIL MEETING : Friday 11th October

.NZ PRICING FRAMEWORK

AUTHORS:

David Morrison, Commercial Director & Andrew Cushen, Engagement Director

FOR:

Council

PURPOSE:

To set out, at a high level, the proposed approach to making decisions about the price of registration for .nz domain names, and to propose that the price be reviewed in December.

DATE WRITTEN:

2 October 2019

Establishing a pricing framework for .nz

InternetNZ does not currently have a pricing framework for the .nz product. The only mention of how pricing is set is that DNCL and InternetNZ will collaborate to make a recommendation to the Council from time to time.

A full pricing framework would clarify the following:

- The process that InternetNZ would use to set prices
- The factors that would be considered as part of that price
- The timing of when these prices may be considered.

This paper sets out the proposed elements for a pricing framework for your consideration. With your feedback from this meeting, the information here would guide the substance of any proposed price change.

Process

The .nz Pricing Framework is proposed to be owned by the Commercial Director. This means that the responsibility and accountability for this process, and for the

outcomes of this framework in terms of pricing, are owned by the Commercial Director.

Essential elements of this process will be as follows:

1. Cross-.nz collaboration across all constituent parts of the .nz operation, including:
 - a. Commercial
 - b. Policy
 - c. Regulatory & compliance (DNCL)
 - d. Technology
 - e. Organisational Services
2. An independent assessment by the Domain Name Commission as to whether any price change invokes concern about fair and competitive conduct in the .nz domain space.
3. Sets a single price for .nz. *(Note: this may change in the future, pursuant to the .nz Policy Review project. Current policy requires a single price for all registrations.)*

Factors

In considering pricing for .nz, this framework proposes assessment of:

1. Growth data in the .nz domain name space
2. Comparisons between the current and proposed price for .nz domain names against other top level domains, based top 5 by market share in New Zealand
3. Assessment of the retail price impact of .nz domain names on the basis of the current wholesale .nz price, versus the proposed price.
 - a. Note, this requires more market intelligence about retail prices.
4. Assessment of the cost of service in providing domain name registrations, and how this has changed over time (with future predictions if relevant).

Timing

We propose that any change to .nz pricing will be presented to the Council at or around the December meeting of **each** year, alongside the outline budget for the next financial year.

This will allow for any pricing change to be considered in the context of the full financial state of the organisation, and allow for the impact of any change to be correctly accounted for in the annual budgeting process.

Note: this framework proposes no assumption that prices would change each year, and no assumption about the scale or direction of any price change.

Recommendation

THAT Council receive this draft pricing framework for .nz domain name registrations.

THAT staff further develop the framework in response to feedback at this meeting and present it back to Council for adoption intersessionally by mid-November.

David Morrison
Commercial Director

COUNCIL MEETING - 11 OCTOBER 2019

Extension of post-Christchurch interim .nz policy

AUTHOR: Jordan Carter
ITEM: 2.3
FOR: Council
PURPOSE: To seek agreement to extend the interim policy change made on 18 April 2019 for a further six months, given the ongoing .nz policy review.
DATE WRITTEN: 3 October 2019

Following the Christchurch mosques terrorist attacks, Council adopted an interim change to the .nz policy framework to clarify how any emergency situations are dealt with.

Under the .nz Policy Development Process, such interim changes must be reviewed by Council after six months. The evote (15042019) was declared on 18 April, meaning six months is reached on 18 October.

The need for the interim policy continues, while the .nz policy review is continuing. Council should renew the interim policy for a further six months, to provide appropriate emergency provision coverage in .nz policy.

The review will end up proposing a permanent approach to these issues, which will likely come into effect sometime between September 2020 and March 2021.

Council will therefore likely be asked to further review the interim policy up to two more times in 2020.

Recommendation

THAT Council review the interim changes to .nz policy agreed on 18 April 2019 and extend these for a further six months (until 18 April 2020).

Jordan Carter,
Group Chief Executive

Responding to the Pickens Review of DNCL

AUTHOR: Jordan Carter
ITEM: 2.4
FOR: Council
PURPOSE: To suggest to Council a draft InternetNZ response to the Pickens Review of the Domain Name Commission.
DATE WRITTEN: 3 October 2019

Introduction

In 2018 DNCL commissioned David Pickens to conduct an independent review of its role as the independent regulatory and compliance body in the .nz governance system.

The reviewer's draft report was published earlier this year, feedback sought and incorporated, and a final report was presented to the company mid-year. The Commission's Board considered the recommendations and published its response, along with the [final report](#), in a [media release](#) on 22 August.

The review was a thoughtful study and analysis of the Commission and its role, and offers many helpful suggestions in its recommendations. In some areas the limited time available to the reviewer, and the complexity of the subject matter, affects specific conclusions or advice - but overall the report is a valuable assessment of how DNCL is doing. Its overall conclusion is positive, and that is something for us all to celebrate.

InternetNZ's role

InternetNZ is the ccTLD manager for .nz and has overall responsibility for the stewardship of the .nz domain name space. It has established DNCL to assure the fairness of the .nz market including through enforcement of the policy and contractual framework, and through the provision of dispute resolution services.

It is appropriate for InternetNZ to state its views on the Commission's plans for responding to the review to assist the Commission in implementing them consistent with InternetNZ's overall vision for the development of .nz. This should be a public response to the review and the Commission's response so that it is transparent to all stakeholders.

Key points for a response

In my view, InternetNZ's response should convey the following key points:

- Welcome the review and thank the Commission for conducting it, and thank the reviewer by extension for his consideration and insight.
- Offer broad support to the Commission for its implementation plan as proposed in its [Response](#) to the Review.
- Welcome the Commission's decision to provide ongoing reporting on the implementation of the Review's recommendations.
- Note that the Report provides useful constructive input to the ongoing .nz policy review, and also to future work about how to engage the public in .nz most effectively.
- Note that the balancing of commercial and public interest objectives in respect of the operation of the .nz domain name space (Rec 2) is largely the responsibility of InternetNZ - the Commission's role is generally exclusively public interest focused, given its role in the .nz system.
- Consider with InternetNZ the broader impact - including on the ccTLD manager - of any proposed changes to the market concentration policies (Rec 6).
- Welcome a collaborative approach to implementing a number of the recommendations where they fit with a broader whole-of-dotNZ or InternetNZ-DNCL approach (e.g. performance of the domain, influencing ICANN re information disclosure re other TLDs, linkage to Te Ao Māori).
- Note that the section of the report dealing with fees (pages 70-75 and findings 13-17 in the report) is problematic in some respects, mixing consideration of fees charged by DNCL and fees charged by InternetNZ, for DNCL services and for .nz domain name registrations respectively. InternetNZ and DNCL are considering the pricing framework for .nz domain name registrations. We should welcome the Commission being clear about the basis on which it sets fees for its authorisation and dispute resolution roles, as part of the response to this Review or as part of ongoing work to redesign the DRS.
- On promotion of .nz (page 45, finding 9), InternetNZ and DNCL have worked together to develop a new brand framework - this includes a new identity and brand for .nz, InternetNZ and DNCL. We anticipate ongoing collaboration for the promotion of the domain to ensure the widest possible range of New Zealanders know about .nz, and envisage a future where most of the promotion of the namespace happens under the .nz brand, rather than under DNCL or InternetNZ organisational brands. InternetNZ anticipates that the work to do this promotion, regardless of the brand in use, will be collaboratively driven by both organisations.

Council input

I would welcome input from Council members on other themes they would like to see InternetNZ share with DNCL and the public in responding to the Review.

Recommendation

THAT the points above [as amended] be formed into a response to the Commission, and that this be sent by staff to the Commission under the President's signature with a request that it be published on DNCL's website alongside the Review and the Commission's response.

Note: the response will also be published on the InternetNZ website, along with links to the Commission's response and the Review itself.

Jordan Carter,
Group Chief Executive

Attached: DNCL [Response](#) to the Pickens Review

Regulatory review of the Domain Name Commission by David Pickens.

The Domain Name Commission's response.

domain name
commission nz



1. Introduction

In 2018, the Domain Name Commission had its first independent regulatory review of its operations. The main aims of the review were to benchmark the Commission in relation to good industry regulatory best practices.

The draft independent review was open for public consultation between 4 April and 6 June 2019. The independent reviewer Mr David Pickens incorporated the feedback from the public consultation process into his final report, which has now been published in August 2019.

The Domain Name Commission welcomes the recommendations from its inaugural independent review of its operations as an industry self-regulator.

The Commission has already commenced the implementation of some of the recommendations and will continue to incorporate the report's findings and recommendations in its priorities over the coming year.

2. The Independent Review Process

Here are the key milestones in the independent review process:

- DNCL initiated the review, and a draft overview of the reviewer's understanding of the project requirements was prepared, including proposed steps for completing the review, and submitted to DNCL for review.
- Internal documents were reviewed as deemed appropriate by DNCL
- Key DNCL staff and stakeholders selected by the DNCL were interviewed.
- A desktop study of regulatory excellence was undertaken, including seeking to identify performance measures used by similar organisations overseas.
- An early draft of the report was reviewed by John Burton of Iazard Weston.
- The draft report was made available for DNCL to review. Prior to finalising the report, errors, failures of logic and other changes as necessary to best achieve the purpose of the review were made.
- The draft report was published and available for public comment
- The reviewer considered the feedback from the public consultation and prepared a final report.
- The final report was considered by the DNCL Board and this response was prepared. The final report and DNCL's response were then published.

3. Key findings

The review acknowledges the Domain Name Commission's role and importance in maintaining a competitive .nz domain name market and necessary contribution it needs to make for better consumer outcomes in the .nz domain name space.

The review notes there is a high level of support for the Domain Name Commission from the various government, international, law enforcement, Registrar and broader local internet communities interviewed.

The review recommends the Domain Name Commission take a stronger stance with its information collection practices so that the nature and magnitude of any issues relating to the .nz domain name space might be better known over time. The recommendations also reflect the differing views held about the role of the Commission in addressing broader Internet-related issues such as domain name related harm. There is a specific recommendation encouraging the Commission to develop a strategy and implementation plan to incorporate Māori values in our operations.

4. How we are Responding to the Review

In carrying out his review, Mr Pickens has brought leading regulatory techniques, including a robust framework for planning and assessing the Commission's operations. We aim to refine our approach over the coming year to address the independent review's findings and recommendations.

The Commission has already commenced the implementation of some of the recommendations and will continue to incorporate the report's findings and recommendations in its priorities.

We have identified several improvement areas including, process improvement, delivery capability, emerging policy considerations, stakeholder relationship management and enforcement and compliance.

Below is a table summary of each of the key recommendations with a response that falls into one of either two categories supported or supported in principle. The supported in principle is where we agree with the spirit of the recommendation but not necessarily the recommended approach and need to perform some further work to understand how to reach the desired outcome.

5. Next Steps

We have published the final report and how we immediately intend to respond to the findings of the independent review.

We have appointed new personnel to key implementation roles to assist with progressing the findings and recommendations contained in the report. These staff have either started at the Commission or are due to start in September 2019. As part of our implementation work, we will engage with stakeholders on our proposed approaches over the medium-term.

We also plan to provide a further progress update on our response to the final independent review report as part of our reporting requirements.

Detail on our Response to the Independent Review

REC1: The DNCL should view itself more as a competitor against other TLDN administrators and regulators. A useful objective would be to better meet the needs and preferences of registrants than other TLDNs

Supported	The Domain Name Commission in 2018 opened its contact centre to better take enquiries from registrants. The Commission has also included a five-star rating system which seeks real time feedback following enquirers. The Commission will also consider surveying registrants in 2019/20 about their needs.
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REC2: To the extent commercial and public interest objectives are believed to conflict with respect to management of the .nz space, these conflicts need to be identified and assessed with a view to their effective management.

Supported	The Commission will raise this as an issue for: Inclusion on the DNCL corporate risk register Consideration for the rewrite of the operating agreement between InternetNZ and DNCL after the conclusion of US litigation
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REC3: The DNCL commence a process to explore the utility of a comprehensive information disclosure regime to drive better performance across registrars in the .nz space.

Supported	Building on its collection, visualization and dissemination of market statistics https://dnc.org.nz/the-commission/statistics the Commission will commence a broad review of its information disclosure requirements to drive better performance across registrars in the .nz space. The Commission will work with InternetNZ and other stakeholders in regards to this recommendation.
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REC4: The DNCL commence a process to identify, collect and publicly disseminate information on its performance over time.

Supported	The Domain Name Commission will consult with other self regulators through its participation in the Dispute Investigators Group. We will, where practicable, look to benchmarks for industry based customer dispute resolution schemes.. For example, the Australian Government’s benchmarks for industry-based Customer Dispute Resolution and any New Zealand equivalent benchmarks. https://static.treasury.gov.au/uploads/sites/1/2017/06/benchmarks_ind_cust_dispute_reso.pdf Through our active engagement in a number of international forums we will also gather information on what similar organisations are reporting in terms of performance.
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REC5: The DNCL invite the ICAAN to explore putting in place a process to develop a robust information disclosure regime to provide information on the relative performance of TLDNs as a tool to lift overall performance in the domain name market

Supported in Principle	The Domain Name Commission agrees in principle with the benefits of having a global information disclosure regime for lifting overall performance in the domain name market. An example of where consistency in standards has improved overall performance is in the area of registry service level agreements.
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Detail on our Response to the Independent Review	
	<p>However, in a multi-stakeholder environment, the Domain Name Commission has limited ability to influence in ICAAN or other CCTLDs in regard to an information disclosure regime.</p> <p>The Commission can and will ask respective international coordination bodies such as CENTR and APTLD to survey its members in respect of what information disclosure practices they have to align .nz needs in this area.</p>
REC6: That the DNCL consider the merit of rescinding the current market concentration policies.	
Supported in principle	The Domain Name Commission will write to the Commerce Commission about this recommendation. As part of the broader independent .nz end to end policy review which started in mid 2019 the issue will also be raised.
REC7: In the event the DNCL does not consider competition risks to be adequately managed by the Commerce Commission alone, it is further recommended market concentration information continue to be collected, together with other information that might be useful to indicate whether there might be an evolving issue with respect to the abuse of market power by registrars. The information collected should be made publicly available.	
In the event evidence emerges of growing risks, the relevant information should be made available by the DNCL to the Commerce Commission for them to respond to as appropriate.	
Supported in principle	As above the DNCL will discuss this issue with the Commerce Commission and the broader local internet community.
REC8: Draw on international experience to date, in particular the effectiveness of measures so far deployed and new measures being developed.	
Supported	<p>The DNCL agrees it is important to draw on international experience in terms of effectiveness measures.</p> <p>As part of our continuous improvement efforts we will review the effectiveness measures developed for measures.</p>
REC9: Explore the importance of co-ordination and co-operation between countries and TLDN operators for new measures to be effective. This could involve engagement with ICANNs Public Safety Working Group	
Supported in principle	<p>The DNCL agrees in principle to coordination and co-operation in the international community.</p> <p>The current Memorandum of Understanding InternetNZ Group has with MBIE recognises the role of InternetNZ and the Domain Name Commission in international fora. https://internetnz.nz/sites/default/files/2016-05-InternetNZ-MBIE-MoU-dotNZ-IntNZroles-2018.pdf</p> <p>The Domain Name Commission and InternetNZ will continue to coordinate engagement at an international level.</p>
REC10: Work with other agencies to develop an enforcement option that might better promote the public interest compared to the current strategy.	
Supported	<p>The Commission will include this as a priority in the development of Compliance Strategy and a 2019/20 compliance workplan.</p> <p>The Commission has engaged Deloitte to assist staff with the development of its compliance work agenda. As part of the development of our compliance approach there will be consultation with stakeholder as this work develops.</p>
REC11: Identifying measures to improve the integrity of the information contained on the register, allowing access to that information for law enforcement purposes, and the process for removing registrants from the Register to prevent harm	

Detail on our Response to the Independent Review

Supported in principle	<p>The Domain Name Commission will continue to enhance its invalid details process for domain name cancellations.</p> <p>Integrity checks will also be raised as part of the compliance work program for 2019/2020.</p> <p>The Commission already has a MOU with CERTNZ in relation to access to withheld personal information and regularly liaises with various law enforcement agencies in relation to disclosures of personal information permissible under Principle 11 of the Privacy Act.</p> <p>As part of the end to end review of .nz policies the Commission will also raise this as issue for the independent panel to consider.</p>
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REC12: The expected effectiveness of any additional measures for both protecting the integrity of and confidence in the .nz space, and reducing internet related harm in New Zealand.

Supported in principle	<p>The Commission and InternetNZ started the conversation with various stakeholders in November 2018 about what role, if any, the Commission should play in addressing internet related harm.</p> <p>InternetNZ has commenced a broad review of the .nz policy framework. This review will run throughout 2019 and an independent panel will report back on its findings in early 2020.</p> <p>The Domain Name Commission will raise the issue of harm in the context of that review.</p>
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REC13: The expected cost of any enforcement measures, including but not limited to; privacy, reduced access to the internet for registrants (delays, higher costs), legal and financial risks of removing registrants from the Register when they should not be, and reduced choice of registrar

Supported in principle	<p>The Domain Name Commission currently has no power to remove domain names under .nz policy except where a registrant's details are invalid.</p> <p>Any changes to the Commissioner's functions or powers including appeal rights of registrant's where a decision to remove a registrant from the register is made incorrectly will need to be raised as part of the broader .nz policy review.</p>
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REC14: The process to be used by regulators when seeking the removal of a registrant from the Register

The burden of proof required before making that approach so that there is a high level of confidence that the decision is the right one

Whether compensation should be available for registrants in the event they are incorrectly suspended from the Register

Who should have responsibility and bear the legal risk for any additional enforcement functions, in particular taking responsibility for making the call to remove a registrant from the register. Who should be responsible for additional functions should be guided by considering which party would have the best incentives, capacity and capability to be effective in delivering on the enforcement objectives having regard to managing the related risks and cost

Detail on our Response to the Independent Review

The pros and cons of an incremental versus comprehensive (big bang) approach to reform

Who should meet any additional financial enforcement costs and how, having regard to what parties are the beneficiaries and “risk exacerbators”, informed by the Treasury guidelines on recovering costs in the public sector.

In the event it is found the status quo is to be preferred, the reasons for this decision should be well publicised so that registrants and others might develop a good understanding of the reasons for that decision. Public comment should be invited on those reasons. Further, the opportunity should be taken to inform participants in the .nz space how they themselves might better manage internet related risks and harms.

In the event a new approach is favoured or significant disagreement remains between stakeholders, a process of public consultation should be initiated centred on the new approach and the status quo. Ideally that process should be taken forward by a working group of key stakeholders who would hear and consider submissions, and oversee the preparation of the discussion document and final decisions.

Supported in principle

Building on the Commission’s invalid details process and existing material it provides to regulators for naming the Domain Name Commission as a second respondent in any legal proceedings, the Commission will undertake a review of its processes in regard to domain name cancellations.

The Commission will undertake to publish new materials to its website to explain how under current .nz policy the Commission handles requests for removal of domain names from the register.

REC15: The DNCL, together with relevant Māori stakeholders, review its performance in incorporating Māori values, perspectives and ways of doing things into its decision-making and, having regard to the discussion in this chapter, take steps as necessary to ensure it is working towards achieving best practice.

The Domain Name Commission supports this principle. It is consistent with good stewardship of the .nz domain name space and operating in a multi-stakeholder environment.

The Commission will work with InternetNZ in this area to develop a strategy and implementation plan to incorporate Māori values in its operations.

Council Skills & Diversity Matrix

AUTHOR: Jordan Carter
ITEM: 3.1
FOR: Council
DATE WRITTEN: 3 October 2019

Council Skills & Diversity Matrix

The matrix below sets out what is perceived as the full range of personal qualities, skills, experience, and diversity attributes. No individual Council member is expected to have all the identified elements, nor will the Council always have the perfect mix. Certain attributes are considered to be essential for all Councillors, and others are accepted as somewhat specialist. An assessment of the Council skills will precede any recruitment of appointed Council members.

Governance

Skill / Experience	Description	Weighting Certain areas are deemed central to the role
Strategic thought	Ability to consider an issue in the context of the organisation's stated goals. Keeping at the high level, weighing options with an open mind.	High
Role of the Councillor	An understand of the governance function and the value it should add. Clarity on the role of and obligations placed on a Councillor.	High.
Analytical capability	A structured approach to problem solving, critical reasoning, an ability to analyse	High

	information and importantly ask considered and relevant questions	
Finance	The ability to read and comprehend the organisation's accounts and the financial material presented to the board. Financial literacy at a level consistent with minimum expectations placed on directors under the law.	.
Communication skills	Ability to clearly articulate a point of view in a positive manner.	High
Stakeholder relations	Ability to understand the requirements of owners and stakeholders and as required and relate to those constituencies.	
Governance Experience	Previous experience in related governance roles.	.

Personal Attributes

Diversity	Description	Weighting Certain areas are deemed central to the role
Ethics	Demonstrating high levels of integrity, ethical behaviour and honesty, Acting always in the interests of the organisation	High
Independence	Maintaining an independence of thought. Ability to politely maintain and promote a position and to agreeably disagree as needed.	
Team player	Understanding that board work is teamwork, ability to work with others and form productive relationships.	High
Commitment	To commit the time to prepare, understand the business and make meeting attendance a non-negotiable priority	High
Focus on impact	Always focused on ends and less on the means to get there. Seeking evidence of impact	
Stewardship orientation	Understanding that the board operates as a subset of the owners and comprehending its role as fiduciaries (acting for the benefit of others)	

Specialist Areas

It is desirable to have these skills around the table understanding that in the main these duplicate staff skills. The key attribute is an understanding of or willingness to learn about the business.

Skill Experience	Description	Weighting Certain areas are deemed central to the role
The internet	An understanding of the key role that the internet plays in our world now and into the future	High
Internet NZ	An understanding of the specific role that Internet NZ plays in that world	High
Investment	Knowledge, understanding and appreciation of Investment advice, practices and framework. Ability to work with management in discerning and driving appropriate investment approaches.	
Legal	An understanding of the legal environment as relevant to the internet	
People	Experience in evaluating the performance of the chief executive and skills in human resource management, culture, reward and recognition.	
Community Engagement	High level reputation and networks in the community including with relevant industry organisations and consumer or business groups, and the ability to effectively engage and communicate with those stakeholders	
Public Policy	An understanding of public policy and how it relates to the Internet.	
Philanthropy / Social Enterprise	An understanding of granting process and the maximisation of philanthropic funds	
Product Development, Innovation and Commercialisation	Technology Innovations: Understanding the current drivers of innovation in the information technology market. Experience in delivering new product offerings in response to market demand, to achieve market leadership or to take advantage of opportunities for innovation.	High

Diversity Attributes

Internet NZ has a strong commitment to broad representation at the Council table representing the diversity of the community we serve. We are interested in bringing these perspectives to our governance.

Diversity	Description	Weighting Certain areas are deemed central to the role
LGBTIQ+	Understanding of the issues facing people from diverse Rainbow communities and the opportunities and challenges that relate to our work.	
Te Ao Māori <ul style="list-style-type: none"> - Indigenous Governance - Te Tiriti o Waitangi 	Understanding aspects of Te Ao Māori that pertain to InternetNZ's role, including concepts of indigenous governance, Te Tiriti, data sovereignty, cultural competence of staff and governors and familiarity with tikanga Māori and Te Reo Māori. Diverse representation around the Council table.	High
Young people	Internet industries are driven by a younger demographic. We encourage that voice at the Council table	High
Disability Communities	Understanding of the issues facing people living with disability and the opportunities and challenges that relate to our work.	
Gender Identity	Understanding of the issues facing people of diverse gender identities, and the opportunities and challenges that relate to our work.	
Urban / Rural / Regional	A diverse representation from different towns and cities around Aotearoa around the Council table.	
Diverse ethnic communities	Understanding of the issues facing people of diverse ethnic identities, and of their communities, and the opportunities and challenges that relate to our work.	

Recommendation

THAT Council approve the Council Skills and Diversity Matrix.

Reporting Cases of Misappropriation

Policy	FIN-MIS: Reporting Cases of Misappropriation
Version	Version 1 <u>23.0</u>
Date in force	March 2011
Reviewed	May 2017 <u>March 2018</u> <u>9</u>
Planned review	March <u>November</u> 20 <u>19</u> <u>22</u>

This policy applies ~~only to the~~to InternetNZ ~~Group and not subsidiaries~~

- InternetNZ and its subsidiaries will always report cases of misappropriation of funds to the police.

HEALTH AND SAFETY POLICY

POLICY: HR-Health and Safety Policy
VERSION: 1.0
DATE IN FORCE: 1 October 2019
PLANNED REVIEW: 1 October 2020

Health and safety policy statement

The InternetNZ Group, incorporating InternetNZ, DNCL and its teams, are committed to maintaining a safe and healthy work environment for our workers, contractors, visitors and members of the public.

We are all responsible for ensuring the health and safety of ourselves and others. Every worker is expected to act safely on any work-site and during working hours. We take responsibility to ensure staff safety by:

- providing and maintaining a safe working environment
- providing facilities for health and safety
- ensuring all equipment and plant are safe to use
- ensuring all hazards on site are controlled (eliminated or Minimised)
- developing and implementing emergency and evacuation procedures.

To achieve this, we will:

- ensure all staff complete safety inductions or briefings on tasks
- ensure all staff are aware of hazards and how to report them and control them
- encourage worker consultation and participation in all health and safety matters
- ensure any contractors or visitors to our site are inducted
- ensure inductions will include safe working procedures
- train workers in relevant emergency plans and/or evacuation procedures

- record any accident, incident, near miss or notifiable events
- investigate any incidents recorded, to prevent reoccurrence
- report all notifiable events to WorkSafe NZ
- ensure all workers are trained and receive instruction and supervision
- ensure all workers participate in health and safety processes
- regularly undertake audits and inspections of our business operation
- set objectives and targets that will continually drive us to improve our health and safety performance, processes and work practices.

Each worker is expected to help maintain a safe and healthy workplace through:

- taking reasonable care for his or her own health and safety
- taking reasonable care that his or her acts or omissions do not adversely affect the health and safety of others
- comply as far as the worker is reasonably able with any reasonable instruction that is given by InternetNZ and the Domain Name Commission.
- attending all required health and safety meetings
- properly using and taking care of all safety equipment and clothing provided
- reporting all incidents, injuries and illnesses to a manager.

Signed by _____ Council President,
InternetNZ

Date: _____ (To be reviewed annually)

Signed by _____ Board President,
Domain Name Commission

Date: _____ (To be reviewed annually)

COUNCIL MEETING - OCTOBER 2019

MANAGEMENT ITEMS FOR DISCUSSION

ITEM NO: 4.2
AUTHOR: Jordan Carter
PURPOSE: Key items for Council to know / offer guidance on.
DATE WRITTEN: 03/10/2019

Introduction

This paper is designed to raise key issues for Council to give advice, input and share understanding with management. It should be considered alongside the quarterly Activity, .nz and Financial reports (which provide broader context).

Note that due to the sequencing of Council meetings - this paper is before the general reports for the second quarter (1 Jul - 30 Sep) are done. Those reports should be read when available at <https://internetnz.nz/reports>. This means that there is less material in this paper as well, as the reporting for the quarter usually drives content here.

Matters are broadly in order of priority, and there are four sections:

- **Key items** - the matters we'd like a conversation about - which may or may not be covered by other standard reporting.
- **Exceptions / items to note** - significant issues in the general reporting we want to be sure you have seen.
- **Late changes** - any material changes to conditions or issues otherwise covered in quarterly reporting (none in this paper).
- **Key future commitments** - a look forward to some key events over the next six months.

A. Key Items

A1 - Technology Services changes

Issue:	<p>In July and August I reviewed the structure of our technology team. Following consultation with staff, and very positive engagement and feedback from them, a new operating structure has been agreed and will come into effect on Monday 21 October.</p> <p>There are three teams involved:</p> <ul style="list-style-type: none"> • a Technology Strategy team led by a Chief Technology Strategist will provide tech strategy, architecture and systems input across the organisation. This team will lead the .nz registry replacement project. • An IT Operations team will operate the Shared Registry System and DNS, provide internal IT coordination and support, and operations support to product, research and security teams. • Product developers and Support will join the Commercial team. <p>As a consequence, the current Technology Services team concludes its work.</p> <p>This structure is designed to help build our new culture as an organisation; deliver appropriate resources for the .nz registry replacement; reduce the context switching demands on our people; and bringing our product developer and support people into the team focused on new products and customers.</p> <p>I welcome any questions or comments.</p>
Our ask:	That you are aware and provide any comments on the approach.

A2 - Security team priorities

Issue:	<p>Sam Sargeant has started as Chief Security Officer. He has considered the main domains of security (Protect, Defend, Governance and Response).</p> <p>Based on our current situation, will be prioritising Governance and Defend in the next six months.</p> <p>The governance work will enable us to:</p> <ul style="list-style-type: none"> - have a better understanding of roles and responsibilities; - engage our council members in strategic risk management decisions; - consider the value of our assets, the threats against them; - develop a management system so staff know how to incorporate security into their work; and - actively manage our security risks.
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	<p>The work to actively defend our systems will:</p> <ul style="list-style-type: none"> - Provide timely warnings of anomalous activity; - Support the investigation of security incidents; and - Provide insight into systems through instrumentation and monitoring. <p>Besides these priorities, Sam will be leading ongoing work in the .nz domain security project, providing advice across the organisation, and building his team.</p> <p>SLT has considered and agreed these priorities. They are shared for your information.</p>
Our ask:	That you note the planned priorities for the security team.

A3 - Post-Christchurch update (Goal 4)

Issue:	<p>International engagement has been a significant component since the last Council meeting, with Dr Ellen Strickland attending the meetings alongside the meeting of the United Nations General Assembly relating to the Christchurch Call. This involved a great deal of coordination with other international Civil Society voices and organisations, and engagement with platforms and Governments to insist that on Civil Society continuing to be meaningfully engaged, involved and consulted.</p> <p>NetHui 2019 was a focal point for much of the work this year on Christchurch-related matters, as well as an opportunity to update and engage stakeholders on wider Christchurch Call issues. The NetHui theme for this year - <i>safety, inclusion and wellbeing on the open Internet</i> - was set after Christchurch, and deliberately designed to provide a space for discussing these matters while still bringing them in to a wider context. Specific pieces of the NetHui, and adjacent, agenda included:</p> <ul style="list-style-type: none"> - Sessions led by the Policy team as part of Partners Day, on online duty of care; content blocking, and where to next for the Internet post-Christchurch. These sessions involved ~50 invited attendees, including significant engagement from the New Zealand Government. - Reconvening the stakeholder audience around the Christchurch Call for an update post the sessions at the UNGA. - The presence of the Prime Minister and the following Panel discussion at NetHui on <i>the Internet after Christchurch</i>. - Discussion about Internet Openness led by James Ting-Edwards, accompanying the draft Discussion Starter prepared on Internet openness as per the Plan. <p>More reflection and summary will be provided about NetHui to Council later in October.</p>
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	Domestic policy focused, the Policy team has led out its thinking on Internet filtering with the release of the paper <i>To block or not to block: Technical and Policy considerations of Internet Filtering</i> .
Our ask:	We would continue to appreciate Council's intelligence as to additional stakeholder perspectives.

A4 - Engagement Director's update

Issue:	<p>This update outlines the remaining key commitments from the Engagement team for the remainder of FY2019/20.</p> <p>While the majority of items in the Engagement team are on track as per the plan, there are a number of items that have missed the intended delivery windows. All of these items are intended to be delivered in the balance of this financial year.</p> <p>The change in delivery timeframes has been driven by:</p> <ul style="list-style-type: none"> - Underscoping of complexity - As Engagement Director, I have underscoped the complexity of some of the changes we are undertaking. This is exacerbated by my stacking so many changes simultaneously, and by the additional factors listed below. - Christchurch - as previously discussed with Council, the overall impact of Christchurch has pushed a number of items in the Engagement Team plan back by a quarter. - Staffing changes - the Community Funding Coordinator role became vacant in July, removing 50% of the current staffing capacity in Community. In addition, the recruitment for the additional role in Community, focused on membership, was budgeted to start in Q2. Both of these roles will be filled in Q3, which will provide more capacity to deliver to the items below, particularly those that are delayed. <p>To summarise significant deliverables and changes to the approved plan:</p> <ul style="list-style-type: none"> - All Communications components are on track, including the new web platform and annual perceptions research. - All Events components are on track, including delivering NetHui 2019. - Community components that are on track include the new sponsorship process; conference awards rollout and the second of the two funding rounds for 2019/20 (Q4). - Delayed Community components are the new partnership framework (for delivery in Q3); the first funding round (also in Q3) and the recruitment of the funding panel (Q3). - Other significant deliverables that are on track include the Openness Goal deliverables; Christchurch response; engagement support for the .nz Policy Review Panel and internal capability development for Te Ao Māori. - Other significant deliverables that are delayed are Māori Engagement research with stakeholders (Q3 possibly into Q4).
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	We will continue to update Council through the general activity plan reporting on progress on these items.
Our ask:	This is for information.

A5 - Senior Leadership Team retreat

Issue:	<p>The SLT spent some time away from the organisation in September to do some thinking away from the day to day rush.</p> <p>Key practical outcomes included developing the proposed goals for the .nz registry replacement project.</p> <p>Of note for Council, in a strategy discussion we began to kick around the idea of an “Internet for Good” being potentially an Area of work (alongside digital inclusion and security & trust) that could supersede our current “openness” Area. It would go beyond and incorporate openness, but be about us thinking how to build the Internet we need and want.</p> <p>Some of the thinking in the discussion influenced my speech at NetHui.</p> <p>I’d invite your reflection on this and to understand any thinking it spurs on your part.</p>
Our ask:	As above - reflection and perspective sharing.

B. Exceptions / Items to Note

None for this paper.

C. Late Changes

None for this paper.

D. Key Q3/Q4 External Commitments

The table below sets out key external commitments over the next two quarters.

13-24 October	RIPE, Internet Measurement Conference, CENTR TECH and R&D - The Netherlands	SC
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27 October-1 November	OARC, NANOG - Austin Texas	JS
28 October	Australian IGF initiative- Melbourne	JC
1-7 November	ICANN 66: Montréal, Canada	JC, ES, BC, DM + DB (Registry) + Councillors
11-13 November	Paris Peace Forum (Chch Call related)	ES
17-20 November	IETF Singapore ISOC Policymaker Fellowship	KCS (tbc)
25-28 November	UN Internet Governance Forum - Berlin, Germany	JC, ES
20-21 February	APTLD 77: Melbourne. Note: location means we will take a few more staff and possibly governors	JC, BC + others
7-12 March 2020	ICANN 67: Cancún, Mexico	JC, BC, DM, ES + Councillors

Jordan Carter
Group Chief Executive

4 October 2019



COUNCIL MEETING - October 11th 2019

2019/20 Budget review and update

ITEM NO: 4.3
AUTHOR: Catherine Fenwick
FOR: Information
PURPOSE: To update Council on Budget review and major expenditure.
DATE WRITTEN: 04/10/2019

Summary

The purpose of the paper is to update the council on the mid year review of the approved budget.

In March Council approved a budget with an operational expenditure limit of \$12.8m and capital expenditure limit of \$1.73m This budget included \$300,000 of savings unidentified at the time in order to meet the target of \$12,800,000 operational costs.

We can report that these savings have now been identified and allocated in the budget across the business. In achieving this we did not change the structure or impact of the agreed projects but have made some operational changes to reach our target - areas included employment costs, engagement external spend and a Technology Services review of operational costs.

As at the end of August 2019 the actuals and realigned budget are as follows (please note full Financial report will be published on September YTD actuals are available)

	Actual (5mths)	Budget(12mths)
Revenue/Income	\$4,940,334	\$12,037,188
Operational Expenditure	\$4,091,523	\$12,844,000
Surplus/(Deficit)	\$848,810	(\$806,812)

Please note that the timing of major expenditure items such as grants, launch of new non .nz products and marketing are all phased to the last 6 months - therefore there is a temporary strongly positive position at the end of August.

Capital Expenditure	\$257,546	\$1,720,660
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Some of the larger capital projects are also in the September to March period for completion - Web presence, Premises refit and new product development.

Update on Revenue/Income

Revenue is in line with forecast flat growth for the first 6 months of the financial year. Industry consolidation and the resulting retraction in register numbers has slowed and .nz marketing activities begin in October 2019. We expect to see revenue growth in the second half of the financial year, however October (and March) are typically peak months for domain cancellations which may counter some of the anticipated growth.. Lessons from marketing activity this year will feed into budget planning for 2020/2021.

The Defenz DNS Firewall is now operational with sales forecast from November. We expect some early adopter customers to onboard in October to help refine the customer experience after which there will be focused sales activity to drive new product revenue.

Investment income is above budget to date, but first 5 months have been volatile on returns.

Update on Significant Expenditure Changes

The update on the significant changes are based on knowledge as at today as we continue to prioritise our work in line with our agreed 5 Strategic Goals.

The Hadoop Hardware replacement project where we had allocated \$200,000 of Capital expenditure in the Budget has been reviewed and the preferred solution is a cloud solution. This will preserve the rich .nz datasets we have been collecting over the years, modernise the way we store and process that data and save money by not building in-house. Revised Capex expenditure - \$0.

The investment in the .nz registry replacement project was not something we had budgeted for this year and the costs for the project will not be defined until the business case is completed - but these costs will be significant. These costs will be capitalised where possible and funded from reserves as agreed. Transparent reporting will show the accumulated costs. Estimated cost through to the end of the first (Expression of Interest) phase in FY2019/20 - \$90,000.

Recommendation

THAT the Budget review and update be noted.

Catherine Fenwick

Organisational Services Director

MINUTES COUNCIL MEETING

Status:

Draft - To Be Ratified

Date

23 August 2019, 9:00am to 12:30pm

Present:

Jamie Baddeley (President), Joy Liddicoat (Vice President), Amber Craig, Don Stokes, Sarah Lee, David Moskovitz, Kate Pearce and aimee whitcroft

In attendance:

Jordan Carter (Chief Executive), Catherine Fenwick, David Morrison, Dave Baker, Kim Connolly-Stone and Diane Robinson (minute taker)

Meeting opened:

10:02am

Section 1 - Meeting Preliminaries

1.1 Council only (in committee)

1.2 Council and CE alone time (in committee)

1.3 Karakia, apologies, interests register, and agenda review

Apologies Richard Hulse

1.4 Welcome aimee whitcroft to Council

The President welcomed new Councillor aimee whitcroft to Council.

1.5 Environmental Scan

No verbal updates. Early in the month, Amber sent by email a paper on [Mana motuhake ā-raraunga: datafication and social science research in Aotearoa](#) by Tahu Kūkūtai and Donna Cormacto for reading.

Section 2 - Strategic Priorities

2.1 .nz Registry Replacement Project Initiation

The Shared Registry System (SRS) is the core technology systems for the .nz operation of the .nz registry. The existing registry system is reaching end of life. The mix of technology involved in the system are showing their age and the costs and risks of continuing with it are rising.

Staff will come back to Council in October with a business case for the replacement project, including the likely costs, current budget.

Council commented:

- Make sure staff communicate and discuss with registrars and to check assumptions made.
- Concerns raised about the current state of Perl.
- Council would prefer a leading technology solution to a 'bleeding edge' one.
- Staff to consider carefully how the processes is structured; consider impact on resources and business as usual.
- Keep in mind any data jurisdiction issues.
- Retiring the SRS - staff to consider what impact this will this have on local registrars.
- Understanding the whakapapa of the different options outlined - where it is from? where will be it hosted?
- Overall excellent paper and very good piece of work.

RN52/19 THAT Council acknowledge the need to replace the Shared Registry System, and ask the Chief Executive to deliver a replacement.

RN53/19 THAT Council acknowledge that a replacement registry system will not include the SRS Protocol.

RN54/19 THAT Council agree in principle that implementation of the updated .nz policy framework resulting from the .nz Policy Review will not be done in the current Shared Registry System.

RN55/19 THAT Council note that staff will develop the project to replace the SRS within existing budget limits, but that once the project is developed, Council will be asked to agree an overall cost envelope as part of a Business Case analysis.

RN56/19 THAT Council agree in principle that the cost to replace the SRS should be met out of retained earnings, not out of current income.

Block Consent (Cr Moskovitz / Cr Craig)
CARRIED U

AP19/19 Business Case for the .nz registry replacement project - October Council Meeting.

2.2 **Goal 5 - Digital Inclusion Update**

Jordan introduced Kim Connolly-Stone, the new Policy Director. Kim provided an update on the four areas that staff plan to explore for Goal 5 - Digital inclusion:

- 1) Create an effective online home to connect the digital inclusion
- 2) Ecosystem.
- 3) Put an investment strategy in place for InternetNZ digital inclusion funding.
- 4) Pursue influencing and policy interventions.
- 5) Engaging the ecosystem to lay the groundwork for future action.

The staff will be meeting with Minister Faafoi on 28 August 2019 to discuss the digital inclusion ideas.

Council commented:

- Clear that our goal is to support high quality policy work in government leading to real changes in how digital inclusion is being dealt with.
- Engaging the ecosystem to lay the groundwork - there are a lot of Māori organisations that are currently trying to get digital inclusion into state homes. Good to bring other organisations along on the journey.

RN57/19 THAT Council note the Goal 5 - Digital Inclusion Update.

Section 3 - Matters for Decision

3.1 **Council Committees - Members and Terms of Reference**

Council discussed membership of the committees and the following changes were made:

- Audit & Risk - Don Stokes removed; aimee whitcroft new member.
- .nz Policy Committee - Don Stokes new member. It was noted that Don Stokes has a very small registrar.
- CE Review - Dave Moskovitz new member.
- Māori Engagement / Komiti Whakauru Māori - Joy Liddicoat removed; Jamie Baddeley new member.

Council discussed the authorised bank signatories. Staff advised that there were enough authorised bank signatories and asked if Council could be a little more responsive when asked to authorise batches.

RN58/19 THAT Council confirm that it will conduct some of its work through these four committees: Audit and Risk, CE Review, Komiti Whakauru Māori, nz Policy.

(President / Cr Craig)
CARRIED U

RN59/19 THAT the Terms of Reference for each of the committees as attached to this paper be adopted, noted that there will be amendments to the Māori Engagement / Komiti Whakauru Māori.

(Cr Lee /Cr Pearce)
CARRIED U

RN60/19 THAT the membership of the following Committees be approved:

Audit and Risk Committee: Amber Craig (Chair), Richard Hulse, Kate Pearce and aimee whitcroft.

Māori Engagement Committee / Komiti Whakauru Māori: Sarah Lee (Chair), Amber Craig and Jamie Baddeley.

.nz Policy Committee: Kate Pearce (Chair), Joy Liddicoat and Don Stokes.

Chief Executive Review: Jamie Baddeley (Chair), Joy Liddicoat, Richard Hulse and Dave Moskotvitz.

(President / Vice President)
CARRIED U

RN61/19 THAT the current bank signatories (Jamie Baddeley, Joy Liddicoat, Amber Craig, Richard Hulse, Dave Moskovitz, Kate Pearce, Jordan Carter, Catherine Fenwick, Dave Baker) be confirmed.

RN62/19 THAT Keith Davidson be removed as a bank signatory.

Block consent (Cr Craig / Cr Lee)
CARRIED U

3.2 [Council Skills and Diversity Matrix](#)

Staff sought input from Council to establish a skills and diversity matrix that defines the key skills that Council needs and the diversity attributes Council see for recruiting Appointed Council Members. Staff presented a draft analysis, and asked for gaps to be identified.

Council commented:

- Under Diversity - change to be more inclusive e.g. LGBTQ+
- Experience as a Director
- Diversity - working with disability communities
- Experience product development, innovation, commercialisation.
- There were some skill gaps around the table e.g. strategic advice to support the group Chief Executive
- Te Ao Māori is quite broad and will need to incorporate indigenous governance, Te Treaty and cultural matters.

RN63/19 THAT Council note the progress towards developing a Skills and Diversity matrix in this paper, and note that staff will develop the matrix based on the feedback at this meeting and present a draft for online adoption in mid-September 2019.

(President / Cr Lee)

CARRIED U

3.3 **DNCL Board Skills Matrix and Appointments**

The DNCL Board has been preparing a similar matrix to guide future appointments, and it has identified the following five key skills:

- Litigation and Legal Skills
- Industry knowledge and/or technical experience
- Regulatory strategy and regulatory processes
- Stakeholder communications and management
- Governance

Council commented:

- It was highlighted that the Te Ao Māori skill set was missing.
- Queried the emphasis on Legal skills. Staff explained this relates to DNCL's role as an enforcement body.
- The paper title is Skills and Diversity Matrix - but there was no diversity mentioned in paper.

The DNCL matrix should reference the diversity parts of the broader InternetNZ matrix.

Both Directors wish to complete their term in the current year. Staff will write to Council to initiate a recruitment process that will be staggered.

RN64/19 THAT Council:

- Agree with the skills mentioned with amendments; and
- Agree to recruit replacement DNCL Board members, as and when required, against the agreed skills.

(Cr Craig / Cr Stokes)

CARRIED U

3.4 2020 Meetings Programme

The Council reviewed the schedule of meetings 2020. It was suggested that Council committee meetings could adopt video conferencing as a first preference for Council to attend meetings and minimise the logistics to attend.

RN65/19 THAT Council adopt the Schedule of Meetings for 2020.

(President / Cr Craig)

CARRIED U

AP20/19 Link to Council calendar to be sent to aimee and meetings requests for sub committees to be sent out ASAP.

Section 4 - Matters for Discussion

4.1 **President's Report**

The President provided a short update that he continues to meet with Jordan Carter on a regular basis. Dave Moskovitz will be joining the President for the CE Meeting catch ups in the future.

4.2 Management Items for Discussion

Staff provided an update on the management items and the following comments were made by Council:

- A1 - .nz Pricing as a tool change registrar / public behaviour
 - Keeping pricing structure simple - avoid unnecessary complexity.
- A2 - Impact Project Framework and what comes next
 - Alignment with a workforce strategy.
- A3 - Product Pricing
 - Council agreed with - the operating team will set the prices for all products except for .nz registrations. The price structure is approved on recommendation from staff, not set by Council.
- A4 - Social Media and Post - Christchurch (Goal 4 update)
 - There was a broad discussion on how the organisation is responding to the post-Christchurch attacks situation.
- Pickens Review

- o Very substantive piece of work. Councillors should take the time to read the report.

RN66/19 THAT Council Management Items for discussion be received.

President / Vice President

CARRIED U

4.2.1 [Q1 At A Glance - Strategic Goals Summary](#)

Staff advised that this is a one page draft view on progress against our goals in the first quarter of the year. Next meeting the one pager will include how we are going against the measures set for the goals.

Council commented:

- Include trajectory measures trending up, down or stable using arrows.
- That there was a lot of green progress. Queries on the .nz website work being green and ANZSIC Classification of the Register - with no progress. Staff agreed with this and will be clearer next meeting.

4.2.2 [Election System Issue Paper](#)

Jordan apologised to the Council for the issues arising from the Election Systems.

RN67/19 THAT Council receive this report and note the background, analysis and options it sets out.

RN68/19 THAT Council formally approve STV with the Droop quota as being the appropriate electoral system for InternetNZ.

RN69/19 THAT Council note the “Other Next Steps” in the paper, and note that there will be a report back on progress at the October 2019 Council meeting.

Block Consent (Cr Stokes / Cr whitcroft)

CARRIED U

Section 5 - Consent Agenda

5.1 [Confirm Minutes - Council Meeting 17 May 2019](#)

5.2 [Actions Register](#)

5.3 [Membership Update](#)

5.4 [E-votes Ratification](#)

5.5 [Health Safety and Wellness Report](#)

5.6 [Update From Council Committees](#)

5.7 **Operational Reports for Quarter 30 June 2019**

RN70/19 THAT Council approve the minutes of the 17 May 2019 meeting.

RN71/19 THAT Council note the membership update.

RN70/19 THAT the E-votes be ratified.

RN72/19 THAT the Health and Safety and Wellbeing Update be received.

RN73/19 THAT the Update from Council Committees be received.

RN74/19 THAT the Operational Reports be received.

Block Consent (Cr Moskvitz / Cr Lee)

CARRIED U

AP21/19 Membership Report - to include 5 quarters so that year on year comparisons can easily be made.

AP22/19 Community Grant Reporting - staff received feedback on changes to the table from Council: Both name and organisation in column 1 and in the comments column to include high level results and achievements (rather than comments). Add the table information to the main website.

5.8 [International Reports from Councillors & Staff](#)

Cr Amber Craig noted that her experience at ICANN had raised concerns for her with how intellectual property rights of indigenous people are treated in the Internet Governance system.

Jordan apologised for the delay in the provision of reports from the first two ICANN meetings of the year - these will be forwarded to Council soon.

RN75/19 THAT Council received the International Reports from Councillors and Staff.

(President / Cr Craig)

CARRIED U

Section 6 - Other Matters

6.1 **CONTINGENCY (for any overflow)**

6.2 **Matters for communication – key messages**

6.2.1 **Communications in general**

6.2.2 Upcoming events

6.3 General business

Note urgency for having a financial strategy with Council to consider. Straight to Council in the first instance. October meeting a likely timeframe.

6.4 Meeting review

Next meeting:

The next scheduled Council meeting is Friday 11 October 2019.

Meeting closed: 12.46pm

2019 Action Point Register

Action	Who	Status	Due by	
OPEN FROM 2018				
AP20/18	Staff to work with DNCL around the .nz Fee Review and for the .nz Policy Committee to come back to Council with some advice on this.	Jordan Carter	Completed	Nov-18
AP22/18	Jordan to get clarity on the obligations of the ALAC membership and set some goals on how to manage membership, and share these back with Council next meeting.	Jordan Carter	Completed	Nov-18
AP24/18	Andrew to arrange and send details to Council regarding the Council photo prior to the November meeting.	Andrew Cushen	Completed	Nov-18
FEBRUARY				
AP01/19	2.1 Interests Register - Kate and Amber to send an email to Diane for updating the Interests Register. Kate now works for TradeMe (not Cisco). Amber is unemployed.	Kate Pearce/Amber Craig	Completed	Before 29 March
AP02/19	2.2 2019/20 Plan: Goals & Measures - Staff to develop a one page summarisation for Council to review at each meeting reports on a) Goals b) Measures c) Timeframe d) Reporting against progress (milestones)	Catherine Fenwick	Ongoing	Quarterly
AP03/19	2.3 2.3 2019/2020 Plan Key Financial Trends - Staff to draft a supplementary paper for transparency on what Council reviewed and upload to INZ website.	Catherine Fenwick	Completed	Feb-19
AP04/19	2.5 Commercial Matters - The President and staff will draft and disseminate communication re the new commercial structure and decision-making process to the members list.	David Morrison	Completed	
AP05/19	2.5 Commercial Matters - A future paper from staff on the measuring the marketing of the .nz domain names.	David Morrison	Completed	
AP06/19	2.5 Commercial Matters - Develop a paper on product development approach to provide appropriate review time for Council.	David Morrison	Completed	
AP07/19	2.5 Commercial Matters - Provide a one-page report to Council for awareness.	David	Ongoing	
MARCH				
AP08/19	5.2 Consent Agenda - Further investigation into Indigenous forums at international events. Ellen Strickland to follow up by end March.	Ellen Strickland	TBA	End March
AP09/19	5.2 Consent Agenda - Councillor Photos to be organised by Andrew Cushen	Andrew Cushen	Completed	August
AP10/19	5.2 Consent Agenda - Evote Council Attendance - ICANN to be implemented and timetable to be sent to Council.	Jordan Carter	Completed	
AP11/19	2.1 Recommendation from .nz Policy Committee on the interim change to policy to be sent after the .nz policy committee meeting on 2 April 2019 for Evote from Council.	Kate Pearce	Completed	April
AP12/19	4.1 Email the Pickens Review to Council	Brent Carey	Completed	March
AP13/19	5.1 Defer the discussion on the Product Decision Making paper to Council meeting in May 2019.	David Morrison	Completed	May
AP14/19	5.1.3 Staff to recommend removal of the NZRS Limited after checking criterion ensuring that the name is secured for the meantime, even when removed from the companies register.	Catherine Fenwick	Completed	June

2019 Action Point Register

Action	Who	Status	Due by	
MAY				
AP15/19	3.2 Meetings to be scheduled for Acting Chief Executive and the President to catch up during the period between May and end June 2019.	Catherine Fenwick	Completed	
Ap16/19	4.2 Acting Chief Executive to confirm who is Chairing the DNC Board in the absence of the Chair overseas. Catherine to advise Council by email.	Catherine Fenwick	Completed	
AP17/19	5.2 Staff to ensure acronyms are written in full the first time they are used in a paper and then they can be abbreviated.	Staff	Completed	
AP18/19	5.2 Activity Report - staff to note Council feedback on reporting on staff roles and appointments. Catherine to feedback to management.	Catherine Fenwick	Completed	
AUGUST				
AP19/19	Business Case for the .nz registry replacement project	Dave Baker	In progress	
AP20/19	Link to Council calendar to be sent to aimee and meeting requests for sub committee	Diane Robinson	Completed	Sept
AP21/19	Membership Report to include 5 quarters so that year o year comparisons can easily be made.	Catherine Fenwick	Completed	Sept
AP22/19	Community Grant Reporting - staff received feedback on changes to the table from Council. Both name and organisation in column 1 and in the comments column to include high level results and achievements (rather than comments). Add the table information to the main website.	Andrew Cushen	In progress	

InternetNZ Membership Report

Status: Final
Author: Maria Reyes, Office Manager

Current Membership *(as at 1 October 2019)*

Fellows	Individual	Individual Plus	Small Organisation	Large Organisation	TOTAL
27	258	33	18	3	339

2018 – 19 Membership Year

	30 Sep '18	30 Dec '18	30 Mar '19	30 June '19	30 Sep '19
Fellows:	27	27	27	27	27
Individual:	227	247	264	243	258
Individual Plus:	44	44	44	33	33
Small Organisation:	20	21	23	18	18
Large Organisation:	3	3	3	3	3
Total Membership:	321	342	361	324	339



Recommendation:

THAT the new members be noted.

COUNCIL MEETING - October 2019

Health Safety and Wellness Report

Month	Number of Near Misses reported/or identified	Number of Incidents reported/or identified	First Aid Incidents reported/or identified
October 2018	0	0	0
November 2018 – January 2019	0	3	0
February – March 2019	2	0	0
April – May 2019	0	2	1
June – August 2019	0	0	0
September – October 2019	0	0	0

Summary

There were no incidents reported since the last Council meeting.

- Monthly Hazard walks have taken place and have not identified any new hazards. The Hazard Register has been published in the Internal Wiki page for staff's reference and will be updated regularly.
- Fire Extinguishers had all been checked and tested following the audit in August 2019 by an Fire Safety personnel

- Electrical tag and test had been done in most of the work spaces in the Wellington office to ensure that devices and office equipment are safe to use. Another schedule is yet to be organised to check the other areas including the Auckland office.
- The INZ Group Health, Safety & Wellbeing Committee met on 3 September 2019.

Health and Safety System

H&S policy is still pending for approval and has been added on to the agenda for the October Council meeting.

Three staff are due to attend the H&S rep training on 3rd October and 7th November.

Wellbeing

The HS&W committee has been using a new matrix for wellbeing which gets added to the HS&W Committee meeting as a standard agenda item. See chart below for below for Council's reference:



One of the key actions that came up from the last HS&W Committee meeting regarding this matter was promoting social activities to staff such as team lunchtime walks which were very popular during Mental Health week in September.

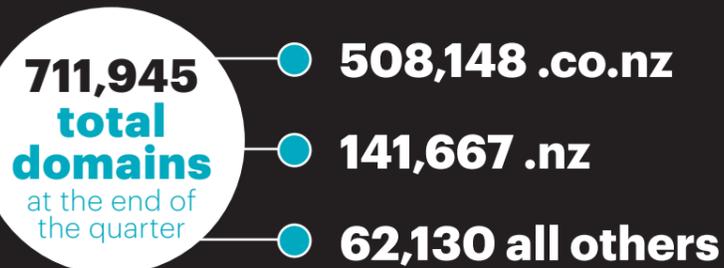
Recommendation

THAT the Health Safety and Wellbeing update be received.

.nz quarterly report

July - September
2019

Domains



Activity this quarter



0.00% growth (decline of 483 domain names)

Quarter in review

This quarter was flat in terms of growth, recording a slight reduction of 483 names from last quarter. Consolidation in the registrar market continues to impact growth. Registrations at the second level (e.g. yourname.nz) now account for 19.9% of the register and 21.6% of new .nz registrations. Both creates and cancellations have increased.

Focus this quarter has been to engage with registrars on .nz marketing. Campaigns are scheduled to run over Q3 and Q4 of the financial year and will provide interesting insights into the impact of various campaign initiatives.

Infrastructure

DNS queries for the quarter

Q1 34.4 billion

Q2 32.2 billion

DNS service level

100%

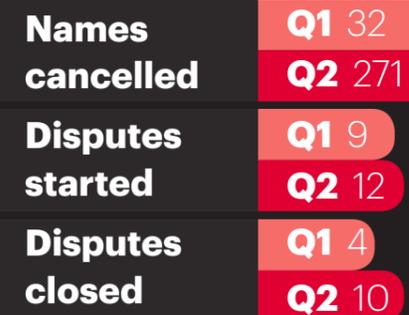
SRS service level

100%

Incidents of note

The main change this quarter was the introduction of a new feature that prevents the creation of full name-server delegation loops. Whilst these delegation loops do not occur that often, they have the potential to have a major impact on DNS operators and in some cases lead to a DOS on their infrastructure.

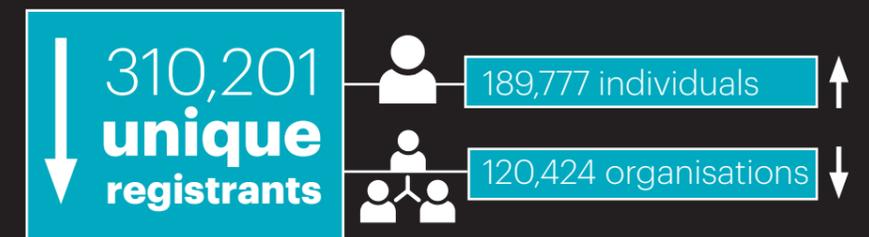
Compliance



domain name
commission nz

People

90 authorised registrars



↑ **31,850**
unique registrants
using privacy
option



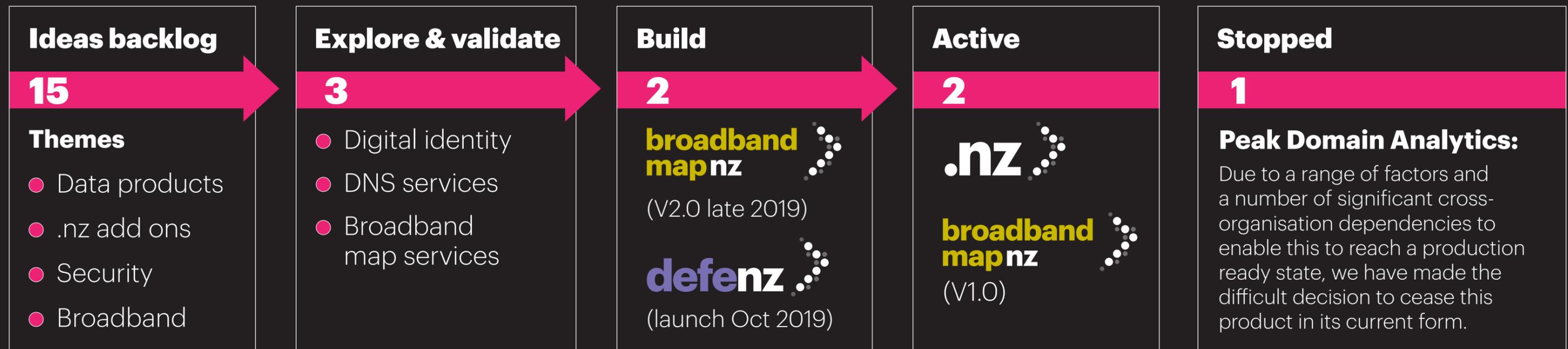
65,866 ↑
domain registrations
with privacy
option enabled

InternetNZ product development quarterly report

July - September
2019

Quarterly review

This is the first of what will be a quarterly update about the product development activity at InternetNZ. Our goal is to inform you about the areas we are working on and in future reports, dive into more detail about specific products. Our focus this quarter has been on two products; a revamped version of the broadbandmap.nz website and preparing for the launch of our Defenz - DNS Firewall. In addition, we have had two new members join the Commercial team to help focus our efforts in sales and product management.



New team

Terence Hibbert

Business Development Manager

Terence will be leading our efforts to sell new products into both existing and new channels across New Zealand. As such, he will be a very visible member of our team in various realms of the technology sector in New Zealand.



Cam Findlay

Product Manager

Cam joins us as Product Manager charged with helping explore, launch and evolve new products for InternetNZ. Product management does not take place in a vacuum and as such our customers can expect to hear from Cam as he seeks insights and feedback to improve what we do.



For any enquiries about our product development work please contact our Commercial Director, David Morrison at david@internetnz.net.nz

International Engagement Update

ITEM NO: 5.6.3
AUTHOR: Ellen Strickland
PURPOSE: Key items for Council to know
DATE WRITTEN: 05/10/2019

Introduction

This paper is designed to update Council on International Engagement activities of InternetNZ, for their information and to enable them to give any advice, input and share understanding with management. Matters are broadly in order of priority, and there are three sections:

- Items to note - any significant issues or commitments you should be aware of
- Key recent travel - a synopsis of travel and engagement activities in the past quarter, for your information
- Key future commitments - any key International commitments over the next six months (full outline of the travel calendar is in the Management Issues report)
- ICANN reports

Items to Note

The key theme this quarter has been Christchurch Call-related work.

Internet and Jurisdiction Project

The INZ group has made commitments to being a part of international 'contact groups', which form around advisory and work collaboration on the key area of work for this project. Commitments are as follows:

CE: Domains and Jurisdiction

CAI: Content and Jurisdiction (due to link to Christchurch Call and terrorism/violent extremism content)

Domain Name Commissioner: Domains and Jurisdiction

Christchurch Call

We are a part of the Advisory Network, which has now been established, and focus is on constructive engagement with that Network as well as with NZG directly to provide advice and expert input into the next steps.

ICANN

Chris Dispain will be coming off the board (as one of the two directors appointed by the ccNSO) and it's worth noting that discussions are ongoing about Board nominations and who InternetNZ supports for this important space.

Key Recent Travel

Christchurch Call Related

This was a light quarter of International engagement travel, with Christchurch Call related travel being the only key travel undertaken in Quarter 2, including:

- July meeting at Twitter HQ with countries, companies and civil society
- September meetings and workshop around UNGA Christchurch Call side meeting

Connected with the Call, Jordan spoke at the eSafety conference in Sydney in September.

Key Future Commitments

Key commitments over the coming months include group attendance at **ICANN** as well attendance by the CE and Chief Advisor International at the **Internet Governance Forum**.

ICANN, as always, is a key commitment, with relevant work related to the .nz policy review as well as the .nz registry project expected in Montreal and Cancun in March 2020.

The Internet Governance Forum will be the next staging point in the Christchurch Call work, with meetings of the Advisory Network as well as broader industry and government engagement. We are providing advice and encouraging the NZ government to ensure appropriate attendance at this important IGF, where NZ is seen as leading in the Internet governance space.

A couple new commitments of note over the next six months include: the restart of an **Australian IGF initiative**, called NetThing, which the CE will attend in

October; and the Policy Director will attend an **Internet Society Policymaker Fellowship programme** at the IETF in Singapore in November.

ICANN reports

The reports for the last two ICANN meeting, in Kobe March 2019 and Marrakech in June 2019 are attached.

ICANN64 Kobe

Delegation Report

Summary

The .nz delegation at ICANN's 64th public meeting in Kobe, Japan comprised Jordan Carter, Brent Carey, Ellen Strickland and David Morrison, as well as three InternetNZ Councillors: Joy Liddicoat, Amber Craig and Kelly Beuhler. Keith Davidson attended in part for his personal work with Vanuatu, but also participated in some InternetNZ discussions and supported the delegation where he was able.

The meeting overall was focused on introducing InternetNZ's new strategy and goals. The meeting as a whole had a heavy focus on policy and process, with discussion of ICANN's planning and strategy work being a focus.

Key themes and developments

Key themes and developments which relate to InternetNZ's strategy, goals for the coming year and ongoing work were as follows.

ICANN's post-meeting [Policy Report](#) may be of interest, as may CENTR's [meeting report](#).

ccNSO PDP retirement WG

This PDP is about how to "retire" a ccTLD - how to remove such a domain from the root zone once it is no longer listed in the ISO 3166 list of two letter country codes. Timeline has been extended, with slow progress. The revised timeline foresees the conclusion of the work by Q1 2022. An interim report is expected by October 2020.

New gTLD Subsequent Procedures Working Group and Work Track 5

New gTLDs Subsequent Procedures PDP processes continue, with subgroup analysis finishing soon including that of Work Track 5 (of most interest to us as geographic names at the top level). The full Working Group is completing an in-depth analysis to determine how to take into account the comments received and what changes, if any, need to be made to the recommendations contained in the Final Report, which is expected later this year.

General Data Protection Regulation and EPDP

This work continued, with Phase 1 of the EPDP's work being adopted by the GNSO just before the meeting. Discussion is now on to Phase 2, which is about the framework for access to registration data. Key tensions will be about who is granted access - the same key tension that has been apparent for the whole debate.

Emerging Identifiers Technology

DNS technologies over secure transports: DNS over TLD (DoT) and DNS over HTTPS (DoH) were covered in an important session, Presentations here <https://64.schedule.icann.org/meetings/961998>, as well as discussed by GAC. The policy implications could have far-reaching consequences for the DNS industry. Additionally the W3C presented on Decentralised Identifiers or DiDs, a new spec for persistent identifiers that can resolve via DNS. DiDs have wide potential for use in identity related solutions.

Internet Governance Work

ICANN Org published and discussed its proposal for ICANN Organization Engagement with Governments and Standards Bodies that establishes the principles for the ICANN Org's engagement with decision-makers outside of ICANN when they are creating policy that impacts ICANN's ability to fulfill its mission. In essence, the proposal includes the monitoring of relevant initiatives and the intention to provide technical information to the stakeholders and decision-makers.

The Global Commission on Stability in Cyberspace (cyberstability.org) presented its work in a session, outlining 8 norms for ensuring the safety and stability of cyberspace, without stifling digital innovation. The norms target both state and non-state actors to protect the "public core of the internet", including internet routing, the domain name system, certificates and trust, and communications cables.

ccNSO Council approved the charter of the ccNSO Internet Governance Liaison Committee (IGLC) to coordinate, facilitate, and increase the participation of ccTLD managers in discussions and processes pertaining to Internet Governance. Jordan is now a member and details are here of the group <https://ccnso.icann.org/en/workinggroups/iglc.htm>

ICANN's own multistakeholder model was on the table, with an 'evolution process' kicking off at the previous meeting. The previous CEO of the PIR (.org) registry, Brian Cute, is shepherding a community discussion on what the pressure points are. This work will continue during the rest of the year.

Takeouts for further action

Matters raised during the meeting that require attention or action by InternetNZ were:

- How much to do in engaging with the ICANN evolution process as it develops.
- Ongoing engagement in workshop groups and ccNSO

Individual focuses

In terms of our individual areas of focus:

Jordan's attention was on ccNSO participation (it was the meeting he joined the ccNSO Council, and so on-boarding there and a Council workshop took some time), and a range of stakeholder discussions.

Brent's attention was on compliance, privacy, website accessibility and representation of .nz on the retirement of ccTLD working group. The meeting was also an opportunity to discuss DomainTools litigation and liaise with Asia Pacific ccTLDs about .nz hosting APTLD in 2021. Brent attended a number of meetings with David Morrison on the sidelines of the formal meeting with prospective and current Registrars.

Ellen's attention was on supporting Council member participation, Internet Governance related discussions, engagement with Civil Society constituencies including At-Large and NCUC, and broader stakeholder discussions.

David's attention was on DNS Abuse and DNS Security best practices, The adoption of RDAP as a replacement to WHOIS, Emerging Identifiers technologies

such as DoH (DNS over HTTPS) and DiDs (Decentralised Identifiers) and engagement with channel partners - existing and potential

Council members attending were focused on gaining greater insight into what ICANN does, and what InternetNZ does at ICANN. As per policy on Council attendance, reports were provided direct to Council meeting from members on this trip.

Report finalised: September 2019.

ICANN65

Marrakech

Delegation Report

Summary

The .nz delegation at ICANN's 65th public meeting, held in Marrakech, Morocco, comprised Jordan Carter and Brent Carey.

The meeting was a Policy Forum in format, the smallest of the annual ICANN meetings and overall was focused on working groups and constituency work, as well as some cross constituency engagement sessions.

Key themes and developments

As usual, the ICANN [Policy Report](#) and the CENTR [Meeting Report](#) are of interest. Key themes covered at the Policy Forum were:

- Ongoing development of the ccNSO's PDP on the retirement of ccTLDs.
- A report back to the ccNSO on the independent review of the organisation. This did not suggest radical changes, but had a welcome focus on diversity being important.
- EPDP and the implementation of GDPR requirements, with the Phase 2 discussions really under way.

- Discussion with AUDA on their recent reform process and policy aspects of opening the second level to direct registrations, which they will be implementing in the near future.
- Discussions about the upcoming election of a new ccNSO-appointed director on the ICANN Board (process happens around Montreal).
- The Internet Governance Liaison Committee of the ccNSO had its first meeting - the focus of this group will be information sharing, and we will participate on that basis.

Takeouts for further action

Matters raised during the meeting that require attention or action by InternetNZ were:

- Continuing watching brief on the ICANN evolution process.
- Watching brief on ICANN's strategy and assisting through the ccNSO's SOP Committee to make sure the organisation works to become more efficient, and stay in scope.
- New Zealand's representation at the GAC has been changing frequently. The representative at this meeting was different to the representative in Kobe, and there will be another change for representation at Montreal. We will liaise with MBIE on the impacts of this on New Zealand's ability to be effective at ICANN.
- The ccNSO's operating methods include a lot of reports back from other ICANN work streams. We will contribute to efforts to help drive reform to make the meetings more valuable, acknowledging that there are very diverse perspectives on what the ccNSO should focus its meetings on.

Individual focuses

Jordan's attention was on the ccNSO including his role as a ccNSO Council member. He also took the opportunity to liaise with colleagues from North America and Europe on a range of issues.

Brent's attention was on the retirement of ccTLDs as a member of the working group. He spent time with the Scandinavian registries (Sweden and Norway) as well as the Dutch and UK registries in relation to understanding their processes for dealing with terrorism related content, domain name suspension and cancellations and dispute resolution processes. At this meeting Brent also joined the cross community working groups on registrants rights and the closed working

group related to coordination of processes about the removal of Child Sexual Abuse Material.

Report finalised: August 2019