	Agenda for a meeting of the InternetNZ Council Friday 5 December 2014 commencing at 9am InternetNZ Office, Level 7, 62 Victoria Street West, Auckland		
Start	**Item**	**Person**	**Page number**
9.00am	**Council and Council-CE alone time**	President	
9.25-9.50am	**Environment Scan**	President	
9.50-9.55am	**Apologies** **Declaration of Councillor interests** **Agenda consideration – in committee items**	President	6
9.55-10.30am	**Group Strategic Plan 2015-2020 and InternetNZ Strategy 2015-2020**	Jordan Carter & Andrew Cushen	12 Group 24 INZ
10.30-11.00am	**Chief Executive's Report** - CE's report and priorities for the quarter - Business Plan & Internet Issues Programme reports - Budget 2015/16 – High Level Outline	Jordan Carter	41 46,60 78
11.00-11.10am	**Twenty years of InternetNZ**		88
11.10-11.25am	**Morning tea**		
11.25-11.35am	**International Update** - Joint ICANN report	Jordan Carter	91
11.35am-12.15pm	**Subsidiaries – DNCL and NZRS** - Alone time (Chairs, CE and Council - *confidential*) - .nz framework review outcomes - .nz MoU discussion *(confidential)* - Statement of Expectations – DNCL and NZRS - Joint .nz 2nd Quarter Report - DNCL 2nd Quarter Report - NZRS 2nd Quarter Report - Business Development update *(verbal)*	Richard Currey, Jay Daley, David Farrar & Debbie Monahan	99 - 108 123 131 134
12.15-12.20pm	**Financials** - INZ Group Consolidated Report	Jordan Carter	137
12.20-12.50pm	**Lunch**		
12.50-1.10pm	**Governance Policy Framework**	Jordan Carter	151
1.10-1.30pm	**Committees & other groups** - Maori Engagement - Voting Working Group - Membership - Audit and Risk	Jordan Carter	- - 154 158
1.30-2.00pm	**Community Funding** - Strategic Partnership Slate in 2015/16 - Community Funding Rounds update	Ellen Strickland	164 172
2.00-2.30pm	**New Thinking for NetHui 2015** **Report on NetHui South**	Ellen Stickland & Jordan Carter	209

2.30- 2.45pm	**Consent agenda items** a. Ratification of minutes: 3 October 2014 b. Outstanding action points c. E-votes ratification d. Membership update	President		212 221 224 227
2.45- 3.00pm	**Other business** Meeting feedback	President		
3.00pm	**Meeting ends**			

Annotated Agenda for a meeting of the InternetNZ Council Friday 5 December 2014 commencing at 9am InternetNZ Office, Level 7, 62 Victoria Street West, Auckland				
Start	**Item**	**Person**		**Page number**
9.00am	**Council and Council-CE alone time**	President		
9.25-9.50am	**Environment Scan**	President		
9.50-9.55am	**Apologies** **Declaration of Councillor interests** **Agenda consideration – in committee items**	President		6
9.55-10.30am	**Group Strategic Plan 2015-2020 and InternetNZ Strategy 2015-2020**	Jordan Carter & Andrew Cushen		12 Group 24 INZ
10.30-11.00am	**Chief Executive's Report** - CE's report and priorities for the quarter - Business Plan & Internet Issues Programme reports - Budget 2015/16 – High Level Outline *THAT Council approve the Chief Executive's report and approve the high level budget 2015/16:* *That Council **receive** this paper and **agree** the strategy and high level composition of expenditure for the 2015/16 Budget.* *That Council **approves** for 2015/16 a draft operational budget limited of $4.374 million and a draft capital budget limit of $65,000.* *That Council **note** and **agree in principle** that should income turn out to be lower than expected, the operational and capital budget limits will be maintained, with funding to come from retained earnings.*	Jordan Carter		41 46,60 78
11.00-11.10am	**Twenty years of InternetNZ** *THAT Council note the Twenty years of InternetNZ paper.*			88
11.10-11.25am	**Morning tea**			
11.25-11.35am	**International Update** - Joint ICANN report *THAT Council note the International report*	Jordan Carter		91
11.35am-12.15pm	**Subsidiaries – DNCL and NZRS** - Alone time (Chairs, CE and Council - *confidential*) - .nz framework review outcomes - .nz MoU discussion *(confidential paper)* - Statement of Expectations – DNCL and NZRS - Joint .nz 2nd Quarter Report - DNCL 2nd Quarter Report - NZRS 2nd Quarter Report - Business Development update *(verbal)* *That Council note the conclusions of the .nz Framework Review, and thank the members of the Working Group for their work.* *That Council note the .nz Framework spreadsheet, including the elements and roles set out in it, as an accurate and agreed representation of these matters.* *That Council welcome DNCL's intention to develop a market regulation policy as part of the .nz policies framework.* *That Council agree that there be a governance-level policy setting*	Richard Currey, Jay Daley, David Farrar & Debbie Monahan		99 - 108 123 131 134

	out the high level matters related to InternetNZ's role as designated manager of the .nz ccTLD, consistent with the consensus arrived at in the course of this Review, and asks the Chief Executive to note that it wishes to finalise such a policy at its meeting in April 2015. *That Council require a full review of the Operating Agreements, and if necessary the constitutions of the subsidiary companies, to ensure they are aligned and fit for purpose consistent with the Framework.*			
12.15-12.20pm	**Financials** - INZ Group Consolidated Report *THAT Council approve the INZ Group Consolidate report*	Jordan Carter		137
12.20-12.50pm	**Lunch**			
12.50-1.10pm	**Governance Policy Framework** *THAT Council receive the update to Governance Policy Framework; agree the proposed schedule for review of existing policies [as amended], and agree the planned development schedule for the three outstanding policies yet to be completed.*	Jordan Carter		151
1.10-1.30pm	**Committees & other groups** - Maori Engagement - Voting Working Group - Membership - Audit and Risk *THAT Council approve the changes to the Audit and Risk committee Terms of Reference and note the updates from the other groups.*	Jordan Carter		- - 154 158
1.30-2.00pm	**Community Funding** - Strategic Partnership Slate in 2015/16 - Community Funding Rounds update *THAT Council approve the transfer of the $37,000 unused funds from the Christchurch Funding Round to the current funding rounds.*	Ellen Strickland		164 172
2.00-2.30pm	**New Thinking for NetHui 2015** **Report on NetHui South** *THAT Council note the updates on NetHui South and NetHui 2015*	Ellen Stickland & Jordan Carter		209
2.30-2.45pm	**Consent agenda items** a. Ratification of minutes: 3 October 2014 b. Outstanding action points c. E-votes ratification d. Membership update *THAT the minutes of the meeting held on 3 October 2014 be received and adopted as a true and correct record, and THAT the other reports be received.*	President		212 221 224 227
2.45-3.00pm	**Other business** Meeting feedback	President		
3.00pm	**Meeting ends**			

Declaration of Councillor Interests

(For Information)

INTERNETNZ COUNCILLOR REGISTER OF INTERESTS

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

Officers and Councillors receive the following annual honoraria:

Honoraria
President - $30,000
Vice President - $18,750
Councillor - $15,000

Name: Jamie Baddeley
Position: President, InternetNZ
Term: AGM 2012 - AGM 2015
Declaration Date: 28 August 2007, updated 28 May 2014

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

Name: Joy Liddicoat
Position: Vice President, InternetNZ
Term: 22-Aug-2014 *(by-election)-AGM 2015*

Declaration Date: 22 September 2014

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

- Officer's honorarium for InternetNZ

Name: Neil James
Position: Councillor, InternetNZ
Term: AGM 2013 - AGM 2016
Declaration Date: 28 August 2008, updated 20 November 2013

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

Name: Hamish MacEwan
Position: Councillor, InternetNZ
Term: AGM 2012 - AGM 2015
Declaration Date: 24 August 2007; updated 31 March 2014

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

Name: Brenda Wallace
Position: Councillor, InternetNZ
Term: AGM 2012 - AGM 2015; updated 22 July 2014

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

Name: Lance Wiggs
Position: Councillor, InternetNZ
Term: AGM 2013 - AGM 2016
Declaration Date: 9 August 2010, updated 22 June 2014

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

- Wife (Su Yin Khoo) is Director and Shareholder of Gather Conference Limited and Gather Workshops Limited, and has performed work for Kiwi Foo Camp
- Councillor's Honorarium for InternetNZ

Name: Dave Moskovitz
Position: Councillor, InternetNZ
Term: AGM 2011 - AGM 2017
Declaration Date: 9 August 2010, updated 20 November 2013
Interests:
- Registrant of .nz, .com, .org, .pe domains
- Director, Domain Name Commission Limited
- **Board memberships:**
- Think Tank Consulting Limited
- WebFund Limited
- Hyperstart Limited
- Golden Ticket Limited
- MusicHype Inc.
- Publons Limited
- Expander Limited
- ~~SWNZ~~ Startup New Zealand Limited
- Open Polytechnic
- **Shareholdings (all of the above except for *SWNZ Limited and Open Polytechnic*, plus):**
- Lightning Lab 2013
- WIP APP Limited
- Learn Coach Limited
- Ponoko Limited
- Celsias Limited
- 8interactive Limited
- Admin Innovations Limited
- DIY Father Limited
- Smaratshow Limited
- Common Ledger Limited
- Cloud Cannon Limited
- Small holdings in numerous publicly listed companies
- **Non-profit Activity:**
- Global Facilitator
- Startup Weekend (Trustee)
- Pacific Internet Partners (Trustee)
- Think Tank Charitable Trust (Co-Chair)
- Wellington Council of Christians and Jews
- **Other memberships:**
- NZ Open Source Society
- NZ Rise
- Royal Society
- Registered marriage celebrant
- Councillor's Honorarium for InternetNZ

Name: Richard Wood
Position: Councillor, InternetNZ
Term: AGM 2013 - AGM 2016
Declaration Date: 15 July 2013, updated 31 January 2014

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

Name: Amber Craig
Position: Councillor, InternetNZ
Term: AGM 2013 - AGM 2016
Declaration Date: 18 July 2013, updated 30 July 2014

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

Name: Rochelle Furneaux
Position: Councillor, InternetNZ
Term: AGM 2014 – AGM 2017
Declaration Date: 13 February 2014

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

Name: Sarah Lee
Position: Councillor, InternetNZ
Term: AGM 2014 – AGM 2017
Declaration Date: 23 September 2014

Interests:
 Contactor to 2020 Communications Trust

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

Name: Hayden Glass
Position: Councillor, InternetNZ
Term: AGM 2014 – AGM 2017
Declaration Date: 23 September 2014

- Interests:Consulting Economist with the Sapere Research Group. Clients are generally

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

Strategic Plan 2015-2020 and Internet Issues Strategy 2015-2020

Introducing the Group Strategic Plan

This Group Strategic Plan is based on the discussion at the Strategy Retreat held in September 2014 and further work, refinement and discussion across the Group following the October Council meeting. It is presented to Council at this December meeting for discussion and adoption.

This Strategic Plan sets out the five key areas of work to be pursued across the InternetNZ Group for the next five years, and nominates the relevant business units with primary responsibility for pursuing each area.

Council will in the coming months receive strategies that flesh out each area of work beyond the high-level framework set out in this plan. These will be developed by the responsible part of the group for Council sign off.

I anticipate that this Group Strategic Plan will be reviewed in 2018 to test its continued relevance. The strategies sitting underneath it will be two- or three-year frameworks and will be tested each year. That way, we can ensure that we are being consistent in our high level direction and ambitions, but also make sure that the detail is still serving that direction appropriately.

The rest of this process is outlined below:

Council Meeting	Content Provided
December	Group Strategic Plan ADOPTED InternetNZ Strategic Plan DISCUSSED Subsidiary Statements of Expectations ADOPTED
February	InternetNZ Strategic Plan ADOPTED InternetNZ 2015/16 Business Plan DISCUSSED InternetNZ 2015/16 Budget DISCUSSED DNCL Statement of Directions and Goals ADOPTED
April	InternetNZ 2015/16 Business Plan ADOPTED InternetNZ 2015/16 Budget ADOPTED NZRS Statement of Directions and Goals ADOPTED Joint .nz Strategy DISCUSSED Business Development Strategy DISCUSSED
June	Joint .nz Strategy ADOPTED Business Development Strategy ADOPTED

Council is asked to consider the following recommendations:

THAT Council adopt the Group Strategic Plan for 2015-2020.

Jordan Carter
28 November 2014

Introduction

InternetNZ is an Internet community organisation with a cause. The cause is the open Internet; the Internet community is made up of those New Zealanders who work to shape the Internet's growth, development and use. Our vision is of a better world through a better Internet, and our mission is to promote the Internet's benefits and uses, whilst protecting its potential.

This draft Strategic Plan for the five years 2015-2020 sets out the core areas of work the Group is focused on. It relates well to the work that members and others are already familiar with:

- providing critical Internet infrastructure;
- creating platforms & events for discussion of the Internet and its impact;
- maintaining and growing a community funding programme;
- being an international voice for the NZ Internet community and reflecting global debates into the local community; and
- providing authoritative information and advice on Internet issues.

For each area this plan sets out the high level change we seek to drive for the organisation or for the Internet community (the key "transformation"), and then breaks this down into more specific changes sought in the five-year time frame. It also sets out the component units of the InternetNZ group and explains how this Group Strategy flows down into more detailed strategies for each area.

Our aim is to have a comprehensive high-level, long range take on InternetNZ's direction. These documents are the framework that shapes the annual Business Planning process. All of these strategy documents are, in the end, owned by the Council, which is elected by our members and intended to serve the cause and the community InternetNZ is built for.

On the Council's behalf, we welcome feedback and thoughts regarding the content and the approach set out here. The Council will review that feedback and develop any consequent changes to this Plan for adoption at its meeting in February 2015.

Jamie Baddeley   Jordan Carter
President   **Chief Executive**

Note: Feedback is best directed to the Chief Executive at jordan@internetnz.net.nz, or on the members-discuss@mailman.internetnz.net.nz email list.

Summary of Key Areas and Transformations

Across the group, InternetNZ will focus on six key areas of work for 2015-2020:

1. Running .nz as a world class country-code top level domain
2. Being the authority on Internet issues
3. Developing the Internet community
4. Contributing to and learning from the global Internet community
5. Diversifying our business so as to increase our resources
6. Being a high performance organisation

The high-level transformation we seek to bring about in each of these areas is summarised below:

	Transformation/s		Lead
	From	To	
1	.nz operates as a successful ccTLD held in high regard domestically and internationally	.nz is widely recognised as a successful ccTLD held in high regard domestically and internationally	Joint DNCL / NZRS
2	InternetNZ is a significant contributor to Internet Issues in New Zealand	InternetNZ is the authority on Internet Issues	InternetNZ
3	The Internet Community is loosely connected and making a contribution to the development of the Internet in New Zealand in respective areas of work	The Internet Community is well developed, connected, collaborating and contributing as much as it can to the development of the Internet for New Zealand	InternetNZ
4	InternetNZ contributes effectively to global Internet debates	InternetNZ contributes effectively to global Internet debates and effectively shares those debates and lessons at home	Group
5	All significant group income is dependent on being the designated manager for .nz	25% of group income comes from sources that are not dependent on being the designated manager for .nz	InternetNZ
6	There are examples of high performance across the group	There is consistent high performance across the group	Group

The following sections outline in more detail what we are seeking to achieve in each area.

Area 1: A World Class .nz for the Local Internet Community

InternetNZ is the designated manager for the .nz country code top level domain (ccTLD). This is the most obviously "New Zealand" part of the Internet's Domain Name System or DNS, that allows users to type in recognisable letters to a web browser or email application (e.g. internetnz.nz) and have the DNS map it to the Internet Protocol address of the desired system or content.

We manage .nz consistent with the requirements of the Internet community as set out in RFC1591, and see ourselves as obliged to do so in a manner that puts the public interest first. We also seek to manage it in a fashion that best meets the needs of the local Internet community. This informs the primary transformation in this area.

Primary Transformation

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

Underlying transformations

These are transformations that will contribute to the overarching goal, and give guidance for the development of the Joint .nz Strategy (see below).

Transformation/s		
	From	To
1.1	Global benchmarks or best practice regarding what a world-class ccTLD is are varied and partly documented	There are agreed global benchmarks and best practice for what a world-class ccTLD is, and .nz does well in assessments against these standards
1.2	.nz is the preferred choice for New Zealanders	.nz remains the preferred choice for New Zealanders
1.3	The market for .nz registration services (among registrars and resellers) is competitive	The market for .nz registration services (among registrars and resellers) is sophisticated and competitive
1.4	Roles and responsibilities in managing .nz are being clarified	Roles and responsibilities in managing .nz are clear, well documented and transparent

Transformation/s		
	From	To
1.5	The .nz policy framework has evolved from its origins in 2002	The .nz policy framework has been reviewed and updated for current needs, and is validated as meeting the needs of the New Zealand Internet community
1.6	Inconsistency in the articulation of the role, purpose and mandate for the operation of .nz across the Group – resulting in a lack of clarity among stakeholders	The whole Group is confident in consistently articulating our role and purpose, and the mandate for our operation of .nz – resulting in the wider Internet community being clear about and supportive of our role

Note: These Transformations represent initial thinking by Council and are an input to the Joint .nz Strategy that DNCL and NZRS are developing. As that Strategy is developed, these will be assessed and improved. A revised version of this Group Strategic Plan incorporating fully developed material will be issued once the Joint .nz Strategy is complete and adopted.

Area 2: The Authority on Internet Issues

InternetNZ seeks to become the authority on Internet issues, as a key way to contribute to our mission. We will become an authority by working with the Internet Community on a wide range of Internet issues; by working collaboratively, in a multistakeholder fashion, with our key constituencies of businesses, academia, community organisations, technical experts and governments; and by focusing our efforts on five key "portfolios" of benefits, uses and potential:

- Internet Law & Rights
- Internet Connectivity
- Internet Use
- Internet Technology
- Internet Security

Primary Transformation

From	To
We are seen as a significant contributor to many Internet Issues in New Zealand, and are trusted by many of our key stakeholders	We are the Authority on Internet Issues in New Zealand, and are trusted by our members, the Internet community and the multistakeholder constituency to represent, develop and advocate for these issues

Underlying transformations

These are transformations that will contribute to the overarching goal. These are further developed and expanded upon in the InternetNZ strategy.

Transformation/s		
	From	To
2.1	We are seen as a leading contributor to debate on Internet issues in New Zealand	We are seen as *the* leading voice on Internet issues in New Zealand
2.2	We produce a range of ad-hoc publications and events on a variety of topics	We produce high quality communications, publications and engagement events that are the cornerstone of Internet issue discussion in New Zealand
2.3	The role of members in Issue development is unclear	We utilise our membership base to produce unique high quality, multistakeholder-informed advice on Internet Issues
2.4	Issues work often policy-based	Issues work balanced across policy, technical, data and analysis approaches
2.5	New Zealand Government's approach to Internet policy is generally good but variable	New Zealand Government's approach to Internet policy is consistently world-leading

Area 3: Developing the Internet Community

The Internet community is made up of those New Zealanders who shape the Internet's growth, development and use, including in business, government, academia, technical and community-based organisations and as individuals. InternetNZ works to empower and develop that Internet community, as integral to the ongoing development of the Internet in the public interest.

Because of the decentralised nature of Internet and its development, supporting the Internet community is of critical importance to the future of the Internet for New Zealand and towards our cause, the Open Internet.

In this area of work we work to empower and develop the Internet community to take responsibility for and to shape the future of the Internet in New Zealand, including through community funding and community engagement work.

Primary Transformation

From	To
The Internet Community is loosely connected and making a contribution to the development of the Internet in New Zealand in respective areas of work	The Internet Community is well developed, connected, collaborating and contributing as much as it can to the development of the Internet for New Zealand

Underlying transformations

These are transformations that will contribute to the overarching goal. These are further developed and expanded upon in the InternetNZ strategy.

Transformation/s		
	From	To
3.1	The role of the Internet Community in the development of the Internet is not seen as core to its development	The role and responsibility of the Internet Community in the development of the Internet is widely understood
3.2	InternetNZ supports the work of people and organisations with areas of work related to InternetNZ and the Internet in New Zealand	InternetNZ supports the Internet Community in the activities and decisions which shape the development of the Internet for New Zealand
3.3	Community funding is $0.5m per year	Community funding is $1.0m per year

Area 4: International engagement and learning

The Internet is by its nature a global network. Policies and practices that drive the Internet and its development, or threaten the same, arise and are debated at national, regional and global levels. What is debated in the global communities of policy, regulatory, technical and civil society is foundational to how the Internet works in New Zealand: to the opportunities it offers this country, and to how threats to the open Internet can be seen off.

Accordingly, to protect and promote the Internet for New Zealand requires InternetNZ to be active on the world stage. In our role as an organisation that supports the open Internet and as the ccTLD manager for .nz, we are obliged (under RFC 1591 in the case of ccTLD management) to act in the best interests of the local and global Internet communities, requiring our voice to be heard in many places.

In addition, we are well-placed to connect New Zealand with the world on Internet matters: to draw knowledge and information about Internet issues from global debates and apply these locally, and to contribute the views and experiences of New Zealand's Internet community to global debates.

In doing this, our international involvement contributes to all of the other areas of this strategy – and the work we do in those other areas is the substance that backs up our contributions internationally.

Primary Transformation

From	To
InternetNZ contributes effectively to global Internet debates	New Zealand perspectives are well-represented in global Internet debates, and lessons from those debates are made accessible to the local Internet community

Underlying transformations

The underlying transformations are part of a broader piece of work – a joint International Strategy – which is still being developed across the group.

The October 2013 draft of that strategy is available[1], but it is being refined and improved for Council consideration and final adoption in 2015.

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[1] That draft is in the register of governance documents at www.internetnz.nz

Area 5: Business development and diversification

Across the group, the vast majority of income comes from our role as the designated manager for the .nz ccTLD. Such reliance means the group is vulnerable to the market changing and income falling. It also limits potential income and so the potential resources the group has to pursue its vision and mission.

To improve the group's resilience, new revenue from new markets is sought. This area of work is therefore organised around the following transformations.

Primary Transformation

From	To
All significant group income is dependent on being the designated manager for .nz	25% of group income comes from sources that are not dependent on being the designated manager for .nz

Underlying transformations

These are transformations that will contribute to the overarching goal, and give guidance for the creation of a Business Development Strategy.

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

The group has a Business Development Policy in place, and NZRS has a business development strategy and active business development programme. In the course of developing this Group Strategy staff have identified the need for an overarching Strategy on business development that can give effect to this vision. NZRS and InternetNZ will collaborate to develop such a strategy for decision by Council later in 2015.

Area 6: A high performance organisation

InternetNZ's capability as an organisation is what will determine whether the areas of work set out above can be executed or not. This section sets out guidance for units across the group as to what the Council expects to see in this area.

By bringing these transformations about, the aim is to ensure that InternetNZ across the group is harmonious, productive and an enjoyable place to work for everyone.

Primary Transformation

From	To
There are examples of high performance across the group	There is consistent high performance across the group

Underlying Transformations

	From	To
6.1	Succession planning not uniformly applied across the group	Succession planning in staff leadership and governance roles is in place across the group
6.2	It is unclear how group business units compare as an employer, and no goal exists at an group level to improve	Group business units are, and are seen to be, great employers
6.3	Group business units are high performing teams, but this is not uniformly recognised	Group business units are all recognised as high performing teams
6.4	There is a disparate culture amongst group business units, and collaboration is not always the norm	There are wide areas of shared and common culture between group business units, enabling collaboration between them to be the norm
6.5	Relationships between the Chief Executives and the business units are generally excellent	There is recognition that the relationships between the Chief Executives and the business units can best be described as excellent
6.6	Group policies supporting these transformations are at varying stages of development	Group policies supporting these transformations are in place and effective

Group Structure

The InternetNZ Group comprises three business units: InternetNZ, NZRS and the Domain Name Commission. Each has distinct roles and responsibilities within the Group:

Unit	Role/Responsibility
InternetNZ	- Establishes and maintains overarching framework for .nz as the designated ccTLD manager - Establishes and develops Group Strategy and relevant policies - Membership organisation and elections to Council - Analysis and information on Internet issues - Community funding programme - Community engagement and development initiatives including platforms for discussion and debate "Parent" to the subsidiaries
Domain Name Commission	- Day to day management of the .nz ccTLD - Maintains Service Level Agreement framework for NZRS operation of the .nz ccTLD SRS and DNS - Policymaker for the .nz ccTLD - Regulator of the .nz registrar market - Dispute resolution service provider for .nz
.nz Registry Services	- Operator and manager of the of the register of domain names and DNS in the .nz domain name space - Marketing of .nz - Technical research - Business and service development vehicle

Detailed information regarding the roles and responsibilities of the Subsidiaries is set out in the relevant governance policy, in the Operating Agreements that each has with InternetNZ, the annual Statements of Expectations set out by InternetNZ and the responding Statements of Directions and Goals set out by each company.

All of these documents can be found in the register of governance policies available on the InternetNZ website at www.internetnz.nz.

How InternetNZ's Strategic Framework works

This chart sets out the interrelationships between the various strategic and planning documents that exist across the Group. It will evolve and be improved over time.

Group Strategic Plan (This Document)					
InternetNZ Strategy			.nz Joint Strategy (**reflected** in subsid Strategies and **implemented** in Bus Plans)		International Strategy
Internet Issues Strategy	Community Development Strategy	Core Operations Strategy	DNCL Strategy	NZRS Strategy	
Annual InternetNZ Business Plan			Annual DNCL Bus Plan	Annual NZRS Bus Plan	All Business Plans

Note: the relationships between all these plans are still being worked out. Over time, new areas may end up subject to group strategies. Two examples are security, and technical research.

Introducing the InternetNZ Strategic Plan

This three-year InternetNZ Strategic Plan is based on the discussion at the Strategy Retreat held in September 2014, and further work, refinement and discussion across the Group following the October Council meeting.

It is presented to Council at this December meeting for discussion, with further refinement to be undertaken in December and January toward adoption at the February 2015 Council Meeting..

The Group Strategic Plan is the top level strategic document. This Strategic Plan sets out the key areas of focus and transformations to be targeted by the InternetNZ business unit. It is set out with the following sections:

- Internet Issues
- Community Development
- International work
- Operations (including Communications and Events)
- Governance and Membership

I anticipate that this Strategic Plan will be reviewed in 2016-17 to ensure it is still fit for purpose, and that a new plan will be prepared either in that year or the year following.

The business plan we prepare for consideration in February and adoption in April will set out how this Strategy is to be implemented.

Council is asked to consider the following recommendation:

THAT Council receive the DRAFT InternetNZ Strategic Plan for 2015-2018, and asks the Chief Executive to further develop it following feedback so that the next version can be adopted at the February Council Meeting.

Jordan Carter
28 November 2014

InternetNZ

Introduction (for Feb 15 consultation version)

InternetNZ is an Internet community organisation with a cause. The cause is the open Internet; the Internet community is made up of those New Zealanders who work to shape the Internet's growth, development and use. Our vision is of a better world through a better Internet, and our mission is to promote the Internet's benefits and uses, whilst protecting its potential.

This draft Strategic Plan for the three years 2015-2018 sits under the Group Strategic Plan. For our business unit, it sets out the core areas of work we will focus on. It relates well to the work that members and others are already familiar with:

- providing authoritative information and advice on Internet issues;
- creating platforms & events for discussion of the Internet and its impact;
- maintaining and growing a community funding programme;
- being an international voice for the NZ Internet community and reflecting global debates into the local community; and
- providing member services and support to the Council

For each area this plan sets out the high level change we seek to drive for the organisation or for the Internet community (the key "transformation"), and then breaks this town into more specific changes sought in the three-year time frame.

Each year, the Business Plan will set out how the organisation will pursue this strategy and where resources are being focused. By sharing this strategic thinking up-front, our expectation is that there will be few surprises from year to year - and a clear direction playing out.

On the Council's behalf, we welcome feedback and thoughts regarding the content and the approach set out here. The Council will review that feedback and develop any consequent changes to this Plan for adoption at its meeting in April.

Jamie Baddeley
President

Jordan Carter
Chief Executive

Note: Feedback is best directed to the Chief Executive at jordan@internetnz.net.nz, or on the members-discuss@mailman.internetnz.net.nz email list.

Summary of Key Areas and Transformations

The InternetNZ part of the InternetNZ Group has primary responsibility for the following areas of work:

1. Internet Issues
2. Community Development
3. International Engagement
4. Core Operations
5. Governance and Membership.

The high-level transformation we seek to bring about in each of these areas is summarised below:
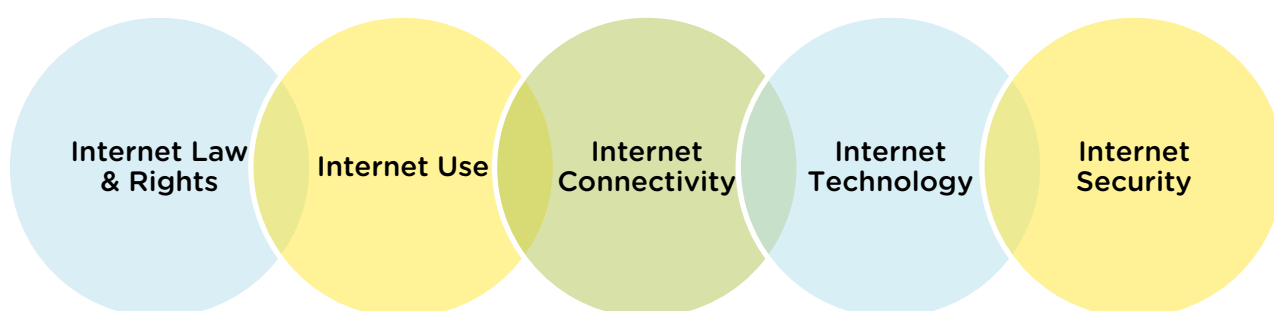
	Transformation/s		Lead
	From	To	
1	InternetNZ is a substantial contributor on Internet Issues	InternetNZ is the authority on Internet Issues	Andrew Cushen
2	The Internet Community is loosely connected and making contribution to the development of the Internet in New Zealand in respective areas of work.	The Internet Community is well developed, connected, collaborating and contributing as much as it can to the development of the Internet for New Zealand.	Ellen Strickland
3			
4	The Core Operations Team has not had a strategy or plan to allow them to develop as a function.	[The Core Operations Team is recognised as being Capable, Organised and Trusted due to the delivery of their plan.	COT
5	Member value proposition is unclear, and as such membership is not what it could be.	Members are clear about their role in InternetNZ, and understand the value in joining.	Jordan Carter

The following sections outline in more detail what we are seeking to achieve in each area.

InternetNZ

Area 1: Internet Issues

This Internet Issues plan serves to further our mission: to promote the Internet's benefits and uses, and protect its potential. We do this by working with the Internet Community on a wide range of Internet issues; by working collaboratively, in a multistakeholder fashion, with our key constituencies of businesses, academia, community organisations, technical experts and governments; and by focussing our efforts on five key "portfolios" of benefits, uses and potential:[1]

Internet Issues Programme

| Internet Law & Rights | Internet Use | Internet Connectivity | Internet Technology | Internet Security |

The Primary Transformation that we are committed to as part of the InternetNZ Group Strategic Plan is:

From	To
We are seen as a significant contributor to many Internet Issues in New Zealand, and are trusted by many of our key stakeholders	We are the Authority on Internet Issues in New Zealand, and are trusted by our members, the Internet community and the multistakeholder constituency to represent, develop and advocate for these issues

This Internet Issues plan outlines the transformations that InternetNZ will seek to bring about between 2015-2018 that will deliver to that primary transformation in the InternetNZ Group Strategic Plan. These transformations are both Internet Issues Programme-wide and also specifically for each of the portfolios listed above as expressed in this document.

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[1] The Internet Security Portfolio is new; and the Internet Governance Portfolio has been removed. The latter is now delivered separately as part of the International Strategy. Internet Governance thinking, and the transmission from International engagements into the Internet Issue Programme, remains inherent in this restructuring.

Key Areas and Transformations

Internet Issues Programme

The Internet Issues Programme level of this plan encompasses those transformations relating to team profile, process and capability. These transformations will provide a strong platform for the transformations contemplated in the specific Portfolios of the Internet Issues Programme.

	Transformation/s	
	From	**To**
1	We are seen as a leading contributor to debate on Internet issues in New Zealand	We are seen as *the* leading voice on Internet issues in New Zealand
2	We produce a range of ad-hoc publications and events on a variety of topics	We produce high quality communications, publications and engagement events that are the cornerstone of Internet issue discussion in New Zealand
3	The role of members in Issue development is unclear	We utilise our membership base to produce unique high quality, multistakeholder-informed advice on Internet Issues
4	InternetNZ's Internet Issues team is one permanent staff member supported with contractors, and unclear processes for Issue development.	The InternetNZ Internet Issues team is staffed with passionate advocates for the open Internet, and are working successfully and resiliently within well-defined processes.
5	Issues work often policy-based	Issues work balanced across policy, technical, data and analysis approaches
6	New Zealand Government's approach to Internet policy is generally good but variable	New Zealand Government's approach to Internet policy is consistently world-leading

Internet Law & Rights Portfolio

The Internet Law & Rights Portfolio of the Issues Programme encompasses InternetNZ's work to inform and enhance the legal and political environments that shape the Internet and its use both domestically and internationally, and to ensure that Human Rights are recognised and respected in the online environment.

	Transformation/s	
	From	**To**
1	New legislation does not take the Internet into account at a principled, fundamental level	The Government is an ally of the Open Internet and new legislation understands and takes into account the Internet at a principled, fundamental level
2	Legislators and public agencies do not have sufficient knowledge of the Internet and the online economy to effectively legislate	Legislators and public agencies are informed and multistakeholder in legislating matters related to the Internet and take a multistakeholder approach to

		developing Internet-relevant legislation
3	Confusion about how law and policy recognises Human Rights in the online environment	Human rights are appropriately recognised, respected, and extended in their application to the online environment

Internet Use Portfolio

The Internet Use Portfolio of the Issues Programme encompasses InternetNZ's activity to encourage and drive uptake and usage of the Internet in New Zealand homes, businesses and communities.

Transformation/s		
	From	To
1	Drivers and benefits of Internet uptake and use in NZ not clearly understood	Drivers of Internet uptake and use in NZ known, and the benefits of usage and uptake clearly appreciated.
2	New Zealanders utilise the Internet well for social application, but not well in business settings, as demonstrated in international benchmarks	New Zealanders are capable and confident users of Internet technology, demonstrated in international benchmarks
3	Internet-based solutions are viewed as secondary to traditional solutions	Internet-based solutions are respected as viable and indeed excellent solutions to user scenarios by a wide range of stakeholders

Internet Connectivity Portfolio

The Internet Connectivity Portfolio of the Issues Programme encompasses InternetNZ's activity to deliver the ability to connect to the Internet wherever you are in New Zealand.

Transformation/s		
	From	To
1	Future regulatory models unclear, and discussion on them dominated by narrow commercial concerns	Regulatory standards developed and articulated through to 2020 through a multistakeholder process.
2	Some New Zealanders are unable to connect to the Internet with speed that allows them to fully participate online	All New Zealanders can connect to affordable, 100mbps connections in their home; AND urban users can connect to affordable 1gbps connections to their home.
3	Many New Zealanders face challenges in accessing the internet – be they economic, social, geographic or cultural.	Digital divides of all kinds – economic, social, geographic, cultural – are understood, and plans are in place to address and remove them.

Internet Technology Portfolio

The Internet Technology portfolio concerns InternetNZ's advocacy and development of protocols and technologies that allow the Internet to function and to develop, while also continually pushing for enhancement of these functions.

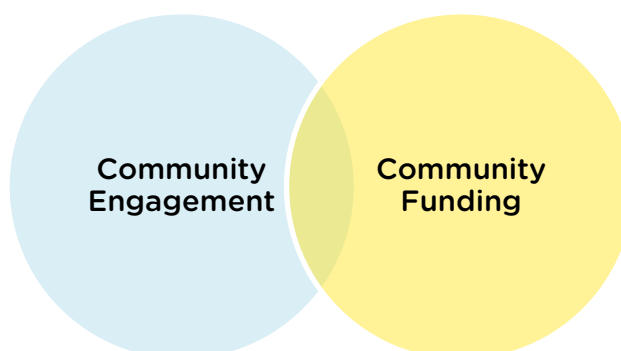| Transformation/s		
	From	**To**
1	Network design does not anticipate likely future demands, features, resilience and stability	Best practice in future proofing networks for demand, features, resilience and stability are developed and shared
2	Our engagement with the development of Open Protocol Standards lacks strategy and focus	Our strategy and engagement with the development of Open Protocol Standards bodies well documented and focused
3	The technical components within the New Zealand Internet community are not well mapped	The technical components within the New Zealand Internet community are well mapped

Internet Security Portfolio

The Internet Security portfolio is a new portfolio for InternetNZ. It encompasses InternetNZ's efforts to enhance the Internet's protections from surveillance and intrusion, and to ensure that all users of the Internet are able to maintain their confidence in the platform.

Transformation/s		
	From	**To**
1	Communications on the Internet not authorised and identified by reliable systems	Reliable systems in place to identify and authorise online communications
2	Many online activities, products and services are insecure	All Internet products and services have positive security models
3	It is unclear the degree to which the New Zealand Government undertakes mass surveillance through the Internet	The New Zealand Government no longer seeks to undertake mass surveillance through the Internet

Area 2: Community Development

The Internet community is made up of those New Zealanders who shape the Internet's growth, development and use, including in business, government, academia, technical and community-based organisations and as individuals. We work to empower and develop that Internet community, as integral to the ongoing development of the Internet in the public interest.

Because of the decentralised nature of Internet and its development, supporting the Internet community is of critical importance to the future of the Internet for New Zealand and towards our cause, the Open Internet. In this area we work to empower and develop the Internet community to take responsibility for and to shape the future of the Internet in New Zealand. There are two primary roles through which this work is undertaken – through our Community Engagement Portfolio and the Community Funding Portfolio. Transformations for each of these areas are outlined below.

Community
Engagement

Community
Funding

Key Areas and Transformations

Community Development Programme

	Transformation/s	
	From	To
1	The Internet Community is loosely connected and making contribution to the development of the Internet in New Zealand in respective areas of work.	The Internet Community is well developed, connected, collaborating and contributing as much as it can to the development of the Internet for New Zealand.
2	The role of the Internet Community in the development of the Internet is not seen as core to its development.	The role and responsibility of the Internet Community in the development of the Internet is widely understood.
3	InternetNZ supports the work of people and organisations with areas of work related to InternetNZ and the Internet in New Zealand.	InternetNZ supports the Internet Community in the activities and decisions which shape the development of the Internet for New Zealand.

Community Funding Portfolio

The Community Funding portfolio encompasses Community Grants and Strategic Partnerships. Community Grants are comprised of competitive funding rounds, supplemented where necessary by On Demand Grants. Community Grants are designed to directly support the work of the Internet community in actively engaging in the development of the Internet for New Zealand's benefit.

We also fund Strategic Partner organisations, which receive funding for their own work as well as work collaboratively on agreed areas of focus which advance the objectives of both organisations, linking at times to the Internet Issues strategy and International strategy.

Transformation/s		
	From	**To**
1	Community funding is $0.5m per year	Community funding is $1.0m per year
2	Community funding effectiveness is not understood or communicated	Community funding is, and is seen to be, effective
3	InternetNZ's community funding is not well understood.	InternetNZ's community funding is well understood by the Internet community and key InternetNZ stakeholders

Community Engagement Portfolio

The Community Engagement portfolio is a focused on developing the Internet community understanding of the development of the Internet and their role in it and on Internet issues, as well as facilitating connections for collaboration within the Internet community related to the actions and decisions involved in the development of the Internet.

Community engagement portfolio work encompasses NetHui and other community events, as well as supporting community organisations and platforms through in-kind and administrative support and financial event sponsorship support.

Transformation/s		
	From	**To**
1	The NZ Internet Community through NetHui is made aware of and engaged in some of decisions and activities related to the future of the Internet in NZ.	The NZ Internet Community is supported by InternetNZ platforms, including NetHui, to engage in a broad range of decisions and activities related to the future of the Internet in NZ.
2	Our support of community organisations and platforms is not well known or strongly strategic in contributing to the development of the Internet community.	Our support for community organisation, platforms and events is strategic and effective in supporting Internet community development and recognised as such within the community.
3	NetHui and NetHui South are large forums for discussion and community gathering on matters relating to the	NetHui are a key forum which bring together community discussion and community connection on matter relating

	Internet in New Zealand, occurring annually/semi-annually in main centres organised by InternetNZ.	to the Internet in New Zealand, which occur as needed and relevant to the Internet community, with community ownership and delivery of the event supported by InternetNZ.

Area 3: International Engagement

InternetNZ plays an important role in representing New Zealand's interests to the global Internet Community; both in our role as the designated ccTLD manager for .nz; but also as a stakeholder in global Internet Governance and ensuring that at this level, the Internet remains open and uncapturable.

By participating internationally, we seek to be a two-way conduit: reflecting New Zealand's voice in international debates, and applying locally the knowledge and contacts gained through international involvement.

Across the group, a draft strategy has been prepared and a joint programme of work is under way to ensure best possible coordination of international efforts. That will result in a group International Strategy and out of that work, the following content will be revised.

In line with the two-way conduit notion discussed above, there are strong linkages between this area of focus and the Internet Issues Programme and the Community Development Programme. In particular, these are:

- Our international engagement informs a number of the initiatives that we undertake in various Portfolios of the Internet Issues Programme, as we seek to join worthwhile international projects that deliver the transformations set out.
- The global Internet Community is also one that we seek to enhance our linkages with through the Community Development Programme; and likewise, we seek to enhance the relationships of the New Zealand Internet Community with their counterparts overseas, to enable greater collaboration and idea sharing.

The transformations outlined in this area therefore reflect specific objectives that can only be achieved through our international engagements, and is therefore quite light. These matters are further enhanced in the separate Programmes as outlined above.

At a group level, the key transformation at this point is as follows:

From	To
InternetNZ contributes effectively to global Internet debates	InternetNZ contributes effectively to global Internet debates and effectively shares those debates and lessons at home

The transformations contemplated in this Strategy contribute to this overarching transformation, and the others set out in the Group Strategic Plan and in the developing International Strategy, by detailing the specific areas of focus that InternetNZ have in International engagement.

Transformations

	Transformation/s	
	From	**To**
1	Key issues in international management of the Internet, such as the IANA transition, threaten the openness and uncapturability of the Internet	Key issues in international management of the Internet, such as the IANA transition, are concluded in a manner that supports the open and uncapturable Internet
2	Shallow multistakeholderism is evident in the Internet Governance world, and the framing dominated by Governments and the ITU	Multistakeholderism is firmly embedded in the Internet Governance world with all stakeholders participating in a balanced fashion
3	Stakeholders do not understand Internet Governance and its relevance	Stakeholders understand and appreciate why we do this international work and they have the tools to engage in a true multistakeholder fashion
4	International learnings, opportunities and contacts are utilised in an ad-hoc fashion in the Internet Issues Programme.	Learnings, opportunities and contacts from our international activity are appropriately leveraged in all our work in New Zealand

Area 4: Core Operations

InternetNZ has grown markedly over the past 10 years, and alongside it the scale and complexity of the operations required to support InternetNZ. Operational considerations do not garner much in the way of interest aside from what is absolutely necessary to enable InternetNZ to continue to trade. There is no clear accountability for strategic leadership of the Operations side of InternetNZ, and limited capacity strategically to allow for this.

Due to this lack of review and attention over such a significant time period, Operations at InternetNZ risk being unclear in responsibilities, accountabilities and actions; inefficient, unduly complicated and time consuming, or simply not enabling the best use of either staff members or management time. Again, none of this is intended as criticism of the staff members concerned in performing these tasks – this problem instead has an organisational-wide focus.

To resolve this, InternetNZ has reorganised our core operations function into what is now known as the Core Operations Team (COT). COT also outlines their vision for their team, as Capable, Organised and Trusted.

Scope

The scope of the Core Operations Team (COT) at InternetNZ includes:

- Financial management
- Human Resources management
- Internal policies and procedures
- Council administration
- Member administration
- Legal and Governance compliance
- Risk management
- Facilities management
- Office ICT management
- File management
- Internal coordination
- Health and Safety management
- Travel management

A related function, considered separately from Core Operations, is the Communications and Events functions at InternetNZ. Transformations in these areas are also contemplated below.

Key Areas and Transformations

This Core Operations Plan addresses these gaps. Unlike the other areas of this InternetNZ Strategic Plan, this COT proposes two phases of transformation – short and long term – to address the range of opportunities in this area.

Operations Phase One Transformations - Year 1

Transformation/s	
From	**To**
Staff unclear who is responsible for which functions	All staff have clarity in their roles, responsibilities and deliverables
Status quo - the way we have always done things	Continually improving efficiency and effectiveness through more defined roles
The risk of skills not aligned	Roles that best utilise skills, experience and interests
InternetNZ risks non-compliance with our legal, statutory or governance commitments	InternetNZ meets or exceeds all requirements

Operations Phase Two Transformations – Years 2-3

Transformation/s	
From	**To**
Status quo - the way we have always done things	Continually improving efficiency and effectiveness through more defined roles
InternetNZ Operations procedures, tools and practices are outdated and inefficient	InternetNZ Operations procedures, tools and practices are high performing against a relevant benchmark
A workplace where we work	A workplace where we can develop and achieve broader development, goals and interest
Support based services	Proven and trusted solutions based environment aligned to the strategic direction
InternetNZ risks non-compliance with our legal, statutory or governance commitments	InternetNZ meets or exceeds all requirements

Communications

Communications is a support function that primarily supports the Internet Issues and Community Development aspects of this plan. It also plays an important role in internal member communications.

	Transformation/s	
	From	**To**
1	Communications with our membership and our wider range of stakeholders are largely ad-hoc, in the form of press releases and blog posts; or as required, such as Annual Reports	Communications with our membership and our wider range of stakeholders are effective and consistent
2	We utilises our website and social media presences in an ad-hoc and sporadic fashion	We effectively utilises our website and social media presences to keep members, the Internet Community and stakeholders informed in a timely fashion
3	Communications support for Internet Issues and Community Development work is provided well, but on an as-needed basis.	The Communications function effectively supports the Internet Issues and Community Development Programmes in increasing the visibility and impact of their work.
4	We are one of a variety of commenting parties on Internet Issues.	We are a trusted advisor of the media on Internet issues and is the first port of call for comment and advice on Internet matters.

Events

In the context of this InternetNZ Strategic Plan, Events is also a support function that primarily supports the Internet Issues and Community Development aspects of this plan. It also plays an important role in internal member communications, in keeping the InternetNZ membership base informed about InternetNZ's work.

	Transformation/s	
	From	**To**
1	Events are an underutilised option for Internet Issues engagement, used in an ad-hoc fashion.	Events are an integral part of delivering the Internet Issues Programme, and provides excellent support that programme in engaging with members and external stakeholders
2	Events support the delivery of the Community Development Programme, through providing internal administrative and logistical support.	Events are a fundamental component of the Community Development Programme, and are delivered in a manner that reflects the community development goals, including community ownership and self-direction.
3	There is no clear process, ownership or project management methodologies used to support excellence in event delivery.	Events are well planned, well executed, satisfy the purpose of the event and attendees, and staff.

Area 5: Governance & Members

As an incorporated society, InternetNZ is made up of members – both individuals and organisations. The members elect the Council which is the governing body of the organisation.

Our vision for the membership area is that membership is buoyant and growing, and that the organisation gives members tools to engage effectively in its work, connect with each other, and hold it to account.

It is some time since the work of members was reviewed. A committee of Council is engaged in a review now, and while we think the likely conclusions will fit within the transformations set out below, new ideas may arise which will be incorporated as required.

Key Areas and Transformations

Membership

Transformation/s		
	From	To
1	Membership proposition is unclear – why should people join InternetNZ and what is their role once they do?	The membership proposition is well understood by members, and they know both what their role is in the organisation and how to exercise it.
2	Membership of approximately 300-400	Membership has increased to >1,000
3	Member satisfaction is high, but variable and shows room for improvement.	90% of the membership base is happy with InternetNZ and its direction, and the role that they play in delivering to our goals.

Governance

Transformation/s		
	From	To
1	Council does not fully reflect the diversity of the New Zealand Internet Community	Council elections continue to attract high quality candidates, and reflects the diversity of the New Zealand Internet Community
2	Practices in Governance and Management division of responsibility is not always well understood.	Practices in Governance and Management division of responsibility are well understood and entrenched.
3	Council does not have the structures and processes to govern InternetNZ and its subsidiaries in a manner that is most productive.	Council has the inputs necessary to fulfil its role as the strategic Governor of InternetNZ and its subsidiaries.

Chief Executive Report

Chief Executive's Report

Author: Jordan Carter, Chief Executive

Purpose of paper: Report for the two months to 30 November 2014

Introduction

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

Papers that form part of this report are attached as follows:

- Business Plan Report to 30 November 2014
- Internet Issues Programme Report to 30 November 2014

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

1: Critical / Other / Potential Risks

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

During the strategy generation and budget planning process we have looked carefully at the staffing required to deliver the functions we are set out. The current structure in community engagement and issues development is too lean, and as a result staff in those core areas are depending on contractors, and to be frank are overworked. The risk arising is not meeting our aim of being a good employer through people working long hours and beyond capacity.

Mitigating this risk requires resourcing changes as proposed in the budget paper being considered at this Council meeting. The financial impact is modest, but important.

2: Recent Priorities

Chief Executive
Since the October meeting of the Council, I have been focused on the following issues, generally in descending priority order:
- Strategy and business planning and budget preparation for next year
- .nz Stewardship matters, particularly preparation of new Statements of Expectations and conclusion of the .nz Framework review process
- Completing the assembly of the governance policy framework
- Involvement with the membership working group set up by Council

- A busy round of stakeholder engagement in connection with NetHui South and more broadly
- Recruiting a new events lead following Krystal Waine's departure
- Completing mid-year performance reviews with staff
- Attendance & participation at the ICANN meeting in Los Angeles in October (a part attendance, as was in USA for family reasons on leave otherwise) – an ongoing focus on ICANN accountability.

There were no planned priorities identified by me for focus in the previous report that have not progressed as expected.

Operating team
The Business Plan Report and Internet Issues Report set out the progress the team has been making on progressing the Business Plan. I welcome feedback from Council members as to what is incorporated there.

I draw Council's attention in particular to the following:

Community Engagement and Funding:
- Successful execution of NetHui South in Christchurch
- Launch of the Canterbury projects grants round
- Completion of the Internet Projects and Conference Attendance grants rounds

Internet Issues:
- Preparation for engagement on post-2020 telecommunications regulatory regime
- Ongoing copper broadband pricing work
- Hills, Holes and Poles launched
- Upcoming engagement with Hon Amy Adams on a range of telco issues

Identity:
- Website almost completed and ready to launch barring some final testing
- Internal communications review under way

Other details are in the reports, which I encourage you to read.

3:   Priorities for the next three months

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

1. **Business Plan:** the Group Strategy being adopted at this meeting leaves me free to focus on planning how to implement it. We are having a team planning retreat in early February to finalise a draft Business Plan for Council consideration.

2. **Subsidiary and .nz stewardship:** three aspects will demand attention: developing the ".nz policy" arising from the .nz Framework review; ongoing discussions regarding an MOU between MBIE and InternetNZ regarding .nz; and finalising changes to the copyright situation for .nz WHOS data.

3. **The new Government:** between the date of this report and the Council meeting we will have meetings with Hon Amy Adams and Hon Paul Goldsmith regarding communications and intellectual property policy matters respectively. With the structure of the current government very similar to that of the previous, the relationship building focus is less than it would have been had there been a change of government.

4. **Governance policy framework:** the focus on this shifts to agreed reviews for the coming Council meetings and development of the remaining gaps (PDP and Treasury policies).

5. **APRICOT 2015:** I will attend the APRICOT meeting in Japan in February helping spread the word about our hosting of the event in 2016, and ensuring we are across all the organisational requirements for our hosting.

6. **International:** ICANN accountability remains my focus, through participating in the Working Group being established to discuss this. I have also been appointed by ICANN's ccNSO as a co-chair of the working group dealing with Internet Governance – this is a liaison and information sharing role.

I will be taking a month's leave over the Christmas break, and expect to come back from that refreshed and with a clear focus for 2015. This does mean there is less work time for me to progress things than is usual between Council meetings.

I particularly welcome Council feedback on my priorities, and on any other matters that need to be picked up and advanced.

Operating Team
- **Community Engagement**: Preparing for the event for Internet researchers in February, and planning for NetHui 2015
- **Community Funding**: Starting the Internet Research round, and completing the Canterbury round.
- **Internet Issues**: network neutrality, State of the Internet report, FPP work, RealMe project.
- **Identity**: New website completed and launched; internal communications review completed.
- **Core operations**: new team allocation of responsibilities in place.

More detail of what is coming up is available in the Business Plan and Internet Issues Reports, which set out scheduled dates for all the tasks in the plans.

4:   Longer Range Priorities

The big picture issues on my mind, in no particular priority order at this stage, are again fairly similar to those set out in my previous report, and are:
- **Team and Group culture and dynamics:** getting the best bang-for-buck across the group is important, and there are some self-imposed limitations we should sort out.
- **Identity:** living up to the new brand identity and "spreading the word" on this, so that our public profile becomes clearer.
- **Making business development work:** the strategic direction for our business development efforts needs clarity and drive – and this will be an area for focus for me next year.

- **Role of and relationship with Members:** there is a good deal to do to better understand our members and develop a stronger culture of respect and inclusion among them.

I expect to have more to say on longer range priorities at the first meeting in 2015.

5: Staffing and Contractor matters

Krystal Waine was farewelled as events lead on 30 October.

Yvonne Shelton is our new events lead, and she will be starting on 12 January 2015.

During my Christmas break, outside the shutdown **Andrew Cushen** will be Acting Chief Executive.

6: Other matters

- The Christmas shut down will see the InternetNZ office closed from 24 December, reopening on Monday 5 January 2015.
- We have agreed to host the Australia New Zealand Internet Awards (ANZIAs) in 2015, and are working towards a date in August or September with an event in Auckland (resources are set out for this in the draft Budget paper).

It has been a long and very busy year, and along with the rest of the team I am looking forward to the summer holidays.

I welcome questions, comments and feedback on the content of this report or on any other matter.

Finally, since it is that time of year, Season's Greetings!

Jordan Carter
Chief Executive

28 November 2014

Business Plan Report
Two months to 30 November 2014

Commentary

This report provides information on progress against agreed Business Plan requirements. The companion Internet Issues Programme Report deals with that part of the business plan separately, as it is likely to be of most interest to members and the public.

Highlights:

Community Engagement and Funding:

- Delivery of NetHui South
- Launch of the Canterbury Projects Community Grants Round
- Completion of the Conference Attendance Community Grant Round & finalisation of the Projects Community Grants Round 2014

Identity:

- Beginning review of internal communications across the InternetNZ Group, Council and members
- The approval of signage for InternetNZ office
- Pen-testing stage of website
- Writing of the communications plan for all future funding rounds.

Improved Organisation Performance

- Internal team culture and performance workshops.

Lowlights:

- Further delays on the production of the InternetNZ website.
- Not much media coverage of NetHui South – likely due to lower profile of event.

Next Priorities:

- Community Grants Rounds for:
    - o Research 2014/15
    - o Canterbury Projects
- NetHui 2015
- Website launch – December 5th.

- Internal communications review

Reporting Key

DONE = Item Completed

IP = In Progress in accordance with the Business Plan

DLY = Delayed and out of alignment with Business Plan

NS = Not started in accordance with the Business Plan

Jordan Carter
Chief Executive

28 November 2014

2: Community Engagement

Lead Staff: Ellen Strickland

Transformations

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

2014/15 Goal

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

Goal	*Develop and share understanding of, and support, the New Zealand Internet Community.*
Measures	1. New Zealand Internet Community "map" (i.e. directory and understanding of interrelationships) developed and published. 2. All InternetNZ work includes a 'community' check, with a focus on supporting and ensuring community engagement, as appropriate. 3. InternetNZ engages with and supports a range of community existing processes and platforms.

	Activity	Priority	Status	When	Comment
2.A	NetHui14	A	DONE		
2.B	NetHui South	A	DONE		Report in Papers
2.C	Community platform development: Internet Research focus (with Strategic Partner AUT ICDC)	C	IP	9 FEB	At AUT Auckland
2.D	Sponsorship Process for Community events (also related to Work Area 5 Identity)	B	DONE		
2.E	Develop and host public events (ie speaker series) for the NZ Internet Community	C	NS		One off public events in AKL & WLG are planned for first quarter 2015 but this concept and a series of events will be fully developed for 2015-16 Business Plan.
2.F	Relationship and Engagement Management System Implemented (with CRM)	B	IP		
2.G	Development of NZ Internet Community Map	B	IP		
2.H	Baseline research of community engagement in existing processes, esp NetHui	B	IP		With Stakeholder Survey
2.I	Support for other community organisations (NZNOG,NZITF etc) clarified and framework created.	B	IP		MoU developed and discussing with orgs
2.J	NZNOG Conference support	B	IP		

InternetNZ

Business Plan Report – December 2014

3: Community Funding

Lead Staff: Ellen Strickland

Transformations

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

2014/15 Goal

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

Goal	*Maximise the impact in New Zealand of the community funding programme, including telling the story better so more people are aware of this work.*
Measures	1. Create and implement a process to measure the Community Funding: understand baseline and changes of who, what and how is funded. 2. Process to understand impact of funding, including benefits and results, developed and implemented to demonstrate the public benefit of InternetNZ funding. 3. Perceptions of stakeholders, internal and external, on components of community funding understood. 4. A plan implemented to communicate the beneficial and important role of Community Funding with the wider community and that Community Funding applicants and recipient have a clear understanding of process as.

	Activity	Priority	Status	When	Comment
3.A	Baseline research on stakeholder perceptions and awareness of Community Funding (note – linkage to 4.G)	B	IP		As part of Stakeholder Survey
3.B	Finalisation implementation of Community Funding review processes	B	DONE		
3.C	Communications plans developed and implemented for Community Funding, including for each Partnership and Community Grants.	A	IP		Communications Leading
3.D	Implement funding rounds: - June/July: Community Projects and Conference Attendance - Nov/Dec: Special Canterbury Funding Round - Dec/Jan: Internet Research and Conference Attendance	A	DLY	See comment	Sept-Dec: Projects Nov-Feb: Canterbury Dec-Mar: Research
3.E	New Partnerships for 2015 onwards identified, negotiated and agreed with Council and in accordance with InternetNZ's charitable obligations to benefit the public.	A	IP		Proposed slate in Paper at December Council.

	Activity	Priority	Status	When	Comment
3.F	Develop framework for measuring for impact of Community Funding	B	NS		Fully implementing the new processes around community grants has taken more time and resource than anticipated. It is appropriate this framework be developed once these new processes are embedded and therefore will be rolled over as a priority into the 2015-16 Business Plan.
3.G	Community Funding Reports and Information related to impact are available	B	IP		New format launch with new website
3H	Management and review of Ad Hoc Community Grant Requests under $5k	B	DONE		
3.I-P	Area of Focus Activities with Strategic Partners (related to Engagement & Issues areas)	B	IP		See Strategic Partnerships Council paper

4: Our New Identity

Lead Staff: David Cormack

Transformations

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

2014/15 Goal

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

Goal	*To develop and live up to our new identity in all that we do.*
Measures	1. Brand refresh adopted and implemented 2. New website rolled out successfully, and other online presences updated accordingly 3. Increased identity recognition measured among stakeholders and the public. 4. Develop and articulate a core story, encompassing our vision, mission and objects that will provide a clear understanding of who we are, and what we do across the InternetNZ Group, with all constituent parts of the organisation understanding how they contribute to this vision.

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

	Activity	Priority	Status	When	Comment
4.F	Relationship between the InternetNZ brand and those of DNCL, NZRS and .NZ reviewed and a brands framework developed for use across the group.	B	NS		
4.G	Comprehensive stakeholder review completed and baseline established for further engagement and development (note – linkage to 3.A)	B	IP	Feb 1 2015	Third party company hired and stakeholder list identified. Questions drafted.

5: Improved Organisational Performance

Lead Staff: Jordan Carter

Transformations

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

2014/15 Goal

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

Goal	*Our members, the Council and the public at large can clearly see what we do as an organisation so they can hold us to account for measurable performance in all our work;*
Measures	1. New processes introduced that allow for clear management of staff and contractor priorities, goals and objective 2. New quarterly activity reporting to members and the community introduced 3. Planning and accountability documents clear about the outcomes sought and the measures of success of these

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

Note: Areas 5, 6 and 7 of this report now fall under the responsibility of the Core Operations Team, which is overseen by the CEO and comprises Mary Tovey, Marian Donaldson, Maria Reyes and Aimee Watson.

6: Core Operations

Note: The plan in this area has yet to be developed, but will be prepared in the 2015/16 Business Plan as per other areas.

Work done in the period to 30 November – lead staffer COT Team: Mary Tovey

- NetHui South Operations
- Produce the Financial Control policies
- Accounting software to the cloud
- Follow-up personal development retreat with the team where the Core Operations Team was established
- COT team planning (numerous) and Strategic plan devised
- Zero budget and paper for Council meeting
- Prepare and produce DNCL accounts and financial reports for Sept and October
- Monthly/Weekly Creditors payments for DNCL and INZ
- Prepare and produce INZ's management accounts and financial reports for August and September
- QE Financials to Deloitte for inclusion in the Group Consolidated reports
- Continued Community Funding management
- Contribute to Election working group
- Assistance in the recruitment of the Events lead.
- Lastpass Workshop
- Meet with Deloitte re RFP doc for tender of Auditors
- Governance documents revision - in progress
- Group Staff Christmas Function

7: Governance and Members

Note: The plan in this area has yet to be developed, but will be prepared in the 2015/16 Business Plan as per other areas.

Work done in the period to 30 November – lead staffers Marian Donaldson (Council/Governance) and Maria Reyes (Membership)

- Delivery of the report from the Elections Working Party
- Membership Committee formed and work under way
- Council meeting held October 2014
- Governance policies collation and review
- Preparations for December council meeting

Internet Issues Programme Report December 2014

Commentary: Andrew Cushen (Work Programme Director)

Key to this last period has been the development of a number of different building blocks of capability, process and strategy designed to set up the long term future of the Internet Issues Programme at InternetNZ. I have now been in this role for eight months, and can now articulate the vision I have for this team and this function at InternetNZ. This is incorporated into the planning documentation that you see at this meeting in other papers.

I have also utilised this report to inform the Council of the changing landscape in the Internet Issues Programme, as more work emerges that deserves attention against other priorities in this plan. Future plans will simply have "less" in them to allow for this issue growth during the year.

Accordingly, and as per Council's request at the last meeting, you will note that some projects have now been deferred until next year. In all of the cases, this is actually because there is no burning imperative to see this done versus other priorities. If my assumptions are incorrect in that regard, and as always, I welcome correction.

Progress made since last report:

		Done	In Progress	Not Started
Priority A	Dec	6/11	5/11	0/11
	Oct	4/11	7/11	0/11
Priority B	Dec	3/19	12/19	4/19
	Oct	3/19	10/19	6/19
Priority C & D	Dec	6/9	3/9	1/9
	Oct	2/9	6/9	1/9
New	Dec	0/6	6/6	0/6
	Oct	0/1	1/1	0/1

InternetNZ

Highlights:

- Hills Hole and Poles launch (new issue); this is a great opportunity to provide leadership in alternative solutions to rural connectivity.
- South Auckland Digital Inclusion work (new issue); a great chance to trial a regional intervention model
- Being invited by MBIE to run further consultations on the 2020 review (new issue);
- Creation of a new research funders forum through MBIE, and starting on a new sector research strategy for coordination. (new issue);

Lowlights:

- Network Neutrality work, an A priority, delayed. This is hard to make sense of in the current turbulent international environment. Remains a massive opportunity for InternetNZ leadership – will be done before end of calendar year, consultation early next.
- Capacity – the team remains constrained, and it is hard to deliver all of this. I believe the new initiatives being picked up are worth doing more than other items envisaged, and those are the calls you see reflected in this report.

Next Priorities:

- AD: Net Neutrality
- 1C: State of the Internet Report
- CA: Ongoing participation in the FPP process with the Commission
- EA: RealMe project

Reporting Key

DONE   = Item Completed

IP   = In Progress in accordance with the Business Plan

DLY   = Delayed and out of alignment with Business Plan

DEFER   = Deferred to next Financial Year Business Plan

NS   = Not started in accordance with the Business Plan

NEW   = A new item not included in the Business Plan

InternetNZ

1: Internet Issues Programme

Lead Staff: Andrew Cushen

Transformations

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

2014/15 Goal

Goal	*InternetNZ is the known by its actions and deliverables, and is looked to as a leader of both considered thought and careful action in furthering a better world through a better Internet.*
Measures	1. InternetNZ is called upon by the media as a trusted authority on Internet Issues 2. Success in advancing positions taken on various issues, to the benefit of the open Internet 3. Delivery of each of the Issues Portfolios below

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

1A: Internet Law & Rights Portfolio

Lead Staff: Andrew Cushen with Susan Chalmers

Transformations

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

2014/15 Goal

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

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

		Activity	Priority	Status	When	Comment
		2. Submission process concluded on Harmful Digital Communications and community of interest on this matter fostered 3. InternetNZ takes a leading position on the Net Neutrality debate in New Zealand in accordance with the NZ market structure and legislative landscape 4. InternetNZ takes a leading position on State Surveillance on the Internet, advocating for the right for New Zealanders to be able to use the Internet without having their privacy violated.				

	Activity	Priority	Status	When	Comment
A.A	Internet Law Observatory – work on the establishment of this as a new body with its phase one objective to report on new legislation with an Internet centric lens.	B	IP	March	Scoping done, now in investigation
A.B	Copyright review – establish a position on what Internet friendly copyright law would look like and promulgate it.	B	DLY	Sept-Nov	Initial report delivered, consultation in Feb
A.C	Harmful digital communications – continue to advise Parliament on this legislation, recognising that there is indeed harm being done and develop our position with regard to approved agency	B	IP	Oct	Letter to Collins. Parked til after election.
A.D	Net neutrality – clarify the NZ-centric viewpoint on net neutrality, and seek to establish a leadership position on how the appropriate protections need to be built into NZ law and regulation and commercial operations	A	DLY	Oct-Dec	Lacking from my attention to develop, and a dynamic space internationally. Reporting out before Christmas, consultation in New Year
A.E	State surveillance – articulate, develop and deliver a programme of work that preserves New Zealander's right to privacy over the internet.	A	IP	Jan	Further reconsideration required in light of "Moment of Truth"

A.F	Internet rights – understanding which Human Rights are being recognised and respected in the online environment through current legislation, and which are not, and then fostering discussion on which legislation need be updated, left alone, or created in order to bring the current regulatory regime up to date.	B	IP	Jan-Mar	Scoping underway
A.G	Parliamentary Internet Forum – review the construct of this community with the objective of fostering and develop it further.	C	DONE	Oct-Nov	Discussion had with all members, will kick off again in first quarter.
	Consider the ramifications of Slingshot's Global Mode service, and advise the New Zealand Internet Community accordingly.		NEW	Dec-Mar?	Report received and discussions had. Further meeting with Chief Censor to discuss.

1B: Internet Use Portfolio

Lead Staff: Andrew Cushen

Transformations

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

2014/15 Goal

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

Goal	*For InternetNZ to be acknowledged as an authority in understanding how and why New Zealanders use the Internet, and effectively argue for and implements programmes that encourage uptake and usage of the Internet in New Zealand*
Measures	1. New Internet Research commissioned, publicised and recognised as high quality 2. Mechanism for delivery of insights in collaboration with the Internet Community developed and deployed 3. Developing measures for better and more use happening as a result of 1 & 2

	Activity	Priority	Status	When	Comment
B.A	Commission new research into uptake and use in New Zealand, preferably in a manner that allows for comparison internationally – likely to be in partnership with the Web Index	A	IP	Feb	Not the opportunity that was originally envisaged; money used for other initiatives. Will be delivered instead through Research Network Engagement
B.B	Whangarei transformation study – kick off a process to look at what being the first fully fibre-deployed city in NZ does on key economic and social indicators (look to a partnership with Northpower, CFH and/or MBIE)	B	IP	Jan-Mar	Will partner on a similar study with NPW
B.C	Assess the progress of the Government on Better Public Services goals 9 & 10 and make proactive suggestions for further enhancement in these areas	D	DEFER		Unlikely to progress this year
B.D	REANNZ collaboration to highlight the benefits of connectivity with their network, and their ability to transform the higher education experience	B	DEFER	Jan-Mar	
B.E	Work with NZRS on understanding and driving SME uptake, enhancing the current Digital Journey tool, and look to coordinate this with initiatives by relevant government agencies	C	DONE	Oct-Dec	Digital Journey Phase 2 funding provided, launching in New Year
B.F	Process and methodology developed with Community Funding and Engagement Programmes to best target those to common Internet Use goals.	A	DONE	Oct	As part of wider strategy work.
B.G	Reporting methodology developed and deployed to robustly track and quantify improvements made	B	IP		Included in State of the Internet Scope

B.H	Contract with NetSafe to undertake work around understanding 'Digital Challenges', including cybercrime and safety issues and the role of law enforcement.	B	NS	?	Discussed with Net Safe to clarify their timing.
	Online Voting – furthering the outcomes of the Online Voting Working Party Commissioned by the Department of Internal Affairs.		NEW	Oct-Nov	DIA has called for interested parties to form a "round table" on further assessing this initiative.
	South Auckland Digital Inclusion – opportunity to play a leading role with 2020 in coordinating digital inclusion initiatives in South Auckland, as a trial for larger interventions in future years.		NEW		Will lead to a more substantial initiative in FY15/16
	Internet Research Coordination – through MBIE, encouraged the creation of a research funders forum. Initial work to establish a shared sector research plan.		NEW		

1C: Internet Connectivity Portfolio

Lead Staff: Reg Hammond

Transformations

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

2014/15 Goal

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

Goal	*A process for the development of a 2020 policy and regulatory landscape is set at both a central and local government level, while the short term interests of consumers in viable copper services are protected to ensure widespread, competitive and affordable Internet access in New Zealand*
Measures	1. Copper FPP process resolves with the consumer interest protected 2. Clarity on the process to be used to develop a 2020 policy and regulatory landscape

	Activity	Priority	Status	When	Comment
C.A	Participate in the Commerce Commission-led copper pricing processes for UCLL and UBA, representing the consumer interest in these matters.	B	IP	Ongoing	Release of draft Final Determination in December. Mountain of work thereafter
C.B	Lead a process of discussion and development within the industry to assist MBIE in developing a coherent and Internet and consumer-friendly regulatory model for New Zealand.	A	DONE		MBIE workshop 2020+ went excellently. This will be rescoped in light of Govt announcements post-election
C.C	Encourage local government to understand their role in encouraging deployment and connectivity and to assist infrastructure deployments through an appropriately targeted relationship with Local Government New Zealand	D	DONE		Attendance at LGNZ conference led to relationships & initiatives for 2015/16 Business Plan.
C.D	Lead discussions on what a "next generation" approach is to Universal Service Obligations	B	DEFER	Oct/Nov	Unlikely to progress in this form this year – 2020 review pre-eminent
	Hills Holes and Poles – an investigation into Rural Connectivity Solutions to build capability and inform the RBI extension process		NEW	Nov-Mar	
	MBIE discussions - Phase 2, competition workshops to be held in December		NEW	Dec	

1D: Internet Governance Portfolio

Lead Staff: Jordan Carter

Transformations

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

2014/15 Goal

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

Goal	*We effectively contribute to Internet Governance processes regionally and globally.*
Measures	1. Local multistakeholder model developed by furthering collaboration with the five "key constituencies" and effectively discussing and collaborating with them 2. Reflect New Zealand Internet governance debates in wider forums and reflect those wider debates in New Zealand forums 3. Group International Strategy and Plan are fully developed and signed off by Council in October 2014

	Activity	Priority	Status	When	Comment
D.A	Support ICANN's evolution in the post-NTIA era, including through a workable structural separation of the IANA functions	A	IP	Ongoing	See other updates.
D.B	Develop International Strategy and Plan to guide participation in international activities across the different parts of the InternetNZ Group	B	IP	Jan	Will follow from overall strategy work. Initial thinking done.
D.C	Implement process changes and relevant tools for better collaboration and information sharing regarding Internet Governance work across the group.	A	DONE	Oct-Nov	Mapping of internal interest, goals and responsibilities done.
D.D	Develop and use an assessment framework for the difference InternetNZ makes in Internet Governance	B	NS	Oct-Nov	
D.E	Consider the overall level of resource devoted to Internet Governance participation	C	IP	Jan-Mar	Will be fully considered as part of 2015/16 budget.
D.F	Participate in a range of Internet Governance fora: • ICANN • ITU • United Nations (IGF, WSIS) • Other (NetMundial, Pacific, contingency) **Note:** these costs relate to all travel and accommodation costs for attendances at the specified forums. ICANN attendance is high in 2014/15 as continued handover of relationships and responsibilities from the outgoing International Director to permanent staff continues, and will reduce in 2015/16 and beyond.	B	IP	Ongoing	See other updates on international work.

1E: Internet Technology Portfolio

Lead Staff: Dean Pemberton

Transformations

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

2014/15 Goal

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

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

	3. Feedback from the New Zealand technical community is largely supportive of InternetNZ's stances and activities 4. We are represented and engaged at IETF and RIR policy and protocol standards development fora

	Activity	Priority	Status	When	Comment
E.A	Undertake an evaluation of the RealMe system, including a review of alternatives, and determine whether and how this could be more widely implemented, in collaboration with DIA if appropriate and available.	A	IP	Oct-Dec	Work continuing.
E.B	Research and advise upon systems that allow users to remain anonymous on the Internet while still complying with local laws and regulations	B	IP	Oct-Nov	Investigation of appropriate anonymisation methods almost complete. Discussion around risk of report misuse required
E.C	Advocate for the widespread adoption of DNSSEC to ensure that the domain name resolution system sis protected from interception and redirection	B	NS		Inherently tied to NZRS objectives – unclear at this point.
E.D	Undertake or commission research into possible CSIRT models for NZ. This should include collaboration with PacCERT where possible.	A	DONE		Draft report received & reviewed. Released in early October
E.E	Advocating for the deployment of RPKI to ensure that the Internet routing system is free of interference and can be trusted, in collaboration with NZRS.	B	NS		Inherently tied to NZRS objectives – unclear at this point.

E.F	Ensure that Internet exchanges within NZ are operating at an appropriate level to attract large global participants (e.g. CDN providers) to best provide content and services to NZers.	D	IP	Jan-Mar	Closely monitoring recent changes in the industry (two new exchanges). Assessing if anymore work required as a result
E.G	Publish and promote material educating the NZ Technical community regarding new technologies such as Software Defined Networking (SDN)	C	DONE		SDN tutorial at APNIC38. SDN being taught at VUW. Invited to participate at REANNZ SDNCon. Will continue to look for ways to promote.
E.H	Active participation with the APNIC, RIPE NCC and IETF communities to ensure that both New Zealand views are represented in policies and that emerging technologies are communicated to the NZ Internet community.	B	DONE		Attendance and active involvement at APNIC38 is the last of these engagements in this year.
E.I	Organise and hold InTAC conference	B	DONE		Successful & positive feedback.

Draft 2015/16 Budget

Author: Jordan Carter, Chief Executive

Purpose of Paper: Seek Council agreement to the first draft budget for 2015/16.

Introduction

This paper sets out the proposed strategy for the 2015/16 Budget, the background information regarding that budget, and proposes for Council's agreement a draft budget along with associated notes.

1. Budget Strategy 2015/16

By way of background, Council decided to run a substantial deficit in 2014/15 knowing that dividend income would be down (due to the costs of allowing registrations at the second level). It did so also knowing there was uncertainty regarding future domain name market growth, due to the rise of new gTLDs (e.g. .kiwi) and slowing growth in the New Zealand domain name market.

The proposed 2015/16 Budget is based on the following:
- An increase in the expected dividend from NZRS (as was always forecast for the coming year)
- A degree of reassurance that globally, new gTLDs haven't placed as much pressure on ccTLD markets as seemed possible or likely
- A strategic direction across the group to seek additional revenue from new markets
- Recognition that to deliver the current set of functions required of the InternetNZ business unit in a way that is fair on and sustainable for staff, additional personnel resources are required.

Our proposal is therefore for a real terms increase in budget compared with the current year, as outlined in the detail of this paper. Our general approach is to deliver the strategy set out with a limited increase in overall resources, and a transfer from external people resources to internal people resources where this will deliver efficiency and effectiveness gains.

This would lead to expenditure rising to $4.374m (from $4.055m this year – an increase of 8%), and a planned deficit at year-end of $218k (from $1.008m this year). The detailed drivers for this increase in expenditure are set out below; the smaller budget deficit relates to higher dividend income.

InternetNZ continues to enjoy a healthy balance sheet due to past surpluses, with forecast funds at 31 March 2015 of approx. $4.1 million. This takes into account Council's decision in 2013 to end the hypothetical distinction between InternetNZ

reserves and Group case in excess of reserves. This signals that the planned deficit can easily be financed.

It is important to note that it would be valid option for Council to set a nominal expenditure limit at the current level. This could be for a range of reasons, including for example:

- A desire to hold constant the nominal resources being consumed for its own sake, and obliging across the board restraint or reductions in particular areas;
- A desire to accumulate funds for some other purpose e.g. an endowment fund or similar;
- A so-far unsignalled desire to remove core functions from the operation (among the set of Internet issues, community engagement, community funding, international contribution and membership areas of focus).

This first draft approach shows the thinking that I have done with my team to date. It does not seek to forestall other options but rather to provide a path that will work if chosen.

2.   2014/15 YTD Actual vs. Budget and EOY Forecast

The following table summarises the expected outcome for the current year:

Internet New Zealand Incorporated	2014/15 ** Reallocated Budget	2014/15 **YTD Oct 2014	2014/15 EOY Forecast	2014/15 Variance	%
Expenses					
Area of Work					
Internet Issues	871	413	871	0	0%
Community Funding	621	247	621	0	0%
Community Engagement	195	213	280	85	44%
Our Identity	40	1	40	0	0%
Improved Performance	35	23	38	3	9%
International Events	80	5	50	-30	-38%
Core Operations	1836	1023	1816	-20	-1%
Members & Council	377	263	377	0	0%
Total Expenses $000s	**4055**	**2188**	**4093**	**38**	**1%**

Reconciliation to:

2014/15 Approved reworked budget from the October Council meeting

Less Income offset	-293	
Reallocated Budget presented At the October Council Meeting	**3762**	RN72/14
This amount includes the rollovers		
Community Funding rollover	-96	RN20/14
Reconciliation back to original budget	**3666**	RN39/14

*The revised budget as presented to Council at the October meeting, and as approved by RN72/14.

**The result as per the October financial reports provided to Council dated 24 November 2014.

The end of year forecast is based on expected expenditure to the year ending 31 March 2015.

The current EOY forecast result is $38k over when compared to budget. This is attributable to the National NetHui overspend of $85k; less underspend in both International Events and Core Operations areas. **That said, it is my intention to manage expenditure to keep within the overall budget limit for 2014/15.**

Report format change: The format of the preceding report is in keeping with current reporting, unlike the 2015/16 budget that follows, which is formatted in line with the developing InternetNZ Strategic Plan.

It is also important to note that in the preceding summary, we have removed the netting out of group shared services income, so as to provide complete transparency of total resources deployed.

3.   Draft Operating Budget 2015/16: Background and Summary

Income
The vast bulk of InternetNZ operating income is derived from domain name fee income, through dividends from NZRS.

At the time of writing, the CEO is aware that there is some downside risk to the forecast presented in NZRS's 2014/15 Statement of Directions and Goals for a dividend in 2015/16 of $3.79m. NZRS will present a new forecast in their 2015/16 SoDaG. Given the level of reserves InternetNZ has available, the risk of a change to the dividend in the 15/16 year does not have a major impact on planned expenditure.

Expenditure
The draft expenditure budget proposed in this document takes into account InternetNZ's strategic planning, overall clarity of focus as per the Group Strategic

Plan and the developing InternetNZ Strategic Plan, and identified future expenditure requirements.

Unlike previous years this expenditure budget was developed using a zero-based budgeting approach.

This approach is where the budget process has been re-evaluated, starting from a zero-base and costs are driven by need rather than based on existing and historic expenditure trends.

We have further developed the reporting to be reflective of the nature of expenses (that is, what they are aimed at achieving) rather than function (that is, what the money is spent on), with staffing costs being allocated to associated work areas. The logic of this approach is that it gives the most honest impression of where resources are being deployed, and for what purpose.

Compared to 2014/15, costs are planned to rise in the following key areas:

Internet New Zealand Incorporated Draft 2015/16 Budget Increases	Change over last year	%
Internet Issues	44	7%
Community Development	161	18%
International Contributions	126	39%
Core Operations	91	5%
Total Increase	**422**	**10%**

In contrast, there is one area that will see costs reduce:

Internet New Zealand Incorporated Draft 2015/16 Budget Decreases	Change over last year	%
Members & Council	-103	15%
Total Increase	**-103**	**-15%**

Detailed notes on the changes are included in the section 2015/16 Draft Budget Summary.

4.   2015/16 Draft Operating Budget: Explanation

The 2015/16 budget is presented at a high level of the five key areas of work as per the draft InternetNZ Strategic Plan.

Another change in presentation is the separation of income from expenses; previous budgets have been presented net of income e.g. overheads net of recharge to the subsidiaries. For the sake of transparency a separation of income and expenses has been adopted.

The budget shows an operational budget limit of $4.374 million for 2015/16, an increase of 8% or $319,000 compared with the 2014/15 operating limit of $4.055 million.

The 2015/16 increase is due to factors noted following this table:

2015/16 Draft Budget Internet New Zealand Incorporated	2014/15 ** Reallocated Budget	2015/16 Draft Budget	Change over last year Amount	%
Income				
	3047	4156	1040	34%
Expenses				
Internet Issues	600	644	44	7%
Community Development	881	1042	161	18%
International Contributions	211	458	247	117%
Core Operations	1686	1656	-30	-2%
Members & Council	677	574	-103	-15%
Total Expenses $000s	4055	4374	319	8%
Net Ordinary Income $000s	-1008	-218	721	-72%

Explanation

Details regarding the proposed operational budget and these changes:

Internet Issues

Changes in this area are as follows:
- This budget area deals with the Issues programme and its five portfolios (Connectivity, Technology, Use, Law & Rights and Security).
- The budget for the Internet Issues area is lower than in previous 2014/15 reporting, as it now excludes the Internet Governance Portfolio, which has been split into two other areas:
    - the new top level area of International Contributions, and
    - a new.nz stewardship function under the top-level Members and Council area.
- **The overall change is an increase in the Internet Issues budget of $44k.**
- This increase is required to fund the transfer from external resources to internal resources where efficiency and effectiveness gains will be made.

Community Development

Changes in this area are as follows:
- o This budget area deals with the Community Development programme and its two portfolios (Community Funding and Community Engagement).
- o **The overall change is an increase in the Community Development budget of $161k.**
- o This increase is required to provide internal staffing resources in an area currently under-resourced, to allow delivery of what is in the Group and InternetNZ Strategic Plans, while also allowing the prospect of an overall cost saving in other areas (e.g. events contractors, an area that contributed to the budget blowout of NetHui this year).
- o The budget increase is also the result of the reallocation of internal resources back to areas of the business from which they came (that is to say, core operations team resources that were being used for the community funding programme will now go back to the core, and the true cost of the community programme reflected in the budget).

International Contributions

Changes in this area are as follows:

- o This budget area deals with the strategic goal for international engagement which is to connect New Zealand's Internet community into global debates, and also provides for the hosting of two Major Events – the ANZIAs in Sep-Oct 2015 and APRICOT in February 2016.
- o **The change is an increase in the International Contribution budget of $54,000 excluding the two major events noted above.**
- o The Major Events are a provision of $200k for APRICOT 2016 and $60k for the ANZIAs. Other adjustments relate to allocating some staff time to these.
- o Including the anticipated costs of those major events, there is an overall increase to the International Contribution budget of $126k.
- o The reported $247k seems over-inflated due to the reinstatement of the full $200k for APRICOT, which was reallocated under RN72/14.

Core Operations

Changes in this area are as follows:

- o This budget area is for the core operations of the organisation. Compared with the 2014/15 budget, it now includes any ongoing work formerly categorised as under the "Improved Performance" or "Our Identity" work areas.
- o The overall position is a decrease in the Core Operations budget of $30k.
- o This is under-inflated due to the reallocation of reporting resources to satisfy the nature versus function reporting style.
- o **Without this reallocation, Core Operations would show an increase of $91k to fund work in communication strategy and business development.**

Members and Council

Changes in this area are as follows:

o This budget area is for the costs of maintaining the Council (including honoraria), of membership services, and with a new category of .nz Stewardship.

o The .nz Stewardship category includes contractor expenses related to the International Director role, as that role is entirely devoted to that purpose. The role is ending towards the end of calendar 2015 and will not be continued.

o **The overall change is a decrease in the Members and Council budget of $103k.**

o The budget decrease is attributable to the pending end of the International Director's role.

Further Notes

o The net $226k available in shadow budgets from financial years 2013-2015 for Major Events may also be drawn on to fund APRICOT 2016, this financial year, but that is not my intention. As such we are not budgeting for it.

o No provision is made in this budget for operational expenditure for moving premises, as the costs of any change have not been established.

5. Capital Expenditure Budget

The proposed capital budget is $65,000 (c.f. current year $120,000), made up of the following items:

Item	Amount
Computers	$20k
New phone system	$25k
Auckland Furnishings (2 Reception chairs and a Sofa)	$10k
Misc. capex (Desks and chairs)	$10k

No allowance of capital expenditure has been identified for office relocation. Details of required expenditure will be reported once a decision has been made.

6. Other Matters

a) Funding Operational Expenditure

As noted above, the major source of funding operational expenditure is the dividend from NZRS. A payment of $3,790 million is currently projected for 2015/16, as forecast in the NZRS Statement of Direction and Goals dated May 2014.

This figure is subject to change, given the NZRS Statement of Directions and Goals for 2015/16 has not been finalised. Any dividend impact arising from the SoDaG should be clearly understood and agreed before that document is finalised, due to the flow-on effect on InternetNZ's cash position.

Any deficit resulting from a dividend adjustment along with the budget deficit of $319,000 will be funded from retained earnings (expected to be $4.1m at 31 Mar 2015).

b) Reserves

Based on projected operational expenditure limits the financial reserves for 2015/16 as required by the Reserves Policy are to be maintained at a level of $1,175,000 (current year: $1,149,000).

c) Community Funding

No increase in Community Funding (grants rounds & partnerships) has been budgeted for the financial year 2015/16; instead the focus is on building up the support system so to deliver the strategic plan.

In the three year projection 2016-2018 the Community Funding budget has been increased by $240k, with a further $260k planned for 2018-2020, achieving the targeted $1 million as per the Strategic Plan.

7. Three year Profit & Loss projections

Below is a high level, three year profit and loss projection. The critical underlying assumption is that dividends from NZRS are broadly in line with the amounts forecast in the NZRS Statement of Directions and Goals dated May 2014.

It should be noted that solely for planning purposes, the same dividend as forecast for 2016/17 has been included for 2017/18. This is not an NZRS forecast but simply a number to allow for cash flow forecasting – and will be replace with what NZRS forecast in the 2015 SoD&G.

3 Year Profit and Loss Internet New Zealand Incorporated	2015/16 Draft Budget	2016/17 Draft Budget	2017/18 Draft Budget
Income			
	4156	4405	4423
Expenses			
Internet Issues	644	690	701
Community Development	1042	1158	1297
International Contribution	458	217	223
Core Operations	1656	1695	1737
Members & Council	574	461	476
Total Expenses $000s	4374	4221	4434
Net Ordinary Income $000s	-218	184	-11

Recommendations

1. That Council **receive** this paper and **agree** the strategy and high level composition of expenditure for the 2015/16 Budget.

2. That Council **approves** for 2015/16 a draft operational budget limited of $4.374 million and a draft capital budget limit of $65,000.

3. That Council **note** and **agree in principle** that should income turn out to be lower than expected, the operational and capital budget limits will be maintained, with funding to come from retained earnings.

Jordan Carter
Chief Executive

28 November 2014

Twenty years of InternetNew Zealand

20 Year Celebrations

The 20th Anniversary of InternetNZ is on Sunday, 15th November 2015. The purpose of this memo is to start discussions about how the 20th Anniversary should be recognised.

Purpose of celebration

Organisations typically celebrate their foundational anniversaries for a range of reasons. Here are some to consider – we should see if there is consensus about what is most important here:

- As a celebration for those who are or have been involved, to note successes
- To work for the organisation's wider purpose – in our case, the open Internet cause or the development of the Internet community
- To catalyse progress on an issue – i.e. to leverage the celebration to introduce something new into community thinking or debate (e.g. a moonshot style goal)
- To build and attract community around the organisation.

Approaches

Depending on the purpose, questions like the following could be answered:

- How public to make the celebration
- What scale of resources should be devoted to the celebration

Audiences and possibilities

To give some more concrete ideas to mull on, the staff team has brainstormed a few suggestions as set out below – noting that the above questions do need to be answered.

Audience #1 – Councillors and Staff (including subsidiaries)

This audience are most easily organised, as they are close the organisation. One suggestion: a dinner for these people.

Audience #2 – Members

Members could be invited to a particular event/s – to meet, celebrate, network and socialise around this 20th Anniversary.

Audience #3 – Key External Stakeholders

The suggested members event could also be extended to key external stakeholders, via the attraction of a keynote speaker of some repute, and/or speaking about the history and impact of InternetNZ over the 20 years.

Suggested speakers: Fellows, particular luminaries of the New Zealand Internet scene? International keynotes?

Audience #4 – The New Zealand Internet Community

This audience is difficult to access as it is extremely broad. In theory they could also benefit from a speaker, however the focus of such a keynote would be more about the community that has been fostered, and how it can be developed further. A webcast would be vital to reaching such people.

Suggested speakers – Ideally, Tim Berners Lee and/or Vint Cerf style profile – focussed on the creation of the Web and Internet respectively.

Audience #5 – General Public and Media

It is not likely that this will have great appeal to the general public and the media at large – on its own terms. However, if we wanted it to and indeed attracted a high profile speaker, that could change.

Indeed, if we wished to do some public series of events such as a roadshow, or a series of fire-side chats recorded and published online talking about achievements and issues, or a publication of some sort, more consideration could be given.

Other thoughts

- Should we build this anniversary theme into a broader campaign to raise our profile and community recognition in 2015 – a sort of (re) introduction of InternetNZ to the Internet community?
- Would there be value in any forms of publications etc along with any celebrations?
- Should we simply ignore it as not a relevant date?
- The IGF is the week prior to the anniversary so any functions planning needs to take that into account.
- The ANZIAs are due to be held in September or October in Auckland – we could make some fuss at that, as well

Next steps

Following the Council discussion, we should engage with Members at the March engagement sessions and online beforehand with a few plans and ideas – and determine the course of action after that.

All food for thought!

Jordan Carter
Chief Executive

28 November 2014

International update

Joint Report: ICANN 51 Los Angeles

Author:	Jordan Carter, Jay Daley, Keith Davidson, Debbie Monahan, Ellen Strickland
Purpose of paper:	To provide Council with information regarding work done at the most recent ICANN meeting.

The 51st ICANN meeting was held in Los Angeles from 12 to 16 October 2014. Attendance across the group was as follows:

Ellen Strickland, Keith Davidson and Jordan Carter (only 13-15th) from InternetNZ

Jay Daley from NZRS

Debbie Monahan from DNCL

In developing this report from that presented for ICANN 50 in London, we have expanded the general report and left the individual reports briefer. All attending staff can expand on relevant points at the December 2014 Council meeting if required.

Synthesis Report

The following points of note are drawn to the attention of the group:

- The discussion around the future oversight of ICANN and multistakeholder governance of the Internet. This is now in the working group phase with multiple complex discussions and document. In this we are ably served by Keith and Jordan – see additional points by Jordan below.

- The ground rules that govern how ICANN/IANA interacts with ccTLDs are coming under increasing scrutiny. Partly this is because many ccTLDs have been vocal in reminding ICANN of our independence in the above discussions. And partly this is because of the hard work of Keith and the ccNSO working group that aims to produce a definitive guide to those rules

(Framework of Interpretation WG). The combined action is helping to formalise an alternative model for TLD relationships with ICANN that counter-balances the contracting relationship of new TLDs.

- The representation of the ccTLD space is becoming more complex, with many ccTLDs also launching new TLDs and with ex-ccTLD employees staying in governance positions within ICANN despite no longer having a relationship with a ccTLD. This is not helped by the inactivity of many ccTLDs with just a few carrying the rest by their hard work. Keith's work for .nz in the ccNSO Council is exemplary. From the outside (i.e. any other part of the ICANN community) it looks like the ccNSO is becoming 'challenging'.

- At the same time, the community of new TLDs is organising and the balance of power within the ICANN stakeholder community is shifting to them away from the ccTLDs. ICANN it seems prefers to listen to people it has a contract with and can control through that contract. This shift is evident as the new TLDs set up their own meetings and associations that are increasingly important fora for the discussion of operational matters. While ICANN is the place to discuss policy, there have been few places where issues such as how we handle registry locking can be discussed. This meeting saw two serious attempts to set up groups to cover these areas and Jay spent a day and half in large meetings on this topic. .nz is seen as an important player in the ccTLD community that both groups would like involved in their initiatives, because of the active contributions that we make.

- Having said that, another clear theme to emerge is that new TLDs have had an underwhelming launch, whereas established TLDs can still produce the numbers, as we demonstrated with the opening of the second level. Jay spoke to a number of large US and EU registrars and registries who all congratulated us on our success and were well aware of our numbers compared to the industry as a whole. With just 3 million names registered in new TLDs very few are meeting their business plan and so contracts are being renegotiated wherever possible.

- ICANN too is suffering from this and has implemented a recruitment freeze (other than for personal appointments by the CEO) because its income is well down on budget. The large sums that came in from the new gTLD application process have been ring-fenced and so ICANN's income is all the per-domain fees they receive from registries. An unexpected consequence of these low numbers is that registries that thought they would pay ICANN 25c (US$) per name are paying them much more due to the minimum payment of US$25k. dotKiwi, with just over 8,000 names are paying close

to US$3 per name to ICANN. This is being disputed and may cause ICANN more financial pain.

- It is becoming clearer that there are very few success strategies for new TLDs. Those TLDs without one of these, of which there are many, are struggling. The strategies are:

    1. Be one of the lucky few that resonate globally, such as .guru.

    2. Have a large portfolio of TLDs. Donuts have 307 TLDs and 1m registrations across them from a total of 3m across all new TLDs.

    3. Have a captive audience geographic TLD such as .london or .nyc.

    4. Sell your domains for very large sums, such as the rumoured $3k for a .rich domain.

- The ongoing disaster that is global WHOIS policy continues with another cycle of chaos, though this time driven hard by the ICANN CEO and his professional team. We are once again in the position where the technical folk in the IETF have redesigned the protocol before the policy people have agreed what they want it to do. At the same time a small group chosen by ICANN have produced unworkable proposals for the policy that are being pushed hard by people who want the problem solved, whatever the outcome, while being resisted by the rest of us.

- The Government Advisory Committee also has the potential to go very wrong as a strong nucleus of governments fight for increasing control over what strings get delegated and to whom. Those of us TLDs that have clear principles such as 'first come first served' and 'after the fact dispute resolution' struggle with this inherent belief in the global importance of a string in the DNS. But for some governments, the decision on who gets .wine and .vin is clearly an issue of national security. This nucleus has now effected a takeover of the GAC through the election of their chosen representative as GAC chair. In contrast the NZG continues to believe in the principles of openness and decentralised control that built the Internet and is one of the leading voices of reason on the GAC.

- Another, related issue around the importance to some people of what string gets delegated to whom is the furore surrounding the decision by an independent body that one of the groups bidding for .gay does not uniquely represent the global LGBTQIA community and so does not qualify for preferential treatment over other bidders. The response from these applicants (who now face an auction against the other applicants) and their supporters has been hyperbolic and was a major discussion point in the

final public forum. There are likely to be many more battles like this to come.

- Finally we note that there was considerable commercial dynamism evident at this ICANN. Jay, for instance, spoke to a number of companies that have innovative products that are actually relevant and well-pitched. This is in sharp contrast to previous meetings. Overall it feels as if the market is maturing quickly and in that process a new order is emerging.

Jordan Carter, Keith Davidson

The main theme for us running through the meeting was the ongoing process to secure a transition of stewardship over IANA from the NTIA to the global multistakeholder community, a process that ICANN is convening and which it hopes to have completed by the time the current IANA functions contract expires in September 2015.

There are two threads to this work: organising the stewardship transition itself, and dealing with the matter of ICANN's accountability. They are related in the sense that a transition cannot occur without an accountability settlement that IANA customers are satisfied with.

After the London meeting in June 2014, which saw an unprecedented unity by the ICANN community in demanding open discussion of accountability issues, ICANN staff promulgated an accountability discussion that was not acceptable to the community. Facing heavy criticism at the global Internet Governance Forum in Istanbul in early September, ICANN backed down and agreed that the accountability process would proceed with a cross-community working group, and this was explicitly linked to the stewardship transition process.

By changing direction and coming into line with what the community required, ICANN has done the right thing. The Los Angeles meeting was, as a consequence, more harmonious than it would otherwise have been. The work on the stewardship transition and accountability is happening in three key forums of direct relevance to us as designated manager for the .nz ccTLD:

- The IANA Stewardship Coordination Group (ICG) - collating proposals for the transition from the protocols, numbers and names communities, welding these into a final proposal for submission to NTIA. Keith Davidson is a member of this group representing ccTLDs. <https://www.icann.org/stewardship>

    - The Cross-Community working group that is developing the stewardship transition proposal from the Names community (ccTLDs and gTLDs) - generally abbreviated to CWG-Stewardship but

sometimes as CWG-IANA. This group intends to have its proposal finalised by 31 January 2015 and work is well under way. All the ccTLD members of the ICG were automatically added to this group. <https://community.icann.org/display/gnsocwgdtstwrdshp/CWG+to+Develop+an+IANA+Stewardship+Transition+Proposal+on+Naming+Related+Functions>

- A new Cross-community working group on enhancing ICANN accountability (CCWG-Accountability) - this is forming now and will work in two streams, dealing first with the urgent matters that need to be done in making ICANN accountable enough to allow for the stewardship transition, and then a bigger piece on broader issues. Jordan Carter is following this work. <https://community.icann.org/display/acctcrosscomm/Cross+Community+Working+Group+Home>

Besides this, Jordan was appointed by the ccNSO as their co-chair to the Cross-Community Working Group on Internet Governance (CCWG-IG) <https://community.icann.org/pages/viewpage.action?pageId=43984275> which seeks to develop ICANNs role in the broader Internet governance arena, and with further NetMundial / WEF initiatives coming, this group should help to focus ICANN on its mandated scope, in terms of IG activities.

Debbie Monahan

After attending many meetings as a member of the ccNSO Strategic and Operational Planning Working Group (SOPWG), it was encouraging to be part of a session in Los Angeles where progress had been made around the development of a 5 year strategic plan. This latest version had taken a number of comments made by the SOPWG in the past into account. There are now clear goals established and the plan will be supplemented by a business plan and a budget. A lot of the credit for this can go to Xavier Calvez, ICANN's Chief Financial Officer, the same person who also made a difference in getting information around the cost of services to the ccTLD community, enabling a model for payments to ICANN to be developed.

As noted in the overview of the meeting, a significant focus of the meeting is on the IANA transition and the ICANN accountability work. Keith Davidson has a key role in this, and along with Jordan Carter is taking the lead for INZ, with NZRS and DNCL providing input as required or requested.

The ccNSO meeting also had these items on the agenda and these meetings were my focus. My other main focus at ICANN meetings is around the Law Enforcement sessions which are usually held on the Monday and so doesn't conflict with the ccNSO commitments on the Sunday, Tuesday and Wednesday. For the LA meeting, the session had been renamed "Public Safety

Workshop" and was held on the Tuesday. This was due to there being a public holiday on the Monday and so with the desire to get local law enforcement along they changed the day of the meeting. It is expected that this will change back for the following meetings.

A change in Chair for the law enforcement group has also seen a stricter control on attendance at the 'closed' sections of the meeting. Previously I had been invited to attend but for this meeting the invitation was to Nicola Treloar, the NZ GAC representative. Prior to the meeting we discussed how .nz handles incorrect registrant details and takedown requests but nothing of note impacting .nz was apparently discussed at the closed session.

Ellen Strickland

Of note were discussions focused on Human Rights and ICANN, including in NCUC/GNSO, At Large, GAC and in an open cross-constituency meeting held during the week. The chair of the ICANN Board stated at ICANN LA when questioned about the topic, as a result of these discussions, that he does not understand the relationship between human rights and ICANN, and it was raised in subsequent discussions that this relationship should be clarified. Discussions also raised concerns that this lack of understanding is intertwined with a resistance to the topic, potentially driven in part because human rights can be a volatile topic and are viewed by some as a potentially vast or unbounded topic, if engaged with.

However related to government obligations to Human Rights and some of the civil society organisations in the ICANN community having commitments to the promotion and protection of Human Rights, there is now ongoing discussion and action being taken by some of civil society and GAC to advance these discussions on Human Rights and ICANN at the 2015 ICANN meetings. It is recommend that Internments should work to stay across this area of discussion and be prepared to engage as civil society on this topic, if possible, to help understand the relationship between Human Rights and ICANN, and its bounds, to support productive and appropriate discussions around this important area.

Jay Daley

This was one of the most technical ICANN meetings in a while thanks to OARC, the primary DNS research membership organisation, holding a two day workshop immediately prior to the ICANN meeting at the same venue. This brought at least 50 technical attendees who are active in the wider Internet community, who would not otherwise have come. At the same time ICANN's new VP of Business Engagement for North American succeeded in bringing along senior technologists from Facebook, Twitter and other influential Silicon Valley companies.

There were a number of discussions on proposals for increasing the security of the DNS protocol beyond DNSSEC. This is in direct response to the state spying revelations and follows the decision of the Internet Architecture Board (IAB) to secure all Internet protocols against pervasive surveillance.

Many registries and DNS companies having active research programmes focused on analysing DNS data for operational, security and commercial reasons. There were presentations on new techniques including detecting malware from registry DNS data and compressing large volumes of DNS data, interspersed with demonstrations of new tools for searching and analysing DNS data. This is an area where we are one of around 15 leaders in the field who are all pushing the boundaries in different ways.

ICANN is slowly building a new community of technical experts with a dual role of advising ICANN on some of the high level technical decisions it makes and considering some of the bigger issues facing DNS. I am a standing invitee and gave a presentation, aimed at starting a wider discussion, on the trend to ask ICANN to build and operate critical systems that the whole industry relies on, which is inconsistent with the decentralised way the Internet was built. This is a conversation that will run for a while.

Jordan Carter (on behalf of the attendees)

28 November 2014

Subsidiaries
DNCL & NZRS

.nz Framework Review - Conclusions
24 November 2014

Introduction

This paper sets out the conclusions of the .nz Framework Review and clarifies matters associated with the operation of the .nz ccTLD by the various parts of the InternetNZ Group.

The paper has been finalised with the input of all Working Group members and subsidiary boards. It contains the following sections:

1. **Process followed –** how the Working Group conducted its review ;
2. **Key points debated –** what topics were debated in the course of the review, and agreements reached;
3. **.nz Framework content** – what the .nz Framework looks like;
4. **Next steps –** how the .nz Framework will be implemented.
5. **Recommendations** – recommendations for Council to consider.

It's important to note that this paper does not create a new policy. Instead it is a record of the Working Group's agreed interpretation of the current management framework for .nz and how it can be improved by the introduction of a new .nz Framework that clearly documents this interpretation.

The recommendations at the end of the paper ask Council to note the conclusions of the Working Group's review, note how it is being implemented, and require the creation of a high-level policy that sets this framework out at the governance level.

1. Process followed

Council established the .nz Framework Review at its December 2013 meeting. The purpose of the Review was to:

> *Review and clarify the management framework for the .nz top level domain.*

The Review was conducted by a Working Group of Councillors, subsidiary Directors and senior staff from across the Group. The three Chief Executives did

much of the preparatory work – including putting together the structure of a new .nz Framework and establishing current practice.

The Working Group worked through the entirety of .nz operations in preparing the Framework. There were many areas with initial consensus that benefitted from being thoroughly examined and documented in the new framework. There were a few areas without initial consensus that the WG worked through until consensus was achieved.

In developing the .nz Framework, the Working Group:

- Agreed the **elements** of the .nz service to be covered by the new .nz Framework.
- Agreed the **standard roles** that are assigned to each element.
- Agreed **which business unit/s** (InternetNZ, DNCL or NZRS) take on which role for each element.

The agreed approach is largely consistent with the status quo, while in some areas as noted in the following section, there are changes to previous practice.

The Working Group met four times (in February, April, June and July 2014).

2. Key points debated

There were a number of elements where intensive discussion was had before the Working Group reached agreement. The following table sets out these elements and the Working Group's agreed position.

Note: all these elements feature in the attached spreadsheet, which sets out the complete Framework.

Element	Agreed position
Registry data	- All parts of the Group will take steps to arrive at a situation where it is clear that InternetNZ owns copyright in Registry data. - Appropriate licences will be prepared to give each subsidiary the rights required to fulfil their roles. - These licenses will likely be implemented through a small but effective set of changes to their Operating Agreements.
DNS data	- The "Verify policies and principles" point in the change process is a hard stop, so, if a proposed service or use of DNS data isn't verified as consistent it can't go ahead. - The principles applied in the verification process need to be compiled and agreed. The threshold and process of verification needs to be made transparent by DNCL.

.nz Framework Review

Element	Agreed position
.nz Brand	• The .nz identity is jointly owned by InternetNZ, DNCL and NZRS. • All NZRS public facing work that relates to the .nz product will use the current .nz marketing visual identity - the black floating ball. It will not use the NZRS brand. • DNCL will not create a .nz visual identity that is separate from the current .nz marketing visual identity. In other words, there will be no duplication of visual identities. • DNCL will use the DNCL visual identity whenever presenting its activity in respect of managing .nz. • DNCL is welcome, but not required, to use the .nz marketing visual identity.
Market Research	• Market research can be done by the registry with anyone, as long as it doesn't interfere with the registrant-registrar relationship and is consistent with other policies.
Market regulation policy	• A policy that deals with how the .nz market is regulated would complement the Framework. • DNCL have agreed in principle to create such a policy and are working through how this can best be achieved.

3. The .nz Framework's content

The content of the Framework is set out in the attached spreadsheet. The tables that follow below explain some of the key terms and phrases found in the spreadsheet.

Elements in the Framework

The following table explains those elements which are less than self-explanatory when the Framework spreadsheet is reviewed:

Element	Explanation
IANA database	The contents of the IANA database - the public register for TLDs.
InternetNZ reserved principles	The small number of principles for .nz that InternetNZ reserves to itself as specified in DNCL's Operating Agreement.
Structure of the market (SRS)	The current market structure as determined by InternetNZ, generically known as a Shared Registry System.
.nz Identity	The set of characteristics/attributes that define .nz in the public perception. The core components of the .nz brand.
Registry data	The data held on registrants (name, address, etc.) and published in the WHOIS.
DNS data	The data of which nameservers each domain is delegated to and any DNSSEC information.

.nz Framework Review

Element	Explanation
.nz Marketing Brand	The .nz logo and style guide.
.nz DNCL Brand	The brand by which DNCL represent their role in .nz.
ICANN AoC	The Affirmation of Commitments letter signed with ICANN.
ICANN contribution	The financial contribution paid to ICANN.
IANA admin contact	The roles here show which business unit will respond to the IANA admin contact email and carry out authorisation functions using that email. It does not cover changing the details of that contact, which is shown under the 'IANA database' element.
IANA tech contact	The roles here show which business unit will respond to the IANA tech contact email and carry out authorisation functions using that email. It does not cover changing the details of that contact, which is shown under the 'IANA database' element.

Standard Roles in the Framework

The Working Group agreed on a set of standard roles that a business unit can be assigned. These roles are split into two categories:

Ownership

InternetNZ operates .nz as the designated ccTLD manager consistent with the requirements of RFC1591. It does not "own" .nz and nor does anyone else. The use of "ownership" in this paper and in the Framework simply refers to which entity within the group owns responsibility for that element. All elements have the concept of 'ownership' and most also have 'delegated ownership', so that the question "Who is responsible?" can be answered. These terms are explained below:

Role	Explanation
Owner	In most cases this role is assigned to InternetNZ and will remain as InternetNZ. The only cases where this doesn't apply is for a process or business function that one of the subsidiaries is wholly responsible for.
Delegated To	While InternetNZ is the Owner, in most cases the ownership is delegated to a subsidiary.
Formal Reporting	This shows what business unit must formally report to what other business unit.

Change Process

.nz is not static and change will sometimes be called for. The .nz Framework therefore contains a set of standard 'change process' roles – detailed below:

.nz Framework Review

Role	Explanation
Propose Change	Any business unit may propose a change to any element at any time. This role identifies which business unit(s) are expected to propose changes as part of their role.
Notified	What business units must be notified of any proposed change?
Verify – Principles and Policy	Which business unit verifies any proposed change to ensure that it complies with .nz principles and policy. In practice, only DNCL can take this role so the Framework lists which elements this role applies to – it does not apply to all elements.
Verify – Technical and Commercial	Which business unit verifies any proposed change to ensure that it complies with technical and commercial best practice. In practice, only NZRS can take this role so the Framework lists which elements this role applies to – it does not apply to all elements.
Review for SLA	DNCL and NZRS will jointly review the proposed changes to see if they should lead to a change in the SLA. The Framework lists which elements this role applies to.
Consult with LIC	Which business unit consults with the Local Internet Community (LIC)? LIC is deliberately left as a very broad term that is interpreted as needed for each element.
Verify – Community Acceptance	Which business unit assesses whether or not the Local Internet Community has accepted the proposed change during the consultation. Not all consultations require an assessment of community acceptance.
Approve Change	Which business unit makes the final decision at board or management level to proceed with the change, once the various verifications have been completed. This role always matches the "Delegated To" role above as it relates to the ownership function.
Implement	Which business unit implements a change, once approved.
After the fact intervention	Once a change has been implemented, this role identifies which business unit will intervene if there are any issues.

The verification step is a hard stop. If a change doesn't pass verification then it doesn't go ahead; in other words, the delegated owner can't approve a change if it hasn't passed verification.

Source

The final column in the attached Framework spreadsheet notes the source of the element – that is, where it is currently documented.

4. Next steps - implementing the .nz Framework

This paper and the attached .nz Framework spreadsheet summarise the agreements reached by the Working Group in its review.

The review has resolved issues that had, in some cases, been on the table for some time. No issues have been left on the table that were raised in the course of the Review.

.nz Framework Review

The recommendations below ask Council to note the conclusions reached and to note the Framework spreadsheet. It is not appropriate for Council to "Adopt" the Framework spreadsheet, as that would suggest it was a policy document in its own right.

However, some policy development is needed and the appropriate governance bodies will now work on making this happen. Three examples are:

- establishment of a Market Regulation policy that DNCL has agreed in principle to progress;
- the need for the InternetNZ governance policy framework to include a policy that brings together the roles and responsibilities for the operation of .nz at a high level. This may include the reserved principles that are set out in the operating agreement with DNCL;
- the need to review and update the Operating Agreements between InternetNZ and the subsidiary companies to make sure they are well aligned and consistent with the Framework.

The three Chief Executives plan to implement the Review's outcomes immediately where possible, and as soon as practicable otherwise.

5. Conclusion

Conducting this review has been positive. It has resulted in better clarity around roles, expectations and responsibilities. It has helped, and will continue to help, make sure that the InternetNZ group is effective in its role as the designated manager of the .nz country code Top Level Domain.

If Council believes that any of the agreements represented in this paper need more work, specific issues should be referred back to the Working Group. It would not be appropriate to try and arrive at changes at this Council meeting.

6. Recommendations

It is recommended:

1. That Council note the conclusions of the .nz Framework Review, and thank the members of the Working Group for their work.

2. That Council note the .nz Framework spreadsheet, including the elements and roles set out in it, as an accurate and agreed representation of these matters.

3. That Council welcome DNCL's intention to develop a market regulation policy as part of the .nz policies framework.

4. That Council agree that there be a governance-level policy setting out the high level matters related to InternetNZ's role as designated manager of

the .nz ccTLD, consistent with the consensus arrived at in the course of this Review, and asks the Chief Executive to note that it wishes to finalise such a policy at its meeting in April 2015.

5.   That Council require a full review of the Operating Agreements, and if necessary the constitutions of the subsidiary companies, to ensure they are aligned and fit for purpose consistent with the Framework.

Jordan Carter
Chief Executive
28 November 2014

Attached: .nz Framework Spreadsheet (Sept 2014)

1 ANY means that any business unit *may* do it. A specific name means that business unit is _expected_ to do it as part of their normal processes.

2 &' means that all those listed do it jointly, 'or' means that either does it depending on the circumstances

3 Verify is a hard stop like Approval - if a change doesn't pass verification then it doesn't happen.

4 We are missing guidelines on how Verification works and when things are Consulted on.

5 Propose Change' means proposing a change to the element not to the ownership of the element

6 Where 'Consult with LIC' has more than one business unit then the nature of the change under proposal determines which business units does the consulation

Elements	Owner	Delegated To	Formal Reporting	Propose Change	Notified	Verify - Principles & Policy	Verify - Technical & Commercial	Review for SLA	Consult with LIC	Verify - Community acceptance	Approve Change	Implement	After the fact intervention	Document
IANA database	INZ	-	-	DNCL or NZRS or ANY	ALL	-	-	-	-	-	INZ	INZ	-	-
This framework	INZ	DNCL & NZRS	DNCL & NZRS to INZ	DNCL or NZRS or ANY	ALL	-	-	-	DNCL	INZ	INZ	NZRS & DNCL	-	This framework
InternetNZ reserved principles	INZ	-	-	INZ or ANY	ALL	-	-	-	INZ or DNCL	INZ	INZ	DNCL	-	DNCL OA
Structure of the market (SRS)	INZ	-	-	INZ or ANY	ALL	-	-	-	INZ or DNCL	INZ	INZ	INZ	-	?
Fee	INZ	-	-	DNCL & NZRS	ALL	DNCL	NZRS	-	-	-	INZ	NZRS	-	Both OAs
SLA	INZ	DNCL & NZRS	NZRS to DNCL, DNCL to INZ	DNCL & NZRS	NZRS & DNCL	DNCL	NZRS	-	-	-	DNCL & NZRS	NZRS & DNCL	-	Both OAs
.nz Strategy	INZ	DNCL & NZRS	DNCL & NZRS to INZ	DNCL or NZRS or ANY	ALL	DNCL	NZRS	-	-	-	DNCL & NZRS	DNCL or NZRS	-	Both SoEs
.nz Identity	INZ	DNCL & NZRS	DNCL & NZRS to INZ	DNCL or NZRS or ANY	ALL	DNCL	NZRS	-	-	-	DNCL & NZRS	DNCL or NZRS	-	-
.nz Policy Framework	INZ	DNCL	DNCL to INZ	DNCL or ANY	NZRS or ALL	DNCL	NZRS	-	DNCL	DNCL	DNCL or INZ	DNCL or NZRS	-	DNCL OA
Registry operation (non-SLA)	INZ	NZRS	NZRS to INZ	NZRS or ANY	DNCL or ALL	DNCL	NZRS	NZRS & DNCL	DNCL or NZRS	DNCL	NZRS	NZRS	DNCL	NZRS OA
DNS operation (non-SLA)	INZ	NZRS	NZRS to INZ	NZRS or ANY	DNCL or ALL	DNCL	NZRS	NZRS & DNCL	DNCL or NZRS	DNCL	NZRS	NZRS	DNCL	NZRS OA
New services for .nz	INZ	NZRS	NZRS to INZ	NZRS or DNCL or ANY	ALL	DNCL	NZRS	NZRS & DNCL	DNCL	DNCL	NZRS	NZRS	DNCL	NZRS OA
Registry data	INZ	NZRS	NZRS to INZ	NZRS or DNCL or ANY	DNCL	DNCL	NZRS		DNCL or NZRS	DNCL	NZRS	NZRS	DNCL	NZRS OA
DNS data	INZ	NZRS	NZRS to INZ	NZRS or ANY	DNCL	DNCL	NZRS		DNCL or NZRS	DNCL	NZRS	NZRS	DNCL	NZRS OA
.nz Marketing Brand	INZ	NZRS	NZRS to INZ	NZRS or ANY	ALL	DNCL	NZRS		-	-	NZRS	NZRS	-	-
.nz DNCL Brand	INZ	DNCL	DNCL to INZ	DNCL or ANY	ALL	DNCL	NZRS		-	-	DNCL	DNCL	-	-
Registrar compliance	DNCL	-	DNCL to INZ	DNCL or ANY	NZRS	DNCL	-		DNCL	-	DNCL	DNCL	-	.nz policies
Registrar authorisation	DNCL	-	DNCL to INZ	DNCL or ANY	NZRS	DNCL	NZRS		DNCL	-	DNCL	DNCL	-	.nz policies
Registrar connection	NZRS	-	NZRS to DNCL	NZRS or ANY	DNCL	-	NZRS		NZRS	-	NZRS	NZRS	-	NZRS CA
Registrar billing	NZRS	-	?	NZRS or ANY	DNCL	DNCL	NZRS		NZRS	-	NZRS	NZRS	-	NZRS CA
Registrar <-> Registrant security	DNCL	-	DNCL to INZ	DNCL or ANY	NZRS	DNCL	NZRS		DNCL	-	DNCL	DNCL & NZRS	DNCL or NZRS	.nz policies
Registrar <-> Registry security	NZRS	-	NZRS to DNCL	NZRS or ANY	DNCL	DNCL	NZRS		NZRS	-	NZRS	NZRS	DNCL	NZRS CA

Elements	Owner	Delegated To	Formal Reporting	Propose Change	Notified						Approve Change	Implement	After the fact intervention	Document
ICANN AoC	INZ	-	?	ANY	ALL	-	-	-	-	-	INZ	INZ	-	This framework
ICANN contribution	INZ	DNCL	DNCL to INZ	DNCL or ANY	ALL	-	-	-	-	-	INZ	DNCL	-	This framework
IANA admin contact	INZ	DNCL	DNCL to INZ	DNCL or ANY	ALL	-	-	-	-	-	INZ	DNCL	-	This framework
IANA tech contact	INZ	NZRS	NZRS to INZ	NZRS or ANY	ALL	-	-	-	-	-	INZ	NZRS	-	This framework
APTLD membership	INZ	DNCL	DNCL to INZ	ANY	ALL	-	-	-	-	-	INZ	DNCL	-	This framework
CENTR membership	INZ	DNCL	DNCL to INZ	ANY	ALL	-	-	-	-	-	INZ	DNCL	-	This framework

Elements	Owner	Delegated To	Formal Reporting	Initiate	Notified	Verify - Principles & Policy	Verify - Technical & Commercial				Approve	Implement	After the fact intervention	Document
.nz communications campaign	DNCL	-	DNCL to INZ	DNCL	NZRS	DNCL	NZRS	-	-		DNCL	DNCL	?	.nz policies
.nz marketing campaign	NZRS	-	NZRS to INZ	NZRS	DNCL	DNCL	NZRS	-	-		NZRS	NZRS	DNCL	.nz policies
Research with registrars	ANY	-	ANY to INZ	NZRS or DNCL	NZRS or DNCL	DNCL	NZRS	-	-		NZRS or DNCL	NZRS or DNCL	?	.nz policies
Research with registrants	ANY	-	ANY to INZ	NZRS or DNCL	NZRS or DNCL	DNCL	NZRS	-	-		NZRS or DNCL	NZRS or DNCL	DNCL	.nz policies
Research with public	ANY	-	ANY to INZ	NZRS or DNCL	NZRS or DNCL	DNCL	NZRS	-	-		NZRS or DNCL	NZRS or DNCL	DNCL	.nz policies

Subsidiary Statements of Expectations 2015-16

Author: Jordan Carter, Chief Executive

Purpose of paper: To seek Council agreement of new Statements of Expectations for NZRS and DNCL for the 2015-16 year.

Statements of Expectations documents are the key tool the Council uses to set out its requirements for the subsidiary companies.

In preparing these drafts, a team of Councillors (Jamie, Joy and Hayden) and I met with the Chair, Council director and CE of each subsidiary to discuss the future direction of the company.

The documents were then drafted based on a new template that replaces previous SoE versions. In preparing that template my intention was to:

- more clearly link them to the group strategy,
- specify what the company's role is,
- set out the functions the Council expects the company to perform,
- give clear measurable guidance regarding financial obligations, and
- change and improve the requirements for the Statements of Directions and Goals.

These drafts were discussed informally back and forth between me and the subsidiaries a number of times in late November, and discussed again with the President on 27 November. They are in our view ready for Council consideration.

For timing reasons, there has not been a chance for the subsidiary boards to formally consider these and provide comment. The recommendation therefore seeks Council approval subject to any changes agreed – which would see the SoE recommitted for discussion at the February 2015 meeting if they arise. By taking this approach, some certainty is provided for budget and SoDaG planning on the part of the subsidiaries, but if any significant issues are identified then these can be addressed.

Recommendation

THAT Council adopt the Statement of Expectations for Domain Name Commission Limited, noting that it will at its February 2015 meeting consider any modifications if these are requested following DNCL Board consideration.

THAT Council adopt the Statement of Expectations for New Zealand Domain Name Registry Limited (trading as NZRS), noting that it will at its February 2015 meeting consider any modifications if these are requested following NZRS Board consideration.

Jordan Carter
Chief Executive

28 November 2014

Statement of Expectations: DNCL

2015-2016

1.   Introduction

This Statement of Expectations sets out InternetNZ's expectations for the 2015-16 year for Domain Name Commission Ltd (DNCL).

It provides clarity for the company regarding its core role and the functions the shareholder expects the company to deliver. As well as a formal communication of shareholder expectations, to which the company will be held to account, it is also therefore an input to the company's strategic and business planning.

As sole shareholder InternetNZ's interest is in DNCL operating effectively and efficiency to achieve its core role and required functions. The detail of how that role and those functions are to be provided and the cost of doing so is determined by the company, and is to be set out in the company's Statement of Direction and Goals as detailed in section 8.

2.   Strategic Framework

For 2015-2020 InternetNZ has created a Group Strategic Plan which is being finalised at the December 2014 Council meeting. It sets out the overall role of the InternetNZ group and assigns lead responsibility for areas of work to different units. The plan will be available in the register of governance documents at www.internetnz.nz.

Of particular relevance to DNCL is strategic **Area 1: .nz as a world-class ccTLD that meets the needs of the local Internet community**.

The shareholder expects the company to give effect to this area as its core strategic imperative. It should however consider the whole strategy as an input to its own planning process.

The more detailed joint strategy guiding the development of .nz is a shared responsibility for DNCL and for NZRS. The strategy must be jointly developed by both companies, and jointly submitted to the Council for comment and then approval from time to time as noted in the Group High Level Planning Cycle.

3. Core and Secondary Roles

The core role for DNCL is:

- To operate, maintain, develop and enforce the policy framework for the .nz ccTLD, and to monitor & hold accountable NZRS's performance against SLA standards of operation for .nz.

This description is a brief summary of the role set out for the company in the <.nz policy> and in the DNCL Operating Agreement. The <.nz policy> will be complete in April 2015. These documents are, or will soon be, available in the register of governance documents at www.internetnz.nz.

In addition to its primary role, the secondary role for DNCL is:

- Day to day oversight of the .nz market.

4. Core functions

In advancing the company's core role, the shareholder expects the functions set out below to be provided.

Function	Explanation
DNCL	
.nz policy framework	Maintain and develop the policy framework that sets out how .nz operates, and enforce its requirements on relevant parties.
.nz dispute resolution	Provide a service for resolving disputes between registrants consistent with the .nz policy framework.
.nz Service Level Agreement	Monitor and develop as required the SLA that specifies the service levels required for the operation of the SRS and the DNS.
.nz oversight and assistance	Oversee the .nz market and provide support and advice for members of the public.
ALONG WITH NZRS	
.nz international representation	Consistent with the group international strategy and plan, represent .nz at relevant international events.
.nz product development	Continue to develop the .nz product offering consistent with the group strategy goal regarding .nz being a world-class ccTLD.

The shareholder expects that the commencement of new functions, or significant changes to the resources applied to the functions set out in this SoE, require explicit prior shareholder agreement.

Such approval could occur through approval of the annual Statement of Direction and Goals (SoDaG) where such changes are set out, or on a case by case basis through an exchange of letters.

Consistent with the no-surprises approach outlined below, where changes of this sort are contemplated they should be raised early with shareholder.

Secondary Functions

In addition to the primary functions set out above, the shareholder expects the secondary function/s set out below to be provided. It notes that performance of secondary functions must be managed in a manner that does not risk the company's ability to perform its primary functions.

Function	Explanation
DNCL	
Security	Provide a resource for the InternetNZ unit to contribute to Issues Programme work on security matters.

As for primary functions, the commencement of new secondary functions, or significant changes to the resources applied to the functions set out in this SoE, require explicit prior shareholder agreement.

5. Specific tasks in 2015-16

The shareholder expects the following specific tasks to be addressed by the company in the 2015-16 business year, and welcomes advice from the company as part of the Statement of Directions and Goals as to how these will be progressed in the coming year.

- Continue the work programme involved with rolling out registrations direct at the second level.
- Conduct with NZRS and InternetNZ a full review and debrief of the registrations direct at the second level project.
- Develop and share the company's approach to succession planning at the board and management level, to provide assurance as to the resilience of the company.
- Work with the shareholder to re-establish common premises for all business units.

6. Financial Requirements

The shareholder expects efficiency to be a key goal for the company. The most efficient and effective use of resources is important. By minimising costs consistent with delivering required functions, the company will assist the

shareholder with maximising its ability to pursue its objectives, and will help give the public confidence that the group is a responsible steward for .nz.

The shareholder notes the following factors in respect of financial goals, practice and information for and from the company:

- Manage expenditure so as to maintain or reduce nominal expenditure from 2014-15 levels in 2015-16 and beyond once registrations direct at the second level project work is complete.
- Return any cash in excess of reserves to the shareholder following the conclusion of each financial year.

Council generally expects subsidiaries to:

A.   adopt sound organisational and financial management practices so as to safeguard and enhance InternetNZ's investment in the company;

B.   operate within the financial and operational scope of the Statement of Direction and Goals as agreed with InternetNZ while meeting the requirements of specific company policies and relevant provisions of Operating Agreements; and

C.   provide meaningful output and financial information reporting against the Statement of Direction and Goals (including changes to plans and priorities) to facilitate the monitoring of the organisation's performance.

7.   General Expectations

The shareholder's vision for the group is that it is highly collaborative, committed to working together and to building a vibrant, collegial and inclusive culture to maximise the group's success. Council, subsidiary Boards and all Chief Executives have an obligation to work together in leading the ongoing realisation of this vision.

Consistent with this vision, the shareholder expects subsidiaries to:

A.   continue to maintain a high standard of corporate governance;

B.   maintain an open and transparent approach to their activity, and operate a no-surprises policy across the group;

C.   operate consistent with established group strategy and policies, including by bringing group policies into effect in their own policy frameworks where required, as well as collaborating with other units across the group to develop and implement group strategy and policies;

D.   adopt a sound risk management strategy for all areas of their activities, including the timely reporting of critical operating and financial risks to

InternetNZ, and contribution to the maintenance of the Group Risk Register;

E.   ensure that there are effective and productive day-to-day working relationships between all units and actively explore and implement ways to achieve greater co-operation and collaboration between units to the benefit of the wider Internet community; and

F.   operate in accordance with InternetNZ's core values – openness and transparency, leadership, ethical behaviour & stewardship and a can-do attitude.

8.   Statement of Direction and Goals

The shareholder requires the company to prepare and present a Statement of Direction and Goals (SoDaG) for the 2015-16 year. The purpose of the SoDaG is to set out how the company intends to meet the expectations set out in this document.

The core components of the SoDaG are as follows:

A.   an outline of the company's long term strategy;

B.   an outline of the environmental factors that feed into the company's strategic planning;

C.   an outline of the key priorities and projects that the company has identified for 2015-16, including those set out in this Statement;

D.   an outline of proposed measures by which the shareholder can judge the company's performance against the requirements set out in this Statement; and

E.   a proposed budget for the 2015-16 financial year, as well as draft budgets for 2016-17 and 2017-18 (subject to adjustments for 2014-15 year end results).

The SoDaG must be presented to the Council as soon as convenient, and no later than its **April 2015** meeting.

In keeping with the conclusions of the Financial Flows review of the InternetNZ Group, the shareholder requires the company's SoDaG to be agreed with the Council.

This is the key mechanism by which Council ensures that the scope of activity and the resources deployed by the company are in keeping with its expectations. Early discussions with the shareholder about core priorities and scope of financial requirements are encouraged.

Signed for the shareholder:

_____

Jamie Baddeley, President & Chair

Date:

Statement of Expectations: NZRS

2015-2016

1. Introduction

This Statement of Expectations sets out InternetNZ's expectations for the 2015-16 year for New Zealand Domain Name Registry Ltd, trading as NZRS (NZRS).

It provides clarity for the company regarding its core role and the functions the shareholder expects the company to deliver. As well as a formal communication of shareholder expectations, to which the company will be held to account, it is also therefore an input to the company's strategic and business planning.

As sole shareholder InternetNZ's interest is in NZRS operating effectively and efficiency to achieve its core role and required functions. The detail of how that role and those functions are to be provided and the cost of doing so is determined by the company, and is to be set out in the company's Statement of Direction and Goals as detailed in section 8.

2. Strategic Framework

For 2015-2020 InternetNZ has created a Group Strategic Plan which is being finalised at the December 2014 Council meeting. It sets out the overall role of the InternetNZ group and assigns lead responsibility for areas of work to different units. The plan will be available in the register of governance documents at www.internetnz.nz.

Of particular relevance to NZRS is strategic **Area 1: .nz as a world-class ccTLD that meets the needs of the local Internet community**.

The shareholder expects the company to give effect to this area as its core strategic imperative. It should however consider the whole strategy as an input to its own planning process. In particular, given the company's secondary role strategic Area 5: Business development and diversification will be of interest.

The more detailed joint strategy guiding the development of .nz is a shared responsibility for DNCL and for NZRS. The strategy must be jointly developed by both companies, and jointly submitted to the Council for comment and then approval from time to time as noted in the Group High Level Planning Cycle.

3.   Core and Secondary Roles

The core role for NZRS is:

- To operate, maintain and develop the Shared Registry System and the .nz Domain Name System as part of the .nz ccTLD.

This description is a brief summary of the role set out for the company in the <.nz policy> and in the NZRS Operating Agreement. The <.nz policy> will be complete in April 2015. These documents are, or will soon be, available in the register of governance documents at www.internetnz.nz.

In addition to its primary role, the secondary role for NZRS is:

- Promotion and marketing of the .nz product.
- Technical research.
- Assist the shareholder with business development strategy, policy and implementation.

4.   Core functions

In advancing the company's core role, the shareholder expects the functions set out below to be provided.

Function	Explanation
NZRS	
Shared Registry System (SRS)	Maintain and develop the Shared Registry System, the core infrastructure of the .nz register.
Domain Name System (DNS)	Maintain and develop the core DNS infrastructure for .nz.
.nz marketing and promotion	Develop the .nz product brand and promote it so as to increase awareness of and registration of .nz domain names.
ALONG WITH DNCL	
.nz international representation	Consistent with the group international strategy and plan, represent .nz at relevant international events.
.nz product development	Continue to develop the .nz product offering consistent with the group strategy goal regarding .nz being a world-class ccTLD.

The shareholder expects that the commencement of new functions, or significant changes to the resources applied to the functions set out in this SoE, require explicit prior shareholder agreement.

Such approval could occur through approval of the annual Statement of Direction and Goals (SoDaG) where such changes are set out, or on a case by case basis through an exchange of letters.

Consistent with the no-surprises approach outlined below, where changes of this sort are contemplated they should be raised early with shareholder.

Secondary Functions

In addition to the primary functions set out above, the shareholder expects the secondary function/s set out below to be provided. It notes that performance of secondary functions must be managed in a manner that does not risk the company's ability to perform its primary functions.

Function	Explanation
NZRS	
Technical Research	Maintain a technical research capacity which contributes authoritative information about the New Zealand Internet or Internet technologies, and coordinate its work programme with InternetNZ's Internet Issues programme.
Business Development	Be the lead unit in advancing business development priorities, consistent with the agreed Group Business Development Strategy.

As for primary functions, the commencement of new secondary functions, or significant changes to the resources applied to the functions set out in this SoE, require explicit prior shareholder agreement.

5.   Specific tasks in 2015-16

The shareholder expects the following specific tasks to be addressed by the company in the 2015-16 business year, and welcomes advice from the company as part of the Statement of Directions and Goals as to how these will be progressed in the coming year.

- Continue the work programme involved with rolling out registrations direct at the second level.
- Conduct with DNCL and InternetNZ a full review and debrief of the registrations direct at the second level project.
- Develop and share the company's approach to succession planning at the board and management level, to provide assurance as to the resilience of the company.
- Work with the shareholder to re-establish common premises for all units.
- Identify for discussion with the shareholder any steps it could take to allow for a higher return to be realised on funds held by the company.

- Assist the InternetNZ business unit with the development of a Group Business Development Strategy.

6.   Financial Requirements

The shareholder expects efficiency to be a key goal for the company. The most efficient and effective use of resources is important. By minimising costs consistent with delivering required functions, the company will assist the shareholder with maximising its ability to pursue its objectives, and will help give the public confidence that the group is a responsible steward for .nz.

The shareholder notes the following factors in respect of financial goals, practice and information for and from the company:

- Achieve an EBIT ratio of **40%** in 2015-16 in respect of .nz operations.
    - o   This ratio applies to revenue from registrations of .nz domain names
    - o   The costs of the management fee to DNCL are excluded from calculating this target, as that is outside the company's control.
    - o   25% of the costs of the technical research function should be included in calculating this target, as research is required for the ongoing development of the company's core functions.
- Achieve an EBIT ratio of**30%** by the end of the 2015-2017 period in respect of new business development opportunities pursued by the company.
    - o   This ratio applies to all other revenue from commercial operations.
    - o   25% of the costs of the technical research function should be included in calculating this target, as research is required in developing new business opportunities, products and so on.
- Retain a maximum exposure of **$400,000** for business development purposes (in terms of direct costs) and utilise this consistent with group strategy and policy requirements.
- Aim for a dividend of **$3.8m** to the shareholder in 2015-16 (subject to finalisation of the company's growth forecasts and 2015-16 budget).
- Return any cash in excess of reserves to the shareholder following the conclusion of each financial year.

Council generally expects subsidiaries to:

A.   adopt sound organisational and financial management practices so as to safeguard and enhance InternetNZ's investment in the company;

B.   operate within the financial and operational scope of the Statement of Direction and Goals as agreed with InternetNZ while meeting the requirements of specific company policies and relevant provisions of Operating Agreements; and

C. provide meaningful output and financial information reporting against the Statement of Direction and Goals (including changes to plans and priorities) to facilitate the monitoring of the organisation's performance.

7. General Expectations

The shareholder's vision for the group is that it is highly collaborative, committed to working together and to building a vibrant, collegial and inclusive culture to maximise the group's success. Council, subsidiary Boards and all Chief Executives have an obligation to work together in leading the ongoing realisation of this vision.

Consistent with this vision, the shareholder expects subsidiaries to:

A. continue to maintain a high standard of corporate governance;

B. maintain an open and transparent approach to their activity, and operate a no-surprises policy across the group;

C. operate consistent with established group strategy and policies, including by bringing group policies into effect in their own policy frameworks where required, as well as collaborating with other units across the group to develop and implement group strategy and policies;

D. adopt a sound risk management strategy for all areas of their activities, including the timely reporting of critical operating and financial risks to InternetNZ, and contribution to the maintenance of the Group Risk Register;

E. ensure that there are effective and productive day-to-day working relationships between all units and actively explore and implement ways to achieve greater co-operation and collaboration between units to the benefit of the wider Internet community; and

F. operate in accordance with InternetNZ's core values – openness and transparency, leadership, ethical behaviour & stewardship and a can-do attitude.

8. Statement of Direction and Goals

The shareholder requires the company to prepare and present a Statement of Direction and Goals (SoDaG) for the 2015-16 year. The purpose of the SoDaG is to set out how the company intends to meet the expectations set out in this document.

The core components of the SoDaG are as follows:

A.   an outline of the company's long term strategy;

B.   an outline of the environmental factors that feed into the company's strategic planning;

C.   an outline of the key priorities and projects that the company has identified for 2015-16, including those set out in this Statement;

D.   an outline of proposed measures by which the shareholder can judge the company's performance against the requirements set out in this Statement; and

E.   a proposed budget for the 2015-16 financial year, as well as draft budgets for 2016-17 and 2017-18 (subject to adjustments for 2014-15 year end results).

The SoDaG must be presented to the Council as soon as convenient, and no later than its **April 2015** meeting.

In keeping with the conclusions of the Financial Flows review of the InternetNZ Group, the shareholder requires the company's SoDaG to be agreed with the Council.

This is the key mechanism by which Council ensures that the scope of activity and the resources deployed by the company are in keeping with its expectations. Early discussions with the shareholder about core priorities and scope of financial requirements are encouraged.

Signed for the shareholder:

_____

Jamie Baddeley, President & Chair

Date:

joint .nz
quarterly report

.nz Quarterly Report
Second Quarter ended 30 September 2014

Introduction

This is the second joint .nz quarterly report for the 2014/15 financial year. It is the intention of DNCL and NZRS to continue to provide a joint report to prevent the ongoing duplication of .nz information. There is nothing in this report that is confidential.

1.   Environment

New gTLDs

- There were altogether 402 new gTLDs as at the end of the quarter. The 5 most popular new gTLDs are .xyz (655k), .berlin (151k), .club (125k), .wang (78k) and .guru (74k). The figures for .xyz should be treated with caution as they are being registered and given to customers of other TLDs without their agreement. The others are genuine but only a small number of new TLDs have been this successful.

- .kiwi names have continued their slow growth. At the end of the quarter, there were 8,285 names registered in .kiwi with an increase of 2,195 names since the last quarter.

2.   Activities

a)   .nz Promotion and Marketing

The 2014 third quarter has largely been focused on supporting the launch of the second level, which is reported on in a separate section below.

Brand awareness has grown during the quarter with a new .nz video (http://www.youtube.com/watch?v=5LuPc1QD8QM) getting coverage through Youtube pre-roll advertising, TVNZ Ondemand and Stuff pre-roll. Youtube was quite effective by driving both views of the video and website visits. .nz was also a participating sponsor in the Retail NZ 'TopShop Excellence in Retail' awards during the quarter.

Since April of this year NZRS has been surveying via Colmar Brunton's Omnijet Survey every two months about awareness of the new .nz brand. One in five consumers now recognise the .nz brand, associate it as representing the .nz domain space and view it predominantly as local followed by attributes of available, trusted and familiar. As a result of brand recognition we are also seeing more registrars start to adopt the .nz logo in some of their communications and websites.

b)	**Registrations at the Second Level Project**

Overview

Second Level Registrations went live on Tuesday, 30 September at 1:00pm. In the first hour there were 4,785 registrations and in the first 24 hours there were 17,008 registrations.

There were issues with the SRS in the first 30 minutes after the "go live" time resulting in a short period of slow responses. The systems to support reservations and conflict preferences through anyname.nz were enabled at 1.05pm. A delay was requested to separate initial load and anyname access to the SRS.

From "go live" until the end of September, anyname.nz reserved 1,359 names, recorded 2,200 conflict preferences and resolved 292 conflicts.

Communications and Media

DNCL's engagement with professional associations, trade and membership bodies continued, with over 100 organisations contacted and DNC-contributed anyname.nz-related content being published.

DNCL produced a dedicated Registrar Communications Pack to help make it easy for the Registrar community to communicate with their affected .nz registrants. Now in its fourth revision, the Communications Pack contains templated registrant communiques, generic messaging and other communications and anyname.nzresources for registrars to use and reuse.

Anyname.nz advertising had also begun just prior to launch, with online ads featuring on local sites including Stuff and NZ Herald; print ads featuring in NZ Herald, Dominion Post and Radio ads featured on the main commercial stations. The launch also saw a swathe of media coverage including on TVNZ, TV3, RadioLive, Stuff, National Business Review, Computerworld and others.

Prior to the launch Registrar communications was the core focus for NZRS with a lot of effort spent encouraging registrars to use the supplied communications pack from DNCL and communicate to their customers. Over 25 registrars or resellers had developed landing pages promoting the change. This was further enhanced by many registrars following the policy and communicating to affected registrants ahead of the launch. DNCL is now following up with registrars yet to comply with policy. Registrars are seen as the primary channel for communicating to registrants and as such this was a core focus.

Advertising was another of focus for NZRS prior to the launch to help grow public awareness with advertising on Google Display and Search, Stuff.co.nz, Techday, NZHerald.co.nz, BizzBuzz, Facebook, Trademe, One News and several ITM Cup games. Google was the most effective platform with over 4 million impressions and 42,000 site visits to the launch page on www.getyourselfonline.co.nz. This was complemented by DNCL's activity in the PR space reaching out to numerous associations and agencies to educate and get them to market the message of change.

c)	**DNSSEC**

DNCL has had discussions with one of the largest ISPs to enable DNSSEC validation for all of their customers.

DNCL and NZRS have also had initial discussions with NZDF regarding their desire to implement DNSSEC across .mil.nz. and an initial email exchange with Health regarding DNSSEC for .health.nz.

The DIA have recently completed the ground work in a large project to implement DNSSEC for govt.nz. With all the technical work now complete it is expected that the launch will be in February 2015. NZRS was heavily involved in helping the DIA in the following ways:

- Providing expert advice on the challenges associated to manage DNSSEC, pitfalls to avoid, key size selection, disaster recovery, etc. This included multiple meetings during the design phase, reviewing policy decisions, providing information about hardware security modules and current best practices. This advice helped to shape the architecture and the procedures used by DIA and their provider Modica.

- Providing non-public documents about our contingency plans for the Key Generation Ceremony. All other documents are publicly available, and we made ourselves available for discussing about them when needed.

- Participated in the preparatory meetings, dress rehearsal and official Key Generation Ceremony for .govt.nz, providing feedback after both events about procedure and other elements.

d) International Engagement

- Manager, Security Policy of DNCL has attended Asia Pacific Regional Internet Governance Forum and helped to run a one day Justice Sector workshop in India, in August.

- DNCL staff attended Asia Pacific Top Level Domain Association and Asia Pacific Network Information Centre conference in Brisbane in September.


e) **Other matters**

- DNCL and NZRS held their AGMs on Monday 31 July.

- A meeting of the DNCL Board was held in August and September with minutes available at http://dnc.org.nz/story/minutes-dncl-board-meeting-1-august-2014 and http://dnc.org.nz/story/minutes-dncl-board-meeting-26-september-2014
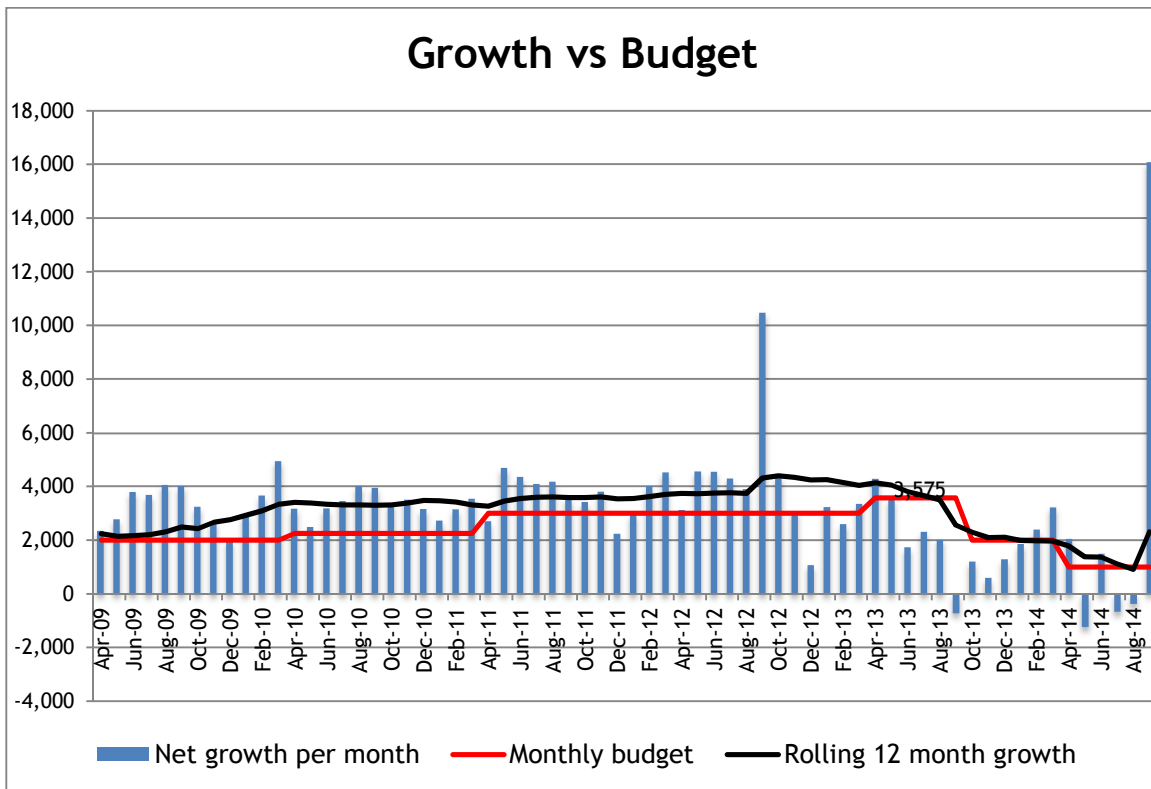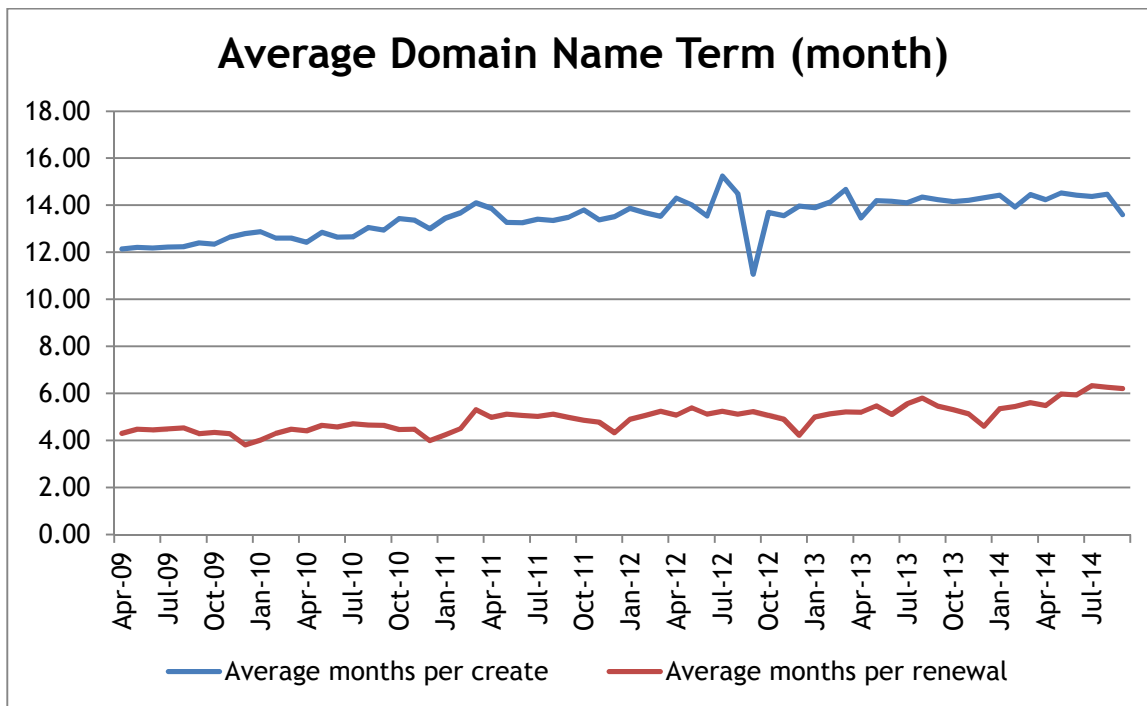

3. Statistics

a) Domain Names

The size of the register against NZRS budgeted growth is shown in the chart below:

Register Size
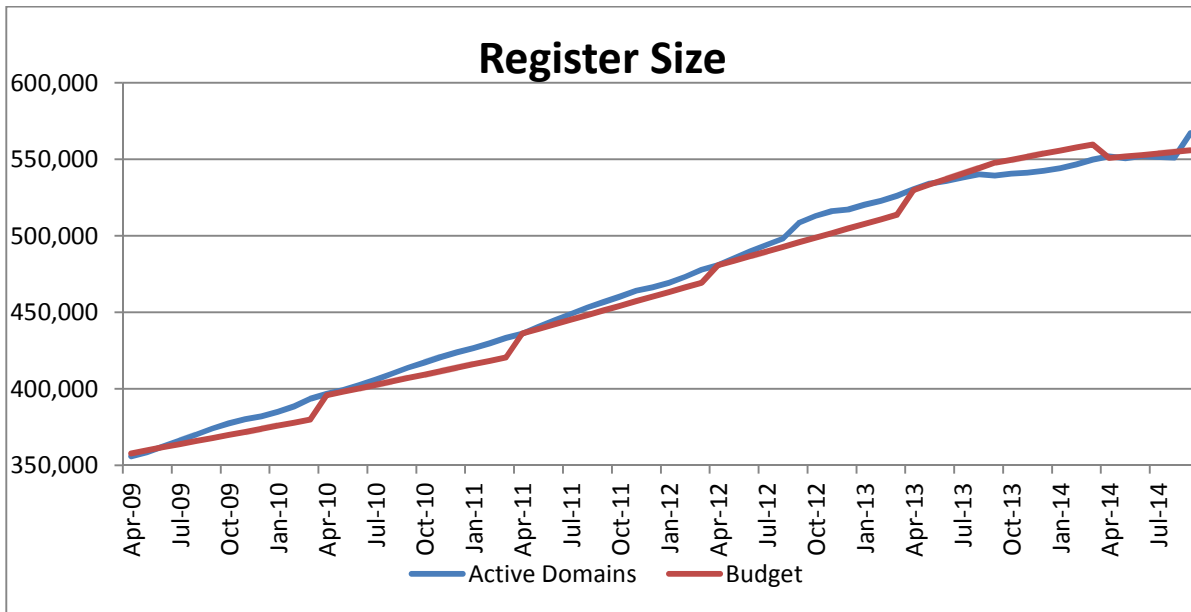
The actual growth against NZRS budgeted growth is shown in the chart below:

Growth vs Budget

The average term (average number of months a domain is registered/renewed for) is shown in the chart below:

Average Domain Name Term (month)

The breakdown of domain name growth by second level domain is noted in the table below:

	30 July 14	31 Aug 14	30 Sep 14
.nz	--	--	14,923
.ac.nz	2,149	2,137	2,148
.co.nz	475,199	475,124	476,818
.cri.nz	12	12	12
.geek.nz	1,185	1,185	1,202
.gen.nz	1,320	1,303	1,310
.govt.nz	1,036	1,034	1,032
.health.nz	193	195	195
.iwi.nz	86	86	86
.kiwi.nz	8,047	8,090	7,346
.maori.nz	1,079	1,068	1,064
.mil.nz	37	38	37
.net.nz	29,172	28,922	28,947
.org.nz	28,400	28,340	28,488
.parliament.nz	10	10	10
.school.nz	3,477	3,480	3,479
Total	**551,402**	**551,024**	**567,097**
Growth over previous month	-662	-378	16,073
Variance against NZRS budget	-1662	-1378	15,073

Over the quarter, .nz domain names have increased from 552,064 to 567,097, a net increase of 15,033 or 2.65%. This compares with a growth of 3,630 or 0.7%in the same quarter last year.

b) Registrars

|	
Registrars authorised	89
Registrars connected	83

Number connected during the quarter: One - ideegeo Group Limited.

Number authorised during the quarter: Three - Big Noise Group Limited, Crazy Domains FZ-LLC, and CSC Corporate Domains.
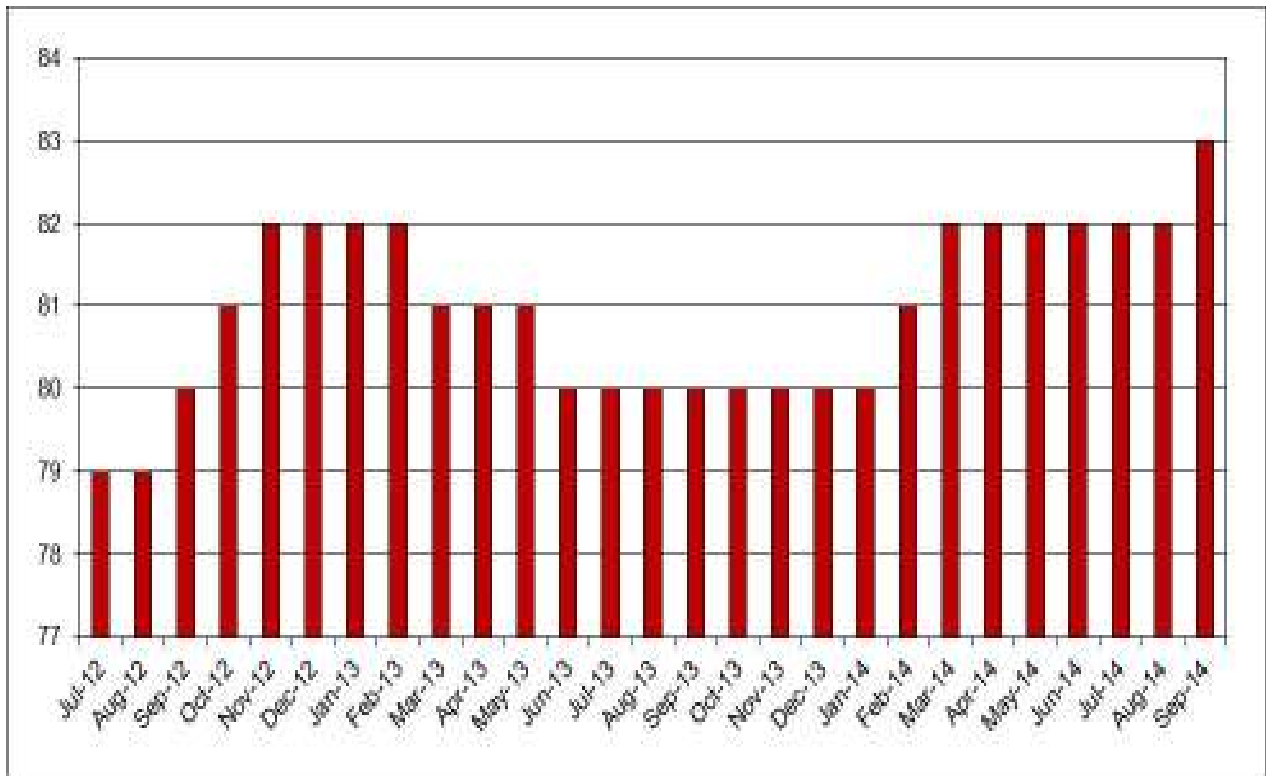
Number de-authorised during the quarter: Nil

At the end of the quarter there were 83 authorised registrars in production (including the DNC registrar).

The following chart shows the spread of registrars across the level of domain name registrations:
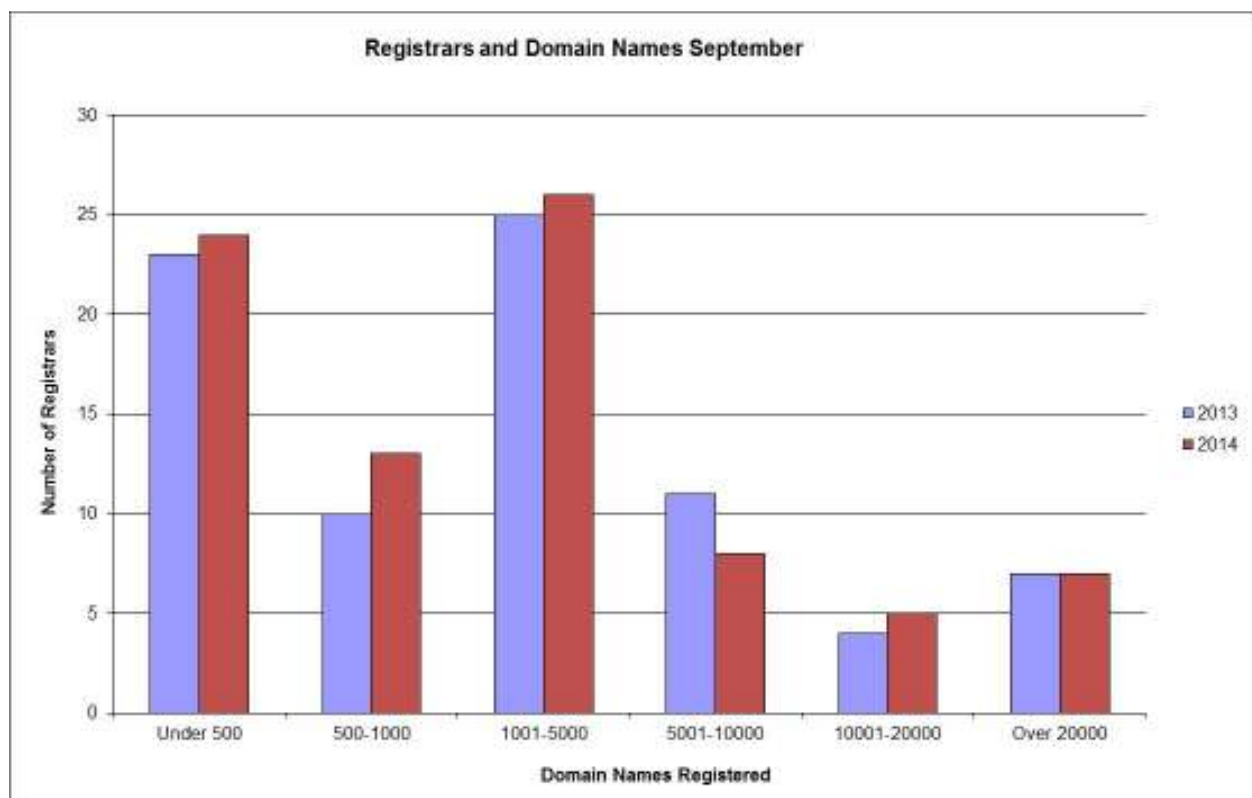
The following chart shows the number of authorised registrars connected to the SRS:

c) Registry Performance

SLA targets achieved for July, August and September 2014.

SRS, DNS and WHOIS availability is noted in the table below:

System	SLA %	Jul-14	Aug-14	Sep-14
SRS	99.90%	100.00	100.00	99.97
DNS	100%	100.00	100.00	100.00
WHOIS	99.90%	100.00	100.00	100.00

David Farrar
Chair, DNCL

Richard Currey
Chair, NZRS

DNCL 2nd quarterly report

November 2014

Jamie Baddeley
President, InternetNZ

Dear Jamie

Second Quarter 2014/15 report

Financial Reporting

As for the 2013/14 reporting to Council, DNCL are reporting .nz activities in a joint Quarterly report with NZRS. I have included the Profit and Loss Statement and information regarding DNCL Security and Training in this letter. If Council requires any further information please let me know so I can include it in future reports.

Profit and Loss Statement
For Quarter Ending 30 September 2014

	July - Sept 2014			Year-to-Date		
	Actual	**Budget**	**Variance**	**Actual**	**Budget**	**Variance**
<ins>**INCOME**</ins>						
Management Fees	467,460	467,460	0	934,920	934,920	0
Authorisation Fees	3,000	3,000	0	3,000	6,000	(3,000)
DRS Complaint Fees	6,000	9,000	(3,000)	10,000	18,000	(8,000)
Interest Income	6,178	1,635	4,543	10,013	3,270	6,743
Total Income	**482,638**	**481,095**	**1,543**	**957,933**	**962,190**	**(4,257)**
<ins>**EXPENSES**</ins>						
Staff and Office Costs	321,810	286,118	(35,692)	565,495	551,026	(14,469)
Professional Services and Communications	111,364	80,395	(30,969)	127,528	155,890	28,362
Dispute Resolution Services	10,650	17,523	6,873	18,718	35,046	16,328
DNCL and DNC activities	45,687	74,182	28,495	83,067	148,365	65,298
International	52,819	74,619	21,800	98,519	128,765	30,246
Total Expenditure	**542,331**	**532,837**	**(9,494)**	**893,327**	**1,019,092**	**125,765**
Depreciation	11,381	23,835	12,454	17,221	47,670	30,449
Net Profit/Loss	**(71,073)**	**(75,577)**	**4,504**	**47,385**	**(104,572)**	**151,957**

Variances against budget for this quarter reflect the budget being evenly distributed across the year whereas the activities undertaken are not so linear. Complaints through the DRS continue to be below budget, and the expenditure on the communications aspects of the second level registrations project has increased reflecting the implementation date of 30 September 2014.

DNCL Security and Training

Over the last two years DNCL has taken pro-active steps to share knowledge and train Investigators, Law Enforcement, Regulators and the Justice Sector about Domain Names and the Internet.   By sharing this knowledge DNCL aims to reduce the number of information requests made to DNCL and .nz Registrars and/or improve the detail and accuracy of the requests and instructions received.   It also inspires confidence in the management and oversight of .nz.   The training relates to publicly available data sets, tools and methods focusing on the authoritative registry data sources and uses.

This quarter, DNCL ran a training day for Justice Sector and Investigator training at Nethui and in August, DNCL held a one day Justice Sector workshop at the Asia Pacific Regional Internet Governance Forum and a half day workshop for National Cyber Policy Office staff and various other policy advisors from government agencies.

The Board of DNCL recommends that the Council of InternetNZ receives this report. Please do not hesitate to contact me if you have any questions.

Yours sincerely

David Farrar
Chair, DNCL

NZRS 2nd quarterly report

30 September 2014

Jamie Baddeley
President
InternetNZ
PO Box 11 881
Wellington

Dear Jamie

Re: 2ⁿᵈ Quarter 2014 – 2015 Report

We enclose our second quarterly report of the 2014 - 2015 year; the quarter ended 30ᵗʰ September 2014. The report, which I submit on behalf of the Board, consists of the summarised management accounts and a commentary on financial, operational, and strategic issues in relation to the company's performance. There is nothing in the report that we regard as confidential.

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

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

1. Financial

Enclosed are Statements of:

- Financial performance; and
- Financial position

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

The net profit before tax of $678,678 for the quarter was 35.0% above the budgeted $504,466.

Domain name growth has <u>increased significantly</u> and was above budget for the quarter. Growth was 15,033 versus a budgeted 3,000 and was due to the opening of the second level on 30 September at 1.00pm. Our budgeting was for the opening of the second level to be in early October not late September as the date of the launch was not known at the time we prepared our budgets. In the first hour there were 4,785 registrations, in the first 24 hours there were 17,008 registrations, and 24,724 .nz domains were registered by the end of September. July's net growth was -662, August's net growth was -378 and September's net growth was 16,073. Actual domain name fee income for the quarter was above budget by $22,616 (actual $2,109,452 versus budgeted $2,086,836).

Expenses for the quarter were $163,633 below budget (actual $1,499,103 versus budgeted $1,662,736) due mainly to the timing of expenditure, with a number of projects expecting the bulk of their expenditure in the second half of the year.

The company's liquidity ratio was met.

$1,355,776 was paid in dividends during this quarter.

2. Other Key Strategic and Operational Activities

a) Recruitment

During this quarter we completed our recruitment following the insourcing though with some postholders not due to start until the third quarter. This was slower than expected and reflects the tight Wellington jobs market for certain types of IT professional.

b) Technical Research

With the team members in place this quarter saw an active technical research team working on a variety of projects. The list of projects grew while processes were developed for prioritisation of work and publication of output. The list of projects the team worked on over this quarter include:

- Mapping the NZ Internet
- Broadband map
- Registry data quality metrics for registrar portal
- Analysis of recent cancellations
- Analysis of captured DNS data
- N-gram analysis of domain names
- Modelling of churn within the register
- Use of ATLAS probes for Internet mapping
- Deployment of new RIPE Atlas Anchor for extended Internet measurement
- RPKI testing
- Zone scan quality metrics development for registrar portal
- Exploratory analysis of web pages for .nz to determine usage
- Exploratory analysis of resolver dataset
- Full .nz web site scan

3. Business/service development

During this quarter we put forward our proposal for Domain Analytics to DNCL for assessment as to its compliance with the .nz Principles and Policies.

In this quarter we worked on redeveloping the National Broadband Map and in the next quarter will be working on acquiring all the data under the right licensing to enable it to operate.

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

Yours sincerely

Richard Currey
Chair

Deloitte*private*

We're all about you ⬈

NZ Domain Name Registry Ltd

Financial Statements
For the Quarter Ended 30 September 2014

Deloitte.

New Zealand Domain Name Registry Limited
Financial Statements
For the Quarter Ended 30 September 2014

Statement of Financial Performance

Balance Sheet

Statement of Cash Flows

Profit & Loss

Deloitte.

NZ Domain Name Registry Ltd
For the 3 months ended 30 September 2014

	Actual	Budget	Var NZD	Var %	YTD Actual	YTD Budget	Var NZD	Var %
Income								
Registry Fees	2,109,452	2,086,836	22,616▲	1.1%▲	4,203,425	4,164,184	39,241▲	0.9%▲
Total Income	**2,109,452**	**2,086,836**	**22,616**	**1.1%**	**4,203,425**	**4,164,184**	**39,241**	**0.9%**
Less Cost of Sales								
DNC Fee (348)	467,460	467,460	-	0.0%	934,920	934,920	-	0.0%
DNS Expenses	83,984	99,575	(15,591)▼	-15.7%▼	188,288	218,191	(29,903)▼	-13.7%▼
Other IT	22,108	40,985	(18,877)▼	-46.1%▼	38,122	82,227	(44,105)▼	-53.6%▼
SRS Expenses	35,544	55,597	(20,053)▼	-36.1%▼	105,646	145,530	(39,884)▼	-27.4%▼
Total Cost of Sales	**609,097**	**663,617**	**(54,520)**	**-8.2%**	**1,266,976**	**1,380,868**	**(113,892)**	**-8.2%**
Gross Profit	**1,500,355**	**1,423,219**	**77,136**	**5.0%**	**2,936,450**	**2,783,316**	**153,134**	**6.0%**
Less Operating Expenses								
Depreciation & Amortisation	205,168	200,206	4,962▲	2.5%▲	406,391	395,909	10,482▲	2.6%▲
Overhead Expenses	684,838	798,913	(114,075)▼	-14.3%▼	1,404,530	1,596,152	(191,622)▼	-12.0%▼
Total Operating Expenses	**890,006**	**999,119**	**(109,113)**	**-10.9%**	**1,810,921**	**1,992,061**	**(181,140)**	**-9.1%**
Operating Profit	**610,349**	**424,100**	**186,249**	**44.0%**	**1,125,529**	**791,255**	**334,274**	**42.0%**
Non-operating Income								
Interest Received (203)	68,329	80,366	(12,037)▼	-15.0%▼	154,192	165,177	(10,985)▼	-6.7%▼
Total Non-operating Income	**68,329**	**80,366**	**(12,037)**	**-15.0%**	**154,192**	**165,177**	**(10,985)**	**-6.7%**
Net Profit	**678,678**	**504,466**	**174,212**	**35.0%**	**1,279,720**	**956,432**	**323,288**	**34.0%**

Balance Sheet

Deloitte.

NZ Domain Name Registry Ltd
As at 30 September 2014

	30 Sep 2014	30 Jun 2014
Assets		
Bank		
Cash and Cash Equivalents	8,411,905	8,689,180
Total Bank	**8,411,905**	**8,689,180**
Current Assets		
Accounts Receivable	1,123,649	828,337
Interest Receivable (688)	95,292	143,453
Prepayments/Credits (687)	53,008	72,061
Total Current Assets	**1,271,949**	**1,043,851**
Fixed Assets		
Fixed Assets	1,139,766	1,185,731
Total Fixed Assets	**1,139,766**	**1,185,731**
Total Assets	**10,823,619**	**10,918,763**
Liabilities		
Current Liabilities		
Accounts Payable	281,712	230,995
Credit Cards	26,492	13,702
Deferred Income - Registry Fees	6,624,700	6,175,414
GST	97,200	28,039
Rounding (860)	-	-
Total Current Liabilities	**7,030,104**	**6,448,149**
Non-Current Liabilities		
Deferred Income - Adjustment (81700)	343,242	343,242
Total Non-Current Liabilities	**343,242**	**343,242**
Total Liabilities	**7,373,346**	**6,791,391**
Net Assets	**3,450,273**	**4,127,372**
Equity		
30,000 Ordinary Shares (60100)	30,000	30,000
Current Year Earnings	1,279,720	601,043
Retained Earnings (638)	2,140,553	3,496,329
Total Equity	**3,450,273**	**4,127,372**

New Zealand Domain Name Registry Limited
Statement of Cash Flows
For the Quarter Ended 30 September 2014

	This Quarter			Year to Date				Full Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Last Year (YTD)	Budget	LY Actual
Cash Flows From Operating Activities									
Cash Was Provided From:									
Registry Fees Received	2,537,935	2,602,810	(64,875)	5,146,407	5,279,352	(132,945)	5,002,749	10,813,528	9,299,977
Other Receipts	116,490	80,366	36,124	147,124	165,177	(18,053)	155,958	329,626	294,663
	2,654,425	2,683,176	(28,751)	5,293,531	5,444,529	(150,998)	5,158,707	11,143,154	9,594,640
Cash Was Distributed To:									
Payments to Suppliers and Employees	1,318,397	1,607,385	(288,988)	2,971,393	3,413,078	(441,685)	2,326,825	6,622,085	5,094,056
Net Taxation Paid	0	0	0	0	0	0	-	0	-
Net Dividend Paid	1,355,776	1,355,776	0	1,355,776	1,355,776	0	1,299,637	2,755,776	2,559,637
Net GST Paid	65,951	109,532	(43,581)	87,861	196,653	(108,792)	192,783	555,057	339,143
	2,740,124	3,072,693	(332,569)	4,415,030	4,965,507	(550,477)	3,819,245	9,932,918	7,992,836
Net Cashflows from Operating	(85,700)	(389,517)	303,818	878,501	479,022	399,479	1,339,462	1,210,236	1,601,803
Cash Flows from Financing Activities									
Cash was Provided From:									
Share Capital	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0		0	0
Cash was Distributed To:									
Repayment of Redeemable Preference Shares									-
Inland Revenue Use of Money Interest	0	0	0	0	0	0	0	0	0
Net Cash flows from Financing	0	0	0	0	0	0	0	0	-
Cash Flows from Investing Activities									
Cash was Provided From:									
Fitout Contribution	0	0	0	0	0	0	0	0	0
Cash was Distributed To:									
Purchase of Fixed Assets & Formation Expenses	204,366	235,750	(31,384)	592,660	392,916	199,744	387,023	864,416	955,386
Net Cash flows from Investing Activities	(204,366)	(235,750)	31,384	(592,660)	(392,916)	(199,744)	(387,023)	(864,416)	(955,386)
Net Increase (Decrease) in Cash Held	(290,066)	(625,267)	335,201	285,841	86,106	199,735	952,439	345,820	646,417
Plus Opening Cash Balance	8,675,478	8,810,945	(135,467)	8,099,572	8,099,572	0	7,423,866	8,099,572	7,423,866
Closing Cash Carried Forward	8,385,413	8,185,678	199,735	8,385,413	8,185,678	199,735	8,376,304	8,445,392	8,070,283
Closing Cash Comprises									
ASB Bank Cheque Account	533,580	-	-	533,580	-	-	444,878	8,445,392	618,366
ASB Bank Call Account	503,576	-	-	503,576	-	-	839,726	-	252,326
Term Deposits	7,374,749	-	-	7,374,749	-	-	7,091,700	-	7,228,880
ASB Credit Cards	(26,492)	-	-	(26,492)	-	-	0	-	(29,289)
Total Cash Held	8,385,413	8,185,678	199,735	8,385,413	8,185,678	199,735	8,376,304	8,445,392	8,070,283

Group Financials

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We're all about you ⬈

Internet New Zealand
Consolidated Financial Statements
For the Quarter Ended 30 September 2014

Deloitte.

Internet New Zealand
Table of Contents
For the Quarter Ended 30 September 2014

Internet New Zealand
Compilation Report
For the Quarter Ended 30 September 2014

1. Scope
On the basis of information you provided, we have compiled the Financial Statements, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, for Internet New Zealand. These are special purpose financial statements.

2. Responsibilities:
You are solely responsible for the information contained in the Financial Statements and have determined that the Financial Reporting Act 1993 used is appropriate to meet your needs and for the purpose that the Financial Statements were prepared. The Financial Statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the Financial Statements.

3. No Audit or Review Engagement Undertaken:
Our procedures use accounting expertise to undertake the compilation of the Financial Statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

4. Disclaimer of Liability:
Neither we nor any of our employees accept any responsibility for the reliability, accuracy or completeness of the informtaion from which the Financial Statements have been compiled nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

Deloitte
Wellington NZ
1-Nov-14

Internet New Zealand
Consolidated Income Statement
For the Quarter Ended 30 September 2014

	Group		INZ		NZRS		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD	Qtr	YTD
Income	2,119,357	4,223,387	71,457	148,064	2,109,452	4,203,426	476,460	947,920
Other Income	0	0	0	0	0	0	0	0
Dividends Received	0	0	1,355,776	1,355,776	0	0	0	0
Interest Received	185,983	300,362	111,476	136,158	68,329	154,192	6,178	10,012
Total Income	2,305,340	4,523,749	1,538,709	1,639,998	2,177,781	4,357,618	482,638	957,932
Less Expenses								
Direct Expenses	141,637	332,056	0	0	609,097	1,266,976	0	0
Other Expenses	2,429,387	4,353,539	1,056,222	1,773,174	890,006	1,810,921	553,711	910,547
Total Expenses	2,571,024	4,685,595	1,056,222	1,773,174	1,499,103	3,077,897	553,711	910,547
Net Profit (Loss) Before Tax	(265,684)	(161,846)	482,487	(133,176)	678,678	1,279,721	(71,073)	47,385
Less Provision for Tax	0	0	0	0	0	0	0	0
Net Profit (Loss) After Tax	(265,684)	(161,846)	482,487	(133,176)	678,678	1,279,721	(71,073)	47,385

Notes:

The income and expenditure lines for the individual entities do not add to the Group totals due to the following
intra-group entries being eliminated:
1. GSE paid by NZRS and DNCL to INZ
2. The DNCL fee paid by NZRS to DNCL
3. The dividend paid by NZRS to INZ

The Group year to date net profit is $1,355,776 (quarter $1,355,776) less than the sum of the individual entities due to the
dividend received by INZ from NZRS being removed from income while the payment by NZRS shows under their
statement of movements in equity on page 3.

Internet New Zealand
Statement of Movements in Equity
For the Quarter Ended 30 September 2014

	Group		INZ		NZRS		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD	Qtr	YTD
Opening Equity	9,515,938	9,412,100	4,959,764	5,575,427	4,097,372	3,496,329	458,802	340,344
Plus:								
Shares Subscribed	0	0	0	0	30,000	30,000	580,000	580,000
Net Profit (Loss) After Tax	(265,684)	(161,846)	482,487	(133,176)	678,678	1,279,721	(71,073)	47,385
Less:								
Dividend Paid	0	0	0	0	1,355,776	1,355,776	0	0
Closing Equity	9,250,254	9,250,254	5,442,251	5,442,251	3,450,274	3,450,274	967,729	967,729

Internet New Zealand
Balance Sheet
As at 30 September 2014

	Group	INZ	NZRS	DNCL
Current Assets				
Cash and Cash Equivalents	14,138,517	4,661,193	8,411,905	1,065,419
Other Current Assets	1,316,603	13,840	1,271,949	30,814
Total Current Assets	15,455,120	4,675,033	9,683,854	1,096,233
Property, Equipment & Software	1,607,775	379,206	1,139,766	88,803
Intangible Assets	0	0	0	0
Investments				
Shares and Loans	0	610,000	0	0
Total Assets	17,062,895	5,664,239	10,823,620	1,185,036
Less Liabilities:				
Deferred Income	6,967,942	0	6,967,942	0
Trade and Other Payables	844,699	221,988	405,404	217,307
Total Liabilities	7,812,641	221,988	7,373,346	217,307
Net Book Value of Assets	9,250,254	5,442,251	3,450,274	967,729
Represented By:				
Total Equity	9,250,254	5,442,251	3,450,274	967,729

Internet New Zealand
Statement of Cashflows
For the Quarter Ended 30 September 2014

	Group	
	Qtr	YTD
Cash Flows From Operating Activities		
Cash was provided from:		
Receipts from customers	2,368,643	4,833,767
Interest Received	185,983	300,362
Total Received	2,554,626	5,134,129
Cash was distributed to:		
Payments to Suppliers and Employees	2,088,067	4,471,436
Total Payments	2,088,067	4,471,436
Net Flows From Operating Activities	466,559	662,693
Cash Flows From Investing & Financing Activities		
Cash was distributed to:		
Purchase of Property, Equipment & Software	235,792	609,758
Managed Funds	0	0
Net Cash Flows From Investing & Financing Activities	(235,792)	(609,758)
Net Increase Decrease in Cash & Cash Equivalents	230,767	52,935
Plus Opening Cash	13,907,750	14,085,582
Closing Cash Carried Forward	14,138,517	14,138,517
Closing Cash Comprises		
Cash & Cash Equivalents	14,138,517	14,138,517

Cash Flow Reconciliation

	Qtr	YTD
Net Profit (Loss) After Tax	(265,684)	(161,846)
Plus (Less) non cash items		
Depreciation	240,549	471,612
Subtotal	(25,135)	309,766
Movement in Working Capital		
(increase) decrease in receivables	(151,549)	19,008
increase (decrease) in payables	193,957	(276,461)
increase (decrease) in deferred income	449,286	610,380
Net Cash Flows From operations	466,559	662,693

Governance Policy Framework

Governance Policies Update

Author: Jordan Carter, Chief Executive

Purpose of paper: update Council on the way forward for developing our Governance policy framework.

Introduction

At its meeting in October 2014, the Council noted the register of governance policies. Since that time I have worked with Marian to assemble the full set of existing policies and establish a common document format for these.

This work is now complete, and a full suite of the current governance policies is included in the physical mail-out of papers to you. They will soon be available in PDF form on the new website, as individual documents and compiled.

The register is attached to this paper, and notes:

- The organisation of the governance policy framework
- When each policy was adopted
- When each policy is proposed for review (where applicable)

Two policies have not yet been completed ready for Council review: the Policy Development Policy and the Treasury policy. These will both be available for adoption at the February 2015 meeting.

The remaining policy identified as "to start" is the policy arising from the .nz Framework review. The timeline for that is to be decided by Council in this meeting.

Recommendation

THAT Council receive this update; agree the proposed schedule for review of existing policies [as amended], and agree the planned development schedule for the three outstanding policies yet to be completed.

Jordan Carter
Chief Executive

Governance Policies Register

This register sets out for discussion the planned list of Governance Policies, along with some information about the current state of each.

This register is current as of 26 November 2014.

Code	Title	Version	Adopted	Review
PDP	Policy Development Policy			
Council (CNL)				
CFR	Council Functions and Role	1.0	Dec 10	Feb 15
CLR	Council Members	1.0	Dec 10	Feb 15
Subsidiaries (SUB)				
NZF	(.nz Framework)			
SUB	Subsidiaries	1.0	Dec 10	Apr 15
APT	Boards Appointments and Roles	1.0	Dec 07	Feb 15
Group policies (GRP)				
AST	Audit Services Tender	1.0	Apr 11	Apr 15
BUS	Business Development	1.0	Feb 14	Mar 16
CTR	Contracting for Councillors & Directors	1.0	Oct 11	Apr 15
REM	Remuneration for Council and Boards	1.0	Dec 07	Apr 15
PRT	Planning and Reporting Timetable	1.0	Dec 07	Feb 15
PLC	Planning Cycle	1.1	Aug 14	Aug 15
Financial (FIN)				
TSY	Treasury			
RES	Financial Reserves	2.0	Feb 12	Mar 15
INV	Funds Investment Management	1.0	Aug 12	Mar 15
MIS	Reporting Cases of Misappropriation	1.0	Mar 11	Mar 15
Committees (COM)				
AUR	Audit and Risk	2.0	Aug 14	Dec 14
CEO	Chief Executive	1.0	Oct 13	Jun 15
GRT	Grants	2.0	Aug 14	Jun 15
MEM	Membership	1.0	Oct 14	Jun 15
Other (OTH)				
DEL	Chief Executive Delegations	1.0	Feb 10	Feb 16
DNC-OA	DNCL Operating Agreement	1.0	Apr 08	
NZRS-OA	NZRS Operating Agreement	2.0	July 08	

Key to colour coding:

Green – already available   Blue – drafting under way   Yellow – to start

Committees and other groups

MINUTES OF MEMBERSHIP ENGAGEMENT COMMITTEE

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

Meeting started at 1pm.

The purpose of meeting was to discuss the role of members and get clarity on the role/purpose of members.

The committee discussed on what the current role of members are, and have divided the function by categories, as follows:

Operational	Constitutional	Other
• PAG/Policy consultation • Member discuss • Key contacts • Evangelist • Super Users • Most interested • Expert contributors • Participate in Working Groups • Payment of membership	• Right to elect Council • Hold Council accountable • Vote at/Call for general meetings • Participate in Working Groups • Stand for office • Nominate for Council • Petition to Council	• Legitimacy – to Internet community, to stakeholders

The Committee identified that there could be an Engagement spectrum (i.e. love, hate, engaged, unengaged) to identify how members, as well as non-members who are keen to be involved, are engaged with InternetNZ. This could look somewhat like this (see over page):

	Supportive
Not engaged	Fully engaged
	Hostile
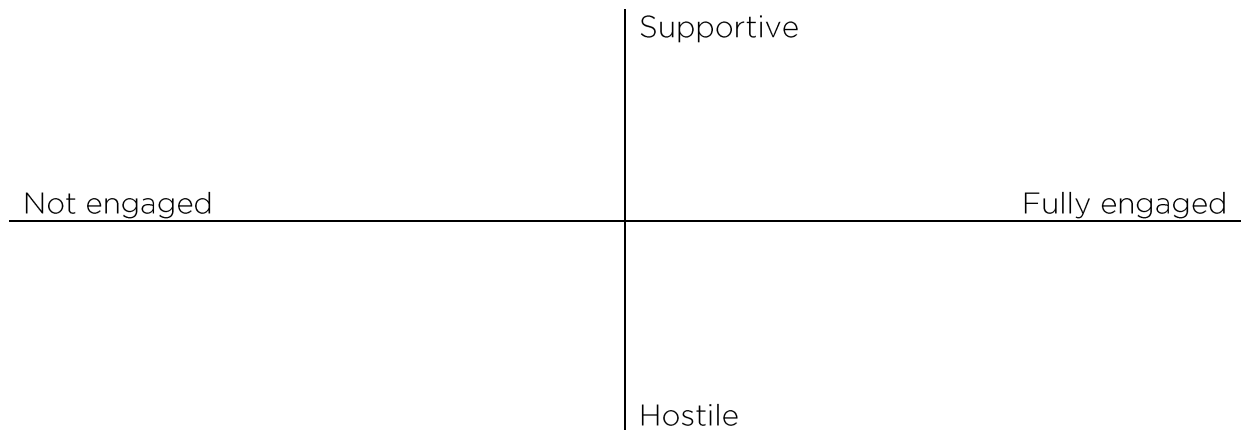
Key Functions of Members

With the current membership, the Committee have identified the three key functions that members do:

- Constitutional
- Liaise with Internet community / engagement with each other
- Contribute with Internet Issues – being aware of the issues, provide input on priority, help develop.

The Committee then scored each category between 1 to 5 (being 1 as lowest) on how well the organisation is currently doing these functions. The constitutional function was scored 4/5; however the other two were scored low.

The Committee also identified what the reality of a diverse and decent-sized group of members could help deliver for each other and for the organisation. The thought was that with that kind of membership body, the membership would help:

Constitutional:
- provide governance
- drive accountability
- legitimacy

Liaise with community:
- connections
- expertise
- legitimacy

Internet Issues:
- expertise
- credibility/quality
- diversity
- comprehensive
- cost effective
- touchstone/grounding

The Committee has identified some of the issues that members may have encountered which could discourage them from continuing their membership.

Issues raised were as follows:

- Liaising with community - toxicity, "cliquey", lack of organising / infrastructure, lack of community scaffold, lack of useful ways to be involved

- Internet Issues - forums poorly operation or not available, process-less, antagonistic (randomly), myopic/obsessive, anonymity, and lack of history.

Why do we want people to join?

The Committee discussed what is the essence on why we encourage people to sign up for the membership, and the common themes identified were as follows:
- Get "more" involved with InternetNZ; and/or
- Support InternetNZ's cause – of the open Internet.

Jordan advised that weaving a story from this thinking about what members can do when they sign-up could encourage people to have interest in the membership.

It was also discussed whether to add an option on the NetHui registrations to join the membership.

Other Ideas

The following are some of the ideas that the Committee have discussed that could improve membership:
- "Newcomers" mailing list (for 6 months) – an introductory mailing list for the new members where they can raise questions/topics that they may not be comfortable raising it to the members-discuss list.
- Having a monthly newsletter sent to all members on what InternetNZ has been up to, etc. (marketing)
- Collaboration tools (e.g. forum rather than emails)
- Having events for members to network/ collaborate with other members (i.e. Christmas dinner, 2020 forum launch)
- A charter of member values
- Having a kaupapa/ code of conduct to all members

What's next?

The Committee will seek Council feedback at this meeting on the direction set out above, and following the discussion work on a discussion with members about where to go next.

Meeting closed at 2.30pm.

Audit and Risk Terms of Reference

Policy	COM-AUR: Audit and Risk Terms of Reference
Version	Version 1.1
Date in force	~~Approved as per RN64/10 (29 Oct 2010 Council meeting), and amended TOR adopted as per RN09/12 (17 Feb 2012 Council Meeting) and amended TOR adopted as per RN63/14 (8 August 2014 Council Meeting)~~5 December 2014 (replaces v 1.0 adopted on 8 August 2014).
Planned review	~~March 2015~~June 2015

Constitution

The Audit and Risk Committee *("the Committee")* is a committee of Council with specific delegated powers as set out in this Terms of Reference.

Objectives

The purpose of the Committee is to assist the InternetNZ Council ("Council") in the effective discharge of its responsibilities for financial reporting, internal controls, risk management, statutory compliance and external audit. The committee is also responsible for oversight and development of financial policies at the governance level – those related to expenditure control, investment and treasury functions and delegated authorities. Within the boundaries of this purpose, the Committee's scope is direct oversight of InternetNZ operations while, in relation to the subsidiary organisations, it has the same scope as Council has as shareholder.

The Committee provides the opportunity for Councillors to dedicate specific time to consider audit, risk management and related issues.

The Committee does not relieve any Councillors of their responsibilities for these matters.

Membership

The Committee shall consist of between three and five Councillors who have, between them, relevant skills and experience, including finance, risk management and accounting.

Council shall appoint members and a Chair ("the Chair") of the Committee and review these appointments annually at its first ordinary meeting after the Annual General Meeting of the Society.

Members of the Committee:

1. shall be Councillors;

2. must be able to read and understand financial statements;

3. are not necessarily financial or accounting experts;

4. are not personally required to conduct accounting reviews or audits;

5. are entitled to rely on employees of the Society and professional advisers where they reasonably believe that the employee or adviser is reliable and

competent and the reliance was made in good faith and after making an independent assessment of the information.

6. Any member who ceases to be a Councillor ceases to be a member of the Committee.
7. The InternetNZ President is not a member of the Committee ex-officio and is not eligible to be the Chair of the Committee.

Any policy of Council on conflicts of interest applies to the Committee. At its discretion, the Committee may exclude a Councillor who, in the Committee's view, has a conflict of interest with an item of business before the Committee or who is the subject of an investigation by the Committee from proceedings that are relevant to that conflict or investigation.

Attendance

The Committee shall, in consultation with the Chief Executive, appoint a member of staff to act as Committee Secretary.

The Chief Executive and Committee Secretary shall normally attend meetings of the Committee but shall not be members of the Committee. Other staff may be invited to attend meetings at the discretion of the Committee.

At its discretion, the Committee may choose to meet in whole or in part without staff or advisers present.

Councillors who are not members of the Committee shall have the right of attendance (except in the case of a conflict of interest, as determined by the Committee).

Meetings

The Committee shall meet at least three times each year but shall otherwise itself determine the frequency of its meetings.

Meetings of the Committee shall be scheduled by agreement with the Chair and with due regard to reasonable notice, the availability of Committee members and staff and so as to avoid unnecessary re-scheduling of meetings.

Any member of the Committee may request that a meeting of the Committee be convened.

A majority of Committee members, present in person or by using any technology, shall constitute a quorum.

Unless directed by the Chair, the Committee Secretary shall distribute an agenda and any related papers in advance of a meeting to:

a) members of the Committee;
b) Councillors who are not members of the Committee; and
c) the Chief Executive.

Minutes

The Committee Secretary shall prepare minutes of meetings and have them approved by the Chair.

Minutes of meetings shall be confirmed at the next meeting of the Committee.

Responsibilities

The Committee shall consider any matters it thinks relevant to the audit, financial affairs and risk management of the Society and the policies applicable to these.

The duties of the Committee are to:

Annual Report and Financial Statements

a) Review the Annual Report and financial statements, and recommend them to Council for approval.

b) Review and assess the appropriateness of the Society's accounting policies and principles.

c) Review and monitor compliance with statutory responsibilities relating to financial reporting and with accounting policies.

Risk Management

d) Review risks facing InternetNZ and the shared risks facing the group to ensure that there are appropriate levels of mitigation.

e) Consider whether the Society has effective risk management systems in place to review, assess and manage business, financial and operational risk.

f) Review and consider the policy and processes used by management to monitor and ensure compliance with laws, regulations and other requirements.

g) Monitor and advise the Council on the implementation and maintenance of the Council's risk management strategy, framework and procedures.

h) Recommend risk management policies to be approved by Council.

Audit

i) Review and agree with the auditor the terms of engagement for the auditor.

j) Review the scope of the external audit with the auditor, including identified risk areas and approve external audit plans.

k) Review the findings of the external audit.

l) Review and monitor management's responsiveness to the external audit findings.

m) On a regular basis, meet with the auditor without management present.

n) Monitor the effectiveness and independence of the auditor.

o) Review and assess the provision of non-audit services by the auditor, considering any potential to impair, or appear to impair, the auditor's judgment or independence of the Society.

p) Make recommendations to Council on the appointment, reappointment or replacement of the auditor and any fees.

Council Policies

q) Maintain an oversight of policies relating to the Committee's role and where appropriate provide advice to Council on proposed amendments or updates.

r) Review Council policies periodically to ensure compliance.

s) Review Council resolutions periodically to ensure consistency and compliance.

Other Matters

t) To review and advise Council on material changes advised by subsidiaries in policies and forecasts that have a material impact on the financials and risks of InternetNZ and its subsidiaries as a whole.

u) Supervise or initiate any special investigations.

v) Consider any other matters that are referred by staff where these are generally consistent with the Committee Terms of Reference.

w) Consider any other matters referred by Council.

Authorities

The Audit and Risk Committee is an advisory body with no executive powers.

The Committee shall have the authority to seek any information it requires from any employee of the Society and from the Society's accountants and auditors.

The Committee is authorised to obtain such independent professional advice as it considers necessary at expense of the Society.

The Committee is authorised to make reasonable arrangements as it considers necessary for travel, accommodation, meals and meeting facilities for members of the Committee, advisers to the Committee and staff at the expense of the Society.

The Committee must exercise the powers delegated to it in accordance with any directions of Council.

The Committee can invite other parties to attend meetings from time to time as circumstances require.

The Committee may initiate special investigations as it sees fit in relation to matters set out in this Terms of Reference or as directed by Council, or the President.

Reporting

After each Committee meeting, the Chair shall report the Committee's findings and recommendations to Council.

Unless directed by the Chair, the minutes of all committee meetings shall be circulated to Councillors, the Chief Executive, the Society's accountants, the external auditors and to such other persons as the Committee directs.

At its discretion, the Committee may from time-to-time choose to specify that parts of its proceedings are confidential and that the record of those proceedings is not to be included in the minutes of the Committee circulated to the Chief Executive, the Society's accountants, the external auditors and such other persons. Except in the case of a conflict of interest, Councillors shall be entitled to have access to the confidential proceedings of the Committee by whatever means the Chair deems appropriate.

Communication

The Chief Executive and the Society's accountants shall be responsible for drawing to the Committee's immediate attention any material matter that relates to the financial condition of the Society, any material breakdown in internal controls, and any material event of fraud or malpractice.

The committee shall maintain direct lines of communication with the external auditors, the Chief Executive, the Society's accountants and with staff generally including those responsible for non-financial risk management.

Review

This Terms of Reference document and the performance of the Committee shall be subject to annual review by Council.

Community Funding

Strategic Partnership Slate 2015/16

Author: Ellen Strickland

Purpose of Paper: Propose slate for Strategic Partnership agreements for 2015/16

Introduction

This paper outlines recommendations of a slate of potential strategic partnerships for 2015/16 onwards for discussion and decision. Proposed partnerships will then be presented at the February 2015 Council meetings, with a decision sought authorising the Chief Executive to negotiate and commit to partnerships as agreed.

Using the criteria adopted by Council (attached in Appendix), this paper reviews current partnerships and then provides information about potential partner organisations recommended for continued discussions,

At the February 2015 Council meeting, proposed strategic partnerships will be recommended including details on duration, areas of focus and funding levels for each of the proposed partners. A preference for 2 year or longer funding commitments will be considered in proposing partnerships, to create stability for the partners and collaborative working relationships with them.

Strategic Partnership Portfolio Funding Status

Based on the existing 2015-16 strategic partnership funding commitments and the draft budget, InternetNZ has $97k budgeted for additional partnership funding in 2015-16.

Strategic Partnership funding is currently between $33k and $75k per organisation, with around $30-$50k per organisation as likely anticipated funding levels, depending on funding needs, for new partnerships. Therefore we recommend Council approve advancing discussion with a maximum of three organisations for 2015-16.

Current Partnerships

For the 2015-16 financial year, InternetNZ has an ongoing commitment to fund three strategic partner organisations: 2020 Communications Trust, Creative Commons Aotearoa New Zealand and NetSafe. The fit with the agreed criteria for these strategic partners is:

	2020	CCANZ	NETSAFE
Strategic Fit (Partnership framework facilitates: Object 2.8 Represent Internet Community Object 2.10 Liaise with other orgs)	Objects: 2.9 Access Workstreams: Internet Connectivity. Internet Use.	Objects: 2.4 Education and research Workstreams: Internet Use. Internet Laws and rights.	Objects: 2.4 Education and research Workstreams: Internet Use. Internet Laws and Rights
Additionality	Allows regional work which central government funding doesn't include. Also research and promotion for broader gains from work	Projects not in baseline.	Projects additional, not funded. Allows Pacific focus.
Capacity to Deliver	Established and proven partner.	Established and proven partner.	Established and proven partner.
Community	Nationwide community network. Education.	DIA. National Library. Education, universities and research communities.	Education Sector. Cybersecurity and law enforcement sector. Government.

Each of these organisations have a two year strategic partnership funding commitment from InternetNZ, and 2015-16 is the second and final year of funding committed for each of these organisations. Funding levels for the coming year are:

	2020	Netsafe	CCANZ	Total
2015-16	$75k	$75k	$33k	$183k

Strategic Partnership Slate Recommendations

Considering the criteria for strategic partnerships, including in relation to other partnerships as a portfolio, we recommended discussions around strategic partnerships for 2015 onwards be continued with the following organisations:

- Institute of Culture Discourse and Communication Auckland University of Technology (ICDC AUT)
- Wiki New Zealand (WikiNZ)
- Victoria University School of Engineering and Computer Science (VUW ECS)

Discussions were also undertaken with Public Libraries New Zealand around a potential strategic partnership, but after ongoing dialogue it was mutually agreed to collaborate over the coming year, on work around issues such as digital literacy, and potentially reconsider a strategic partnership in coming years.

Institute of Culture, Discourse and Communication, AUT

A current partner, who we are committed to including in the slate for discussion for a partnership in 2015 onwards. The main focus of funding would be for the World Internet Project 2015 Survey, which InternetNZ has previously provided cornerstone funding ($40K of the $200k required) for the survey. As established partners, we will likely be considering a 2 year partnership which would support funding for next WIP and the follow-up year of analysis and promotion, including inter-survey analysis and reporting. We are interested in a continuing area of focus on collaboration around supporting and developing the new Zealand Internet Research community.

Wiki New Zealand

Wiki New Zealand is gathering all of New Zealand's data together in one place, online, and making it fun and easy for everyone to use. It is collaborating widely to achieve this - with Government, business, NGOs, media, academia, schools and the general public. Wiki New Zealand is working to:

- Improve access to data on the Internet, with particular emphasis on New Zealand's public data
- Develop standards for data on the Internet, specifically to ensure data is not just open, but rather, is useable by a wide range of users
- Educate people about New Zealand
- Provide data in a range of formats that enable reuse

A potential area of focus is around the State of the Internet Report and broadly collaborating on use of data about the Internet, in collaboration with the Internet use workstream activities of InternetNZ. As this organisation does not have an established track record with InternetNZ, a one year partnership will be considered.

There is an exciting potential opportunity in partnering with Wiki New Zealand, to support and be involved in a potential whole-of-government collaboration on open data being made accessible to the public through Wiki New Zealand, which is not yet confirmed but in development.

VUW School of Engineering and Computer Science

Discussion have been on and off with this potential partner organisation for a number of years, with a potential partnership discussed around a focus on supporting research on software defined networking. As an established and reliable community grants funding recipient and with many members of this organisation core and respected parts of the technical community, we recommended exploring a 2 year partnership to support research, including in collaboration with business community.

	ICDC AUT	Wiki NZ	VUW ECS
Strategic Fit (Partnership framework facilitates: Object 2.8 Represent Internet Community Object 2.10 Liaise with other orgs)	Objects: 2.4 Education and research 2.6 Collect and disseminate information Workstreams: Internet Use. Platform for IR/community.	Objects: 2.2 Developing standards for Internet application 2.4 Education and research 2.6 Collect and disseminate information Workstreams: Internet Use	Objects: 2.2 Developing standards for Internet application 2.4 Education and research Workstreams: Internet Technology
Additionality	Partnership is cornerstone of World Internet Project funding. Facilitates exploration of potential future WIP surveys.	Internet data analysis work would be an additional focus of work.	Additional projects and research, not currently funded, would be the focus. Supports research and development of new networking technology.
Capacity to Deliver	Established and proven partner. Funding from govt for next survey unclear.	Working with senior government and business.	Established and proven community grant recipient organisation.
Community	International and national Internet research community. National Library. Government users of the data.	Finance. Business sector. Government/Open data.	Education and research sector. Technical community. Business sector, through research collaboration.

As strategic partners these organisations could to work and outcomes around a range of different objects and different Issues/Workstreams, additionally there are a range of communities of engagement between these partners which are

complementary to and support the deepening and widening of InternetNZ's own community engagement.

There are some Objects and Issues covered by multiple partners, particularly Object 2.4 Education and Research and the Workstream of Internet Use. The heightened focus on these areas through partnerships is recommended as appropriate as these partners are better placed to work on these areas than for InternetNZ to do so internally. Additionally these are broad areas of work/Object focus and the partners are recommended as complementary in their work, not a duplication of effort within these areas.

Recommendations

1. THAT this paper be received.

2. THAT the Chief Executive be authorised to further explore strategic partnerships with ICDC AUT, WikiNZ, and VUW ECS and present proposed strategic partnerships with any or all of these organisations to Council in February 2015.

Ellen Strickland, Jordan Carter

28 November 2014

Appendix: Strategic Partnership Criteria

The following criteria were adopted by Council to align proposed partnerships with InternetNZ's purpose as well as identify the foundations for and mechanisms of partnership.

1. Strategic Fit

Strategic Partnerships represent the largest financial and time commitment of any of InternetNZ's Community Funding mechanisms. As such, Strategic Partnerships need to have the strongest links to InternetNZ's strategy.

This criterion was assessed by:
- Each potential partnership being assessed and related to both the InternetNZ Objects and current InternetNZ strategy. Only partnerships which clearly contribute to these will be entered into.
- All current and prospective partnerships are then assessed as a Portfolio, to ensure that we have a range of partner organisations which relate to a broad variety of the Objects and areas of work canvassed by the current strategy. Recommendations on Strategic Fit are therefore made on the Portfolio as a whole.

2. Additionality

Experience gained through current partnerships indicates that InternetNZ has the most tangible impact in achieving its objects through partnership funding when such funding is linked to clear outputs enabled by the strategic partnership, which would not be possible without Partnership Funding, and which align to shared goals and objectives.

This criterion seeks to capture the opportunity for new activity and new outputs enabled by the funding proposed, as opposed to the baseline of not entering into a partnership funding arrangement.

These will be assessed by:
- Preferring partnership opportunities which support new or additional outputs or capacity as of greater benefit to InternetNZ than supporting existing capacity.
- Preferring partnership opportunities which support activities that would otherwise not be possible, or not possible in a way which aligns to InternetNZ goals and objects, without such funding support.

3. Capacity to Deliver

For any proposed partnership, InternetNZ must have confidence that the other party has the ability to deliver on the work envisioned by the partnership, within the overall resource base available to it including the proposed partnership funding.

This criterion will be assessed based on:
- Performance on past deliverables and relationship with InternetNZ.
- Experience in working relationship with InternetNZ.
- Overall organisational performance and working relationships with other partners.
- The proposed partner's ability to continue to operate over the envisioned term of the partnership, as demonstrated by analysis of the organisation's financials and commitment of their leadership.

4.   Partners and Community Links

This criterion links to the value of deepening our networks and community engagement through partnerships. In general, InternetNZ wishes to widen and deepen links across the Internet community.

This will assessed by:
- Understanding and valuing other institutional and funding relationships, particularly those which are complementary to InternetNZ relationships.
- Valuing links to community which support the organisation's work and are aligned and potentially beneficial to InternetNZ and vice versa.

Community Grants Update

Author:	Ellen Strickland, Maria Reyes
Purpose of Paper:	Information on community grants and recommendation on the returned grant.

Community Grants Rounds

Community Projects Round

This funding round was opened for application from 24 September to 6 October 2014. We received applications for over $500k in projects and with the $80k funding round limit, a small portion were considered to go through Stage Two.

For the Stage Two process, applicants were asked to complete a detailed application form which requires applicants to provide more information on their project proposals as well as provide reference letters from two of their nominated referees which addresses the applicant's experience and capacity to deliver on their proposed project.

The Grants Committee will put forward their final recommendation to Council once all these applications are reviewed and assessed.

Conference Attendance Round

Funding round for the conference attendance was opened in parallel to the Community Projects round.

After all applications were assessed the Grants Committee recommended to Council to award funding to five successful applicants:

- University of Otago (Holger Regenbrecht)
- Project Red Flag (Vaughan Davis and Rohan MacMahon)
- University of Auckland (Eunice Price)
- University of Otago (Shahab Pourfakhimi and Dr Tainyu Yung)
- DC Media Ltd (Damian Christie)

Canterbury Funding Round

Funding round for community projects focused in the Canterbury region has been open and launched on Saturday 22 November at the NetHui South held in Christchurch. Applications are open until 5 January 2015.

On-demand Grants

Applicant	Purpose	Decision	Amount Approved
University of Auckland	Funding to support Aniket Mahanti's travel to attend the 10th International Conference on emerging Networking Experiments & Technologies (CoNEXT).	Declined	-
Meng Xu	Funding to support Meng Xu's travel to attend & present at the Media Ubiquity: Spaces, Places and Networks Research symposium held at Auckland University.	Approved	$543
AUT University	Research project to analyse portions of the data collected by the NZ Elections Study (NZES) after the 2014 election through a large survey, and to defray some of the costs of the data-collection.	**Pending-** *(Currently being reviewed by the Grants Committee)*	-

Reports received from grant recipients

As part for the Community Funding agreement that are signed by successful applicants, the recipients are required to provide a report to InternetNZ to give an overview on the progress or outcome of the research/project/activity funded by InternetNZ through the Community Grants.

The following are reports received as of 31 November 2014. Copies of the reports are also attached as appendices to this paper:
Internet Research Round

- **Telco2 Limited** – final report on their research project on Broadband Affordability in New Zealand. Telco2 advised that this report is also available online at http://telco2.co.nz/bbafford.html.

- **Burwood Academy of Independent Living** *(confidential)* - mid-year progress report on their research project regarding Internet use by people with neurological conditions. This report is currently not publicly available as the lead researchers advised that the findings in their research are still provisional. Hence, the report has been circulated to Council only for their information.

- **University of Auckland** – mid-year progress report on their research on whether network coded TCP can improve quality of streaming data across long distances in the South Pacific region.

- **Auckland University of Technology** – mid-year progress report regarding their research on whether New Zealand is picking up IPv6 and if not, the reason behind it.

On-demand grants
- **Meng Xu** – Meng Xu received funding to support his attendance at the 'Media Ubiquity: Space, Places and Network' conference held in Auckland.

Community Grants Budget update

Budget for 2014/15 financial year:	$ 177,000
Rolled over funds added from previous year:	$ 96,000
Total amount of funding commitment:	*($ 18,083)*
Balance of budget left:	$ 252,457

Returned Grant

Lyttleton Information Centre and Sydenham Business Association received funding from InternetNZ for their Free Wi-Fi project in Lyttleton and Sydehman in 2012, via the Christchurch Funding Round. However, due to some issues, they advised mid this year that the project is no longer going ahead and have decided to return the unused funds amounting to $37,000 back to InternetNZ.

With the $37,000 now added back to the community funding budget, we would like to seek Council's approval to transfer this amount to the current community funding rounds bucket as additional funds.

Recommendation:
- That Council approve the transfer of the $37,000 unused funds from the Christchurch Funding Round to the current funding rounds.

Broadband
Affordability in
New Zealand

9 September 2014

Telco2 Limited

Introduction

The ITU/UNESCO[1] Broadband Commission for Digital Development[2] in 2011 found that in 49 economies across the world, broadband access cost less than 2% of average income. In many parts of the developing world they found broadband can cost much more than that, and so set a "global broadband affordability target[3]" to encourage members to bring the cost of broadband to under 5% of average income by 2015.

This report evaluates how New Zealand meets the ITU's broadband affordability target. It considers median household income data from Statistics New Zealand's 2013 Census[4] at the finest granularity available, locates household addresses based on Land Information New Zealand Electoral Address[5] information, and determines broadband availability per address running geo-spatial queries against telecommunications carrier coverage data.

Each address considered in this study is assumed to have the median household income (HHI) for its meshblock, area unit, or territorial authority. The discussion and appendix explain the methodology, the data, and some drawbacks of this type of analysis.

Cost and Availability of Broadband in New Zealand

Terrestrial broadband products are available to the majority of addresses and include fibre, ADSL, and Rural Broadband Initiative (RBI) wireless solutions. While ADSL pricing is subject to regulatory oversight, fibre and Rural Broadband Initiative pricing was set via a commercial negotiation between the government and wholesale service providers. Satellite covers addresses where terrestrial services are not available; its pricing is unregulated.

All low-cost broadband options in New Zealand factor traffic utilisation into their total monthly cost. This study considers the cost of using broadband services as an average family would, at the Commerce Commission's 2012-2013 median household data consumption figure[6] of 26 gigabytes. Cisco's Visual Networking Index[7] cites Internet traffic growth at 21% per annum, so it is reasonable to expect that for the current year the median household is using 31.5 gigabytes.

The table below summarises connectivity options, availability to the population, and costs. For the rest of this affordability study, the lowest cost connectivity available at an address will be assumed.

|	Addresses Covered	Lowest Cost for	Percent	Lowest Cost	Per Month w/ 26 GB
Fibre	1,164,704	3,739	0.21%	$69	$69
ADSL	1,646,183	1,646,183	92.74%	$55	$55
RBI Wireless	356,256	88,221	4.97%	$95	$95
Satellite	1,775,018	36,875	2.08%	$56	$435

Broadband Affordability on a National Scale

Median household income (HHI) for New Zealand as determined by the 2013 census is $63,800. On a national basis however, median incomes vary from urban to suburban, and from rural to remote. The table below summarises median HHI for addresses by availability of the various types of broadband, and how much of a median HHI is required for access.

	Addresses	Median HHI	% National Median	% HHI for Broadband
Fibre	3,739	$85,000	133%	0.97%
ADSL	1,646,183	$65,000	102%	1.01%
RBI Wireless	88,221	$68,300	107%	1.67%
Satellite	36,875	$57,500	90%	9.08%

Localised ADSL Affordability

ADSL pricing in New Zealand is such that only 2,482 addresses fall into meshblocks[8] where median HHI families would have to pay more than 5% of their income for broadband, indicated below.
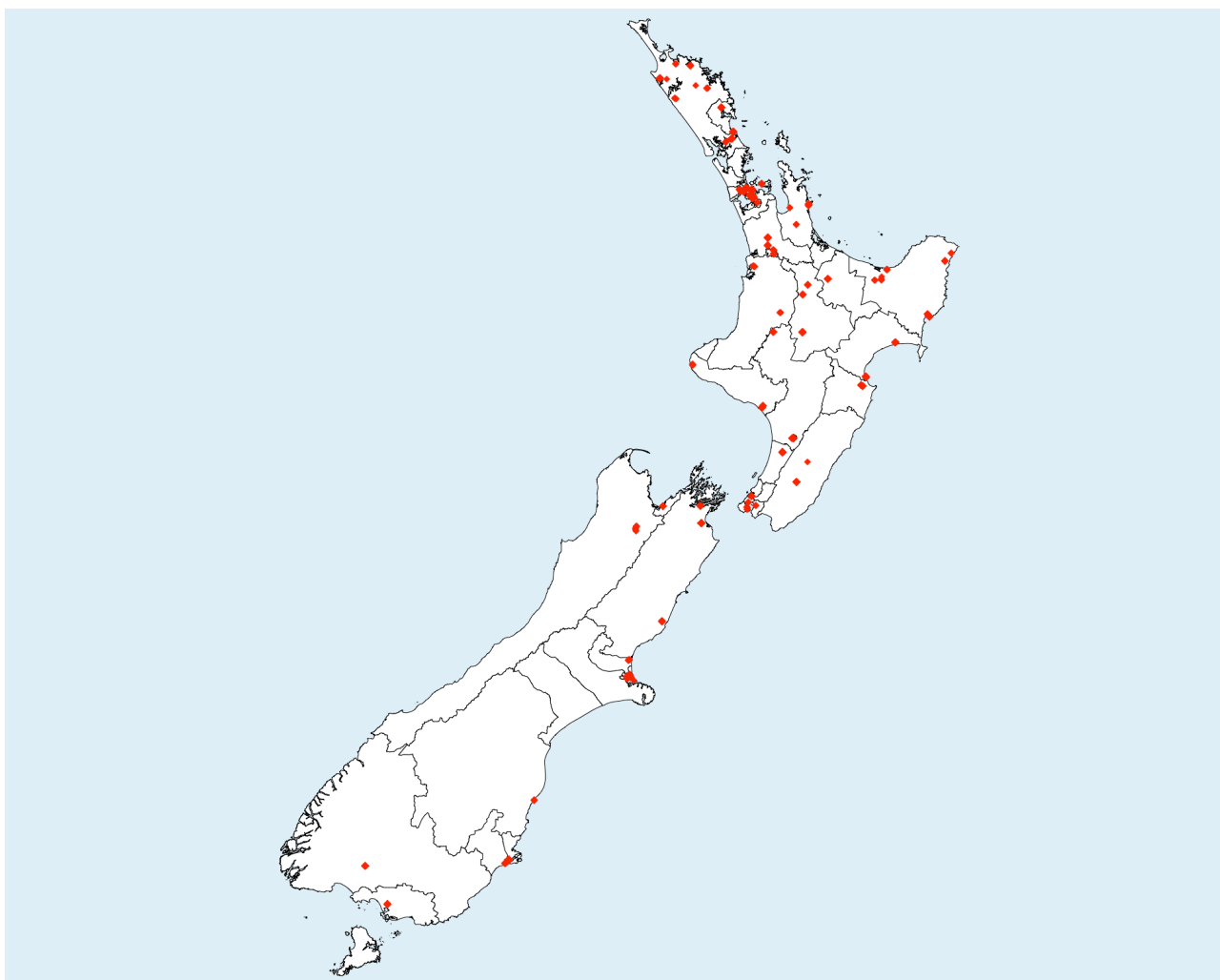
Localised RBI Wireless Affordability

Median HHI for addresses in RBI Wireless areas is higher than for ADSL or Satellite areas. Broadband for a median income family is widely affordable - more so since Vodafone doubled the data included in their base rate plan in September 2014. The table below shows affordability bands for a median HHI family where RBI Wireless is the lowest-cost technology available.

	up to 5% HHI	5-10% HHI	10% HHI or greater
Addresses	87,428	738	55
Percent	99.10%	0.84%	0.06%

The following map shows all addresses covered by RBI in Northland, with red markers indicating pockets where RBI exceeds 5% of HHI.
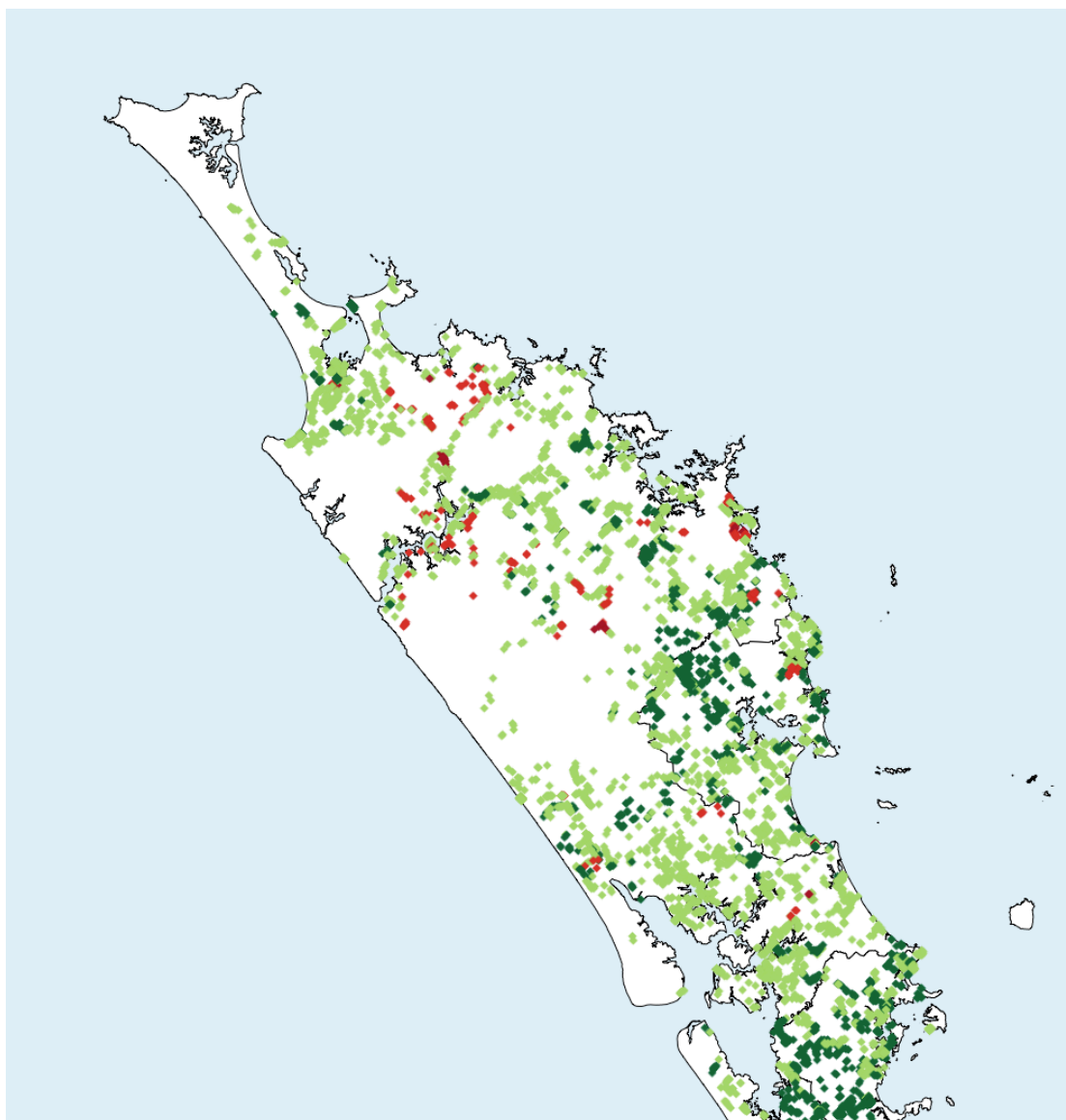
Similar areas appear elsewhere in the country, with 44 clusters of ten or more addresses where RBI wireless broadband would cost more than 5% of HHI.

Localised Satellite Affordability

Across the country, using Satellite broadband is expensive; nearly six times as expensive as NBN satellite in Australia[9], and four times as expensive as market rate connectivity in the US[10].

With HHI in remote areas lower than national median and service cost at eight times ADSL, satellite pricing is particularly regressive.

	to 5% HHI	5-10% HHI	10-20% HHI	20% HHI or greater
Addresses	2,593	19,688	13,147	1,431
Percent	7.03%	53.39%	35.65%	3.88%

Canterbury and the West Coast are shown below as representative of the country. Addresses in red are those where satellite service would exceed 5% of the meshblock or area unit median HHI.
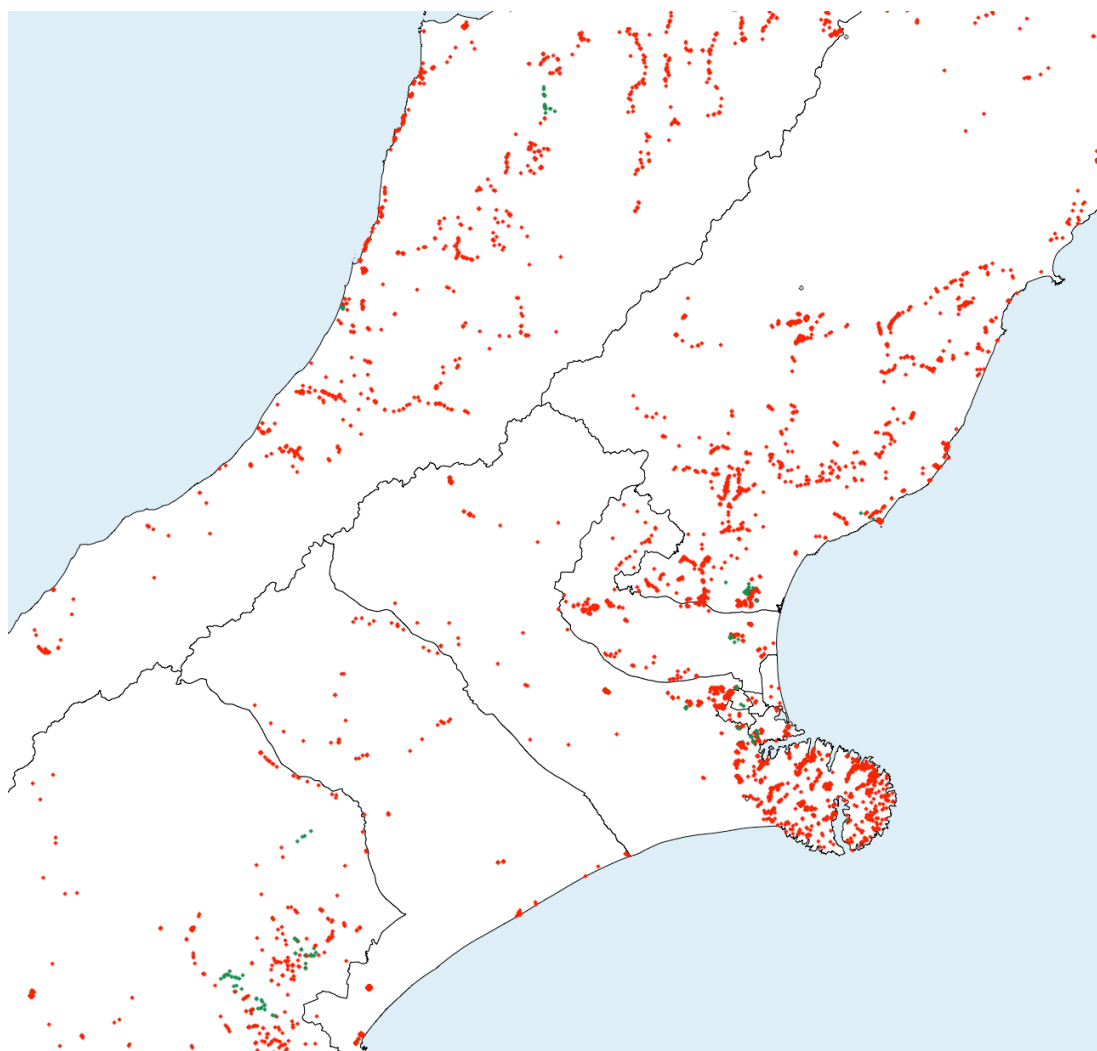
Discussion

Evaluating broadband affordability with the assumption that addresses will have a median HHI is useful in creating a broad brush assumption about affordability. For the 93% of households with low-cost ADSL coverage, the low granularity of HHI statistics means it's difficult to determine how many might find it unaffordable. For the 7% of households in RBI Wireless and satellite coverage areas, future study of household income bands on a localised basis could produce an estimate of households with unaffordable access.

Conclusion

By the ITU's measure, 98% of New Zealanders enjoy access to affordable broadband. Households covered by the Rural Broadband Initiative have affordable broadband, but must spend twice as much of their household income on it as households on ADSL or Fibre.

93% of households restricted to satellite broadband access are paying far more than is affordable. Many pay an order of magnitude more of their monthly incomes than households in urban areas. If New Zealand is satisfied with providing 98% of its households access to low cost broadband, then there's no cause for action. If the nation's targets are for Universal Access, a solution to usurious satellite pricing must be found.

Appendix

Notes on Addresses

The 1.78 million addresses sourced from Land Information New Zealand's (LINZ) Electoral Address set sometimes represent multi-tenanted buildings as a single address. All measurements in this study are address-based, and so the issue of multi-tenanted buildings has no impact on the analysis. The data set LINZ releases includes only street addresses supplied by councils around New Zealand. The data set is know to exclude some addresses on Great Barrier Island in the Hauraki Gulf and Arapawa Island in the Marlborough Sounds. It may exclude other addresses as well.

Telecommunications Carrier Coverage Data

Chorus coverage was sourced from their customer portal, via Telco2's authorised account. Files used were "2013-06-28_tnz_cabinet_coverage[11]" and included shapes for all ADSL products. Chorus also directly provided fibre coverage, however this data included future coverage so was not used.

UFB coverage, including Chorus areas, was provided directly by Crown Fibre Holdings.

Vodafone RBI coverage was sourced from the National Broadband Map[12], and assumes final coverage as of their latest published data. As Great Barrier Island was not covered by this data, shapes from Great Barrier were sourced from Vodafone's website[13] and manually imported into Telco2's GIS data set.

New Zealand Registry Services has access to up-to-date broadband coverage data, but declined to make that data available for this study citing a confidentiality agreement with the government's Ministry of Business, Innovation, and Employment (MBIE).

Notes on Median Income

Statistics New Zealand has assigned Median Household Income figures for 40,292 of 46,629 meshblocks, for 1,876 of 2,012 area units, and all territorial authorities. A meshblock is the smallest geographical unit employed by Statistics New Zealand. Areas units and territorial authorities are larger, respectively. There are 45,989 meshblocks with occupied households in the 2013 data set used for this study. In the case of 70,436 addresses in meshblocks where median household income has not been calculated, addresses have been assigned the median for the area unit. In the case of 338 addresses in 18 area units where median household income has not been calculated, addresses have been assigned the median for the territorial authority. Household income data is considered to be of poor quality by Statistics New Zealand due to a non-response rate of 15%.

Broadband Utilisation

Broadband utilisation on a household basis is a contested figure. Varying figures are reported by retail providers, wholesale providers, equipment manufacturers, and market analysts.

Broadband pricing

Pricing used in the study was acquired on 29 August, 2014, from:

- ADSL and UFB: https://www.slingshot.co.nz/
- RBI Wireless: http://www.vodafone.co.nz/broadband/rural/wireless/
- Satellite: http://www.farmside.co.nz/Broadband/Satellite.aspx

Pricing for Vodafone RBI Wireless was updated after their change on the 4th of September.[14]

[1] https://en.unesco.org/

[2] http://www.broadbandcommission.org/Pages/default.aspx

[3] http://www.broadbandcommission.org/Documents/publications/Broadband_Targets.pdf

[4] http://www.stats.govt.nz/Census/2013-census/data-tables/meshblock-dataset.aspx

[5] https://data.linz.govt.nz/layer/779-nz-street-address-electoral/

[6] http://comcom.govt.nz/dmsdocument/11910

[7] http://www.cisco.com/c/en/us/solutions/collateral/service-provider/ip-ngn-ip-next-generation-network/white_paper_c11-481360.html

[8] http://www.stats.govt.nz/methods/classifications-and-standards/classification-related-stats-standards/meshblock/definition.aspx

[9] http://www.iinet.net.au/internet/broadband/nbn/plans/

[10] http://www.exede.com/internet-packages-pricing/service-availability?zip=06419

[11] http://customer.chorus.co.nz/file/46139/2013-06-28-Copper-Shape-files.zip

[12] https://koordinates.com/layer/4083-rural-broadband-initiative-vodafone-wireless-final-coverage/

[13] http://www.vodafone.co.nz/network/rural/

[14] http://www.scoop.co.nz/stories/BU1409/S00167/no-data-drought-vodafone-doubles-data-for-rural-customers.htm

Can network coded TCP improve the quality of streaming data across long distance links in the South Pacific region?

Interim project report to Internet NZ

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Date: 1/11/2014

UoA project number: 3704494

Executive Summary

The goal of the project is to evaluate whether a new technology, network-coded TCP, can alleviate the throughput problems experienced by users located at the far end of long distance (high latency) satellite and fibre connections in the Pacific. This interim report recounts the background to the experiment and gives an update on the current state of the project. We are pleased to report that all project hardware is now at hand and configuration is underway. Initial exploratory experiments with the vendor of the technology over the last few weeks have shown significant potential for throughput improvement on a single TCP download (a factor of at least 2 from New Zealand to the Cook Island during off peak time, and much more during peak time). This testing has also raised a few technical issues with the tunnelling of multiple TCP connections that we want to deploy, and these are currently being addressed by the software vendor. Deployment dates have been set and travel arrangements for deployment have been made. We now expect to deploy in the Cook Islands in early December 2014, in Niue in mid-December, and in Tuvalu in the second half on January 2015.

Background

In conventional TCP (the bread-and-butter transport protocol of the Internet), long packet round-trip times force the sender in a connection to estimate congestion levels without the benefit of timely feedback from the receiver.

This has a number of undesirable consequences: If the receiver's acknowledgement does not reach the sender in time, the sender will prematurely retransmit packets that the receiver has actually received, and will reduce the sending rate as a precaution. Where packets have indeed been lost, the sender delays retransmission to allow for the round-trip-time it believes it needs to wait for the arrival of an acknowledgement.

In combination, these effects do not only lower throughput, they also consume additional bandwidth for a given amount of data transferred. In short, end users experience a "slow" connection that prone to timeouts. This is a common experience across the South Pacific, but

especially so in island nations connected via expensive geostationary and medium earth orbit satellite links.

Network-coded TCP

Network coding is a concept that has its origins in information theory. Our team became aware of its application to TCP following a visit by Prof. Muriel Médard from MIT in Cambridge to the University of Auckland as a Vice Chancellor's lecturer in 2013. Prof. Médard is one of the world's leading information theorists and has been involved in a number of projects in the field. In her work, she collaborates with colleagues at a number of other institutions. The implementation work on network coded TCP in particular takes place in collaboration with a team at Aalborg University in Denmark through a joint venture company, Steinwurf ApS.

Network-coded TCP replaces the original data packets in TCP by a roughly equal number of random linear combinations of successive data packets. The receiver then decodes these linear combinations back into the original data packets by treating each combination as an equation in a system of linear equations. This system virtually eliminates retransmissions as any dropped packets with linear combinations may simply be replaced by the next such combination packet that arrives.

The team at MIT and Steinwurf had already shown that network coded TCP works well across the continental United States and across the Atlantic, with up to 4.5 times the throughput of conventional TCP observed in some circumstances. However, conceptually, the potential gain across the much higher latency links in the Pacific should be much higher. It is against this background that the idea for the project arose.

Implementation progress to date

The initial project plan envisaged deployment of 3 encoders /decoders for network-coded TCP in the Pacific Islands, with the Cook Islands, Tuvalu, Kiribati and Niue on the list of candidate sites. The plan was also to deploy two slightly more powerful "outside world" endpoints in NZ and California, respectively. In order to acquire in-depth familiarity with the technology, the project plan also provided for a visit by 'Etuate Cocker to MIT prior to deployment.

We were fortunate to be able to secured additional project funding from the Internet Society Innovation Fund (ISIF) through the Pacific Island Chapter of the Internet Society (PICISOC). This has allowed us to extend the potential list of deployment sites to four while retaining some redundancy in our local testing and engineering capacity.

The current status of the project is as follows:

- In total, we now have five robust industrial PCs procured and at hand. These are tagged for Pacific Island deployment (at least 3 machines) one as a spare initially with a view to deployment in a fourth location (probably Kiribati). The fifth machine will allow us to experiment locally in Auckland with an exact replica of the hardware deployed in the islands. All machines have been pre-configured and several have been used in initial software testing. Procurement of these machines was a somewhat lengthy process owing to the "non-standard" nature of the equipment - they are hardened and have no moving parts.
- The NZ endpoint server has been received, pre-configured and installed in a University of Auckland data centre.
- An experimental software license has been procured from Steinwurf, who have been extremely supportive of our project (see below). Steinwurf have given us access to their source code. They have two different implementations of network coded TCP:

1. a "userland" proxy server that accepts incoming TCP connections, network encodes the data and sends the linear combinations over UDP to the decoder.
2. a Ubuntu-compatible kernel module capable of tunnelling TCP connections without breaking their end-to-end nature.

Steinwurf also have a number of testing tools built with these components. In cooperation with Steinwurf, we have done initial testing on single and dual parallel file downloads on the paths from NZ to the Cook Islands, from NZ to Niue, and from Europe to NZ using their tools. In all cases, we have been able to observe throughput improvements over classical TCP by a factor of 2 or better. During peak hours in the Cook Islands, network coded TCP was even able to deliver ~20 times the throughput of conventional TCP on single file downloads. This confirms our expectation that network coded TCP is in principle well suited for this kind of path.

- Our plan to use the userland proxy code to tunnel multiple TCP connections to the outside world required forwarding of incoming TCP packets from other machines to the proxy for encoding. Our initial investigations revealed that overhead of this approach was substantial and actually negated any gains observed with the testing tools because of the interplay between proxy and the packet forwarding code. As a result, Steinwurf have made modifications to their kernel module to allow it to be used for a tunnel, and have started testing between NZ and the Cook Islands. We expect this code to be vastly more efficient and intend to use it in deployment. Steinwurf have not yet had the opportunity yet to test their code base across geostationary satellite links and have developed almost into a fully fledged project partner at this point. The CTO, Péter Vingelmann, has spent a significant amount of time on the issue over the last few weeks and has suggested a joint scientific publication. We also have it from Prof. Médard that he is extremely enthusiastic about our project.

- The late arrival of the industrial PCs necessitated a postponement of 'Etuate Cocker's visit to MIT, which is now to take place between November 16 and December 4, 2014. Consequently, the deployment visits also had to be pushed back. Ulrich Speidel will now deploy in the Cook Islands during 'Etuate Cocker's last week at MIT. Deployment visits in Niue and Tuvalu will follow in December and January, respectively. Once these are deployed, we will take stock of equipment and remaining project funds as well as site readiness and deploy in Kiribati if possible.

- The California endpoint server will be leased once the project is at an advanced deployment stage and any initial gremlins at the NZ endpoint are sorted. We are currently scouting out potential providers as well as the appropriate way of paying them - this is another unusual procurement item.

Interim conclusions

Overall, our first foray into network coded TCP has resulted in very encouraging figures. We have also learned a great deal about the potential deployment architectures - in some ways more than we wanted to but very ably supported by Steinwurf. After overcoming the initial delays in getting the project underway from a formal perspective and procuring hardware and software during a period of major administrative change at the University of Auckland, we do not expect any further delays in the project implementation now - cyclone season notwithstanding!

At this point, we expect to be able to complete the project on specs and within budget, and are looking forward to not just being able to report on the next occasion, but to actually being able to show and tell!

Acknowledgements

Mid-year Report for Internet New Zealand

Project Details: IPv6 Adoption and Assimilation in New Zealand Public Sector Organizations

Summary: Studying whether New Zealand organizations are adopting IPv6 and if not, why. Internet protocols are the communication rules that allow you to find your way around the Internet. In recent times, the Internet has been running low on IPv4 addresses so IPv6 was developed to overcome this shortage.

Deliverable(s): The results of this study will guide managers and policy makers in their decision-making and planning for IPv6 adoption, as well as more broadly inform policies to promote the upgrading of critical digital infrastructure components that are not centrally controlled or managed. Besides reporting the results in the doctoral thesis and academic research papers, we will also prepare a policy-focused document summarizing our findings and suggestions.

Researchers:

Primary Researcher: Awinder Kaur – PhD Candidate, Auckland University of Technology (AUT)

Researcher 1: Dr Harminder Singh – Senior Lecturer, Auckland University of Technology (AUT)

Researcher 2: Prof Felix B. Tan – Head of Department, Business Information Systems Department, Auckland University of Technology (AUT)

Total Funding: $5,000

		Details	Expenses (NZD)	Foreign Currency
1.	**Paper Presentation in 3rd Innovation in Information Infrastructure (III) Workshop in Oslo, Norway (11th-16th October)**	Airfare (Emirates)	2,903.90	
		Accommodation	807.58	NOK4151
		Supershuttle (Home-Airport-Home)	72.80	
2.	**Data Collection in Wellington (15th and 16th September, 2014)**	Airfare (Jetstar)	104.00	
		Accommodation	159.00	
		Airport shuttle (Home-Airport-Home)	72.80	
		Local Transportation	30	
		Meals	58.50	
3.	**Initial Discussion for Data Collection in a bank in Albany (20th August 2014)**	Transport to/from Albany	10	
		Meals in Albany	17.50	
		Total	**4,236.08**	
		Outstanding Balance	**763.20**	

Table 1: Funding Expenses

Paper Presentation at International Workshop

Date: 13th - 16th October

Venue: University of Oslo, Norway

Workshop: 3rd Innovation in Information Infrastructure (III) Workshop

Paper Title: Impact of Network Externalities on Digital Infrastructure Adoption and Assimilation: the Case of IPv6

Authors:	Awinder Kaur and Harminder Singh
Website:	http://www.mn.uio.no/ifi/english/research/news-and-events/events/conferences-and-seminars/iiios2014/
Description:	A paper on IPv6 adoption written by the researchers was submitted to the workshop. The paper was accepted and presented during the workshop. The researcher received valuable feedback from senior researchers in the same field of research during this workshop. The abstract is shown below, and the paper is attached to this report.

Data Collection

- Wellington: 1 Government Agency

  1 Organization from the airline industry

- Auckland: 1 Organization from the food industry

  1 Internet Service Provider (ISP)

  1 Bank in Albany (Initial Discussions)

The researcher has recruited and interviewed participants from four organizations for the data collection. The organizations include a government agency, an Internet Service Provider (ISP), a food retailer and a firm involved in the air transport industry. The researcher also had an initial discussion with a bank in Albany about the data collection there. The discussion is still in progress. The next step is to transcribe and analyze the data collected and write up the findings.

Future plans

The balance of the funds will be used for other research purposes.

Media Ubiquity: Spaces, Places and Networks

Meng Xu, PhD student, University of Canterbury

7 Nov. 2014

1. Overview

Media Ubiquity: Spaces, Places and Networks is a symposium, hosted by the Department of Media, Film and Television at the University of Auckland. The symposium considered media ubiquity in relation to the connectivity and reach of digital technologies (including pervasive, networked and mobile media), but also the ways in which both contemporary and older media formats have traversed, occupied, enfolded and infiltrated physical and social spaces. Taking the notion of 'ubiquity' in its broadest sense, this symposium gave researchers a chance to focus on explore the extent and the implications of media technologies' capacity for producing spatial connections and transformations.

With economic and technical advances, affordable electronic devices via new generation of fast speed Internet paving the way for media ubiquity. Media ubiquity has become real in both new and old media because a miniaturization of components and a global cultural acceptance in practice have permitted mobile wireless devices (such as mobile phones, iPods, PDAs, iPads, notebooks) to achieve an unprecedented distributed pervasiveness.

Ubiquitous information technology infrastructures, stationary units and mobile devices continue to form new hybrid platforms, converging in ever-extending cultures of connective systems available through wireless networks as well as landline broadband networks—as in current cloud computing initiatives. In its cultural practices the resulting third wave of computing continues to permeate and break down traditional modern boundaries of space and time, not least any clear-cut distinctions of the near and the far, the now and the past, the private and the public sense of space and time.

Insofar as media ubiquity leads to a growing inherence or an immanence of our life form, its technological platforms sink deeper into the skin of human agency—often, if not always, receding from conscious perception and sensation into a peripheral background. Combining with social and personalized mobile media, as well as with physical tangible interfaces, media ubiquity has generated a flow of innovative technical and cultural developments saturating even the most innocuous activities of our everyday life: our communications with family, friends, and colleagues; our

performance in work-related tasks as well as hobbies such as game play; our meetings and encounters in public and private spaces and places; our political acts and expressions of views.

Yet considering the well-nigh global scope and reach of these changes, there is still a relative poverty of research in this young field. This symposium gathered researchers from University of Melbourne, Auckland, Victoria, Canterbury, Massey, Otago, Waikato to focus on their research of media ubiquity.

In this symposium, Keynote speaker Scott McQuire gave a speech about geomedia and networked Public Space; Kathleen Kuehn and Michael Daubs gave a presentation bout Google's ubiquitous mapping project; Paula Ray presented a topic about Facebook as a platform for an imagined diasporic community; Nick Perry talked about contrast and convergence in cinematic and televisual urban imaginaries; Mark Steward talked about Televisual ubiquity; Sarina Pearson talked about digital storytelling; Nina Seja presented a speech about Transmedia; John Wei talked about queer film clubs and queer social media; I talked about Bullet curtain websites; Sy Taffel talked about ubiquitous computing and spaces; Ian Goodwin talked about Facebook drinking photos and the new regime of the self; Misha Kavka talked about app-prosthetic; Brett Nicholls talked about mobile self-management technology, data and ethics; Damion Sturm talked about Sonny Bill Williams' celebrity as ubiquitous media; Neal Curtis talked about the capital, information and ubiquitous media; Annie Goldson talked about the moment of truth; Luck Goode and Suzanne Woodward talked about ambient aggression and the digital architecture of the university.

2. Keynote Speaker

Scott McQuire is an associate professor from The University of Melbourne. He has lectured in disciplines including politics, sociology, cinema studies, art and architecture, and media and communication. His research explores the social effects of media technologies, with particular attention to their impact on the social relations of space and time, and the formation of identity. His most recent book, *The Media City* (2008) traces the way in which cities have become increasingly media-dense environments, transforming previous conceptions of public and private space. He is also Chief Investigator on two current ARC (Australian Research Council) projects

examining the impact of large screens in public space.

Scott is an active researcher who has been a Chief Investigator on seven ARC funded projects. He has previously held a number of research fellowships including a visiting fellowship at the Department of Film, Theatre and Television, UCLA (1998), an ARC Australian Postdoctoral Fellowship (1999-2001), and a visiting fellowship at the Celeste Bartos International Film Study Center, Museum of Modern Art, New York (2000). He has also received funding from the Australia Council for the Arts, and has undertaken research consultancies for the Communications Law Centre, the Australian Film Commission and the Australian Key Centre for Media and Cultural Policy. Scott returned to the University of Melbourne to help establish the Media and Communication Programme in 2001, and is currently Chair of the Research and Research Training Committee in the School of Culture and Communication.

In 1967 Henri Lefebvre published his seminal book Le Droit à la ville (The Right to the City). Rejecting the top-down ethos that dominated modern urbanism, Lefebvre argued that the capacity for a city's inhabitants to actively appropriate the time and space of their surroundings was a critical dimension of modern democracy. In Scott's speech, he argues that we urgently need to revisit this agenda in the context of pervasive digital networks. How should we think about the right to the networked city? What are the new lines of force, and the new possibilities for communication and social agency, that emerge in the context of networked public space? Drawing on several contemporary projects, Scott examined the conditions in which networked digital media might be utilized to facilitate more participatory public space.

Scott argued that each instantiation of urban public space in modernity has been articulated with specific media platforms. This is why he use the term the 'media city' rather than the better-known descriptors such as the 'information city'. He presented it is important to recognize a longer and more diverse history of the mediated production of urban space than the tight concentration on ICTs by those such as Castells. The visual and the audio-visual have become increasingly important to contemporary spatial experience; ICTs have converged with older media industries to produce image and soundscapes, which are integral dimensions of the 21st century city. Finally, since his focus is more on changes in the lived experience of urban space

rather than economic effects; in this sense it is more useful to think of 'media' as an environment in McLuhan's sense.

The modern city has become a media-architecture complex in which the mediatised production of urban space has become a constitutive frame for a new mode of social experience. It's an experience characterized by what he call relational space: space which has been stripped of inherent qualities, such as stable dimensions and appearances (and of course stable social meanings), but is increasingly experienced as

shifting, variable and contingent. Relational space can only be defined by the temporary position occupied by each subject in relation to numerous others, which suggests that relational space is not easily unified since every subject belongs to multiple matrices or networks that overlap and interpenetrate. The heterogeneity of relational space is a key experience of contemporary globalization, and demands new ways of thinking about how we might share space to constitute collective experience.

He also referred that large screens are a distinctive recent element of the media city, but the process has been going on for a long time. Body Movies first staged in Rotterdam in 2001: not a large screen, but a large-scale projection piece which offers an interesting model for developing a public culture comprising interactive media in public space. It's a work which emphasizes public participation - 'interactivity' is not simply a choice among a menu of predictable consequences, but belongs to a more open horizon in which contingency and unpredictability play a greater role. Instead of the logic of 'taking turns', where single users produce representations that others can see, up to fifty people could participate in Body Movies together. This interface created a delicate balance between personal participation and collective interaction, between active engagement and reflective contemplation. But the most striking aspect of Body Movies was the playful engagement it sustained among groups of erstwhile strangers who came together in public space, and discovered that by enacting a collective choreography, they could affect the visual ambiance of public space.

3. My Presentation

I am a presenter in the symposium. My topic is about bullet curtain websites. Although it already gained their huge popularity in China and Japan, bullet curtain websites are still new for most participants. PPT is attached with this report. The content of presentation is as following:

Fragmentation, Belonging Gratification and Social Media: A New type of Interpersonal Communication in Chinese Bullet Curtain Websites

What is Bullet Curtain website?
To put it simply, it's a website combined Facebook and YouTube.
Both of them are popular social websites among young people. Facebook had over 1.3 billion active users as of September 2014. YouTube users viewed more than 6 billion hours every month. But this is not simple as 1 plus 1 equals 2.

Bullet Curtain websites

Bullet curtain websites (弹幕网站 in Chinese) are the video websites that stream the comments of the audience on the screen with the video itself. Unlike other video websites, comments are overlaid directly appeared on the video, synchronize to a specific playback time. The comments passing across the screen like bullets shooting by and assembled a curtain. This enables audiences to respond directly to what happens in the video and synchronize with the viewers, creating a sense of a shared watching experience.

Shooter Game

The "bullet curtain"(弹幕) was used as military originally. The word "Bullet curtain" has been put into ACG (animations, comics, games) filed in Japan at the first time because of the rise of a shooter game (STG). When a number of the comments cross the screen at the same time, they look like bullets in those shooter games (STG). So this style of comments was called "Bullet Curtain".

Bullet curtain websites are originally from Japan. In 2006, the Japanese company Niwango started their video sharing website Niconico, in which the bullet curtain technology was be developed and used initially. Niconico is Japan's largest original video posting website. The first version of Niconico used YouTube as a video source. However, as the site became more popular, so much traffic was transferred from YouTube that YouTube blocked access from Niconico. Consequently Niconico was forced to shut down the service but two weeks later it commenced its service with its own video server.

Niconico

Its popularity even threatened mainstream media. In 2011, Ichiro Ozawa, the leader of former Democratic in Japan, refused the interview from mainstream media and traditional journalism, and only accepted the interview from Niconico. And in August 2011, the Japanese governing party invited Niconico to have the whole course character and video broadcast of the election. Niconico won the Japanese Good Design Award in 2007, and an Honorary Mention of the Digital Communities category at Prix Ars Electronica 2008. Niconico is an animation themed bullet curtain sites with paid memberships.

When this kind websites came to China, it was changed a little bit. There are 2 most popular bullet curtain sites in China: Acfun and Bilibili. People call them site A and B. AcFUN (Anime Comic Fun) was established in June, 2007. Its slogan is "The base of Chinese Homebody Culture". From this, we can see target audience of site A is still ACG fans.

AcFUN and Bilibili

Bilibili was launched in January, 2010. It is an ACG themed video sharing website. It is affiliated with state owned enterprise Shanghai Media Group in 2012. They shared one broadcast license. In this case, it could under the protection from censorship. Bilibili have a different membership system. Applicants need to pass a test with 100 multiple choice questions. Most of these questions are about animation and science.

By this member system, it could keep lots of ACG fans and avoid too many malicious nonsense comments.

There are many other bullet curtain websites such as Tucao, MADfan, MioMio, Dilili.

Nowadays, in order to attract more diversified audience, they also provide content such as TV series, Movies, Music video, Documentary and micro films.

Social function is the core of bullet curtain websites. Some users watch an episode of TV series on video websites and watch it again with comments on bullet curtain websites. Because they focus on ACG fans, their users are loyal to the websites. The comments on the video are also the process of content recreation. Comments could be a large part of viewing content. Users read others comments and interaction with each other through sharing the ideas and thoughts. Compared with video websites, there are some unique features of Bullet Curtain sites:

Asynchronous Live: transcending the actual time, and sharing the virtual time. After the video was uploaded, viewers gathered together, watch and comments. When the video played to its hilarious part or climax, there could be many comments to cover the whole screen. They generated the first round of Bullet Curtains. When viewers online at the same time, they could synchronic communicated with each other. Even when a viewer watch a video alone, he/she could watch the large amount of comments and feel there are many other viewers watch and talk with them together. In this way, it can break the time and space barriers among audience and create a visual clan communication style.

Re-creation: users generated content. When we watch a long film or TV series, we could find some funny points and want to share our thoughts with others. But the comments on video webs are too many and it's difficult to find the comments just on the points you want to share. And it's difficult to have a "real time" dialogue with other commentators on video sites. The comments became important part of video contents. The witty and funny comments and ideas generated by users attracted more audience to watch. The interaction between audience and plot make the videos more

interesting. And it gathers lots of fans to same contents. This could give viewers a sense of belongings.

The third-party video sources: Bullet Curtain websites do not own any copy rights of its contents. All of its videos are uploaded by its users. They are called "Up Masters". The content could be self-made videos or resources from other websites.

Personalization settings: Users can choose which position they want to put their comments, font and colors. Some websites even could post stickers.

Narrow communication: Although these websites are more diversity in their contents than before. But Animation, Comic and Games are still took their largest share.

With the popularity of Bullet curtain sites, more and more Chinese video sites added bullet curtain functions. 4 in 6 Chinese Major video sites have Bullet Curtain Function. Some news websites could stream news videos with comments.

Bullet curtain function also adopted by tradition media. This year, there are several Bullet Curtain Movies appeared in China. Audience could use their mobile phone to post the comments on the big screen. People cannot talk with each other like they watch TV at their home, bullet curtain film could make up this. Although some critics said the comments direct on the screen could interrupt audience's engagement. Actually, audience only comments on some parts they could find resources to comment, most of them are funny parts of the film. Comedy could be the ideal content to add bullet curtain function. The founder of Niconico said: Bullet curtain could save the boring film, because audience could entertain themselves. There are two kinds of bullet curtain movies: direct comment on the screen or project on the side wall of cinema. New York Time comments the experience of viewing these movies as A moviegoer's worst nightmare or the coolest wave of the future.. But Chinese audience especially young audience seems love it.

Bullet Curtain movies

TV also tries to adopt this function. In this year's China Golden Eagle TV Art Festival, Hunan TV live broadcast the ceremony with audience comments in TV screen. Million of audience saw the bullet curtain on their television. Convergence of live TV with internet or mobile networks enables audience sharing view experience. In this video, people comments on their experience about the songs in their lives. Some people comment: The owner of grocery store in our community loves this song very much. I heard it a lot when I was shopping there. Others: It's the same for bus driver in my company. I heard it a lot on the way to work. This experience just like chatting with others, they could be far away from each other. But compared with comments on

Bullet Curtain websites, live time programs could delete some dirty words or nonsense comments or conduct a censorship.

Bullet Curtain TV program

(Play the video)

Bullet Curtain TV sets

Besides this, there are some TV set produces add bullet curtain function in their products. The users could use app in their phone to communication with their best friends on TV screen. Bullet curtain function is ideal for live sports television programs.

Communication via bullet curtain websites is screen based interpersonal communication. Interpersonal communication is an exchange of information between two or more people. It is very common for communicators to use digital media to get their messages across to one another or the public by blogging, texting, tweeting, Instant messaging, e-mailing, or posting in a social networking site such as Facebook. (Teri K.G & Michael W.G) Audience share their thoughts and ideas with each other with streaming on TV, computer, laptop, mobile phones. Both synchronous and asynchronous comments could create a virtual simultaneously thoughts sharing.

Use of a social networking site could make it easier than ever to satisfy the need to belong (Baumeister & Leary, 1995), either with passive reminders of one's connections (Gardner, Pickett, & Knowles, 2005) or with actual interaction.

Passive consumption of information on Facebook did not meet belonging needs the

way that active use and directed communication did (Burke, 2011; Ryan & Xenos, 2011).

The researchers in psychology department in Queensland University found that comments on Facebook have some connections with sense of belonging. Social networking sites, such as Facebook, give people on demand access to reminders of their social relationships and allow them to communicate with others whenever they desire. Our findings suggest that it is communication, rather than simple use, that is the key in producing a sense of belonging. When sharing or feedback is restricted, belonging suffers. (S.J. Tobin et al.，2014)

Bullet Curtain websites and Belonging Gratification

I have interview 11 bullet curtain websites users:
7 interviewees mentioned bullet curtain could bring them sense of belongs and ease loneness.

8 interviewees mentioned sharing thoughts and ideas, feels like "watch the video with others".

9 interviewees think the content of bullet curtain is important. The witty and funny comments make them happy.

5 interviewees of them think some comments could reflect their emotions and bond audience together.

The traditional convergence of television and internet model:

Watch TV and Video

Comments on social media like Facebook and online forum

Take 2014 CCTV Spring gala as an example, there are 34 million comments on this gala on Weibo (Chinese version of twitter) at that night. But most audience just likes to watch other people's comments for some boring part. This kind of communication between audiences is weak in interaction.

There are many elements contributed in popularity of Bullet Curtain websites and they are not isolated with each other.

4. Funds

Travel expenses	249.95 (Airplane) 37 (Bus)	
Accommodation	110	
Meal/Food	140.35	
Total	**537.3**	

Please see attached invoices.

NetHui 2015

NetHui 2015 Update

Author: Ellen Strickland, Collaboration and Community Lead

Purpose of paper: NetHui 2015

This paper contains a general update on NetHui 2015 planning for Council discussion and input, incorporating lessons learned from NetHui 2014 and updating on planning and developments already underway for NetHui 2015.

NetHui 2015 Objectives

A key step in the success of NetHui 2015 is agreeing internally and with the community the objectives for NetHui. As NetHui is a key component of InternetNZ's community engagement work, the transformations and goals agreed to in the InternetNZ Strategy and subsequent Business Plan will guide these objectives.

Broadly a successful NetHui is envisaged as a community development platform which enables community ownership and direction of that development. NetHui is a place to bring together a mix of stakeholders, including from business, government, academia, technical and community-based organisations and as individuals, to learn and connect in order to help shape the development of the Internet for the benefit of New Zealand.

A successful NetHui provides a platform for:
- Educating and facilitating learning within and from the community on Internet issues.
- Connecting the community and facilitating relationship development and activity which can support the community to collaborate around the decisions and activities which shape development of the Internet for New Zealand.

Project Structure

In reviewing the process of organising NetHui 2014, including issues around budget and project management, a clarified structure for the project team has been developed and agreed to. This structure is:
- Project Owner: Collaboration and Community Lead (with Chief Executive working with Project Owner as Project Board for top level decisionmaking)
- Project Assurance: Work Programme Director

- Project Manager: Events Lead (Project Assurance acting as Project Manager in the interim)
- Area Managers: Communications and Sponsorship- Communications Lead; Programme- Collaboration and Community Lead; Logistics- Events Lead.

Programme and Participation

Of particular note, we have agreed to host the Internet Society (ISOC) Board Meeting just prior to NetHui 2015 and to work collaboratively with ISOC for them to hold an online AGM event based from NetHui 2015 (as a Day Zero event). ISOC staff and Board will be staying to participate in NetHui 2015 and will add international perspectives to sessions and panels, as well as participating.

We are committed to an additional international Keynote, as well, if possible, as this opportunity to energise and inform the community by bringing in international experience and expertise was missed at NetHui 2014.

Community Input for the programme is on track to start earlier this year, with an aim of having more of the programme finalised earlier, while acknowledging some of the community driven and owned content will be finalised near the event.

Additional training for staff and Council on 'living the Kaupapa' is suggested. We also will review the Kaupapa and consider adding more details, or Code of Conduct, as well as having a clearer plan for implementation should issues arise in terms of Kaupapa.

Communications and Sponsorship

NetHui2015 website is being revamped in terms of look and content. The NetHui 2015 website, announcing the date and venue for NetHui 2015, is planned to be launched before Christmas.

A new approach to sponsorship, with new sponsorship packages and new sponsorship recruitment and management practices, is being developed.

Logistics

A change in venue is being considered, as potential cost savings could be made as well as consistent negative feedback from some within the community about SkyCity as a venue (particularly it being a casino). After positive experiences at University venues for both NetHui South events, the Project Owner and Manager are visiting conference facilities at the University of Auckland and Auckland University of Technology as alternative venues. A booking for Sky City is still being held, as this will be the venue if other options are not suitable.

The involvement of an external events company is being reviewed by the Events Lead when they take over as Project Manager, in order to find and agree to the right level of engagement of an external company in advance.

Consent Agenda Items

InternetNZ

DRAFT MINUTES OF COUNCIL MEETING

Status:	Draft
Present:	Jamie Baddeley (President), Joy Liddicoat (Vice President), Neil James, Hamish MacEwan, Dave Moskovitz, Brenda Wallace, Hayden Glass, Sarah Lee, Richard Wood, Amber Craig and Lance Wiggs.
In Attendance:	Jordan Carter (Chief Executive), Marian Donaldson (minute taker), Debbie Monahan (Domain Name Commissioner, *in part*), David Farrar (DNCL Chair, *in part*), Richard Currey (NZRS Chair, *in part*), Jay Daley (NZRS CE, *in part*), Ellen Strickland, David Cormack, Keith Davidson, Andrew Cushen, Mary Tovey and Maria Reyes (InternetNZ Staff, *in part*).
Apologies:	Rochelle Furneaux, Jamie Baddeley (lateness - 9.40am)
Meeting Opened:	The Vice President formally opened the meeting at 9.00am

1. Environment Scan

TUANZ – new Chief Executive, Craig Young will soon commence work at TUANZ. Staff will meet with him to learn what his approach to the role will be once he starts.

The opportunity of MBIE/INZ MoU was discussed. This is at the inception stage and the Council will be kept fully informed.

Radio spectrum issues – there is an opportunity with government consultations on the use of "white space" spectrum and digital switch over to make community wifi more available. MBIE is consulting on these topics.

AP31/14   Jordan to arrange a meeting with Craig Young, Chief Executive, TUANZ.

2. Apologies

Council received apologies from Rochelle Furneaux.

3. Declaration of Interest

The declaration paper was tabled showing updated information on Richard Wood's interests.

4. Agenda consideration – in committee items

There were no in-committee agenda items noted.

5. Strategic Plan 2015-2020 and Internet Issues Strategy 2015-2020

The strategic plan was presented at the first stage of strategy development arising from the Retreat. At this stage management are looking for identifiable gaps or areas of focus that may have been missed. Jordan also suggested that across the whole Group, there should be three or four top priority organisational issues and the same of Internet issues at the end of this planning process, to really focus work.

It was noted that Andrew is starting to prioritise the initiatives identified as part of the Internet Issues strategy, and also that there is no transformation designed for security issues at this stage.

The International Strategy is to be incorporated into the Strategic Plan so the whole strategy can be found in one place.

It was agreed that there is a need for three key strategic initiatives and how InternetNZ is going to deliver.

It was agreed that work with the Council to refine and develop the draft Strategic Plan can be done electronically between Council meetings.

AP32/14   Item 6 Funding and Business Development: *other forms of business/service development are ruled in or out,* to be reworded and have a broader view on business development.

There was discussion that the term "Internet Community" needed to be more accurate and focussed on who this refers to. There is a need to keep ourselves honest to the phrase, as in some ways the Internet Community is now almost everyone. There is a request to be more distinct between the large C and little c in "community".

AP33/14   Staff to revisit this issue and at the December Council meeting look at the definition of Internet Community refined in 2007.

RN70/14:   THAT Council receive the first draft strategic plan for 2015-2020, noting that further development is required particularly in the areas of community engagement, security, international engagement, organisational performance and Internet community development and that these areas will be discussed with Council between meetings and available for adoption at the December meeting.

<div align="right">(President/Cr Craig)
CARRIED U</div>

RN71/14:   THAT Council formally communicates the draft plan to the Subsidiaries with a request for comments by 20 November, and to set out the expectation that this strategy, once finalised, will guide their own strategic and business planning.

<div align="right">(President/Cr MacEwan)
CARRIED U</div>

6.   Chief Executive's Report

The Chief Executive's report was taken as read. Jordan advised there were no critical or potential new risks to the business at reporting time.

The three month Chief Executive's priorities were noted with a request to have the new strategy completed for approval at the December Council meeting. It was also noted that the *Role of and relationship with Members* included in the *Longer Range Priorities,* should be included in the immediate priorities.

Statements of Expectations

The Statement of Expectations – Jordan noted that it will be helpful to have meetings between InternetNZ and each subsidiary board and management to help guide what is in the Statement of Expectations. He anticipates organising such meetings in November.

Internet Issues Report

Most initiatives set out in the Internet Issues plan are under way as planned. Council asked for a new category to be added to the reporting, to show items which are"no longer happening" or "deferred" due to shifted priorities. This will be incorporated in the next report, due at the December meeting.

P47 – Councillors noted an opportunity – give the Government a universal access plan, don't wait for any review. Global mode – Slingshot and Orcan – consumer access to content like NetFlix. We are seeking legal advice re ramifications.

Business Plan Report

NetHui South – With the resignation of Krystal Waine, Marian Donaldson will be the Project Manager for NetHui South.

AP34/14:   Ellen to prepare a brief on the outcomes of NetHui South for the December Council meeting.

Our New Identity

David presented the InternetNZ website under construction. It was noted that the new website is very image based and will be very fluid rather than static.

New website signed off and implement

It was noted that the publication of the new website was wrongly recorded in the report as being planned for September 2014, when in fact October 2014 is intended.

Budget 2014-15 revision

There were two new requests asked for in the budget 2014-15 revision paper:

- Business or service development
- .nz Management (new cost centre)

RN72/14:   That Council approved the adjustments to the 2014/15 operating budget as set out in the Budget 2014-15 Revision paper dated 3 October 2014.

(Cr MacEwan/Cr Wiggs)
CARRIED U

Governance Policies

There is a need to have all documentation in the Governance Policies Register reviewed. This review will be presented to the Council meetings in December 2014 and February and April 2015.

As part of this, all group policies will be reviewed in a collaborative way i.e. relationships in the workplace, Health and Safety shared services, Earthquake policy, Risk Policy, Committees Policies.

It was noted that the Subsidiaries (.nz Framework cover) should have been marked blue – *drafting underway.*

RN73/14:   That Council adopt the revised draft Register of Governance Policies and note its expectation that all relevant policies be in place by the conclusion of the April 2015 Council meeting.

(Cr Craig/Cr Wallace)
CARRIED U

RN74/14:   That Council received the Chief Executive's report dated 3 October 2014.

(Cr Wood/Cr Lee)
CARRIED U

7. International update

ITU

Keith gave a summary on the NZ Government delegation to the upcoming ITU Plenipotentiary conference being held in Busan, South Korea. The large NZ delegation has evolved over the last few years through natural progression.

The team gave a brief on the upcoming ICANN 51 meeting in Los Angeles. Debbie's focus will be on the Law Enforcement Policy and Jay will be attending the technical focus groups. Jordan's focus is attending Internet governance and accountability sessions. Keith's focus is on the ICG, and Ellen's focus is on civil society aspects of ICANN's work. This will be the last meeting that Jordan and Ellen both attend.

RN75/14: That the International report be noted.

(President/Vice President)
CARRIED U

8. Subsidiaries – DNCL and NZRS update

Jay advised that the second level launch went very well with 16,000 registrations in the first day. There has also been interest shown in the third level registration. As at 3 October 2014 there had been 23,200 registrations.

Registrars are very happy with the well-documented launch enabling good pre-testing.

The results showed 40% were land grab/60% new.

Debbie advised the level of PRRs were very high as they did have six months to register. The system did slow down only for a very short time. Debbie further advised that the DNCL and NZRS worked very well together on registration day.

David Farrar thanked the DNCL staff on a huge team focus and effort.

AP35/14:   Joy suggested that a debrief review of the rollout of the second level registration be done group wide, with the results shared across the group.

AP36/14:   A new item entitled Business Development is to be included in the subsidiaries reports item on the Council agenda.

RN76/14:   The Council congratulated both NZRS and DNCL on achieving a truly significant milestone for InternetNZ.

                                                                    (Vice President/President)
                                                                    CARRIED U

RN77/14:   The Council congratulated DNCL on a robust policy process for the launch of .nz domains that ensured an equitable outcome for all domain registrants that is consistent with Internet NZ's objectives.

                                                                    (Cr Wiggs/Cr Glass)
                                                                    CARRIED U

RN78/14:   THAT Council note the verbal updates from DNCL and NZRS.

                                                                    (Cr MacEwan/ Cr Moskovitz)
                                                                    CARRIED U

Lunch break 12.30-12.50pm

9.   Financial Flows

A general conversation was held on the CE's paper regarding the financial flows review, which incorporated the opinions received from the subsidiaries.

There is general consensus to the change with disagreement re adoption and timing of the licence fee proposal. It was agreed that timing and cashflow could be a problem although variance monthly would be minimum. It was further noted that tax advice would be required to fully understand the implications of any change before a decision was made whether or not to proceed.

Jay advised that resolution on a way forward would be appreciated sooner than the intended timing of mid-June to October 2015.

Jordan noted that the license fee proposal is only part of the review's recommendations and that in his view the other proposals regarding expenditure control are more significant, and will be implemented.

RN79/14:   THAT Council received the paper regarding implementing the recommendations of the Review of Financial Flows.

RN80/14:   THAT Council asked the President to write to the subsidiary companies advising of its intention to make more considered use of the existing instruments (Operating Agreements, Statements of Expectations, Statements of Direction and Goals) and policies (Planning and Reporting) from 2015/16 onward, to more carefully define required functions and approve budgets.

RN81/14:   THAT Council requested the Chief Executive to take RN 80/14 into account when working on Statements of Expectations and in the pending review of the Operating Agreements.

RN82/14:   THAT Council left the matter of a license fee unresolved, and scheduled a consideration of the matter at the meeting due in June 2015.

(President/Cr MacEwan)
CARRIED U

10. Committee Terms of Reference

Audit and Risk committee

A discussion was held on the possible inclusion of overall responsibility for investments into the Audit and Risk committee, with potentially a sub heading in the terms of reference regarding Investment Management. This would see the Investment Committee disestablished. Lance advised that there is still a large amount of focus and work to be done in the Investment arena. Further discussion was held on the policy framework for investments and the financial policies that need to form part of the governance policy.

Lance advised that he was not available for the Audit and Risk Committee due to time availability constraints. Council noted that the Chair of the Audit and Risk Committee was able to use external parties for specialist assistance should it be required as the Terms of Reference allow.

It was also noted that Council did not elect to renew the Investment Committee at this time.

RN83/14:   THAT Council adopt the latest Audit and Risk committee Terms of Reference subject to a set of actions to be taken by the Chief Executive.

RN84/14:   THAT Council instruct the Chief Executive to review the Treasury Policy.

RN85/14:   THAT Council instructed the Chief Executive to review the Audit and Risk terms of reference with respect to the proposal of the inclusion of the Investment Committee.

(Vice President/Cr Lee)
CARRIED U

CEO Review Committee

RN86/14:   THAT Council approved the CEO Review Committee Terms of Reference.

(Cr Moskovitz/Cr Craig)
CARRIED U

Grants Committee

RN87/14:   THAT Council approved the Grants Committee Terms of Reference.

(Cr James/Cr Wallace)
CARRIED U

Membership Engagement Committee

RN88/14:   THAT Council approved the Membership Engagement Committee Terms of Reference.

(Cr Wood/Cr Glass)
CARRIED U

Voting and Election Group

RN89/14:   THAT Council note the proposed Voting and Election Group Terms of Reference and look forward to reading the Group's report when available.

<div align="right">(Vice President/Cr James)
CARRIED U</div>

All Committees extended an invitation to all Councillors to attend sub-groups of the Council.

Ellen and Maria joined the meeting at 2.15 pm

11. Community Funding

Strategic Partnerships report
Ellen spoke to the Strategic Partnerships report and commented on the focus areas and updates.

Ellen advised she is considering the future slate of strategic partnerships. Considerable time and effort has been given in consideration of new partnerships with Victoria University and the Public Libraries in New Zealand. Suggestions of other possible Partnerships are very welcome from Councillors or anyone else.

Ellen invited Councillors to advise her of any potential partners.

AP37/14:   Ellen to send criteria for Strategic Partnerships with InternetNZ to Councillors with a request for suggestions of organisations that could join the set of Strategic Partners in 2015/16.

Community Funding
Ellen gave an update on the Community Funding and advised the first of the funding rounds will close 16 October 2014.

RN90/14:   THAT the Council noted the excellent event held with Strategic Partners on the evening of 2 October 2014 at InternetNZ and ask staff to develop further steps to make Strategic Partnerships events more visible.

RN91/14**:**   THAT Council received the Partnerships Report and Community Funding rounds update.

<div align="right">(Cr Wiggs/Cr Moskovitz)
CARRIED U</div>

Ellen left the meeting at 2.25pm

Joy took the seat as Chair at 2.25pm for 5 minutes

Mary joined the meeting at 2.25pm

12. Report on NetHui

Discussion was held on the budget management of NetHui 2014, where overruns occurred. It was noted that a proper project was not set up correctly and within clear and defined guidelines. Dave expressed disappointment on the NetHui report and its timing, but was advised that while not ideal, it had in fact been circulated around seven weeks after the event.

It was agreed that to keep all the ideas and enthusiasm alive following NetHui there is a need to have strong follow up action plans. This should be factored into the potential outcomes.

Hamish commented that people that come to NetHui are already involved in Internet forums, groups, networks.

RN92/14:   THAT Council agreed to hold further conversations at the December Council meeting on lessons learnt from the previous NetHui, what level should the next NetHui be pitched at and design a reliable cost model going forward.

(Cr Moskovitz/Cr Glass)
CARRIED U

RN93/14:   THAT Council received the NetHui report.

(Cr Wallace/ Cr Craig)
CARRIED

AP38/14:   Staff to prepare a further report on lessons drawn from NetHui held so far and how the 2015 event might be shaped, for discussion with Council at the December 2014 meeting.

13. Consent Agenda Items

RN94/14:   THAT the minutes of the meeting held on 8 August 2014 be received and adopted as a true and correct record, and THAT the following reports are received:
a. Ratification of minutes: 8 August 2014
b. Outstanding action points
c. E-votes ratification
d. Membership update

(Cr Lee/Cr MacEwan)
CARRIED U

RN95/14:   THAT the new members be approved.

(President / Vice President)
CARRIED

Mary and Maria left the meeting at 2.45pm.

All outstanding action points were agreed.

AP39/14:   A meeting between Jordan, Amber and Sarah on Maori Engagement be organised.

14. Other Business

Resolution to use the Common Seal - Changes to Signatories

RN96/14:   THAT Council approved the use of the Common Seal to be applied to the mandate for change to signatories at ANZ for Internet NZ Inc.

Noted nominated signatories:
Jamie Baddeley, Jordan Carter, Neil James, Richard Wood, Joy Liddicoat, Hamish MacEwan.

<div align="right">

(Cr Wiggs / Cr Wallace)
Cr Craig ABSTAINED

</div>

Schedule of Meetings for 2015

RN97/14: THAT Council adopted the Schedule of Meetings for 2015.

<div align="right">

(President / Cr MacEwan)
CARRIED

</div>

Council meeting dates in 2015 are: 2 February (Monday), 10 April, 5 June, 7 August, 9-10 October and 11 December 2015.

15. Meeting Feedback

Council did a round table and gave some feedback on how the meeting went:

- Amber – liked new desk layout and freedom of seating arrangements
- Brenda – good chairing
- Richard – good chairing
- Hayden – agenda items came up as the day went on
- Lance – video conferencing too noisy – agenda items came up that weren't on the agenda
- Dave – good meeting – disappointed about the lack of investment focus
- Hamish – good meeting – enjoyed Joy at the meeting
- Sarah – enjoyed the day – felt as though she has been part of the family for a long time
- Neil – good day – wanted further discussion on the Elections Working Group
- Joy – needs to further discuss Audit, Risk and Investment issues with Lance and Dave
- Jordan – elastic agenda – went off track but some good outcomes with the strategy moving forward
- Jamie – agenda too full – meeting too rushed

Next Meeting: The next scheduled Council meeting is 5 December at **InternetNZ Auckland office.** Note that the start time will be 10.00am.

Meeting Closed: The meeting closed at 3.05pm

Signed as a true and correct record:

_____
Jamie Baddeley
President, CHAIR

2014 Action Point Register

	Action	Who	Status	Due by	Comment
	FEBRUARY				
AP 01/14	Chief Executive to prepare letters for NZRS and DNCL setting out the Council's framework for business development, with the letters to be prepared in conjunction with the subsidiaries and interested Councillors.	InternetNZ CE	Complete	April Council meeting	
AP 02/14	Jay and Debbie to conduct an induction for Rochelle for NZRS and DNCL respectively.	NZRS DNCL	Complete	April Council meeting	Rochelle met with Debbie and Jay on 11 March
AP 03/14	The President to approach Ron Hamilton re Appointments Panel.	President	Complete	April Council meeting	
AP 04/14	InternetNZ staff to check whether there are any tax obligations that could incurred by this and whether we	InternetNZ Staff	Complete	April Council meeting	
AP 05/14	Ellen and Jordan to have discussion with Dave Moskovitz re CCANZ partnership report.	Jordan Ellen	Complete	April Council meeting	
AP 06/14	InternetNZ staff to do a follow-up on why members have not renewed their membership especially the	InternetNZ Staff	On-going	April Council meeting	
	APRIL				
AP 07/14	Jordan to circulate the draft of the Business Development policy to Council for adoption.	Jordan	Complete	June Council meeting	Included in the Business Development - paper for June Council meeting
AP 08/14	Chief Executive to provide an initial report on InternetNZ Group financial flows at the June Council meeting.	Jordan	Complete	June Council meeting	
AP 09/14	The group CEs to draft a paper regarding the executive remuneration reporting at the June Council meeting.	INZ & Subsidiaries Ces	Complete	June Council meeting	
AP 10/14	InternetNZ Staff to highlight any changes to matters disclosed in the register of interests that are included in	INZ staff (Maria)	On-going	June Council meeting	
	JUNE				
AP 11/14	InternetNZ Staff to include the spreadsheet version of the financial report for the next Council meeting.	INZ Staff (Mary)	Complete	August Council meeting	
AP 12/14	Council to discuss the code of conduct for Councillors at the next meeting. *(To be added on to the agenda*	Council	Complete	August Council meeting	
AP 13/14	Brenda Wallace to send an email to Council re suggestions for the draft Councillor's code of conduct and	Cr Wallace	In progress	August Council meeting	
	AUGUST				
AP 14/14	Completed Business Plan to be shared with Councillors.	Jordan			
AP 15/14	Jordan to provide a travel report at the October Council meeting. *(re: travel to 9th IGF, AUSAE Leadership*	Jordan			
AP 16/14	Report of the outcomes of the NetHui to be provided at the October Council meeting.	Kyrstal			
AP 17/14	Simple reiteration of international work to be provided as part of the content for the new website.	David			
AP 18/14	This area of business *(i.e. Financial Flows)* to be further discussed at the Council Strategy Day if feedback from	Council/Jordan			
AP 19/14	Jay to email Risk Register to the Council.	Jay (NZRS)			
AP 20/14	Jordan to prepare a one-pager regarding the paper on Financial Flows prior to the Council's Strategy Retreat.	Jordan			
AP 21/14	InternetNZ staff to add suggested changes to the financial report – i.e. net income graph to have comparisons showing last year's YTD actual/budget vs current year; and graphs to be shown with smaller	Mary			
AP 22/14	CEO Review Committee to produce a Terms of Reference for the Committee and KPAs for the Chief Executive by October Council meeting.	President, Vice Pres. Cr MacEwan, Cr Furneaux			
AP 23/14	The President to contact Lance regarding the Investments Committee and Audit & Risk Committee.	President			
AP 24/14	Audit & Risk Committee's Terms of Reference wording be amended and changed from 'Shared Services	Maria			
AP 25/14	InternetNZ staff to organise gathering of strategic partners the afternoon prior to the next Council meeting	Ellen/InternetNZ staff			
AP 26/14	InternetNZ staff to share copies of the Strategic Partnership agreements to Council.	Maria/Ellen			
AP 27/14	Jordan to forward details to Council regarding on how much was budgeted and the scope for Council's	Jordan/Mary			
AP 28/14	Jordan to work with Sarah, Amber and Hamish around engaging with Maori who are part of the wider	Jordan			
AP 29/14	Membership Engagement Committee to develop a Terms of Reference for the committee.	Cr Glass, Cr Craig, Vice Pres, Jordan, Maria			
AP 30/14	Election Working Group to prepare a Terms of Reference for the group.	Colin Jackson, Jordan			
	OCTOBER				
AP31/14	Jordan to arrange a meeting with Craig Young, Chief Executive, TUANZ.	Jordan			
AP32/14	Item 6 Funding and Business Development: *other forms of business/service development are ruled in or out,* to be reworded and have a broader view on business development.	Jordan			
AP33/14	Word Community - Staff to revisit this issue and at the December Council meeting look at the definition of Internet Community refined in 2007.	Jordan			
AP34/14	Ellen to prepare a brief on the outcomes of NetHui South for the December Council meeting.	Ellen			
AP35/14	Joy suggested that a debrief review of the rollout of the second level registration be done group wide, with th	Jordan			
AP36/14	A new item entitled Business Development is to be included in the subsidiaries reports item on the Council agenda	Jordan			
AP37/14	Ellen to send criteria for Strategic Partnerships with InternetNZ to Councillors with a request for suggestions of organisations that could join the set of Strategic Partners in 2015/16.	Ellen			
AP38/14	Staff to prepare a further report on lessons drawn from NetHui held so far and how the 2015 event might be	Ellen			
AP39/14	A meeting between Jordan, Amber and Sarah on Maori Engagement be organised.	Marian			

E-votes register

E-votes Ratification

Author:	Maria Reyes

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

Evote:		For:	Against:	Abstain:
191120141	(1) THAT University of Otago - Information Science (Holger Regenbrecht) be awarded funding of $4,000 from the Conference Attendance Funding Round. (2) THAT Project Red Flag (Vaughn Davis & Rohan MacMahon) be awarded funding of $6,000 from the Conference Attendance Funding Round. (3) THAT University of Auckland (Eunice Price) be awarded funding of $2,900 from the Conference Attendance Funding Round. (4) THAT University of Otago - Otago School of Business (Shahab Pourfakhimi & Dr Tainyu Ying) be awarded funding of $4,640 from the Conference Attendance Funding Round. (5) THAT DC Media Ltd (Damian Christie) be awarded funding of $2,460 from the Conference Attendance Funding Round.	Amber Craig Neil James Rochelle Furneaux Sarah Lee Dave Moskovitz Lance Wiggs Hamish MacEwan Richard Wood Hayden Glass Joy Liddicoat Jamie Baddeley Brenda Wallace		
191120142	THAT the following criteria and weightings for the Canterbury funding round be adopted: a. Extent to which the project is aligned with InternetNZ and/or the Internet community goals and objectives. For this criteria the committee consider: i. How well does the project provide match InternetNZ objects and the objectives of the community grants round ii. Has the applicant been involved with the community iii. Identify if there are other	Amber Craig Sarah Lee Hayden Glass Richard Wood Joy Liddicoat Dave Moskovitz Rochelle Furneaux Brenda Wallace Jamie Baddeley Hamish MacEwan Neil James		

	funding sought from/provided by other organisations			
	b. Potential benefit of the project In this section the committee is trying to understand the scale and potential benefit of the projects. So it is suggested that you: i. Give an indication of the number of people and/or communities likely to be directly affected ii. Identify the benefits to communities, disadvantaged groups or segments of the population that are likely to see benefit from your project iii. Identify how and to what extent this is addressing a real need that has been clearly identified iv. Identify project's ongoing commitment, long term viability as well as good community outcome v. Identify whether the project competes with other existing projects vi. Describe what makes this project different or innovative c. Likelihood of the success of the project So it is suggested that you: i. Identify evidence of the commitment of others – particularly those in the affected groups or communities the proposal is targeting ii. Be clear that you have thought through how this idea will be implemented iii. State whether or not there is real financial or in-kind backing from others and how committed that is iv. Where possible whether the people applying have a successful track record of implementing projects of this kind v. State what qualifications the applicants have that is relevant to the requirements of the project			

Recommendation: THAT the e-votes be ratified.

Membership update

InternetNZ

INTERNETNZ MEMBERSHIP REPORT

Status:	FINAL
Author:	Maria Reyes

2013-14

	December 2014	October 2014	August 2014	June 2014
Fellows:	23	23	23	24
Individual:	270	262	256	302
Professional Individual:	71	70	68	81
Small Organisation:	28	27	26	31
Large Organisation:	8	8	7	7
Total Membership:	**400**	**390**	**380**	**445**

2012-13

	December 2013	October 2013	August 2013	June 2013
Fellows:	24	24	24	N/A
Individual:	253	252	239	N/A
Professional Individual:	76	76	72	N/A
Small Organisation:	26	23	22	N/A
Large Organisation:	5	5	5	N/A
Total Membership:	**384**	**380**	**362**	N/A

Recommendation: THAT the new members be approved.

COUNCIL MINUTE TERMINOLOGY

Agree   "That Council agree…" this is usually followed with a specific decision, policy position or course of action.

Adopt   "That the report be adopted." When Council adopts a report or paper, it is accepting that the contents of the document, including any recommendations, are agreed with and become the InternetNZ position and action plan.

Amend   "That Council amend ……." This term is for a resolution that seeks to amend a proposed resolution, and should set out clearly what is to be deleted and what is to be added.

Receive   "That Council receive…" This is a neutral term which captures for the record that a report, document, proposal etc has been noted by the Council. It does not imply that any recommendations in the proposal are to be acted on: that would require "adoption" as well.

Glossary of Terminology

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

Glossary of Terminology

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