InternetNZ Council

February 2022

AGENDA

Council Meeting: **Friday 11 February, 9am - 1pm**
Venue: **InternetNZ, Level 13, 18 Willis Street, Wellington.**

NOTE: all timings are estimates, the meeting will run according to the needs of the meeting as it progresses.

If the meeting becomes an online meeting, additional breaks may be added at the Chair's discretion.

Strategy Session: Internet Access and Infrastructure

9:00am	Opening Karakia, session facilitated by Don Stokes

Formal Council Meeting: 10:30am onwards

Section 1 – Meeting Preliminaries

10:30am	1.1	Council only (in committee)
10:45am	1.2	Council and CE alone time (in committee)
11:00am	1.3	Karakia, apologies, interests register
	1.4	Action Items and Agenda Review

Section 2 – Strategic Priorities

11:05am	2.1	Strategy update - purpose and goals
11:35am		**Morning Tea Break**

Section 3 – Matters for Decision

11:45am	3.1	Council Work Plan 2022/23
11:55am	3.2	CE Review Terms of Reference

Section 4 – Matters for Discussion

12:00pm	4.1	President's Report
12:10pm	4.2	2021 Election Review

12:30pm	4.3	Management Items for Discussion

Section 5 – Consent Agenda

12:35pm	5.1	Health, Safety and Wellbeing Update
	5.2	Minutes of the meeting of 3 December 2021
	5.3	E-vote Ratification
	5.4	Quarterly and Operational Reports ● 5.4.1 Membership Update ● 5.4.2 InternetNZ Activity Report (Q3) ● 5.4.3 InternetNZ Financial Group Consolidated Report ● 5.4.4 InternetNZ Financial Report (Q3) ● 5.4.5 Project Mimosa Update ● 5.4.6 DNCL Quarterly Reporting (Q3) ● 5.4.7 Committees update ○ 5.4.7.1 Update from Komiti Whakauru Māori ○ 5.4.7.2 .nz Policy Review Committee Update
	5.5	Māori Design Group Update

Section 6 – Other Matters

12:55pm	6.1	CONTINGENCY (for any overflow)
	6.2	Matters for communication – key messages
	6.3	General business
	6.4	Meeting review
1:00pm	6.5	Meeting close (karakia or waiata)

Council Register of Interest

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

Officers and Councillors receive the following annual honoraria:

President - $35,470
Vice President - $22,169
Councillor - $17,735*

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

Name: Joy Liddicoat
Position: President, InternetNZ
Term: AGM 2021 - AGM 2024
Declaration Date: 29 July 2021
Interests:

- Secretary of the Peter Rule Foundation
- Holder of .nz domain name registrations
- Member of the New Zealand Law Society
- Member Otago Women Lawyers Society
- Member of 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
- Affiliate of the Centre for Law and Policy in Emerging Technologies, Faculty of Law, University of Otago.
- Senior Corporate Counsel, Silver Ferns Farms (part-time position)
- Member of the Association for Progressive Communications

Name: Jay Daley
Position: Vice President, InternetNZ
Term: AGM 2021 - AGM 2024
Declaration Date: 4 August 2021
Interests:

- Employed as IETF Executive Director
- Member of the Board of Whare Hauora
- Registrant of multiple domains.

Name: Sarah Lee
Position: Councillor, InternetNZ
Term: AGM 2014 - AGM 2022
Declaration Date: 24 August 2018
Interests:
- Member of New Zealand Māori Internet Society
- Receives additional honoraria for being Chair of the Māori Engagement Committee

Name: Richard Hulse
Position: Councillor, InternetNZ
Term: AGM 2021 – AGM 2024
Declaration Date: 29 July 2021
Interests:
- Employee of GS1 New Zealand
- Holder of .nz domain name registrations
- Receives additional honoraria for being Chair of the Audit and Risk Committee for InternetNZ.

Name: Jeff Montgomery
Position: Councillor, InternetNZ
Term: AGM 2021 – AGM 2022
Declaration Date: 8 August 2021
Interests:
- Holder 14 .nz domain names
- Employee of Service Delivery and Operations, Department of Internal Affairs
- Statutory Officer - Registrar General of Births, Deaths and Marriages.
- Chair, Pacific Civil Registrars Network
- Owner and Director City Bed and Breakfast Ltd.

Name: Don Stokes

Position: Councillor, InternetNZ

Term: AGM 2017 – AGM 2023

Declaration Date: 6 December 2019

Interests:
- Shareholder/Director, Knossos Networks Ltd, an authorised .nz registrar
- Shareholder / director of several inactive companies
- Registrant of .nz and .net domains
- Consultant of Liverton Security

Name: Kate Pearce

Position: Councillor, InternetNZ

Term: AGM 2017 – AGM 2023

Declaration Date: 15 February 2019

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

Name: aimee whitcroft

Position: Councillor, InternetNZ

Term: AGM 2019 – AGM 2022

Declaration Date: 11 October 2021

Interests:
- Employee of Waka Kotahi NZ Transport Agency
- Holder of .nz domain names
- Open Data Charter Board Member
- Organiser for unconferences and related events
- Have previously been employed by InternetNZ on contractual basis
- Have previously been awarded an InternetNZ conference grant
- Wildlife.ai Board Advisor
- Global Data Barometer Advisor, Research Advisory Committee
- Toha .NZ Advisor

Name: Anthony Bow
Position: Councillor, InternetNZ
Term: Appointed 2020 – 2022
Declaration Date: 18 May 2021

- Holder of .nz and .com domain names
- Director of Whai Rawa Fund Ltd
- Director of Maungaharuru-Tangitū Ltd
- Deputy Chair and Board Member of the Medical Radiation Technologists Board.
- Chair and Director of Medical Sciences Secretariat Ltd
- Director and Shareholder of Waimana Capital Ltd
- Shareholder in private companies; Big Splash Ltd and Talent Propeller Ltd

Name: Potaua Biasiny-Tule
Position: Councillor, InternetNZ
Term: Appointed 2021 – 2023
Declaration Date: 8 November 2021

- Founder / Director of Digital Basecamp
- Trustee of Digital Natives Academy
- Co-Founder 4CompanyB (4CB) Digital Animation Studios Limited
- Board Member for Te Tatau o Te Arawa (partnership with Rotorua Lakes Council).
- Trustee of Te Takinga Marae Komiti
- Kaitiaki for numerous .co.nz and .iwi.nz whanau domains

The register was last updated in November 2021.

Council Actions Register 2022

	As at February 2022		
Action No#	**Action**	**Owner**	**Status**
AP07/21	Staff to prepare an online webinar and information exchange on Digital Identity and the group's work on this so far, to be shared with Council on the list.	Commercial Director	Timing to be confirmed with Council Members around the meeting.
AP15/21	Note the draft work plan which will be updated at the October Council Meeting. **Deferred** to February 2022	President/ Council	Completed.
AP18/21	A review of the CE Review Committee's Terms of Reference	President/ Council	For approval at the Feb Council Meeting.
AP19/21	Review the timing of quarterly reporting and the alignment of Council meetings in the next financial year.	Organisational Services Director	Under Review.
AP20/21	Skills and Diversity Assessment discussion to be added to Council Agenda in May 2022	Executive Assistant	Noted.
AP21/21	Election Review paper to be shared with Council	Engagement Director	Completed.

Updating our purpose and goals at InternetNZ

internetnz

Context

- A fresh look at our **PURPOSE**.

- Long run **GOALS** to shape and guide our work, and a sense of how we will **MEASURE** (draft measures) progress towards them.

- The goals shine a light on what is most important for us to be working towards. They don't try and capture all of our work.

- The HOW - the Strategy - is embedded in the Annual Plan, rather than alongside the Purpose and Goals.

- Compared with previous draft: kaitiakitanga a Foundation; .nz a Pou / Pillar.

Evolution, not revolution

From the discussion at Council 11 February

- Confirm or agree changes to the GOALS

- Feedback/ideas on the MEASURES

- Decision on any other elements in the 'Strategy on a page'

- Agreement for outward engagement / testing at governance level

Purpose:

To be a kaitiaki of an Internet that benefits all of Aotearoa

Purpose:
To be a kaitiaki of an Internet that benefits all of Aotearoa

Pou: Internet that benefits

+

Pou: .nz for Aotearoa

+

Pou: Internet for all of Aotearoa

Foundation:
Kaitiakitanga & Partnership

Internet that benefits

To ensure the Internet benefits Aotearoa we need to ensure that people are free to use, create and innovate on the Internet and are equipped to do so in a way that keeps them and others safe. We work to shape the Internet and its development to support its use for purposes that are good for people.

Draft goals and measures for Internet that benefits

Goal: Improved services from big Internet platforms

Services provided by large Internet platforms are demonstrably safer and more constructive places in Aotearoa and more broadly.

Possible Measures:

1. Transparency around the impact of algorithms is secured and leads to better understanding of their impact, and in turn leads to them generating less harm
2. The NZ online safety system is rebuilt so it meets the needs of those most vulnerable to online harms, based on their input
3. Platforms face appropriate legal obligations in New Zealand, secured through the media law review
4. Reported harm is declining
5. Reported experience of the public, and of vulnerable communities, has improved

Draft goals and measures for Internet that benefits

Goal: Championing the new world of work

The COVID-19 pandemic has demonstrated the potential of the Internet to transform New Zealanders' work and social lives. We will help organisations in Aotearoa to utilise the Internet to better enable New Zealanders to be fully productive and more flexible in how they live their lives. In doing so, we will showcase the potential for the Internet to make meaningful contributions to wider economic development potential, climate change, and the design of our communities.

Possible Measures:

1. More businesses become flexible employers (hiring in different parts of Aotearoa)
2. More New Zealanders can access fulfilling work wherever they live
3. Less carbon emissions damaging the environment through removal of transportation of people and goods

Other potential goals and measures for Internet that benefits (second rank)

Goal: Democracy - misinformation, voting, information etc Democratic society in Aotearoa is made more secure against challenges created by the modern Internet.	**Goal: Shaping the Internet** An increase in participation by people from Aotearoa is better coordinated, and having an increasing impact on the development of a better Internet.	**Goal: Tech for good - building brand around .nz** .nz is associated with security, trust, "goodness" and the best of the internet.
Possible Measures 1. Misinformation is appropriately regulated, so there is less of it. 2. Misinformation is of less of concern to the public 3. The online elements of the 2023 and 2026 general election campaigns support high trust public engagement and involvement —> Better done by the first Goal?	**Possible Measures** 1. Coordination is evident and appreciated by those involved 2. Numbers involved are measured and are growing 3. Stories of impact and of change driven by this participation are known and noticed —> Too removed from our focus?	**Possible Measures** 1. Measured through research and public/consumer trends, specifically on these points. 2. Metrics show increases. 3. Comparisons versus other competitor/ccTLDs —> A part of the .nz Pou?

.nz for Aotearoa

The .nz domain name space is a crucial resource for all of Aotearoa. .nz provides a secure and trusted identifier for people in their online lives. Our .nz infrastructure is critical to the performance of the modern New Zealand economy, and wellbeing of New Zealanders and our communities. Over time the use of the namespace rises, and it connects seamlessly with other trusted online identity systems and frameworks, so it is more used and more useful. Ultimately, everyone in or connected with Aotearoa has, uses and values .nz.

.nz for Aotearoa:
Possible goals and measures (June 2022 workshop)

Goal: Grow the number of .nz names The number of individuals who are using .nz grows significantly over time, as do total numbers of names registered.	**Goal: Grow the value of .nz names** The uses of .nz domain names expand and the intensity of uses (current and new) rises.	**Goal: Tech for good – building brand around .nz** .nz is associated with security, trust, "goodness" and the best of the internet.
Possible Measures 1. Number of individual registrants 2. Number of domain names registered 3. Effective promotion is in place and makes a measurable impact	**Possible Measures** 1. Research shows increased use of domain names 2. Significant new uses are identified and taken up 3. New channels to those who benefit from these new uses are developed and in place	**Possible Measures** 1. Measured through research and public/consumer trends, specifically on these points. 2. Metrics show increases. 3. Comparisons versus other competitor/ccTLDs

Internet for all of Aotearoa

To ensure we have an Internet that benefits all of Aotearoa we must ensure that everyone is able to make the most of an increasingly digital world. This requires us to work on digital inclusion so all of Aotearoa can access and effectively use digital technologies to equitably participate in and benefit from digital life.

Our draft goals and measures for Internet for all

Goal: Full digital equity in Aotearoa

Everyone in Aotearoa is able to fully participate, create and benefit on the Internet.

Possible Measures:
1. Digital equity measures reported are improving
2. Information to support improved digital equity is authoritative and freely available
3. Stakeholders in this area value InternetNZ's contribution
4. Effective support of DECA's work to achieve digital equity including
   a. Participation in the coalition
   b. Continued/increased funding
   c. Supporting their work where we can
   d. Supporting their advocacy
5. DECA reports our contribution as constructive and valuable

Foundations: Kaitiaki and Partnership

To fulfill the role of being an effective kaitiaki we must work in partnership. The role of kaitiaki is unique to Aotearoa and the connection between tangata whenua - iwi and Māori - and this place. Therefore, the foundational partnership to enable kaitiakitanga is with iwi and Māori in Aotearoa. Our relationships with communities across Aotearoa are the basis of our responsibility to manage .nz; kaitiakitanga requires us to build on a foundational partnership with iwi and Māori and harness our relationships with communities across Aotearoa to support us in our purpose and in all of our work.

Our draft goals and measures for Foundations: Kaitiaki and Partnership

Goal 1: enabling kaitiakitanga	Goal 2: fulfilling kaitiakitanga
The partnership between the Māori Design Group and InternetNZ is strong.	Our partnerships enable us to fulfil our purpose through contributing to mahi across all our pou.
Possible Measures: 1. MDG & Council view relationship as strong 2. MDG & Council assess IntNZ as making progress in the agreed direction	**Possible Measures**: 1. Stakeholder feedback (survey) 2. Partner feedback 3. Partners are demonstrably diverse

Next steps

- February: Initial review by Council of goals, possible measures

- Feb/Mar: Any external testing of this, develop measures

- March: Revise, finalise and sign off (except .nz)

  - Goals

  - Measures

- June: Debate and finalise .nz aspects

Recommendations - Council February 2022

That Council:

- **Agree** the draft purpose and goals are suitable for seeking feedback from members and other stakeholders.

- **Note** that the .nz elements are presented for completeness and initial review, to be finalised after a workshop in June 2022.

Council - 2022-2023 Work Plan

Updated February 2022, due for review August 2022.

MONTH	Main Meeting Dates	Main Items at Council	External/Int'l
2022			
January			
February	Council - Friday 11th	• Strategic Discussion: Internet access and infrastructure - Stokes • New draft strategic plan, key goals and measures • Financial track - 2022 high level budget considerations • 2021 Election Review	APTLD: Feb tbc APRICOT: tbc
March			ICANN 73: 5-10 March IETF 113: 19-25 March
April	Council - Friday 1st	• Strategic Discussion: Data Governance and Ethics (Pres, Pearce) • New strategic plan final sign off • 2022 Plan and Budget sign off • Review independent director appointments • CE Performance Review	
May	Friday 13th	• Strategic Discussion: Climate Change (Pres, Bow) • Review the Council Matrix for Skills and Diversity • Appointment of Independent Directors • Board review and evaluation • AGM/Election paper (confirms process) • Review of INZ objects	NZNOG (rescheduled) 18th-20th

Month	Date	Agenda Items	Events
June	Friday 24th - **TBC**	• Strategic Discussion: .nz including international	Rightscon: 6-10 June ICANN 74: 13-16 June
July	**AGM** – Thursday 28th	• InternetNZ Annual General Meeting, 5:30pm • DNCL Annual General Meeting, 4pm	IETF 114: 23-29 July
August	Friday 12th	• Strategic Discussion: topic TBC • Induction of new council members • Council committee appointments • Council Work Plan • Review the Councillors skills and diversity	
September			ICANN 75: 17-22 Sept
October	Friday 14th	• Strategic Discussion: topic tbc • Mid-year review of Strategic Framework and Plan / Budget	
November			IETF 115: 5-11 November
December	Friday 2nd Year-End Functions w/b 5th or or 12th Dec	• 2022 Election Review	
2023			
January			
February		• Strategic Discussion: topic tbc • New 2023 Plan - draft strategic plan, key goals and measures • Financial: 2023 high level budget considerations	
March			

To add: Māori Design Group Meetings, Committee Work Plan consideration

Chief Executive Review CommitteeTerms of Reference

Policy	COM-CEO: Chief Executive Review Committee
Version	Version 1.2
Date in force	February 2022
Planned review	February 2023

Constitution

The Chief Executive Review Committee ("the Committee") is a committee of Council with the specific delegated powers as set out in this Terms of Reference.

Objectives

The Committee acts on behalf of Council in all dealings with the CE on matters relating to terms of employment, key performance measures and disciplinary matters.

Membership

Membership of the Committee is reviewed annually at the first Council meeting following the AGM. The Committee shall consist of the President, Vice President,and two Councillors.

The Chair of the Committee is the President and in his/her absence the Vice President.

Any member who ceases to be a Councillor ceases to be a member of theCommittee.

Responsibilities

1. From time to time negotiate and amend as necessary the key performance objectives of the CE
2. Report on a confidential basis the performance of the CE against the key performance objectives
3. At the appropriate time, conduct a review of the CE's overall performance and make recommendations to Council on remuneration and appropriate bonus payments.
4. Monitor and where necessary act on any other matters relating to the conditions of employment of the CE.

Council Policies

Review this Terms of Reference annually prior to the Annual General Meeting and recommend any updates as/if required for Council to consider at its subsequent meeting.

Other Matters

Consider any other matters referred to the Committee by Council.

Authorities

The Committee shall have the authority to seek any information it requires from any employee of the Society.

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 mattersset out in this Terms of Reference or as directed by Council, or the President.

Reporting

In addition to the annual review of the CE's overall performance, the Chair shallverbally update Council on CE performance matters in 'Council alone' time as required.

Communication

The President and Vice President, with the support of the other committee members when required, shall maintain direct lines of communication with the Chief Executive throughout the year on a regular basis.

Review

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

President Report

AUTHOR:	Joy Liddicoat, President
PURPOSE:	To report to Council Members on the President's activities.

Introduction

A warm welcome to 2022. I trust that members and staff enjoyed the holiday break, were able to spend time with family and re-energise. I'm excited by our prospects this year: it's time for InternetNZ to reach new heights. My vision is for InternetNZ to be delivering a world class ccTLD registry, operating a modern set of .nz policies and rules, with a vibrant, engaged Internet community and working in partnership with Māori. 2022 needs to be a year where we simply get on with it! To do so, we must be ready to launch our new strategic plan and support the team to bring renewed energy and external focus: that will be my goal in the next month.

Comment

Despite the challenges posed by the pandemic, many organisations are harnessing opportunities to innovate, finding exciting new ways to improve and increase service to their communities. InternetNZ must do the same. We must have our house in order for a strong start to the financial year. This includes a lean management structure, sharper focus on a smaller number of key initiatives and a whole of organisation approach to delivering the best possible service to our local Internet communities.

Looking ahead, as we complete the registry replacement and finalise changes to the .nz rules, we must lift our eyes to the horizon and consider where we want .nz to be in the next 5-10 years. To assist, I have planned a mid-year Council discussion on the future of .nz. It will also be timely to discuss our international strategy and engagement with ICANN and other ccTLD organisations.

I have a strong vision for our work with the Māori Design Group, which is a standing item at all Council meetings. I hope that our 2022-23 will include a clear plan to support our goal of improving engagement with Māori InternetNZ members, improvements in Māori Internet access and engagement in .nz.

Governance

Council Support

- The Council Charter and Handbook have been approved.

- The 2022-23 Council work programme is included in the papers for this meeting.

Strategic Planning Process

As I travelled the South Island over the holiday break, I was struck by the issues of Internet access and connectivity that persist in rural areas and regional towns. It is very timely that Councillor Stokes will lead a strategic discussion on Internet access and infrastructure at our February meeting. Council will also be presented with a new draft three year strategy and give a steer on budget parameters for the coming year. My expectation is a budget in line with the modest surplus for the 2022/23 year that was proposed last year.

Member engagement and representation

I appreciate the support I receive from members, whom I continue to have regular contact with on various topics of the day.

I welcome any feedback on this report.

Joy Liddicoat
President

RETURNING OFFICER'S REPORT – 2021 COUNCIL ELECTIONS

AUTHOR: Andrew Cushen - Returning Officer

FOR: Council & Members

PURPOSE: Report on the conduct of the InternetNZ Council elections and by-election for 2021.

DATE WRITTEN: 04/02/2022

Summary

InternetNZ ran two electoral processes in the 2021 election period - one standard election for President, Vice-President and two Council members, and a second by-election for another Council member due to a resignation soon after the conclusion of the first election.

The election and by-election both ran successfully, in terms of:

- A large number of nominated candidates for consideration by members.
- Robust discussion via the channels available to members.
- Well functioning election solutions that produced a result in accordance with the Constitution and electoral guidance.

While InternetNZ's Council and Membership can be satisfied by the performance of the electoral system in this 2021 election period, there are a number of further improvements that can be made to InternetNZ's electoral processes, and these are explored in this document.

As Returning Officer, my thanks to all of the candidates for being willing to stand for election, and my congratulations to those who were successful.

Purpose

This is a new paper reflecting and reporting on the conduct of the InternetNZ election process. It is intended to provide transparent validation of the election process to allow for informed discussion about how InternetNZ elects its governing Council members, and the ongoing improvements we seek in electoral processes.

It is also intended to provoke thoughts and ideas from candidates and other readers about how the election process went, and how it could be improved over time. As such we hold the content lightly, and welcome your thoughts and feedback.

A report of this sort will be prepared on an annual basis following each election.

This particular report considers two election processes:

- The **election** for the office of President, Vice President, and one Council member for three year terms to the Annual General Meeting (AGM) in 2024, and one Council member for a one year term to the AGM in 2022. Nominations opened for the election on June 3rd and the elected candidates were announced at the AGM, held on July 29th.

- The **by-election** for one Council member position for the balance of Hiria te Rangi's term - to the AGM in 2023. Nominations opened for this by-election on August 13th and the elected candidate was announced on September 9th.

This report breaks down the electoral process into the following phases, and considers any issues that arose in that phase:

- The nomination and candidate consideration phase.
- The voting phase.
- The results and scrutineering phase.

Nomination and candidate consideration phase

For the election, members were able to nominate candidates from 3rd June to 9th July. This resulted in:

- Three candidates for President.
- Three candidates for Vice-President.
- Four candidates for the two open Elected Council Member positions.

This is a large number of candidates, and more than most elections in recent years. The candidates were more diverse than most elections too, with all of the

candidates for President identifying as women and more candidates of Māori descent than any election in recent memory.

That InternetNZ is attracting such a large number of diverse candidates in its electoral processes is a positive sign of a healthy membership democracy, and this diversity allowed members the opportunity to consider a range of options in the electoral process.

The following issues arose during the nominating period for the main election:

1. We continued with the process introduced in 2020 of asking candidates to complete a **Google Form for the purposes of filing their candidate statements and photos,** which makes the posting of these online far more efficient for both candidates and staff.

   a. We removed the word limit for these statements early in the nominating phase following feedback from candidates that the word limit was insufficient, particularly if they were using te reo Māori.

2. The elections process this year included a new engagement element - the **Meet the Candidates** online session. With 9 candidates, a debate style event was hard to achieve (the event would have been over 90 mins, not recommended for online events).

   a. This event pleased those that offered feedback following the event through our usual post-event survey. If we were to run this again, we could consider another event style or hosting option.

   b. Other meetings with candidates were proposed; specifically, one of the candidates for election as President challenged the other candidates to a debate. The Returning Officer discussed this with the other two Presidential candidates and they declined to participate.

   c. One particular challenge with the Meet the Candidates event was the quality of captioning. The quality of the automatically-generated captions in English was mediocre, and in te reo Māori was abysmal. This attracted feedback and disappointment from a number of those that reviewed the content.

   d. A small number of members voiced their disappointment that there wasn't the opportunity to ask questions live as part of the session. We encouraged members to ask questions of candidates via the email member forums and NetHub for two reasons - firstly, because those questions and answers would reach and inform a larger proportion of the membership, and secondly because questions would have dramatically increased the length of the meeting beyond the best practice with online events.

3. We saw the usual **increase in traffic on members-discuss**. Approximately 180 people were on the member-discuss list during the election period, sending a

large number of emails related to electioneering. We also encouraged discussion on NetHub.

  a. Having two channels for discussion resulted in discussions about candidates and positions being split. This was raised as confusing by some candidates. Email was the preferred method for most candidate initiated discussion.

  b. The tenor and tone of the discussion on member-discuss was, in some instances, challenging. Some of the discussion involved inaccurate representations of operational matters, and which were inappropriate for a governance-level electoral process. It was unclear as to who should respond to these conversations once they had started, and whether such a response should be operationally-led or governance-led.

  c. The operational focus led to a range of queries, requests for information, clarifications and responses to be fielded by staff during the electoral process. Again, it was unclear as to where these requests should be filed, and how, when and by whom they should be responded to during an electoral process.

4. There were some incidents of candidates contacting staff directly, including sometimes junior staff, with questions about the election or related members. Guidance asking candidates to direct questions about the organisation to the Chief Executive will feature in the next election process.

Nominations for the by-election were held open for a shorter than usual timeframe, from the 13th to the 30th of August. Five nominations were received for the position of Elected Council Member.

The following issues arose during this period of the by-election process:

1. Overall, discussion was more muted in the by-election process. This is likely due to the proximity of the earlier election. Most of the discussion concerned queries and discussion about a particular candidate.

2. However, there was quite heated discussion about the suitability of a particular candidate given personal statements they had made in the past connected to a criminal matter. Our response to this discussion involved introducing moderation onto the member list to prevent any further discussion that could have created legal ramifications for InternetNZ as the content "host" of the discussion.

  a. In terms of electoral processes, this was a largely unprecedented matter and it was unclear as to whether and who should act between the Returning Officer, President and Vice-President or Chief Executive.

  b. A number of members questioned why as Returning Officer I accepted their nomination given these issues of suitability. The

Constitution is quite clear that as Returning Officer, I have no deliberative role in determining the suitability of a candidate so long as they meet the specified eligibility to stand for election. In the InternetNZ election process, suitability for election is a consideration of the member that nominates the candidate for election, and then by the ballot process. We advised those members to raise their concerns with the nominator of that candidate.

3. Whether a by-election was required, or whether a "count-back" from the previous election was possible and thus selecting an otherwise unelected candidate from that election.

   a. We received legal advice that the only method in this scenario that was in accordance with the Constitution was for a new by-election to be held. The "count-back" provisions are limited to use only in particular circumstances where a candidate has been successfully elected to two offices, and must choose one; or when a candidate declines an office that they are elected to. In both of these scenarios, that need be done before the results are finalised for a count-back to be valid.

Voting phase

We continued with the following suite of suppliers for both the election and by-election:

- Fuzion for eligible membership lists and integration between CiviCRM (our membership database) and the InternetNZ website.
- Electionz for voting site and vote count software.

Both suppliers provided services as scoped and contracted, and we thank them for their efforts.

Voting in the main election was open from July 15th to July 28th. 47% of the membership voted in the election, which is comparable to 48% in the 2020 election. The following issues arose during the voting phase:

1. A small number of members reported issues with logging into the website to receive their voting credentials, OR not receiving the emailed invitation to vote.

   a. All of these issues were investigated as they were reported to the Membership team, and either resolved if the member was eligible to vote, or advised of their ineligible status.

b. One member raised an issue with voting in the last hour before voting closed, and the timeframe remaining before voting closed was insufficient to resolve their issue.

Voting in the by-election was open from September 1st to September 9th. 37% of the membership voted in the by-election. This lower participation rate is likely due to electoral fatigue given the proximity to the main election. A small number of similar issues as with the election arose.

Results and scrutineering phase

The results and scrutineering phase involved a number of parties:

- Electionz in providing the interim and final results from their election system, and the vote count files.
- The InternetNZ Development Team in processing the vote count files to produce a secondary "check count" of the votes, and thus validating the interim and final results.
- Grant Thornton, and specifically Brent Kennerley (Audit Partner) as scrutineer.

All parties provided their services in this phase admirably, and we thank them.

In both the election and by-election, the Returning Officer adopted a more directly engaging approach with the candidates in offering to advise them of the outcome of the election before it was publicly announced. This was appreciated by the candidates that took the offer.

For the election, Interim results were announced at the AGM on July 29th, and final results (following scrutineering) on July 30th. The following issues arose during the results and scrutineering phase:

1. The results for the election of Vice-President showed a draw at a particular phase of the vote count, which had to be resolved randomly. A recommendation was made by a member to validate the particular design of the random function in the event of a drawn candidate.

    a. We have passed the specific considerations of the design of the random function to Electionz for consideration.

    b. We have validated that no outcome of that random selection changed the outcome of the election.

2. A member questioned whether and why InternetNZ retained any votes once the election was concluded, and advised that they should be disposed of.

    a. We have previously kept the ballot information after the election - all of which is anonymised from the source - for the purposes of scrutineering after the election and the associated internal validation

of the results. Given this is anonymised at the source, this stance fits with our overall approach to managing the privacy implications.

b. Anonymised ballots were also useful to retain as we considered building our own election tool to replace Electionz, which required access to raw data to test the correct function of the tool.

c. We appreciate the matter having been raised as an opportunity to clarify and reconsider our practice. We will no longer seek to build our own tool, as we take confidence from having an external party provide election software to us. Without now a need to retain this anonymised ballot data, we have ensured it has been disposed of and will update our practice to include this step once the election result is scrutinised.

Next Steps

Many of the matters in this report will be dealt with by operational changes as we work to prepare for the 2022 election process.

One key change is that the organisation will prepare **a new Candidate Information Pack** to provide all nominated candidates with the same level of guidance, information, resources and reporting to inform their candidacy and discussions.

In a May paper for Council, we will include among other AGM and electoral matters a clear assignment of roles and responsibilities for a range of issues so as to mitigate any repeats of the lack of clarity, and slow responsiveness resulting, in the course of the 2022 election process as variously outlined in this report.

Other operational changes will include:

- Continuing with and developing the Meet the Candidate style event/s
- Improved captioning of such events and of the AGM, including in Te Reo Māori
- An end to retaining any ballot data (alongside continuing to use third party election system providers)

Finally, in the course of a future review of the Constitution, it would be useful to modernise the way the Returning Officer's role is set out.

We welcome Council feedback on this.

Once Council has considered this report, I will speak with all the candidates in the elections held last year to bring it to their attention, and elicit any thoughts or other matters. I will provide an update on what I hear at a subsequent meeting.

Recommendations

THAT Council receive this report and note the next steps planned by staff as part of the preparation for the 2022 elections process.

Andrew Cushen

Engagement Director, 2021 Returning Officer

Management items for discussion

PURPOSE: Risk update, and items for the Council to know or offer guidance on.

DATE WRITTEN: 4 February 2022

Introduction

This paper is designed to raise key issues for the Council to give advice, input and share understanding with management.

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

A. **Key risks** - update on any changes to significant organisational risks.

B. **Key items** - the matters we'd like you to be aware of.

C. **Exceptions / items to note** - significant issues in the general reporting we want to be sure you have seen (none in this paper).

D. **Late changes** - any material changes to conditions or issues that were covered in quarterly reporting (none in this paper).

E. **Key future commitments** - a look forward to some key events over the next six months.

Given the proximity of this meeting to the quarterly reporting, there are no items in sections C and D.

A. Key Risks

New risks
Since the last Council meeting in 2021 our primary risks continue to be pressures related to staff wellbeing and organisational capacity. The departure of the IT Operations Director has created a gap which is difficult to fill in the current labour market – and during an important time for the registry replacement project. Early hiring in this role will be prioritised. Continued uncertainty for staff with a shift to the RED traffic light under the COVID-19 protection framework has heightened existing pressures. The combination of a labour market that has a shortage of workers along with inflation means we continue to be most concerned about staff retention, including people's well-being. We continue to prioritise our focus on: ● **Wellbeing**: INZ staff face ongoing pressure due to the pandemic working environment. ● **Stakeholder support**: Confidence is lost resulting in loss of revenue and/or government intervention. ● **Organisational capacity**: INZ capacity does not keep track with strategy and stakeholder requirements, resulting in missed delivery opportunities and/or staff turnover.

Our ask:	**Note** the risk matters updated in this paper.

B. Key Items

These are items I would like Council to be aware of, and I welcome any questions.

B1 - Staffing costs pressures

Issue:	The general economic situation of very tight labour markets (due to the closed border and high domestic demand) and rapidly increasing consumer prices will place pressures on our cost base, given the share of salaries in our overall expenditure. This was not anticipated in February last year when the last full budget exercise was prepared. I will work Council through some options for our response this month - this is simply a public signal of awareness.
Our ask:	Awareness of this challenge as a key part of the context in which the budget and plan is being prepared for your decision in March.

B2 - Operating structure change process

Issue:	I noted last meeting that I am in consultation with staff about a change to our operating structure, to improve the way we function as an organisation and to improve and simplify our management structure. Since the last meeting a new customer and product General Manager has been confirmed and hiring is in process, with good interest from quality candidates. The remaining elements of the structure will likely be finalised in February, with any hiring resulting commencing as quickly as possible. This process has natural impacts on our work, and my aim is to minimise these by getting to decisions in a timely way so as to limit the period of uncertainty.
Our ask:	Awareness of this process and the impact it has on the team.

B3 - Wellington office move

Issue:	The move to the new Wellington office was completed in December, with the formal opening with mana whenua happening on Monday 6 December. We look forward to welcoming Council and members to the space as conditions allow. Staff experience so far in the new space has been very positive.
Our ask:	Awareness of the move.

B4 - Recommencement of international in-person work

Issue:	2022 will likely see the resumption of a range of in-person international meetings after the pandemic hiatus since March 2020. The IETF is meeting in person in March, and ICANN is planning to be in person in June. It is likely we will need to resume some limited in-person participation as a result. How we manage the risks of this appropriately will be work that our COVID response group leads but also should see discussion at the Audit and Risk committee.
Our ask:	Awareness of this, and sharing of any initial thoughts about this development.

C. Exceptions / Items to Note

There are no items in this section in this paper.

D. Late Changes

There are no items in this section in this paper.

E. Key External Commitments to June 2022

The table below sets out key external commitments over the next two quarters. External events continue to be impacted by the COVID-19 pandemic. We anticipate that participation will continue to be online for all **international** engagement until the middle of the year, after the border re-opens.

Domestic engagements continue to change rapidly in light of the COVID-19 situation, with many events being rescheduled currently due to the introduction of RED settings under the COVID-19 Protection Framework.

January to March (Q4)	Domestic commitments include: ● Spatial Excellence Awards (Broadband Map a finalist for Community Impact) - 10 February 2022, Wellington. International commitments currently include: ● APTLD / APRICOT - February 2022. ● ICANN - March 2022, online-only once again.
April to June (Q1)	Domestic commitments include: ● Digital Trust Hui Taumata - 19 May 2022, Wellington. ● Techweek 2022 - 16-22 May 2022, nationwide. ● NZNOG - rescheduled - May International commitments include: ● ICANN - June 2022, in The Hague - currently planned to be a hybrid meeting, with the first in-person attendance options since the pandemic began.

Jordan Carter
Group Chief Executive

Health Safety Wellbeing Report

AUTHOR: Health,Safety and Wellbeing Committee

PURPOSE: To provide the Committee with an update on Health Safety and Wellbeing (HSW) for the InternetNZ Group.

This report is prepared for InternetNZ Group and all information is based on group Staff (INZ and DNCL) and activities of a Group HSW Committee.

Month	Number of Near Misses reported/or identified	Number of Incidents reported/or identified	First Aid Incidents reported/or identified
Feb 2021 - 18 June 2021	2	0	1
19 Jun 2021 – 8 Sep 2021	0	0	0
9 Sep 2021 - 9 Nov 2021	1	0	0
10 Nov 2021 - 27 Jan 2022	1	0	0

Summary

Incidents and Hazards

- Since the last report, there was one near miss incident reported in December 2021 relating to a hot water dispenser (at the new office) that has no safety lock and therefore could easily dispense hot water once pressed. This has now been resolved and a technician has been called to re-install the safety lock in the water dispenser.

- A thorough hazard check has been conducted after moving to the new premises and a few hazards have been identified which are mostly related

to the move. The following are some of the hazards identified with follow-up action to be done:

- boxes on floor that still need to be emptied or move to storage have been temporarily moved to a safe area, away from walkways;
- uncovered drainage holes in the toilets have been reported to the Property Manager and have been arranged to be fixed;
- items placed on top of lockers have now been removed to avoid falling ontosomeone.

With our continued low risk approach to COVID, during the red setting of the protection framework, the COVID group has changed the current stance of the organisation to be as follows. This stance will be reviewed every 2 weeks as the situation develops.

	Working from home	Office status	External visitors in the office	Work travel between levels
GREEN	Available	Open	Not permitted	Permitted
ORANGE	Encouraged	Open w/ distancing	Not permitted	Not permitted
RED	Required	Closed	Not permitted	Not permitted

HSW Committee update

- The INZ and DNCL Health, Safety & Wellbeing Committee are yet to meet on 17 February 2022. However at the last meeting which was held on 22 December 2021, the key topic that was discussed were as follows:
    - Changes to the HSW Committee membership with Ellen Strickland stepping down as a member. This brings down the number of HSW Committee members to eight. We'll reach out to the wider group in the new year and ask if anyone would be interested to join the Committee.
    - Committee has been keeping an eye on the actions listed in the Wellbeing and Morale action register and the Chair will provide an update to staff at the next all staff meeting regarding some of the actions that have been completed as well as any other activities/work that have been started or in progress.
    - Committee acknowledged that the ongoing org restructure proposal is potentially causing some stress to staff while decisions have not been made and final plans are not clear yet, hence the group will need to keep an eye on this and further seek feedback from staff/teams.

Recommendation

THAT the Health, Safety and Wellbeing Report be received.

MINUTES
COUNCIL MEETING

Status:
Draft

Date
Friday 3 December 2021

Present:
Council: Joy Liddicoat (President), Jay Daley (Vice President), Don Stokes, Sarah Lee, Richard Hulse, Potaua Biasiny-Tule, Kate Pearce, aimee whitcroft, Jeff Montgomery, Anthony Bow

In attendance:
Staff: Jordan Carter (Chief Executive), Catherine Fenwick, Dave Baker, Jodi Anderson, Andrew Cushen, Raniera Albert, Dane Foster, Laughton Matthews and Diane Robinson (Council Secretary)

Meeting opened:
The meeting started at 11:00am for Council and Council and CE alone time.
The meeting opened publicly at 11:28am.

Section 1 - Meeting Preliminaries

1.1   Council only (in committee)

1.2   Council and CE alone time (in committee)

1.3   Karakia, apologies, interests register, and agenda review

Cr Montgomery opened the meeting with a Karakia.

The President advised that Cr whitcroft will be attending the meeting from mid-day and has sent her apologies in advance.

There were no changes to the interest register.

1.4   Action Items and Agenda Review

Council reviewed the Actions register.

- AP29/20 The governance charter has been drafted and a decision will be made at this meeting.
- AP07/21 Online webinar and information exchange on Digital Identity and the group's work thus far. To be scheduled for February 2021.

- AP15/21 Draft Work Plan - This will be developed by the President and discussed at the meeting in February 2022.

Section 2 - Strategic Priorities

2.1   Strategic Update on work so far, next steps

The President thanked the Council for their hard work on the strategy thus far.

The Council discussed the purpose statement that has been prepared by a Council working group (Liddicoat, Daley, Stokes, Montgomery) working with staff and experts.

To act as Kaitiaki of an internet the benefits all of Aotearoa
- Kaitiakitanga and partnership
- Internet that benefits
- Internet for all of Aotearoa

Council reflected on the purpose statement:
- General consensus was that the Purpose statement was shaping up well and reflected Council thoughts and views that have been captured through the process.
- Noted that the working group had not resolved what will happen to the vision and mission statements.
- There were some cautionary reactions from other Council members around the wording of 'To Act' as Kaitiaki. It was felt there needed to be stronger wording like 'To be a' or 'Being Kaitiaki'.
- To take out 'To act' the purpose could start with Kaitiaki of the .nz internet and would need to include wording around for Internet for Good. There is the question of whether we are one of many Kaitiaki in this context and needing not to claim to be the only one.
- Tikanga was discussed and it was mentioned that the Kaitiaki normally looks after a taonga but is the Internet a taonga? The taonga discussion needs further exploration.

On the work done so far, the Council discussed the four areas of strategic development in the papers and updated these in some areas as shown:

Area	Strategic intent
Product Development	Any new products must contribute directly to our overall purpose as their main objective, and financial commitments managed rigorously. If such products raise revenue alongside this that is welcome, but revenue is not the goal. The previous intent, to raise significant new revenue, does not continue.
Te Tiriti o Waitangi	Explore, develop and commit to our model of honouring Te Tiriti o Waitangi, at a governance level - recognising this as a key part of the bicultural relationships at the heart of our country. This will involve dialogue with the Māori

	Design Group as part of the work.
Online Harm / Dangerous Speech	Concerns about these problems are in scope for our work, and the overall goal should be to minimise the impact of such problems and challenges on people's wellbeing.
Māori Engagement	The Pou Whenua strategy prepared by Raniera Albert, (Tumuaki Māori) has been welcomed by Council, and Council asks staff to ensure it is woven into the overall strategic framework and operating plan.

The following was noted from the Council discussion to the above areas:

- Product Development - financial rigour will need to be applied regarding product development revenue; if increased revenue is not the driver.

- Te Tiriti o Waitangi - it was discussed that INZ are in a process of discovery and exploration. INZ will need to stay open and make space and receive guidance from the Māori Design Group. Keeping open to the spirit of partnership. Also to understand further and acknowledge the bicultural relationship on a treaty based partnership. Consider rephrasing the wording to partnership for this area.

- Online Harm / Dangerous Speech - agreed, no discussion.

- Māori Engagement (Te Pou Whenua Strategy) - agreed, no discussion.

For the next steps, Council agreed to the Chief Executive's proposed approach that staff would make a draft of the overall strategic framework for Council review in advance of the February meeting. If this needed shaping and deep discussion, a subgroup of Council members would work with staff to do this.

RN59/2021 THAT Council **note** the paper and the work continues on the draft strategy. Staff will prepare a further paper for approval from Council at the February 2022 meeting.

(Cr Lee / Cr Pearce)
CARRIED

Cr Whitcroft joined the meeting at Noon.

Section 3 – Matters for Decision

3.1   Update to our 2021/22 Plan and Budget

Jordan spoke to the paper and Council provided the following feedback:

- It was raised that our three key operational priorities are internally focused and about rebuilding INZ; it was felt that there needed to be more external priorities in the plan. *Response:* The CEO pointed out that the first priority,

the registry system replacement, is about the service we provide to the registrars and the country as a whole. He also noted that the priorities in this plan are for the next four months only and that for 2022 there will be a different plan based on the strategic direction set by Council.

- A key message to be communicated to the membership after this Council meeting is that the Council's work in the new year will be more externally focused.

RN60/2021 THAT Council **adopt** the revised Plan for the remainder of the 2021/22 year, and the updated Operational Expenditure limit for the year.

(Cr whitcroft/Cr Stokes)
CARRIED

3.2   Adopting the new Council Charter and governance policies

Joy introduced the paper and thanked the Vice President, Jordan Carter and Catherine Fenwick for the work that has been carried out on the governance charter.

The following Policies are proposed to remain in place as they appear to cover matters not in the new charter:

.nz Framework Policy (2.0) - note, this remains in place until the new .nz Rules come into force in 2022.
Document Information Disclosure Policy (2.0)
Risk Management (1.1)
Investment Policy and Strategy (1.0)
Reporting Cases of Misappropriation (3.0)
Treasury Policy (4.0)
Policy Development Policy (1.1)
Audit Services Tender (3.0)

Note to amend under the Risk Management section of the Governance charter
7. Ensure that proper records are kept. Removing the word accounting.

RN61/2021 That Council **adopt** the Council Charter (as amended) and Governance policies as its governance policy framework with effect 6 December 2021, noting that this **repeals** the following existing governance policies as listed:

Council Appointed Member (1.0)
Council Role and Functions (2.0)
Councillor Role Descriptions (2.0)
Code of Ethics (2.0)
Conflicts of Interest (2.0)
Board Appointments and Roles (2.0)
Contracting for Councillors and Directors (2.0)

4

Remuneration for Council and Boards (2.0)
Chief Executive Delegations (3.0)

<div align="right">

(Cr Daley/ Cr Stokes)
CARRIED

</div>

Section 4 – Matters for Discussion

4.1   President's Report

RN62/2021 That the President's report be **received**.

The drafting and consulting on the Terms of Reference for the Komiti Whakauru Māori has concluded and will be sent to Council for an E-Vote.

The President advised that she attended the Institute of Directors - Chairing of the Board training which was very good. She advised that they discussed issues surrounding the review and amendment to the Incorporated Society Act that will be an issue for INZ and there will need to be some forward planning.

4.2 Management Items for Discussion

There was a query about alignment of the Council Meeting schedule with the quarterly reporting. Jordan provided some historical information why the schedule was out of alignment in some instances and reminded the meeting that Council has already committed to the 2022 schedule. Quarterly reporting and six meetings a year do not align well.

The Wellington offices will be opened to staff on 13 December 2021 and a date will be advised soon for when externals will be allowed onsite.

There was a question about how other organisations are engaging with communities and/or events due to our environmental factors with the pandemic? Andrew advised that face to face meetings are being pushed out till 2022 and where gatherings can be held online that is the predominantly the way communities are connecting.

RN63/2021 That the Management issues paper be **received.**

AP19/2021 Review the timing of quarterly reporting and the alignment of Council meetings in the next financial year.

Section 5 - Consent Agenda

5.1   Health, Safety and Wellbeing Update

RN64/2021 That the Health, Safety and Wellbeing Report be received.

5.2   Confirm the Minutes of 15 October 2021

RN65/2021 That Council **approve** the minutes of the meeting held 15 October 2021.

5.3   Evote Ratification

RN66/2021 That the Evote be **ratified.**

5.4   Quarterly and Operational Reports

5.4.1   Membership Update

5.4.2   Project Mimosa Update

The Council acknowledged the great progress being made on Project Mimosa, and agreed to the update being published.

5.4.3   DNCL Quarterly Reporting (Q2)

There was a question about the market concentration measures in the market study shared alongside the report, where there were no concerns by DNCL on this but an ongoing monitoring role. Price discounting or marketing support could push in the direction of more concentration too. View of studies seems to be that action could be required if customers are facing a negative impact, and that more information sharing by DNCL can help it and others judge this.

RN67/2021 That the quarterly and operational reporting be **received.**

<div align="right">Block Consent Section 5.1 to 5.4 - (Cr Hulse / Cr Montgomery)
CARRIED</div>

5.5   Skills and Diversity Assessment Report

The President asked Council for reflections on the assessment:

- The 'High' ratings under the Governance experience was of surprise to some.
- A different scale from High, Medium and Low could be considered; instead a 1-5 scale may have been more helpful.
- Under Diversity Attributes - low on Youth representation (rangitahi), Council to think about bringing through rangitahi via Māori Design Group or an internship programme.
- Forward Planning for Youth (if not from our current membership) to be found and signed onto our membership well in advance of the elections cut off date.
- A Nominating Committee Process for Membership could help inform decisions made in the electoral process.
- A need to increase membership for Women.

AP20/2021 - Skills and Diversity Assessment Discussion to be added to the Agenda for Council May 2022 meeting.

Section 6 – Other Matters

6.1 CONTINGENCY

6.2 Matters for communication – key messages

6.2.1 Communications in general

6.2.2 Upcoming events

6.3 General business

The President advised that she has received the draft Election Review paper from the Returning Officer, Andrew Cushen. Andrew apologised for the lateness of this paper. He advised that the team reviewed the operational processes in August/September of 2021. The paper is a draft only and will be shared with Council, but will need some more refining before it is shared with Members.

Council Commented:

- There needs to be a mechanism for candidates, both successful and unsuccessful, after the Elections to provide feedback and comment in a safe way. Andrew advised that he will seek out perspectives from candidates.

AP21/21 Election Review paper to be Shared with Council.

Councillor aimee whitcroft advised that, for personal reasons, she does not intend to stand for re-election when her term comes to an end in July 2022.

Council **noted** Councillor whitcroft's decision to resign with effect from 1 April 2022 and wished her well.

6.4 Meeting review

The meeting closed at 1:15pm with a karakia.

COUNCIL MEETING - February 2022

Membership Report

PURPOSE: Progress and work for membership of InternetNZ
DATE WRITTEN: 01/02/2022

Executive Summary

In quarter four (Jan - Mar), we will send members a block of chocolate, and will progress discussions related to organisational purpose and see how this may influence membership engagement.

Current membership (at 31 January 2022)

	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sept 2021	31 Dec 2021	31 Jan 2022
Fellows	27	27	27	29	29	**29**
Individual	331	345	328	323	330	**333**
Individual Plus	25	25	22	23	23	**23**
Small organisation	15	18	18	17	17	**17**
Large organisation	2	2	1	2	2	**2**
Total Membership	400	417	396	394	401	**404**
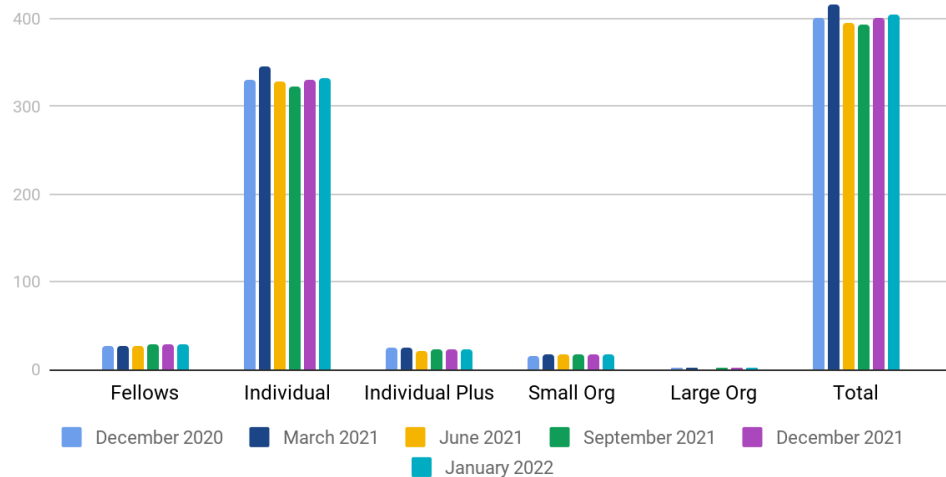
Items to Note

Activities to support membership engagement
Since the last report in December 2021 we have:

- Reviewed the operational membership engagement plan from 2020
- Drafted the Council discussion paper to commence developing membership models

Upcoming Engagement work
The following member inclusive events/initiatives are scheduled:

- February - post chocolate to members; support internal purpose conversations related to member engagement; review pending membership sign ups
- March - develop membership engagement plan for 2022/23, commence renewal processes.

Recommendation

THAT the new members be noted.

Andrew Cushen
Engagement Director
01 February 2022

QUARTERLY REPORT

1 Oct to 31 Dec 2021

1. Summary

I am proud of the impact and achievements of our team in this quarter, with this report outlining significant work in a wide range of areas. We drew to the end of the year looking forward to a break, and to concluding the 2021/22 work programme in the coming quarter, and developing a new plan in line with the refreshed strategy for 2022/23 and beyond.

There are five goals for the 2021/22 financial year. They will help us create an Internet for all New Zealanders that is safe, accessible and a place for good.

Develop an Internet for good	**Improve Digital Equity**
We must look at ways to improve our internet for us all We'll investigate what an 'Internet for good' looks like and **influence government policy** to make sure we have an Internet that is good for all Kiwis.	Having access to the Internet, and being confident to use it, is more important than ever. We must improve digital equity across Aotearoa. We'll support the establishment of the **Digital Equity Coalition Aotearoa and fund digital equity** initiatives.

Grow .nz
We're investing in the .nz domain systems to make sure it's a world class registry for Aotearoa. We are **replacing the registry** to bring our technology into the 2020s.

Provide new products	**Improve InternetNZ**
We'll continue providing useful products that enable digital inclusion and safety online. We'll also look into the new **digital identity technology** and explore whether it can help Kiwis protect and control the data we share online.	Our priority is to develop InternetNZ as a high performing organisation and an excellent place to work. We'll **improve our flexible and distributed working systems**, and support **ongoing performance and development for staff**.

2.   Strategic Goals 2021/22 - Q3 Progress

This section of the report gives Council an update on the projects related to our five Goals for the year. You can find the plan here.

Public Good Area

Goal 1: Develop an Internet for good	
	ON TRACK
1.1: **What is an Internet for Good?** *We need to define how the Internet needs to change for the better. We'll collaborate and instigate community discussion to determine what an 'Internet for good' is.*	ON TRACK
1.2: **Misinformation** *is a critical challenge to the Internet's usefulness. We'll work in partnership to address the challenges of online misinformation.*	ON TRACK
1.3: **Influencing government domestic policy** *Law and policy can support or harm the development of a good Internet. We'll continue to contribute to government policy work addressing online harms, including the Christchurch Call, and other legislation or policy that impacts on our Internet for good agenda.*	ON TRACK
1.4: **Regional Internet governance** *We'll strengthen our engagement in regional Internet governance and participate in forums like the Pacific IGF 2021, APTLD, APrIGF and dotasia. These forums can help us shape others' work in line with our Internet for good vision.*	ON TRACK
Q3 Progress - Goal 1	
1.1: We are partnering with Toi Aria and MEA (Kaye Maree Dunn) to codesign a process and undertake conversations to find out what everyday New Zealanders think about the Internet and what their aspirations are for it. In Q3 this project lost its project manager but we undertook korero with TA and MEA to lay the foundations for this work, and continued internal conversations within the our internal Internet for Good reference group in preparation for offering cross organisational input to this mahi. In Q4 we hope to replace the project manager and expect to put in place an agreement for services and how we will work together and to frame up the project.	OFF TRACK

1.1 We have continued with our on-demand grants focus to encourage and enable community led-solutions and research from tāngata whenua, Pasifika peoples, migrants and refugees, faith-based communities, the rainbow community and gender minorities, and people with disabilities. 21 korero have been held to access the application link in this quarter.	ON TRACK
1.2: We continued to work in partnership with Tohatoha to address the challenges of online misinformation. Our partnership with Tohatoha includes funding for its community engagement on misinformation. We supported Tohatoha's panel discussion on misinformation and social media in the age of COVID in mid December, and we published a blog on misinformation before Christmas: https://internetnz.nz/news-and-articles/protecting-aotearoa-against-misinformationnew-blog-post/	ON TRACK
1.3: Government engagement this quarter included: ● Lodging a written submission on the Digital Identity Systems Trust Framework Bill (https://internetnz.nz/assets/Archives/InternetNZ-Submission-on-the-DITF-Bill-2-December-2021.pdf), appearing in front of the Economic Development, Science, and Innovation Committee in support of this submission, and providing public commentary on digital identity issues (https://www.stuff.co.nz/technology/127140642/digital-identity-in-new-zealand-technical-choices-have-human-impacts) ● Continuing to engage with the Department of Internal Affairs on the Content Regulatory System Review. ● Engagement with NetSafe and other interested government agencies on the Aotearoa New Zealand Code of Practice for Online Safety and Harms and a joint press release on concerns with the process and substance of the proposed Code: (https://internetnz.nz/news-and-articles/better-consultation-needed-for-new-online-safety-code/) ● Lodging a submission on the Government's digital strategy for Aotearoa, which included comment on the strategy's pillar of trust: https://internetnz.nz/assets/Archives/2021-11-10-submission-digital-strategy.pdf	ON TRACK

1.4: Regional Internet Governance engagement and capacity building included: ● Ongoing APTLD contribution by Brent Carey (Domain Name Commission) in his role as a Board member. ● DotAsia Board and Community Programmes Committee work (Ellen Strickland).	ON TRACK

Goal 2: Improve Digital Equity	ON TRACK
*2.1: **Digital Equity Coalition Aotearoa** We'll support the establishment of Digital Equity Coalition Aotearoa (DECA) to help us achieve improved digital equity sooner.*	ON TRACK
*2.2: **Online home for digital equity/inclusion** We'll launch an online home for digital inclusion to better connect, support and encourage collaboration and investment in the digital inclusion ecosystem. It will support the work of the Digital Equity Coalition Aotearoa.*	ON TRACK
*2.3: **Evaluation** We're supporting community groups to learn how to evaluate their work. This will help to measure the impacts of digital inclusion initiatives.*	ON TRACK
*2.4: **Funding** We will help to fund digital equity initiatives by:* ● *Giving grants to digital equity / inclusion initiatives.* ● *Promoting government investment.* ● *Unlocking private sector investment in this area.*	ON TRACK
Q3 Progress - Goal 2	
2.1: We continued to support the establishment of DECA. This included work to support the transition to the new Stewardship Group, and work (which is ongoing) to develop and complete foundational processes and documents (such as financial delegations, policies and processes, comms and website), to establish core DECA offerings/mahi such as Community Panels for consultation and input on government digital inclusion policy, and to establish and support foundational constellations (Affordable Connectivity, Digital Inclusion & Devices, Ōtautahi Regional Digital Equity Group) and parallel processes (Māori for Māori, Pacific Digital Equity). Outside of DECA our digital equity policy work included lodging a submission on the Government's digital strategy for Aotearoa, which included comment on the strategy's pillar of inclusion (Mahi Tahi):	ON TRACK

https://internetnz.nz/assets/Archives/2021-11-10-submission-digital-strategy.pdf.	
2.2: 20/20 Trust and DECA have prepared a proposal to put forward to the DECA Stewardship Group for both organisations to hold and run the Online Home collaboratively. The DECA Stewardship Group will consider the proposal and make a decision this quarter.	ON TRACK
2.3: Under our evaluation programme work, our subject matter experts Standard of Proof have delivered a report on their learnings from their work with our grantees, and an evaluation toolkit. We are looking to promote the digital inclusion evaluation toolkit further this quarter, and to support community groups to use the toolkit. This will help to better understand the impacts of digital inclusion initiatives. The grant round which opened this quarter has a priority for organisations with strong evaluation planning, or wishing to increase their evaluation capability and capacity (and for organisations which are kaupapa Māori). 38 korero were held with organisations about potential grant applications, with the evaluation toolkit being promoted for use by all.	ON TRACK
2.4: The latest grants round to fund digital equity initiatives was launched. It has now closed and 32 applications will be assessed in Q4.	ON TRACK

Product Area

Goal 3: Grow .nz	ON TRACK
3.1: ***Replacing the .nz registry*** *Working with the Canadian Internet Registration Authority, we will deploy and roll out a new registry system to replace the end of life 2002 Shared Registry System. This major investment will bring our technology for this core service into the 2020s.*	ON TRACK
3.2: ***Policy review of .nz*** *We are doing a comprehensive review of the .nz policies to make sure they're modern, robust, safe, world class and easier to read.*	ON TRACK
3.3: ***Promote the value of .nz*** *We'll be doing some work to determine how to promote the value of the .nz and show the relevance to coming generations.*	ON TRACK
3.4: ***Registry lock introduction*** *We'll introduce a registry lock service as an option for .nz domain name registrants. The registry lock will be a new security option for registrants.*	OFF TRACK
Q3 Progress - Goal 3	
3.1: **Registry Replacement Project** The implementation phase of the project commenced as planned from the 1st of April 2021. Overall the project is tracking well and on target for time and budget. Some of the key achievements over this period are: ● No change to the overall delivery timeline range given in the business case (July - Sept 2022). ● Configuration (of customisations) for the registry system are on track to be completed by March 2022 ● Infrastructure - Early access registrar test environment up and running ● Registrar slack channel established and feedback from the early access registrars received ● QA testing completed for the first three monthly software releases ● Security - phase 1 completed and the phase 2 plan has been developed and agreed ● Reporting and data migration work streams are on track and to plan. ● Go live date to be confirmed early February	ON TRACK

3.2: **Policy review:** our assessment of the second tranche of recommendations from the .nz Advisory Panel - whether these recommendations are desirable or feasible - led to discussion with the .nz Policy Committee and refinements to the prioritisation of this work. During the quarter, we also appointed our first in-house legal counsel to be the go to person on the .nz rules.	ON TRACK
3.3: To **promote the value of .nz**, we have commissioned both of the tactical marketing experiments referred to in the previous report: - One on enticing further upselling of .nz domain names to the .co.nz only set of Registrants, in partnership with some Registrars. This experiment is in active development now. - Another to explore opportunities for bundling the .nz product with other resold IT products. This is in scoping with the external partner involved.	ON TRACK
3.4: We have rephased **Registry Lock** to launch around the Mimosa go-live in Q3 2022/23, as a result of team and market constraints.	OFF TRACK

Goal 4: Sell New Products	ON TRACK
4.1: ***Defenz DNS Firewall*** *We have developed a new product called the Defenz DNS firewall which protects against a range of cyber threats. We'll promote and sell this product to New Zealand businesses to strengthen their security measures*	CRITICAL
4.2: ***Broadband Map*** *We'll do ongoing improvements to the Broadband Map to improve quality and lower operating costs.*	ON TRACK
4.3: ***Digital identity*** *We'll explore the emerging digital identity technology. We will establish our role in this system (if any) and explore opportunities to provide products that could help us protect and control the data we share online*	ON TRACK
Q3 Progress - Goal 4	
4.1: As advised in the Q2 report, and In light of the performance of the product and the reduction in staff capacity in Commercial, we will no longer actively develop the market for DEFENZ. We will instead focus on supporting current customers and their sales processes, and discussing the future of the product with them.	CRITICAL

4.2: We have focused our discussions on interviewing the range of users of the Broadband Map to understand current use cases, data provision arrangements, and expectations of further development. The Commerce Commission has heightened its expectations of the telecommunications network operators in providing accurate information about the availability and extent of network service provision, which is creating a revised set of requirements for the Map.	ON TRACK
4.3: The Product Team has supported the Policy-led efforts to intersect with legislative and regulatory efforts on the Trust Framework for Digital Identity. We await a response on the DIA-led Request for Information process about the potential of InternetNZ's identity solutions.	ON TRACK

Organisational Capability Area

Goal 5: Improve InternetNZ's performance	ON TRACK
*5.1: **Together working better programme** We want to be a successful flexible first organisation. We'll embed flexible, distributed and asynchronous working systems and processes to support this. It'll have twin goals of enhanced employee wellbeing and greater organisational resilience to shocks like natural disasters, pandemics etc.*	ON TRACK
*5.2: **Risk management improvements** High quality risk management is essential given the importance of the work we do. We'll work on new systems to manage enterprise and IT risk, to improve reporting and management of risks and the relevant mitigations across the group.*	ON TRACK
*5.3: **Moving Premises** We're relocating the Wellington office from Boulcott St to Willis St. The new office will be smaller and better suited to a flexible way of working.*	ON TRACK
*5.4 **People strategy** We'll develop a people strategy to support ongoing performance and development of our staff.*	ON TRACK
Q3 Progress - Goal 5	
5.1: We continue our work around support our goal of Together working better with focus on areas ● Leadership and change ● Knowledge sharing as we push forward with a new intranet platform and content. ● Support flexible working arrangements (especially in the changing pandemic environment)	ON TRACK

5.2: We have completed our rollout of the [Resolver](#) Governance, Risk and Compliance 'GRC' solution. The first risk assessments have been commenced and the reporting is due at the first Audit and Risk Committee meeting this year.	ON TRACK
5.3: The move to the new Wellington office was completed in December, with the formal opening with mana whenua happening on Monday 6 December. We look forward to welcoming Council and members to the space as conditions allow. Staff experience so far in the new space has been very positive.	ON TRACK
5.4: Our People strategy - has seen our focus on • Staff Wellbeing and Morale overall (including the effect of COVID lockdowns and other recent changes). • Staff recruitment, retention and workloads. Development of an overarching strategy to guide this is behind, which is why it is marked as off-track.	OFF TRACK

Other Significant Work

Public Good	
Māori Aspirations 6.2: **Māori Design Group (MDG) -** the group met online in November 2021 to continue the discussion on the role MDG plays in co-design, collaborate and partner with Council and staff. MDG identified areas that they might be interested in being across: ● Ipurangi Aotearoa's strategy/goals/purpose refresh ● Key issues Māori communities are facing in relation to digital and internet ● MDG engagement with Māori communities ● The relationship between MDG, Council and the support from staff The next MDG meeting will be in February 2022 6.3 **Staffing -** in this quarter we employed a Principal Māori Sector Partnerships and Relationships Advisor, and a Senior Māori Sector Outcomes Advisor, that is helping the Chief Advisor Māori progress with building Ipurangi Aotearoa's Māori capability in order to effectively engage with Māori. 6.4: **Internal Māori capability training for staff -** we are developing a set of in-house resources for staff that provides staff tools on how to apply a tikanga-based practise to the work we do and how we operate as staff under tikanga Māori particularly in Māori settings (whakatau/pōhiri, engaging with Māori communities and businesses).	ON TRACK
Nethui 2021 - The prospect of an Omicron outbreak and the RED settings of the COVID Protection framework in Q3 (and now realised at the time of writing this report) creates an unresolvable set of challenges to hold an in person NetHui event this business year. We will assess the prospects of an event as part of the planning for 2022/23.	CRITICAL
Funding (general) - Funding work is summarised in Goal 1 - digital inclusion.	ON TRACK
International - our focus on international work in the last quarter has been continuing with ICANN remote processes including through ccNSO, APTLD processes, and ongoing Christchurch Call work particularly through our involvement with the Christchurch Call Advisory Network (CCAN).	ON TRACK

Our involvement with CCAN has significantly featured working through the process and hiring of a secretariat/coordinator role with the Advisory Network chairs. During this reporting period we attended and participated in the sixteenth United Nations IGF (remotely) and in the 72nd ICANN public meeting (online only). Jordan Carter was elected to a second term as a ccNSO Council member representing the Asia Pacific, and Brent Carey was reelected (in January) to his role on the APTLD Board in January 2022, beyond the quarter but before this report was finalised. We have contracted Konstantinos Komaitis to provide some backfill support given Ellen's secondment to DPMC, an arrangement we will review as part of the development of next year's plan.	

Organisational Capability Area	
Annual General Meeting - A report on the process of the elections held last quarter is being prepared for release in Q4.	ON TRACK
Governance Policies - At the December Council meeting the Council adopted the Council Charter and Governance policies as its governance policy framework with effect 6 December 2021 and repealed some existing governance policies (as per minutes).	ON TRACK
Security and Risk management A major world-wide security incident dominated our time late in December. The log4shell vulnerability presented risks which our team dealt with promptly. We continue to monitor. Our implementation of a risk management software system is complete, with the first risk assessment launched. First reports are due with Audit and Risk at the 15 March meeting. This quarter also saw the deployment of new security capabilities for the new registry servers. This "endpoint detection and response" (EDR) tooling gives us more insight and protection than we had previously.	ON TRACK
Membership - Membership is summarised in the separate membership report.	ON TRACK

3.　.nz Summary

We have continued to see growth in registrations of .nz domain names, with the count of active .nz names reaching 737,000 in Q3, up from 733,000 as reported in Q2.
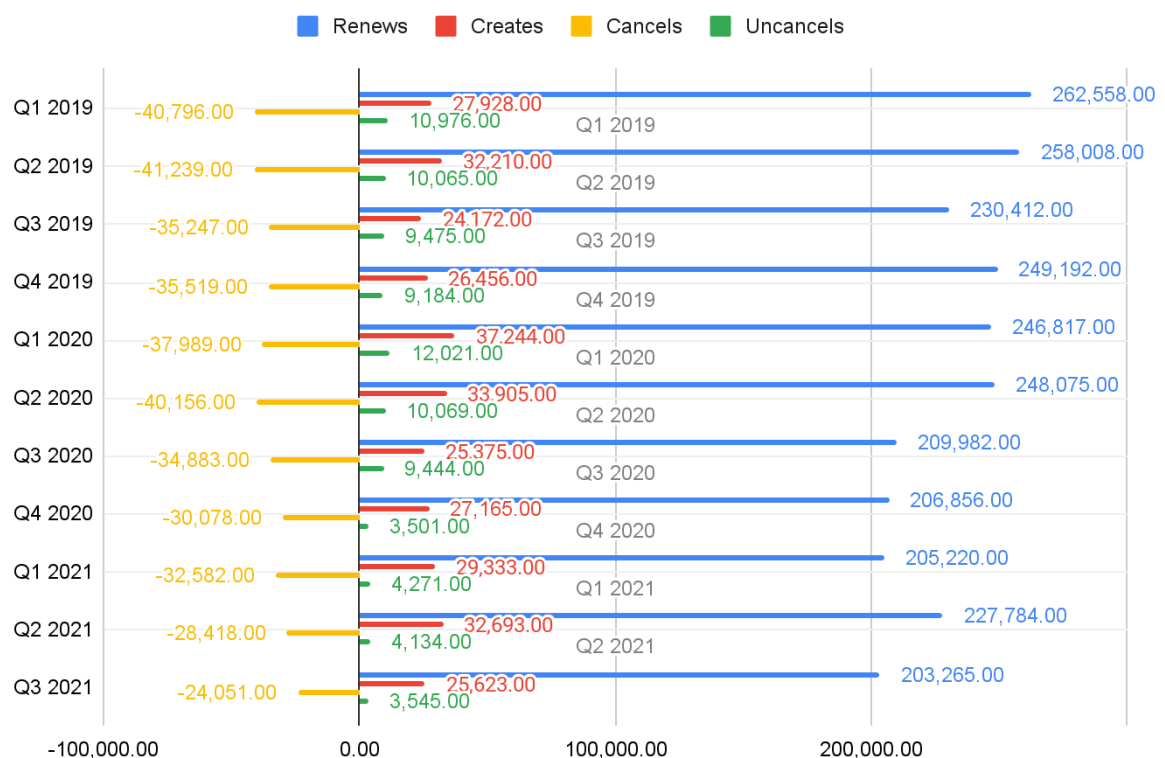
Our focus continues to be on the new Registry replacement work in Project Mimosa. We have resolved some of the capacity limitations in our support function by adding a new staff member to support, which better enables this team to perform BAU support as well as Mimosa-facing registrar preparation for transition, testing, and development of the full set of registrar-facing services.

Alongside Project Mimosa, we have continued to develop the two marketing and promotional concepts mentioned in the last report, and commissioned these for Q4. These are small, tactical concepts to test the viability and scale of active marketing intervention - while they are therefore unlikely to manifestly change the number of registrations, they are designed to over-recover their costs and inform further, larger activity *if* they are successful.

With Project Mimosa underway, and with the recruitment process for a new General Manager of Customer and Product not yet complete, the team is operating at capacity in terms of .nz activity. We are pleased and proud of achieving ongoing growth in .nz through these limitations.
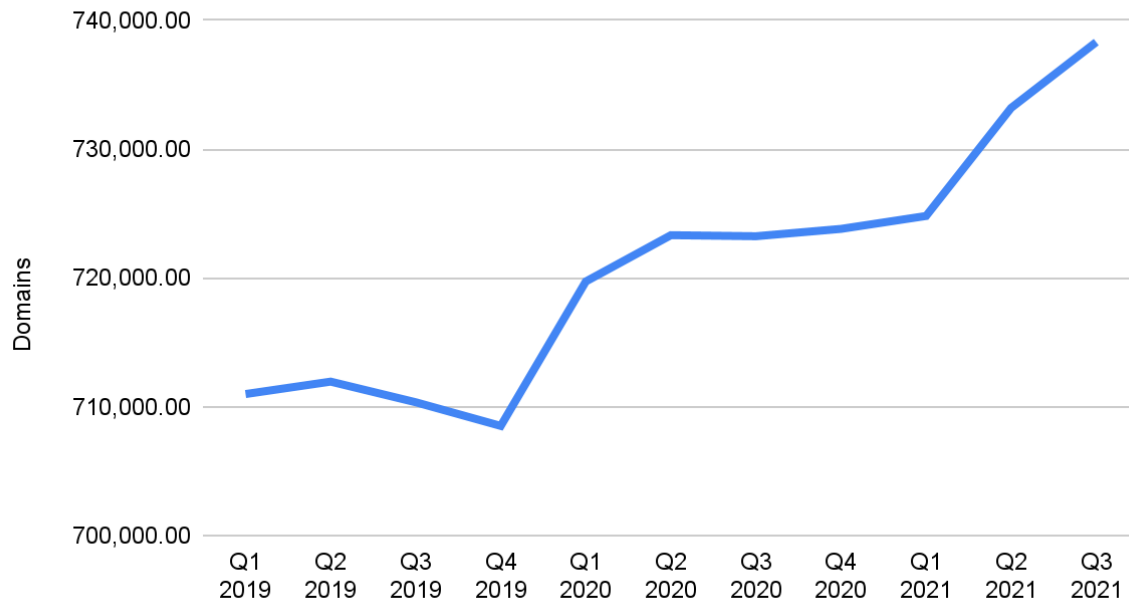
Domains

Creates, Cancels and Renews

Legend: ■ Renews ■ Creates ■ Cancels ■ Uncancels

| Quarter	Cancels	Creates	Uncancels	Renews
Q1 2019	-40,796.00	27,928.00	10,976.00	262,558.00
Q2 2019	-41,239.00	32,210.00	10,065.00	258,008.00
Q3 2019	-35,247.00	24,172.00	9,475.00	230,412.00
Q4 2019	-35,519.00	26,456.00	9,184.00	249,192.00
Q1 2020	-37,989.00	37,244.00	12,021.00	246,817.00
Q2 2020	-40,156.00	33,905.00	10,069.00	248,075.00
Q3 2020	-34,883.00	25,375.00	9,444.00	209,982.00
Q4 2020	-30,078.00	27,165.00	3,501.00	206,856.00
Q1 2021	-32,582.00	29,333.00	4,271.00	205,220.00
Q2 2021	-28,418.00	32,693.00	4,134.00	227,784.00
Q3 2021	-24,051.00	25,623.00	3,545.00	203,265.00

Q3 showed a marked decrease in renewals and creates, both of which roughly correspond to seasonal trends for the third quarter - though in the case of renewals. Particularly notable and also decreasing however is the out of trend result in cancellations of domain names. Overall, the decreasing renewal rate over the last two years is indicative of churn in the .nz market, offset by the higher average rate of creates and lower average rate of cancellations.

Total .nz Domains

Q3 showed continued, sustained increases in the number of domains registered, now approaching a new all time high.
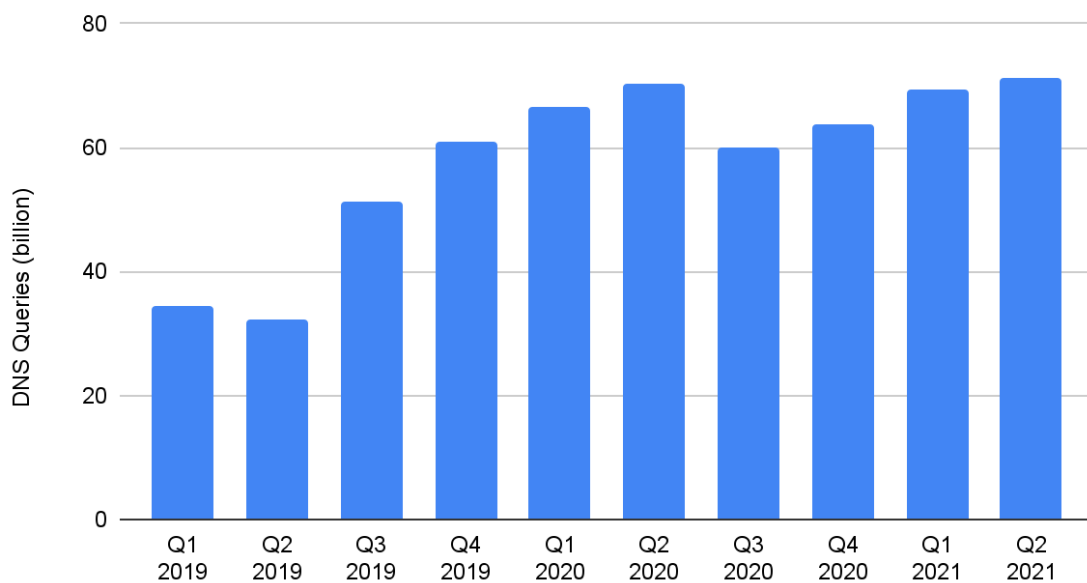
2nd & 3rd Level Registrations
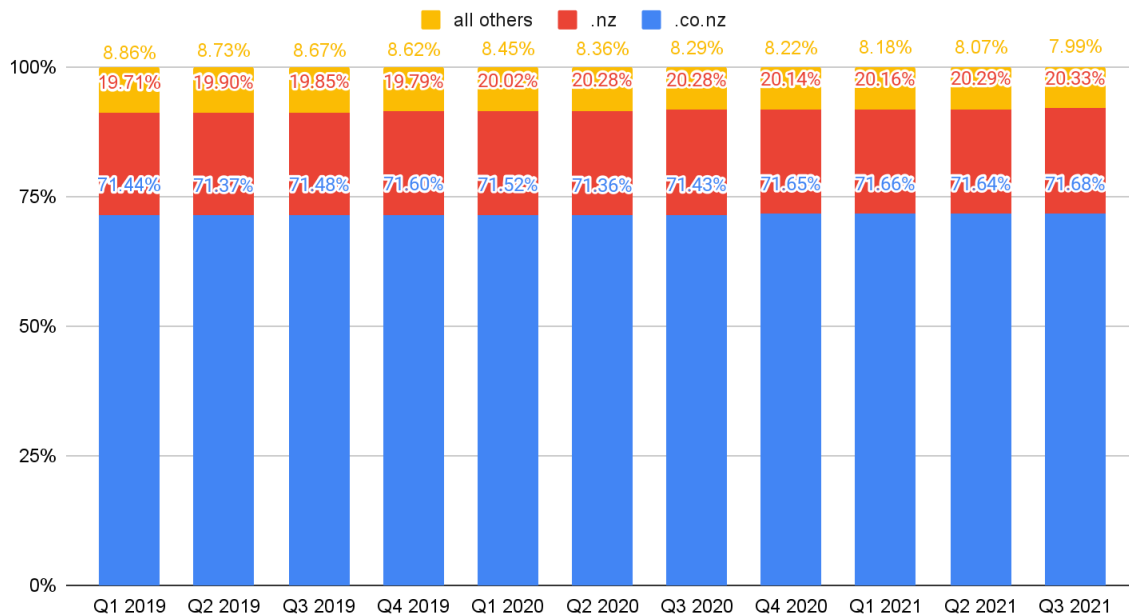
The division between different types of .nz registration continues to be static. The marketing tactic on upselling .nz domain names to .co.nz holders will experiment with influencing this ratio in Q4.

Infrastructure

DNS Queries

This chart has not been updated with DNS Query numbers for Q3, due to re-engineering of the data pipeline underway between Data & Insights and IT Operations. This reporting will be updated in future quarters once this data pipeline is rebuilt.
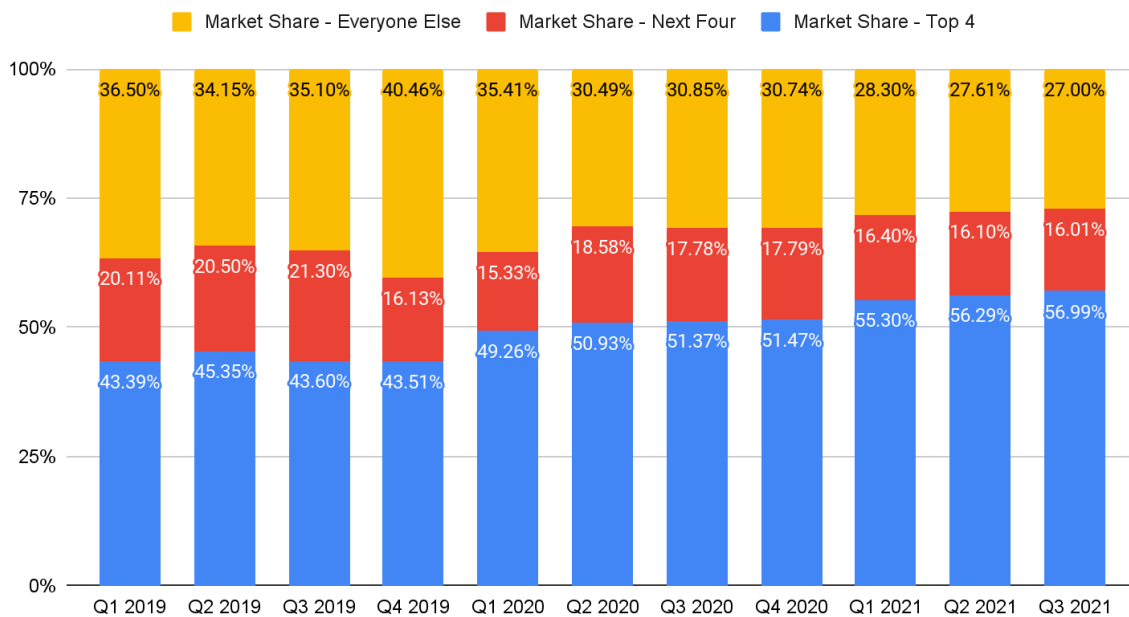
Service Levels

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	**Q3 2021**
DNS	100%	100%	100%	100%	100%	100%	**100%**
SRS	100%	100%	100%	100%	100%	100%	**100%**

Market

|	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	**Q3 2021**
# of Registrars	87	80	80	78	78	79	**76**

We have seen the number of authorised registrars decline again in the last quarter due to ongoing consolidation in the market.

Market Share

Significant shift in market shares for different registrar segments, with a marked decline in concentration in the top four and a corresponding increase in market share particularly with smaller registrars.

Unique Registrants, Individuals and Organisations
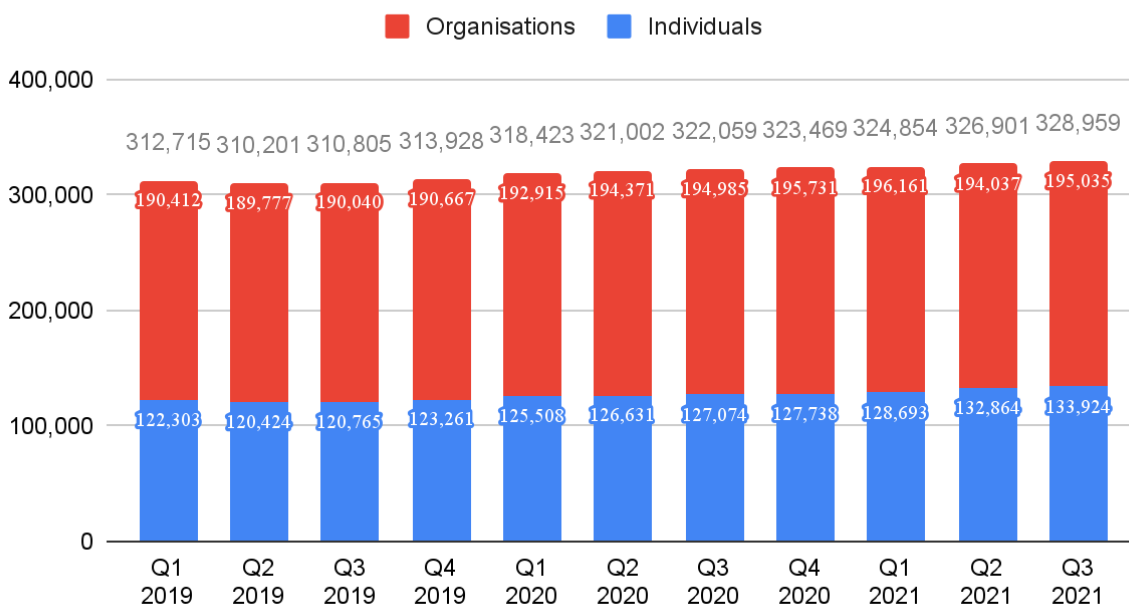
Matching the trend in overall increase in the size of the .nz register, we are experiencing growth in both the number of organisations and individuals registering domain names.
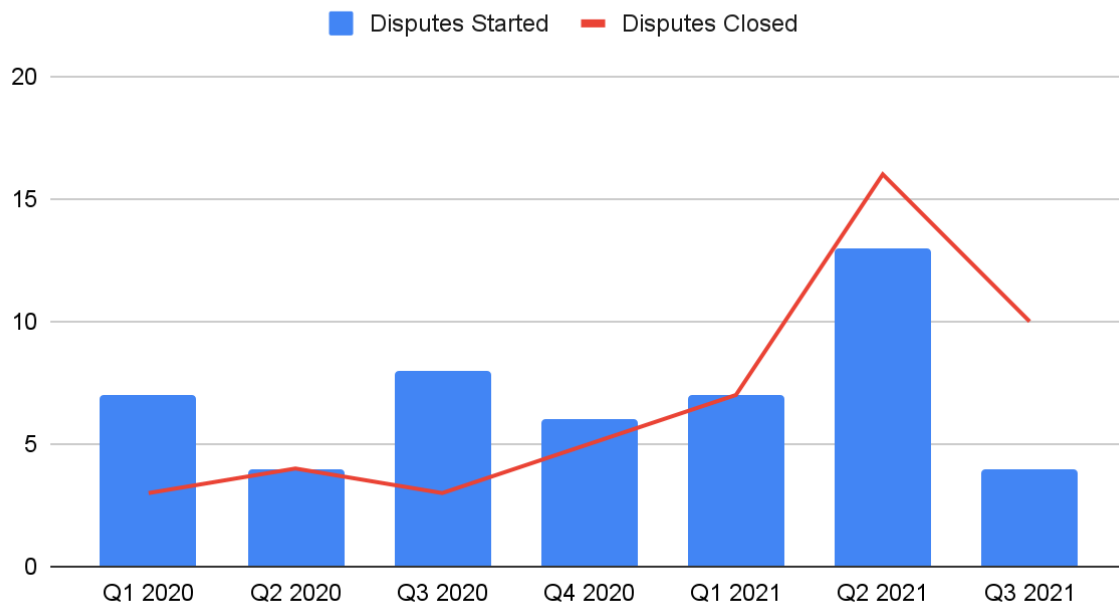
Individual Registrant Privacy Option Uptake
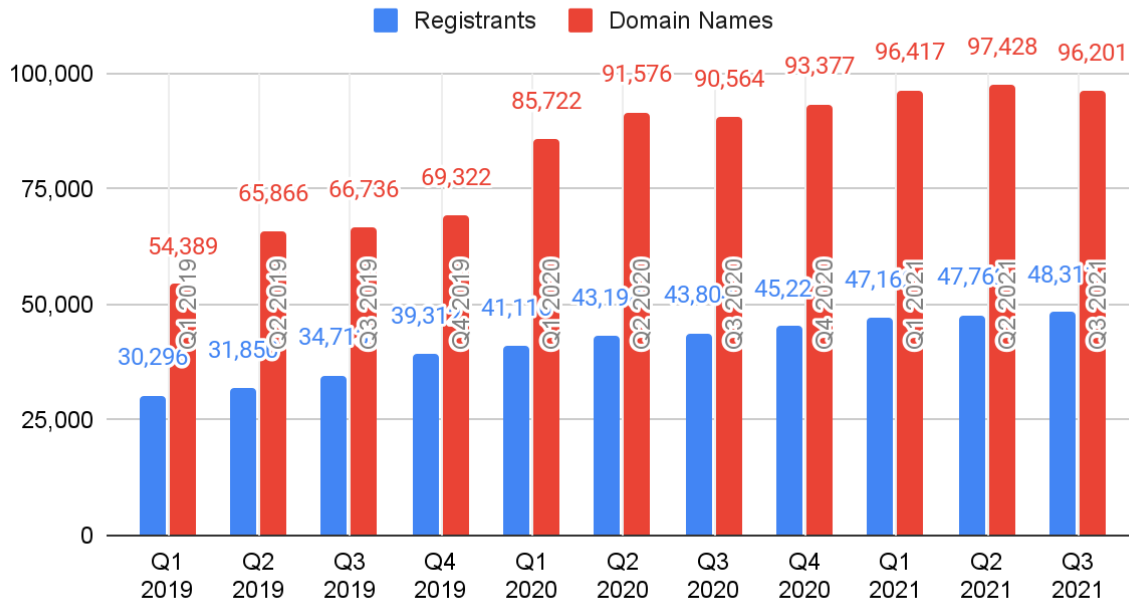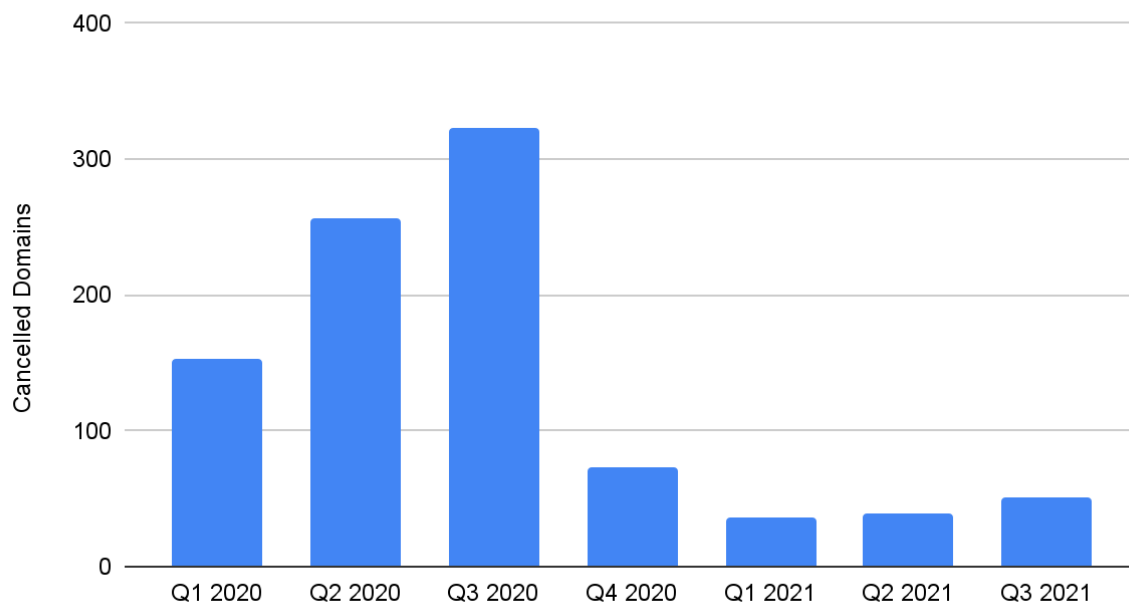

Q3 2021 has seen a small decrease in the number of domain names utilising IRPO, but a sustained small increase in the number of registrants.

Compliance and disputes (Domain Name Commision Data)

Disputes Started and Disputes Closed

Compliance Cancelled Domains

4. New Product Development Summary

Our focus on the third quarter has been to adapt to the reduced capacity of the team following departure of key staff; trim workload, expectations and deliverables accordingly; focus on business-critical contributions particularly to Project Mimosa, and supporting the team as we confirm strategy and approach to Product and Customer and await the recruitment of a new General Manager to lead this work.

The current state of our product suite is as follows.

1. **Digital Identity** We await a response to the Request for Information process led by DIA, and anticipate receiving this in Q4. The Product team has supported Policy team-led advocacy around the development of a Trust Framework, including supporting the submission process on this framework, Select Committee interaction and guidance and support for wider community involvement.

2. The **Broadband Map** has received a lot of focus in the last quarter due to increased requirements from the telecommunications network providers. This is due to the Commerce Commission asking the telecommunications industry to provide more data and higher quality insights to consumers about what solutions are available to them. In Q4, we will workshop these requirements with the users and stakeholders in the Map in order to design the next phase of development, for delivery in 2022/23.

3. As advised in the last quarterly report, we have stopped active development and sales on **Defenz**. We will more fully evaluate the product in 2022/23.

4. The launch of **Registry Lock** has been delayed into 2022/23 to align with the Mimosa launch. We have advised Registrars of this, and no negative feedback was received.

Product development pipeline

IDEAS BACKLOG	EXPLORE & VALIDATE	BUILD	ACTIVE	STOPPED
16	1	1	2	1
Including: ● Broadband ● Data products ● .nz features ● Security	● Digital identity	● Registry lock	● .nz ● Broadband Map v2	● Defenz

This is an InternetNZ report. Matters related specifically to DNCL are covered in the report from the company to the shareholder (InternetNZ).

Jordan Carter
Group Chief Executive

February 2022

Group financial statements

For the quarter ended 31 December 2021

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Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Internet New Zealand Group
Consolidated Income Statement
For the quarter ended 31 December 2021

	GROUP	INZ	DNCL
	YTD	YTD	YTD
Income			
Registry Fees	9,422,498	9,422,498	-
Broadband Map	42,537	42,537	-
DNS Firewall	13,554	13,554	-
Management Fees	-	-	1,294,574
Interest Received	67,292	64,485	2,807
Managed Funds Income	468,980	468,980	-
Sundry Income	48,805	206,719	27,900
Total Income	10,063,666	10,218,773	1,325,282
Less Direct Expenses			
DNC Fee	-	1,294,574	-
.nz Costs	556,804	556,804	-
Other IT	168,444	168,444	-
Total Direct Expenses	725,247	2,019,821	-
Less Other Expenses			
Audit Costs	2,239	1,499	740
Governance Costs	225,982	202,406	23,575
International Travel	(15,614)	(7,065)	(8,549)
International Membership	66,226	65,492	735
Community Investment	757,091	757,091	-
Legal Fees	63,570	58,772	4,798
Office Costs	1,183,504	1,057,932	311,386
Project Costs	275,226	199,557	75,668
Employment Costs	5,412,813	4,688,675	724,137
Other Operating Expenses	279,406	127,680	151,726
Other Comprehensive Items	-	-	-
Total Expenses	8,250,442	7,152,039	1,284,217
Net Profit (Loss) Before Tax	1,087,977	1,046,913	41,064
Less Provision for Tax	-	-	-
Net Profit (Loss) After Tax	$1,087,977	$1,046,913	$41,064

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. The DNCL fee paid by INZ to DNCL.
2. GSE paid by DNCL to INZ.

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Internet New Zealand Group
Consolidated Income Statement - Activity Based
For the quarter ended 31 December 2021

	GROUP	INZ	DNCL
	YTD	YTD	YTD
Income			
Registry Fees	9,422,498	9,422,498	-
Broadband Map	42,537	42,537	-
DNS Firewall	13,554	13,554	-
Management Fees	-	-	1,294,574
Interest Received	67,292	64,485	2,807
Managed Funds Income	468,980	468,980	-
Sundry Income	48,805	206,719	27,900
Total Income	10,063,666	10,218,773	1,325,282
Less Activity Expenditure			
Policy	574,676	574,676	-
Outreach & Engagement			
Communications	476,549	476,549	-
Engagement	394,529	394,529	-
Funding	1,046,887	1,046,887	-
.nz Operations	2,787,800	2,897,985	1,184,390
Commercial	981,083	981,083	-
Compliance	34,548	-	34,548
Broadband & Defenz	168,443	168,443	-
Technical Research	411,387	411,387	-
Technology Strategy	326,700	326,700	-
International Engagement	155,623	163,437	(7,814)
Org. Services, Governance & Security	1,361,628	1,523,867	23,575
Other Operating Expenses	255,836	206,317	49,519
Other Comprehensive Items	-	-	-
Total Expenses	8,975,689	9,171,860	1,284,218
Net Profit (Loss) Before Tax	1,087,977	1,046,913	41,064
Less Provision for Tax	-	-	-
Net Profit (Loss) After Tax	$1,087,977	$1,046,913	$41,064

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. The DNCL fee paid by INZ to DNCL.
2. GSE paid by DNCL to INZ.

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Internet New Zealand Group
Statement of Movements in Equity
For the quarter ended 31 December 2021

	GROUP	INZ	DNCL
Equity at start of period			
Opening Retaned Earnings	9,850,750	9,551,588	299,161
Shares Subscribed	–	–	580,000
	9,850,750	9,551,588	879,161
Net Profit (Loss) After Tax	1,087,977	1,046,913	41,064
Equity at end of period	**$10,938,727**	**$10,598,501**	**$920,225**

Notes:
The components that make up the total opening equity at the beginning of the period have been removed to calculate Group Totals upon consolidation.
1. Share Subscribed: shares are wholly owned by InternetNZ.

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Internet New Zealand Group
Balance Sheet
As at 31 December 2021

	GROUP	INZ	DNCL
Current Assets			
Cash and Cash Equivalents	12,013,231	11,158,960	854,271
Managed Funds	5,298,923	5,298,923	–
Other Current Assets	1,591,730	1,551,503	40,227
Total Current Assets	18,903,884	18,009,386	894,498
Non-current Assets			
Property, Equipment & Software	6,715,088	6,375,486	339,602
less: Accumulated Depreciation	(2,613,333)	(2,486,938)	(126,395)
Intangible Assets	183,074	183,074	–
less: Amortisation	(65,336)	(65,336)	–
Investments	–	–	–
Shares and Loans	–	580,000	–
Total Assets	23,123,377	22,595,673	1,107,705
Less Liabilities:			
Deferred Income	10,591,283	10,591,283	–
Trade and Other Payables	1,593,369	1,405,889	187,480
Total Liabilities	12,184,652	11,997,172	187,480
Net Assets	$10,938,726	$10,598,501	$920,225

Represented By:

	GROUP	INZ	DNCL
Total Equity	$10,938,727	$10,598,501	$920,225

Notes:

The following items have been removed upon consolidation:

1. Shares in DNCL wholly owned by InternetNZ.

2. Share Subscription with respect to shares issued to InternetNZ by DNCL.

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Internet New Zealand Group
Statements of Cashflows
For the quarter ended 31 December 2021

	GROUP	INZ	DNCL
Operating Activities			
Receipts from customers	12,509,874	10,939,407	1,570,467
Payments to suppliers and employees	(11,610,232)	(10,169,355)	(1,440,877)
Movement from other operating activities	68,855	171,567	(102,712)
Net Cash Flows from Operating Activities	968,496	941,619	26,877
Investing Activities			
Proceeds from sale of property, plant and equipment	3,989	3,989	-
Payment for property, plant and equipment	(2,739,787)	(2,646,150)	(93,637)
Other cash items from investing activities	427,062	427,062	-
Net Cash Flows from Investing Activities	(2,308,736)	(2,215,100)	(93,637)
Financing Activities			
Other cash items from financing activities	-	-	-
Net Cash Flows from Financing Activities	-	-	-
Net Cash Flows	($1,340,240)	($1,273,481)	($66,759)

	GROUP	INZ	DNCL
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period	13,353,471	12,432,441	921,030
Cash and cash equivalents at end of period	12,013,231	11,158,960	854,271
Net change in cash for period	($1,340,239)	($1,273,481)	($66,759)

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Financial summary

For the quarter ended 31 December 2021

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Summary of YTD Results

This report provides information on the performance and financial position of InternetNZ at the end of the third quarter of the 2021-22 financial reporting year.

Year to date the accounts report a **surplus result of $1,046,913** against a budgeted surplus of $318,476, returning **a positive variance of $728,437**.
This variance is because of:

- increased registry revenue due to growth in domain names.
- a delay in the recognition of Mimosa direct costs compared to budget phasing
- better than expected performance of our investments in Managed Fund portfolios.
- a number of roles within the organisation being vacant during most of the second quarter, leading to - savings in employment costs.

Internet New Zealand Incorporated
Net Operating Profit: Actual v Budget

Revenue Analysis

Revenue	Actual (YTD)	Budget (YTD)	Variance	%Total Sales
Registry Fees	9,422,498	9,268,676	153,822	92.2%
BBMap	42,537	49,806	(7,268)	0.4%
DEFENZ	13,554	85,500	(71,946)	0.1%
Registry Lock	–	–	–	0%
Events	–	25,846	(25,846)	0%
Membership	4,608	11,250	(6,642)	0.1%
Recharge & Misc.	202,112	187,212	14,900	2.0%
Investment	533,465	323,464	210,001	5.2%
Total Revenue	$10,218,773	$9,951,754	$267,019	100.0%

- **Registry fees** earned is **up $154k** against budget and reflects the increase in the size of the registry (**738,309 domain names**) reported at the end of the Dec.

- In the third quarter **DEFENZ product** sales increased by $5,647, with the accounts reporting back a **YTD shortfall of $72k** against budgeted revenue. The future of DEFENZ as a product and if we will continue to invest in it, will be made over the next two quarters.

- **Investments in Managed Funds** has maintained a trend of outperforming expectations, **returning $533k YTD** against **anticipated income of $323k**, this result is still down against the $840k income reported for the same period last year.

- Year to date the accounts report **total operating revenue** of $10.2M, up $900k for the same period last year.

Expenditure Analysis

- **Direct costs** of operating the .nz Registry reports **$1.8M YTD**, of which **$1.3m** made up fees paid to the **Domain Name Commission**. This result came in at **$69k under** budget.

- **Employment costs** totalled **$4.7M YTD**, with an **underspend of $353K** against YTD budget. This result comes about as several roles remained vacant during most of the second and third quarters, and an underspend in staff training budgeted year to date.

- **YTD Operating costs is $1.1M,** with **an overspend** of **$13k** against budget.

- Overall, the accounts report total expenditure of **$9.2M** with a YTD **underspend** of **$356K, $225k under compared** with the same period last year.

Expenditure by Function

Function	Actual (YTD)	Budget (YTD)	Variance	%Expenditure
Commercial	1.179.618	1,321,645	(142,027)	12.9%
Communications	491,164	457,263	33,901	5.4%
Engagement	399,265	346,149	53,116	4.4%
Funding	1,058,205	1,004,750	53,455	11.5%
International	167,158	208,406	(41,248)	1.8%
IT Operations (incl. DNCL fee)	2,970,178	3,173,369	(203,191)	32.4%
Org. Services (incl.Gov.& Security)	1,561,506	1,553,810	7,696	17%
Policy	589,518	697,249	(107,731)	6.4%
Technical Research	431,617	440,033	(18,416)	4.6%
Technology Strategy	333,632	325,156	8,476	3.6%
Total Expenditure	$9,171,860	$9,527,830	($355,969)	100.0%

Expenditure by Area

If we consider three broad areas of expenditure being Public Good, Products and Organisational Capability, a high-level picture of resources deployed is shown in this table. Note: these draw wholly from operating expenditure and exclude capitalised costs.

Area	Actual (YTD)	Budget 2021/22	Actual People Allocation	Planned People Allocation
Public Good • Community funding (100%) • Sponsorship (100%) • Engagement (75%) • Policy (75%) • Product (25%) • International (50%)	$2.65M	$3.70M	11 FTE	14 FTE
Product (.nz & other) • Product (75%) • IT Operations (75%) • Technology Strategy (75%) • Policy (25%) • Cost of Sales (100%) • DNCL Management Fee (100%) • International (50%)	$4.42M	$6.30M	13 FTE	15 FTE

Organisational Capability • Organisational Services (100%) • Security (100%) • IT Operations (25%) • Engagement (25%) • Governance (100%)	$2.1M	$3.30M	15 FTE	18 FTE
Total Expenditure	$9.2M	$13.30M	39 FTE	47 FTE

Spend by Top Priorities

For our top three priority projects, the amount being invested is summarised below. Note this is a cash view, to give a sense of the scale of resource deployment - it does not break out capitalised matters and so cannot be compared directly to the operating budget.

Area	Includes	Actual (YTD)	Budget 2021/22
.nz Registry Replacement	The project budget for Mimosa in 2021/22 (Capex & Opex). Backfilled staff roles. Other staff role not otherwise backfilled (i.e., share of staffing time attributed)	$3.4M $2.3M $1.1M	Total $5.20M Capex $3.30M Opex $1.90M (FTE 10-11)
.nz Policy Review	Project budget for the review and implementation. The legal contractor for the year. Share of staffing time attributed.	$0.04M $0.04M	Total $0.55M Opex $0.55M (FTE 3)
Flexible First	Org development capacity Capex (fitout). Share of staffing time attributed. Project costs.	$1.65M $1.M $0.65M	Total $1.84M Capex $0.85M Opex $0.99M (FTE 5.5)

Capital Expenditure

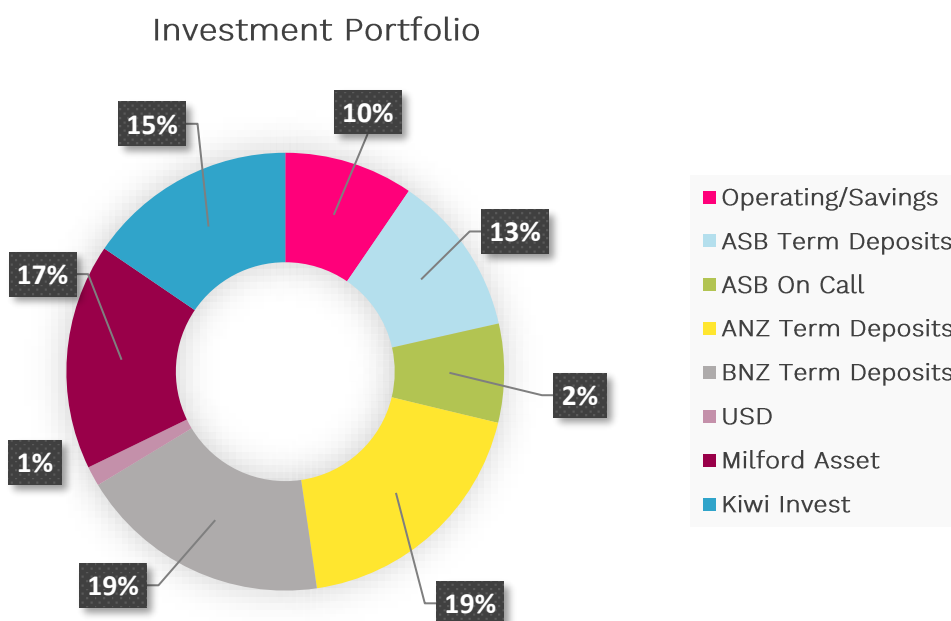| Work Item	Actual (YTD)	Capex Plan 2021/22
Project Mimosa – Implementation	$2.09M	$2.60M
Project Mimosa – Infrastructure	$0.60M	$0.68M
Security Operations Centre	$0.03M	$0.02M
Total Baseline Investment	$2.72M	$3.30M
New Premises fitout	$1.0M	$0.85M
Staff IT requirements	$.05M	$0.05M
Total Capacity Investment	$1.05M	$0.90M
TOTAL CAPITAL INVESTMENT	$3.77M	$4.20M

Balance Sheet

A detailed Balance sheet report for the InternetNZ Group is available for review in the *Group financial statements for the quarter ended 31 December 2021*. We focus our attention on two specific areas of note in this report:

1. The current Investment Portfolio.
2. An update on Cash in Excess of Reserves.

Investments

The chart below provides a visual on the percentage spread of funds invested (**$16,457,883**) across all institutions, as at 31 December 2021.

Investment Portfolio

Legend:
- Operating/Savings
- ASB Term Deposits
- ASB On Call
- ANZ Term Deposits
- BNZ Term Deposits
- USD
- Milford Asset
- Kiwi Invest

Cash in Excess of Reserves

We report the Cash in Excess of Reserves position as at 31 December 2021 at **$2.8M** as provided below:

Total Cash & Current Assets	$18,009,386
less: Deferred Income	($10,591,283)
less: Reserves as per the policy	($3,105,100)
less: Other Current Liabilities	($823,298)
less: Balance unspent Capex budget	($883,916)
add: Earnings less Dep/Amort.	$163,247
Cash in Excess of Reserves	$2,769,036

Cash Reserves as at 31 December 2021
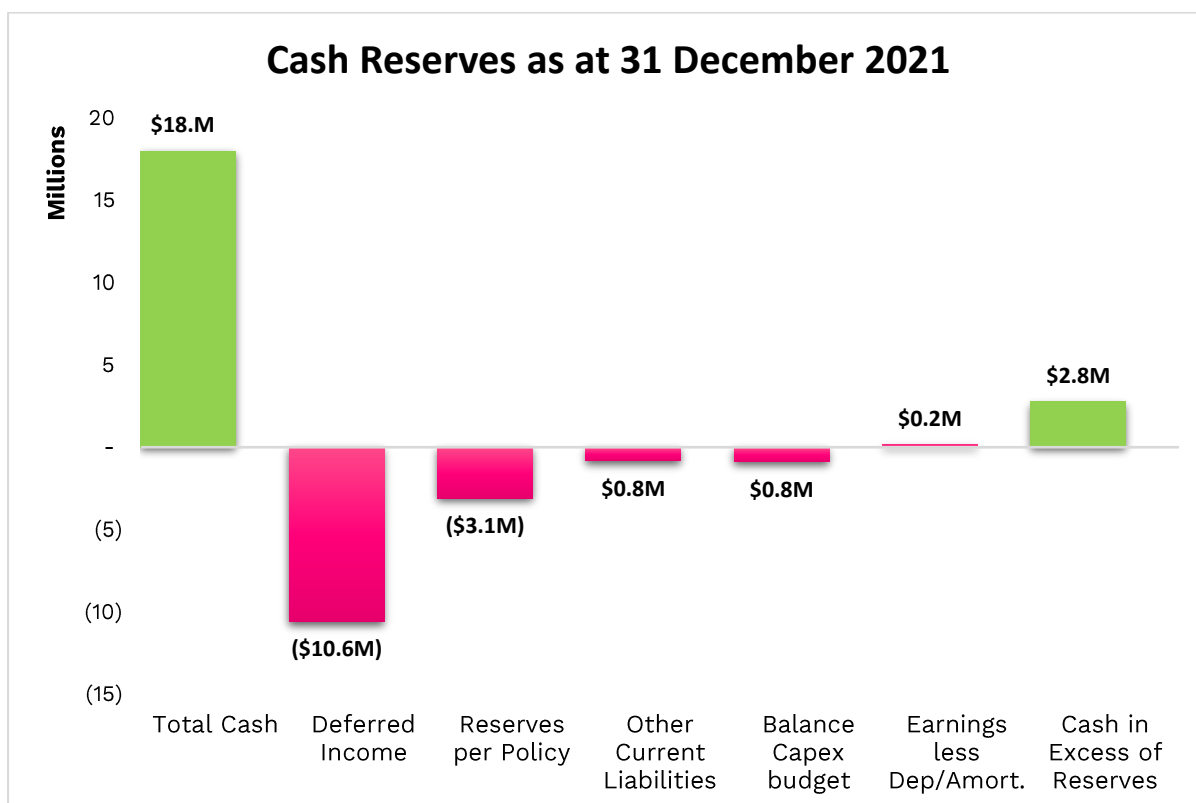
The third quarter of the 2021-22 financial year sees **Net Equity at $10.0M** (reported as $10.M in the previous quarter), and the **Net Equity minus Reserves** position at **$6.9M** ($6.6M in the previous quarter).

This exceeds the measure currently required by the *Financial and Investment Strategy Policy*, which sets the target for Net Equity minus Reserves at $5.5M.

4 February 2022

Ms Joy Liddicoat
President
InternetNZ Group
Via email president@internetnz.net.nz

Dear Joy

Quarter 3 2021/22 Report

This report is for the three months 1 October to 31 December 2021. It includes DNCL's quarterly Profit and Loss Statement and other DNCL activities not included in the InternetNZ Group Activity Report.

Domain Name Commission Limited
Profit and Loss Statement
For the Quarter Ending 31 December 2021

	Q3			Q2			Q1			Year-to-Date			
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	FY Budget
INCOME													
Accreditation Fees	-	-	-	-	-	-	-	-	-	-	-	-	7,406
Authorisation Fees	6,000	6,000	-	3,000	3,000	-	6,900	6,000	900	15,900	15,000	900	15,000
DRS Complaint Fees	2,000	2,000	-	8,000	8,000	-	2,000	2,000	-	12,000	12,000	-	27,000
Management Fees	431,525	431,526	- 1	431,525	431,525	-	431,524	431,523	1	1,294,574	1,294,574	0	1,726,100
Interest Income	2,100	2,100	(0)	490	625	(135)	217	1,250	(1,033)	2,807	3,975	(1,168)	7,500
Sundry Income	-	-	-	-	-	-	-	-	-	-	-	-	119,048
Total Income	441,625	441,626	(1)	443,015	443,150	(135)	440,642	440,773	(131)	1,325,282	1,325,549	(267)	1,902,054
EXPENDITURE													
DNCL Board	7,882	8,000	(118)	7,510	7,500	10	8,184	8,650	(466)	23,575	24,150	(575)	40,100
Communications	25,484	22,782	2,702	32,401	23,738	8,663	21,559	18,681	2,878	79,444	65,201	14,243	80,351
Compliance	13,360	22,167	(8,807)	9,684	9,683	1	11,505	13,792	(2,287)	34,548	45,642	(11,094)	92,235
Dispute Resolution Services	3,632	14,723	(11,091)	15,577	15,558	19	5,325	5,500	(175)	24,534	35,781	(11,247)	92,951
Memberships	-	232	(232)	568	568	(0)	167	200	(33)	735	1,000	(265)	3,000
Registrars	1,993	7,900	(5,907)	3,806	2,966	840	2,203	2,183	20	8,002	13,049	(5,047)	22,500
International	-	-	-	(8,549)	(8,549)	0	-	-	-	(8,549)	(8,549)	-	(8,549)
Office and Administration	89,571	77,827	11,744	87,853	86,618	1,235	84,444	80,212	4,232	261,868	244,657	17,211	323,668
Personnel and Staff	212,597	230,124	(17,527)	282,714	281,809	905	228,827	218,189	10,638	724,137	730,122	(5,985)	1,077,298
Professional Services	4,562	10,387	(5,825)	4,566	3,697	869	1,610	1,834	(225)	10,737	15,918	(5,181)	68,500
Projects	35,328	14,660	20,668	27,590	27,590	-	12,750	12,750	-	75,668	55,000	20,668.40	95,000
Total Expenditure	394,407	408,802	(14,395)	463,720	451,178	12,542	376,572	361,991	14,581	1,234,699	1,221,971	12,728	1,887,054
Depreciation	16,670	9,981	6,689	15,855	15,769	86	16,993	16,500	493	49,519	42,250	7,269	45,000
Other Comprehensive Items	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/Loss	$30,547	$22,843	$7,704	($36,560)	($23,797)	($12,763)	$47,076	$62,282	($15,206)	$41,064	$61,328	($20,264)	($30,000)

The end of December result is a surplus of $7,704. DNCL continues to tightly control its budget. There is an underspend in salaries as a result of carrying a Compliance Officer vacancy and project expenses related to the online dispute resolution project not materialising until the final quarter of the year.

End of Calendar year results

At the end of the year the DNCL has handled 2,064 enquiries from members of the public, registrants and Registrars. There have been 5 new Registrars join the industry, including some local based Registrars. Over the year we have suspended or cancelled 252 domain names and 320 conflicted domain names have been resolved. There are now more than 97,037 domain names with an individual registrant privacy option. We have administered 4 mediations and there have been 12 expert decisions released.

ShopSafeNZ campaign

As part of our continuing ShopSafeNZ consumer campaign, we released research into New Zealand's shopping habits with a .nz. We re-launched the shopsafe website by giving it a new home on our website, published a number of blogs to give online shopping safety tips, and sent partners education materials to use on their social media accounts.

Collaboration with InternetNZ's Reseach team

Together with InternetNZ's research team, we developed and are piloting a new machine learning tool to alert us to suspicious domain name registrations against known issues under surveillance or investigation by DNCL. The tool will enable us to monitor more of the .nz domain space and follow up with registrars and resellers.

Group project contributions

There is 1 full time equivalent DNCL staff continuing to work on major InternetNZ Group Projects, most notably the registry replacement project and .nz policy review. With the registry replacement project two DNCL staff have been heavily involved in change communications and testing work streams. DNCL staff are also supporting InternetNZ with the next stage of the .nz policy review. These projects extend into the 2022/23 financial year.

Keeping .nz
fair for everyone.

Online Dispute Resolution Pilot Project

Key achievements over this period include the finalisation of the training plan for mediators and briefing external providers in relation to our video training needs. Testing has completed of our new e-negotiation tool and a demonstration of the final dispute resolution platform will happen in the fourth quarter of the year. Our nominal go Live date for the new online dispute resolution platform is mid March 2022.

Upcoming work

A draft of a revised DNCL Company Strategic plan was presented to the Board this quarter. Further work is being done on the strategic plan before the next Board meeting in February 2022. It is likely that the strategic plan will be provided to Council in the first quarter of the new financial year. The company intends to finalise this plan as best it can noting there is parallel work happening on InternetNZ's overall strategy.

Yours sincerely

Jordan Carter
Chair, Domain Name Commission

Summary of Council Committee Activity

PURPOSE: To provide a brief summary of Council Committee activity since the last meeting of Council.

DATE WRITTEN: 2 February 2022

Summary

This report is a consolidation of the activities over the period since the last meeting, or in some cases earlier.

Audit and Risk Committee

The members of the Committee are Richard Hulse (Chair), Vice President Daley, Kate Pearce, Anthony Bow, and aimee whitcroft.

The Committee met on the 16 November 2021 and the main topics covered:

- Presentations from Fund Managers - Milford Asset Management and Kiwi Investment
- Health, Safety and Wellbeing update
- Technical Security Audit programme of work (Sam tabled this, not sure if discussed)

.nz Policy Committee

The members of the committee are Kate Pearce (Chair), Vice President Don Stokes, Jay Daley, Jeff Montgomery and Aimee Whitcroft.

The Committee met online on 22 November 2021 and 1 February 2022 to discuss the .nz Policy Review's Tranche 2 Recommendations that the organisation would like to proceed and not proceed with. An update to Council will be provided at the February meeting. Refer to item 5.6 .nz Policy Review Update.

Komiti Whakauru Māori

The members from Council of the Komiti are Cr Lee (Chair), Cr Biasiny-Tule and Cr Bow, as established by Council through an evote in December 2021. This also updated the Komiti's terms of reference, available in Diligent.

The Komiti last met on Wednesday 2 February 2022, the main topics covered include:

- Define the parameters of Te Komiti in relation to the Māori Design Group, Council and our Māori strategy mahi.
- Cultural capability plan for Council.

Recommendation

THAT Council receive the update from Council Committees.

Te Komiti Whakauru Māori

AUTHOR: Sarah Lee, Chair, Te Komiti Whakauru Māori

PURPOSE: To summarise February meeting discussion, agreements and recommendations.
DATE WRITTEN: 03/02/2022

Summary

Councilor's Anthony Bow, Potaua Biasiny-Tule and Sarah Lee were approved as Te Komiti Whakauru Māori (Te Komiti) three Council representatives, along with a revised Terms of Reference (ToR), by e-vote 10 December 2021, ratified at our December Council hui.

Te Komiti Whakauru Māori met online **2 February 2022**. This paper is a summary of that discussion, our draft priorities and recommendations for Council.

Senior staff membership includes Jordan Carter, Andrew Cushen and Raniera Albert, supported in this hui by Whitiaua Ropitini, Laughton Matthews and Di Robinson. Whitiaua will provide ongoing secretariat support for Te Komiti as per the ToR.

After completing meeting preliminaries, we moved onto formalities. Sarah Lee was appointed Chair and Te Komiti agreed to meeting monthly. Proposed dates will be confirmed shortly and included in the meeting Council schedule.

Te Komiti reviewed the ToR, with a specific focus on our key responsibilities. We discussed the importance of distinguishing parameters between Te Komiti, the Māori Design Group (MDG) and He Pouwhenua, He Pou Tangata, so as not to duplicate effort.

It was agreed to flesh this out further in a half-day wānanga, where we will consider our priorities for 2022 to inform the development of a work programme.

We reviewed and discussed a draft cultural capability plan for Council and agreed it is a top priority in order to keep the momentum going that was generated last year. Kaimahi have been asked to add more detail, including dates and times for further training - to be added to the Council schedule.

Members agreed to consider opportunities for engagement with MDG, to enable Te Komiti members to establish and nurture a healthy relationship. It was acknowledged Mana-to-Mana relationships are being established, with an open invite for MDG Co-Chairs to attend Council meetings and for the Council President to attend MDG hui.

Work programme development

There are several key priorities Te Komiti are considering as we build our 2022 work programme. To allow time for in-depth discussion and consideration, we will hold a half-day Wānanga, topics to include:

- Defining parameters of Te Komiti in relation to MDG, Council and He Pouwhenua, He Pou Tangata strategy.
- Opportunities for MDG participation in the Governance of organisation, including potential appointment of vacant co-opted position on Council.
- Priority focus areas for 2022:
    - Cultural capability plan for Council
    - Co-design, co-governance models
    - Aspirations and needs of Māori communities/members
    - Māori internship programme for Council

The aim is to complete the wānanaga late Feb/early March, and come back to Council with some key recommendations in these areas.

Recommendations

THAT Council note the appointment of Sarah Lee to Chairperson.

THAT Council note the wānanga approach to work programme development.

THAT Council note the proposed priority focus areas and identify any gaps.

.nz policy review: Tranche Two Recommendations

AUTHOR: Purva Bhatnagar, Legal Counsel

PURPOSE: See below

DATE WRITTEN: 1/02/2022

Purpose

This paper:

- Informs you of the Tranche 2 recommendations that are slated for implementation, the planned next steps and how they will be prioritised; and
- Provides you with the Tranche 2 recommendations we do not propose to proceed with and the reasons for this.

Background

At its December 2020 meeting (link to the council paper) Council agreed to deal with the recommendations[1] of the .nz Advisory Panel (the Panel) in three tranches:

In November 2021 Council approved (via e-vote) the .nz rules (dated 27 October 2021) which included the Tranche 1 recommendations (.nz Rules). These rules have now been published and are due to come into effect later in 2022 when the new registry system is in place.

The **Tranche 2 recommendations have been reviewed** by staff and the .nz Policy Committee. This review and discussion identified which:

- **Tranche 2 recommendations** are desirable and feasible and that we **will implement** (detailed below in **Part 1**); and

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[1] A detailed summary of the recommendations can be found in the .nz Advisory Panel's Recommendations Report

- **Tranche 2 recommendations** that **will not be proceeded with** (detailed below in **Part 2**).

In order to understand **whether a recommendation was feasible** it was necessary to **identify the next steps** involved towards the **implementation of the recommendation** and **how these would be prioritised**. Part 1 includes how the recommendations have been prioritised based on the significance/impact of the recommendations and/or the resources available to carry out the next steps.

Part 1: Tranche 2 Recommendations to be implemented

Priority 1 Tranche 2 recommendations

Recommendations under this category have been identified as those:
- **that have a high significance or impact; and/or**
- **for which work can begin now, i.e. within the first half of 2022** (based on work plans and resource availability)

Please note that the table below also identifies whether the recommendation is an operational change or will require an update to the .nz Rules. Any updates to the .nz Rules would come to Council for decision following a recommendation from the .nz Policy Committee.

Recommendation	Priority 1 work (unless otherwise noted)	Operational / Impact to .nz Rules
Recommendation 21 InternetNZ and the DNCL should undertake a work programme to develop a trusted notifier regime.	**Research** To look into: ● whether a trusted notifier regime is viable and if so, how this regime will fit with DNCL powers ● also consider actions, control and the management of reported domains by trusted notifiers that DNCL may be able to take under a trusted notifier regime *Priority 2:* *Next steps (if regime to be put in place) will be to:* ● *establish clear criteria and requirements for trusted notifiers* ● *engage with trusted notifiers identified and formalise relationship; and* ● *update the connection agreement*	If a regime is deemed viable and once we know what it will look like the .nz Rules will need to be updated to allow for a regime.
Recommendation 22 InternetNZ should build necessary protections into the policy to include accountability and transparency.	**Review & Research** DNCL to review contents of the transparency report currently provided and ensure information provided is information registrars and other stakeholders are wanting.	==.nz Rules will be updated== to include a high level principle that DNCL and InternetNZ publish an annual transparency report.
Recommendation 23	==Update .nz Rules==	Update to .nz Rules as

InternetNZ should introduce a requirement for registrars to meet minimum security standards. **Recommendation 39** The registry should define the minimum service/feature set all registrars must provide.	Include a clause that will allow InternetNZ to set reasonable minimum security standards (after reviewing the impact the security standards will have on Registrars and giving sufficient notice) and Registrars will need to comply. *Priority 2:* *Next steps will be to:* ● *identify what the minimum security standards will be and carry out impact and change assessments* ● *update connection agreement to detail minimum security standards*	noted in the left column.
Recommendation 24 InternetNZ should set a deadline for registrants to resolve self-conflicted domain names. **Recommendation 25** InternetNZ should set a deadline for parties to come to an agreement on resolving conflicted domain names. **Recommendation 26** Following deadline expiration, names should be released for general registration.	**Continue with Current Work Program** DNCL has put in place an online dispute resolution pilot program to facilitate the resolution of conflicted names. **Review & Research** In the meantime also explore various options in regard to what can be done with the conflicted names/releasing them. *Priority 2:* *Next steps (if necessary) will be to:* ● *implement and inform the relevant parties of any deadlines/ processes etc.* ● *update connection agreement to detail new process*	Once the current work program/ research is carried out and a decision made about how to deal with conflicted names the .nz Rules will need to be updated.
Recommendation 28 InternetNZ should clarify the purpose of collection of each field in the registrant, administrative and technical fields.	==Update .nz Rules== Privacy clause in .nz Rules to be updated to include the purpose why registrant contact details and administration and technical contact details are being collected.	Update to .nz Rules as noted in the left column.
Recommendation 37 InternetNZ should work with registrars to establish a statement of registrant rights which the DNCL should monitor and registrars be accountable for by annual monitoring.	**Review & Research** To review the .nz Rules/other policies and identify registrant rights provided in them, and consolidate this information for registrants. Also DNCL to review any enquiries or complaints made to DNCL re registrant rights not being met.	Operational, no update to .nz Rules required.
Recommendation 38 DNCL should publish expanded objective market information to better inform registrant choice e.g. market share and renewal rates, but consults with registrars further on the specific material.	**Continue with Current Work Program** This work is already underway. *Priority 2:* *Next step will be to communicate that this work is underway and expected timeframes.*	Operational, no update to .nz Rules required.

Priority 2 Tranche 2 recommendations

Recommendations under this category have been identified as those:
- **that have a medium level of significance or impact; and/or**
- **for which work can begin in late 2022** (based on work plans and resource availability)

Recommendation	Priority 2 work	Operational/ Impact to .nz Rules
Recommendation 27 InternetNZ should work with registrars to strengthen registrant validation practices.	**Update Connection Agreement** To detail the ideal validation practices.	Operational, no update to .nz Rules required.
Recommendation 41 The registry should incentivise registrars to provide services it provides under agreed rules.	**Review & Research** To be reviewed when looking at pricing variability and incentives.	Once the necessary review and research is carried out and if this goes ahead an update to .nz Rules will be required.

Priority 3 Tranche 2 recommendations

Recommendations under this category have been identified as those:
- **that have a low level of significance or impact; and/or**
- **which have not been included in the immediate work plan / there are no resources available and their is no urgency to add to the work plan / acquire the resources**

Recommendation	Priority 3 work	Operational/ Impact to .nz Rules
Recommendation 19 InternetNZ should undertake a work programme to minimise the risk, or perception of risk, associated with the assumption that .nz is limited to New Zealand.	**Education and Information** Minimise perception of risk by providing education and information to public through blog posts published via registrar and e-learning platforms **Engagement** If necessary, engage with the public to understand level of perceived risk	Operational, no update to .nz Rules required.
Recommendation 32 InternetNZ should offer an optional NZ Legal Person Verification process which would result in a marker being added to the domain name registration data.	**Review & Research** Keep a watching brief on this and assess the value add of offering such an option and consider the amount of operational work required to implement and carry out ongoing compliance.	Once the necessary review and research is carried out and if this goes ahead an update to .nz Rules will be required.

Recommendation 43	Review & Research	Operational, no update to .nz Rules required.
The registry should collect and communicate market information including customer segments, activity/utilisation and product use for industry to better understand and develop the .nz market.	When resources are available, look into integrated information offering that both InternetNZ and DNCL can both contribute to and which is made available under the .nz brand, as a hub of all the authoritative information about .nz and activity within the .nz space.	

Part 2: Tranche 2 Recommendations which will <u>not</u> be implemented

After discussions between staff and the Committee, the proposal is to not proceed with the following recommendations.

Recommendation 16(b): There should be a long term vision to provide policy information in languages used by New Zealanders other than te reo Māori.

We do not believe that it is practical to translate the whole of the .nz Rules to other languages and, it is possible that a summary of some sort could be made available (if necessary and there is enough demand).

Recommendation 18: InternetNZ should continue to monitor the utility of IDNs as a way to support all New Zealanders' use of .nz

This recommendation is not practical to implement at this stage due to technological limitations. This recommendation can be revisited in the future if there are any technological advances.

Recommendation 40: The registry should not be permitted to sell or market commercial services provided by InternetNZ directly to registrants via registry data.

We *do not believe that it is practical to completely restrict InternetNZ from contacting registrants to provide service/feature offerings directly to registrants. However there could be certain requirements that InternetNZ would need to follow such as seeking permission from the relevant registrar before contacting the registrant and using data InternetNZ holds to contact the registrant.*

Recommendation 44: InternetNZ should change the policies to enable credible new second level names to be considered.

The current .nz Rules (at 8.2.11) provide that InternetNZ must not create any 2LDs and at this stage InternetNZ does not wish to review this and allow 2LDs. If in the future there is demand for new 2LDs and there is community interest (along with considering the criteria above), InternetNZ would review the request and look at developing relevant policy and updating the .nz Rules accordingly.

Recommendation 42: Establish a Registrar Service Level Agreement System to enhance market operation.

This recommendation will not be implemented as it has been agreed that a Service Level Agreement is not necessary.

Next Steps

The next steps include:

- Carrying out the Priority 1 work noted above
- Drafting the necessary Tranche 2 updates to the .nz Rules and presenting them to the .nz Policy Committee for consideration, and then on the Committee's recommendation, to Council for decision.

Recommendations

- THAT Council **note** this update as to how the organisation will proceed or not proceed with development and implementation of the Tranche 2 recommendations of the .nz policy review.

Update on Māori Design Group

ITEM NO:	5.5
AUTHOR:	Jordan Carter, Group Chief Executive
FOR:	Council
PURPOSE:	To update Council on Māori Design Group
Date Written:	01/02/2022

Background

The Māori Design Group (MDG) was established by Council in July 2021. The group is co-chaired by Sir Pou Temara and Aleisha Amohia, and the members of the group are Whetu Fala, Joanne Maraki, and Hone Paul. Originally, Dr Karaitiana Tairuru was part of the group but resigned prior to the first meeting. That vacancy has yet to be filled.

Working with MDG

The MDG first came together (face to face) in October 2021. The key purpose of this hui was to introduce MDG to Ipurangi Aotearoa and the work that we do. It was also a time for MDG members to become familiar with each other.

In that hui, MDG discussed the possibility of wanting to engage with the Māori Internet community, and the wider Māori community. A key part of the engagements of MDG will allow them to discuss:
- key issues Māori are facing surrounding the internet;
- the role of Ipurangi Aotearoa as a Te Tiriti o Waitangi partner, and;
- what Māori want or need from Ipurangi Aotearoa;

Note that we will be going to the next MDG hui on the 16th of February with a draft engagement plan for them to consider and discuss.

It is also worth noting that MDG met again in December for a quick online meeting to discuss what they consider are the key themes for the February hui. This included the discussion around:
- the role and purpose of the MDG;

- what types of community engagements they would like to do;
- the relationship between MDG and Council, and;
- Council's involvement or representation at MDG meetings

MDG's next hui (February 16th and 17th)

Due to the rising cases of COVID-19 and Omicron in the community, Aotearoa has had to move to the Red level of the COVID-19 Protection Framework (the traffic-light system). Given our own internal COVID-19 policy that restricts staff from domestic travel, the advice given by our internal COVID-19 Response Group was to move the MDG hui has had to move online. The hui will be spread over two days (16th and 17th of February), in order to reduce the risk of exposure to both members and staff likely to attend.

The key focus of the two days will be:
- a discussion of the key issues Māori are facing;
- the proposed MDG engagement plan for their consideration;
- Key issues relating to Ipurangi Aotearoa, and the work Council would like their involvement on;
- Ipurangi Aotearoa becoming a Te Tiriti o Waitaingi centric organisation, and;
- Ipurangi Aotearoa's draft strategy refresh (our goals and purpose)

Note: we will be working with the MDG to co-design and help shape our role as a Te Tiriti o Waitangi centric organisation which should come to Council for discussion at the March meeting, ideally - prior to engaging with wider stakeholder groups (partners, membership etc).

Filling the vacancy (the 6th member)

Due to the sudden resignation of Dr Karaitiana Taiuru, the MDG has been left with a 6th seat vacant. There was wide discussion at the October and December meetings around what MDG would like to do with the vacant position. Part of the discussions were whether to fill the role, and identifying where the gaps of representation are, or whether MDG prefers to leave it vacant all together. The MDG will look at resolving its view about this during the upcoming meeting and giving Council and the Komiti Whakauru Māori advice about this.

MDG meeting schedule for 2022

Please note the following dates that MDG is planning to meet on for the remainder of 2022:
- 16-17 Feb 2022
- 26 May 2022
- 15 Sep 2022

- 8 Dec 2022

Note that these dates do not include special meetings like community engagements.

Recommendation

THAT Council:

- **Note** the updates from the Māori Design Group.
- **Note** the draft agenda in **Appendix I**

Appendices

- **Appendix I** - Rārangi Take (agenda) for Māori Design Group (16/17.2.2022)

Jordan Carter
Group Chief Executive

RĀRANGI TAKE | AGENDA

Māori Design Group – 16 – 17 February 2022

Ikapahitanga (Attendees):

Co Chairs: Tā Pou Temara, Aleisha Amohia

Members: Jo Maraki, Whetu Fala, Hone Paul

In attendance: President Joy Liddicoat, Cr Anthony Bow, Jordan Carter, Raniera Albert, Piripi Winiata, Whitiaua Ropitini, Laughton Matthews.

16 February 2022

Session 1: Key issues / Proposed Engagement Plan

10:00am	1.1	Welcome and karakia	Raniera
10:05am	1.2	Key issues	Laughton
10:30am	1.3	Proposed Engagement Plan	Whitiaua
11:00am	1.4	Discussion	All

Session 2: INZ strategy (draft) / Te Tiriti-centric paper

2:00pm	2.1	INZ strategy (draft)	Piripi
2:15pm	2.2	Imagining a Te Tiriti-centric organisation	Laughton
2:30pm	2.3	Discussion	All

17 February 2022

Session 3: Engagement with INZ (President/Chief Executive)

10:00am	3.1	[Joy / Jordan to confirm items for engagement]	Joy / Jordan
10.30am	3.2	Discussion	All

Session 4: Reflections / Action points

2:00pm	4.1	Reflections	Piripi / Raniera
2.30pm	4.2	Action points moving forward	All
2:40pm	4.3	General Business ● Consideration for a sixth MDG member	Raniera
3:00pm	4.4	Closing karakia	Raniera