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Hon Chris Bishop Minister for Infrastructure Parliament Buildings Wellington Chris.Bishop@parliament.govt.nz

Re: InternetNZ briefing to incoming Minister for Infrastructure

Dear Minister,

1. Congratulations on your recent appointment to the new Infrastructure portfolio. We write, as an organisation that looks after a critical piece of New Zealand's economic and social infrastructure — the Internet.

InternetNZ manages the .nz domain space

- 2. InternetNZ | Ipurangi Aotearoa is the country code top-level domain (ccTLD) manager for New Zealand. We are critical to the functioning of the Internet in New Zealand, operating the domain name system that underpins the operation of the more than 750,000 domain names ending in .nz. The .nz domain name system is the home for NZ in the Internet and critical infrastructure to our ability to build our economy and brand nationally and internationally.
- 3. We ensure that all domain names ending with .nz are available for use and are subject to fit-for-purpose domain name regulation. We are also an active participant in the international technical Internet community.
- 4. We are an incorporated society and a portion of the money we receive from .nz domain names goes back into the community. We provide grants, help fund other organisations, and advocate for an accessible and safe Internet that benefits everyone in Aotearoa New Zealand.

- 5. InternetNZ has a long-standing Memorandum of Understanding with MBIE regarding the management of the .nz country code top-level domain. We also work with other government agencies including DIA, DPMC and MFAT.
- 6. We can support you as Ministers by providing expertise, an independent perspective on Internet issues and the ability to engage across the digital ecosystem.

We want to support work in four key areas

- 7. We have shared priorities in the following areas, on which we can support you during your term. We have also written to other digital Ministers, to highlight key Internet-related topics:
 - a. The Internet as critical infrastructure
 - b. Maintaining a free, open and secure Internet
 - c. Emerging digital technologies
 - d. Digital inclusion and equity

The Internet as critical infrastructure

- 8. A recent study indicates that if the Internet were to go down for a day in New Zealand, it would cost our economy \$158 million¹. The Internet is a critical enabler for participation in modern society, allowing New Zealanders to engage with government services, learn, navigate, shop and socialise.
- 9. Natural disasters such as Cyclone Gabrielle have highlighted the importance of resilient infrastructure to ensure that people can access timely, accurate information. As a geographically isolated country, the Internet is also critical to our connectivity with the rest of the world.
- 10. Rural communities are particularly vulnerable in terms of Internet infrastructure, being less likely to have access to fast, reliable Internet. As of 2021, 94% of New Zealanders had some form of Internet access. In 2022, our Internet Insights survey indicated that of New Zealanders who have access to the Internet, 95% use it at least once a day at home. Increased uptake of wireless Internet via satellite has expanded

¹ <u>https://techblog.nz/3293-Pulling-the-plug-on-the-internet-for-a-day---what-it-would-cost-the-world</u>

connectivity in some areas but there is still work to be done to ensure access and connectivity for all.

11. The technical service we provide to the country that enables the Internet is as important a focus as telecommunications and physical infrastructure. InternetNZ has expertise in this area and should be considered as key infrastructure for the country. And we can provide support to you and your officials as part of the technical community.

Cyber security is important to protect society

- 12. Just like other critical infrastructure, maintaining the security of the Internet is paramount. We recognise the growing risk posed by cyber security threats as they increase in frequency, sophistication and scale. Increasing the security of the Internet, however, must not compromise a free and open Internet that is consistent with Te Tiriti o Waitangi and rights set out in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.
- 13. In July 2023, the last Government announced that the Computer Emergency Response Team (CERT NZ) would move into the National Cyber Security Centre (NCSC). We provided feedback to Ministers ahead of this decision highlighting the risk that this integration could undermine trust and affect the ability of CERT NZ to operate effectively, and we urged the government to consult with the communities that CERT NZ works with and serves. We still believe CERT is best able to address threats at the individual, organisational and national levels, but some groups and individuals may now be less willing to report threats if CERT is part of NCSC as it is perceived to be less transparent and accessible.
- 14. Currently, there are a range of players in the cyber security arena and we have been working to have closer alignment and protocols in place for when cyber security threats or harmful content may require intervention and what role InternetNZ might play. If the government is going to consider blocking or filtering of the internet, there needs to be very thorough community consultation to understand the risks and unintended consequences.
- 15. We continue to advocate for an open and free Internet to the greatest extent possible, one that helps build and maintain trust among the public.

The Internet fuels the economy

- 16. In 2022, the digital economy was valued by NZ Tech at \$20 billion². The Internet and digital technologies have transformed the way our society and economy operate. In addition to the importance of the Internet as critical infrastructure, the Internet also creates significant opportunities for economic development. We now live in a digital society shaped by our interactions in the digital economy, and the Internet and digital technologies will continue to underpin New Zealand's economic development and trade.
- 17. Increasing connectivity has enabled the emergence of a thriving tech sector in New Zealand. New Zealand is now home to global leaders in digital technologies, including in finance, gaming and more. Our time zone means we can deliver digital services complementing other time zones, enabling New Zealand to support global productivity. Weightless digital exports present opportunities to overcome our geographic distance and also to reduce our environmental impact.
- 18. Over the next three years and beyond, the Internet and digital technologies will continue to grow New Zealand's economic development and trade.

Emerging digital technologies may put pressure on our digital infrastructure

- 19. As Infrastructure Minister you will likely be working closely with your Digital portfolio colleagues to ensure that infrastructure keeps pace with innovation in the digi-tech sector. Emerging digital technologies often have greater use of bandwidth and resource. For example, the Rugby World Cup and the recent release of the latest edition of online game Fortnite both caused spikes in data use and bandwidth load.
- 20. As we continue to embrace emerging technologies such as artificial intelligence and extended reality, we can expect further challenges in demand for bandwidth. We can assist you or your officials on policy areas in regard to emerging technologies.

² NZ Tech *Digital Skills for Tomorrow, Today Edition 3* <u>https://nztech.org.nz/reports/digital-skills-for-tomorrow-today-report/</u>

Digital inclusion and equity is necessary for people to participate in society and the economy

- 21. While New Zealand has made great progress in digital inclusion and equity, there is still work to do to ensure everyone has affordable access to the Internet and the confidence to use the Internet to meet their needs and follow their goals. Improving access remains an ongoing challenge for some communities, while for others the focus is shifting to building confidence with digital technologies.
- 22. InternetNZ financially supports and is a member of Digital Equity Coalition Aotearoa (DECA) to ensure that all New Zealanders, including Māori, disabled, those in lower socio-economic situations and older people have access to and the ability to use the Internet. DECA is providing Ministers with a separate briefing that outlines the state of play and provides a series of recommendations. We endorse DECA's briefing and we look forward to working with you in partnership with DECA to work for an Internet that benefits all of Aotearoa New Zealand.
- 23. We encourage you to work across portfolios to build on the success of other initiatives such as the rollout of Ultra-Fast Broadband to close the digital divide and ensure all New Zealanders can benefit from access to and the ability to use the Internet.

Next steps — we would like to meet with you

- 24. We look forward to working with you, your fellow Ministers and your officials in this term of government.
- 25. We would like to meet with you to discuss the Internet's role in critical infrastructure, and to discuss how we can best support your portfolio. We will be in contact with your office to seek a time to meet with you.

Ngā mihi nui,

Vivien Maidaborn Chief Executive InternetNZ