

AGENDA - COUNCIL MEETING

Saturday 24th November 2018

InternetNZ, Level 11, 80 Boulcott St, Wellington		
8.45am		Refreshments (coffee, tea, & scones) on arrival
9.00am		Meeting start
10.50am		Break
1.10pm		Lunch
1.10pm		Meeting Close
Section 1 - Meeting Preliminaries		
09:00	1.1	Council only (in committee)
09:10	1.2	Council and CE alone time (in committee)
09:20	1.3	Karakia Apologies, Interests Register and Agenda Review
Section 2 - Strategic Priorities		
09:35	2.1	Environment Scan - updates, things noticed
09:50	2.2	Strategic Plan - Approving Draft and next steps
10:10	2.3	Organisational Values - input for DNA
10:20	2.4	SMART Goals for 2019/2020
10:30	2.5	Community Funding - Future Approach
10:50		Morning Tea
11:10	2.6	.nz Policy - Comprehensive, Policy Review

11:35	2.7	Maori Engagement - update on post-retreat work
Section 3 - Matters for Discussion / Decision		
11:45	3.1	President's Report
11:50	3.2	Management Items for Discussion (was CE report)
12:10	3.3	.nz Framework Policy Review - revised draft for approval
12:20	3.4	.nz Quarterly Report - Q2 2018/19
Section 4 - Domain Name Commission		
12:30	4.1	DNCL Quarterly Report Q2 2018/19
Section 5 - Ordinary Business		
12:35	5.1	Health & Safety Update
12:40	5.2	<p>Consent Agenda Items</p> <ul style="list-style-type: none"> ● Council matters <ul style="list-style-type: none"> ○ Confirm Minutes - August 2018 meeting ○ Action Register ○ Membership Update ○ Evote Ratification ● Operational Reports (previously circulated) ● Financial Reports (previously circulated) ● Paper on cost savings from Org Review ● Document Disclosure ● Council Committee Reports <ul style="list-style-type: none"> ○ Grants Committee Reporting Update ○ Internet Research Recommendation Paper (confidential)

Section 6 - Other Matters

12:50	-	CONTINGENCY (<i>for any overflow</i>)
	6.1	Matters for Communication - key messages <ul style="list-style-type: none">• Communications in general• Upcoming events
	6.2	General Business
	6.3	Meeting Review Marae Visit Review
	6.4	Waiata
13:15 (latest)	-	Meeting close
13:15	Lunch	

Next meeting: Fri 15th Feb 2019 - Council meeting

Council Register of Interest

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

Officers and Councillors receive the following annual honoraria:

President - \$35,470

Vice President - \$22,169

Councillor - \$17,735*

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

Name: Jamie Baddeley

Position: President, InternetNZ

Term: AGM 2014 - AGM ~~2018~~ 2021

Declaration Date: 27 May 2017

Interests:

- Officer's Honorarium for InternetNZ

Name: Joy Liddicoat

Position: Vice President, InternetNZ

Term: AGM 2014 - AGM ~~2018~~ 2021

Declaration Date: ~~13 August 2018~~ 4 October 2018

Interests:

- Holder of .nz domain name registrations
- Holder of .com domain name registrations
- Member of the New Zealand Law Society
- Member, Non-Commercial Users Constituency of ICANN
- Founding Director and Shareholder of Oceania Women's Satellite Network (OWNSAT) PTE Limited. OWNSAT is a shareholder in Kacific Broadband Satellite
- Member of Pacific Chapter, Internet Society (PICISOC)
- Started a new job at University of Otago, researching human rights and artificial intelligence for this project:
<https://www.cs.otago.ac.nz/research/ai/AI-Law/index.html> The project also links with the recently established Centre for Artificial Intelligence and Public Policy
- Officer's honorarium for InternetNZ

Name: Dave Moskovitz

Position: Councillor, InternetNZ

Term: AGM 2011 - AGM 2020

Declaration Date: ~~3 October 2017~~ 24 August 2018

Interests:

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

Name: Richard Wood

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2019

Declaration Date: 13 February 2018

Interests:

- Member of ISOC, PICISOC
- Investor in Parts Trader Markets Ltd
- Receives additional honoraria for being Chair of the Grants Committee
- Councillor's Honorarium for InternetNZ

Name: Amber Craig

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2019

Declaration Date: ~~7 February 2018~~ 13 November 2018

Interests:

- Consultant and organiser of some corporate unconferences
- Holds .nz domain name registrations
- ~~Employee of ANZ~~
- Trust Chair of Whare Hauora Charity
- Co-Chair of WWGSD Charitable Trust
- Co-creator and owner of Metimeti
- Receives additional honoraria for being Chair of the Audit & Risk Committee
- Councillor's Honorarium for InternetNZ

Name: Sarah Lee

Position: Councillor, InternetNZ

Term: AGM 2014 - AGM 2020

Declaration Date: ~~26 November 2017~~ 24 August 2018

Interests:

- ~~Contractor to 2020 Communications Trust~~
- Member of New Zealand Māori Internet Society
- ~~Māori Advisory Group member for Injury Prevention Network~~
- Board member Injury Prevention Aotearoa
- Receives additional honoraria for being Chair of the Māori Engagement Committee
- Councillor's Honorarium for InternetNZ

Name: Richard Hulse

Position: Councillor, InternetNZ

Term: AGM 2015 – AGM 20~~18~~

Declaration Date: ~~2 December 2016~~ 11 September 2018

Interests:

- Employee of ~~Te Papa Tongarewa~~ GS1 New Zealand
- Director of Eduvac Limited
- Holder of .nz domain name registrations
- Councillor's honorarium for InternetNZ

Name: Kelly Buehler

Position: Councillor, InternetNZ

Term: AGM 2015 – AGM 2019

Declaration Date: ~~10 August 2018~~ 14 November 2018

Interests:

- Holder of .nz domain name registrations
- Councillor for Science Fiction & Fantasy ~~Conventions Association~~ of New Zealand
- ~~Board member of Tohatoha Aotearoa Commons Incorporated~~
- Business Chair for CoNZealand: The 78th World Science Fiction Convention
- Councillor's Honorarium for Internet NZ

Name: Keith Davidson

Position: Councillor, InternetNZ

Term: AGM 2016 – AGM 2019

Declaration Date: ~~9 August 2018~~ 22 November 2018

Interests:

- Domain name registrations including .nz names
- Sole shareholder and Director of KD Services Limited
- Member of numerous clubs, societies and associations, many of which are .nz registrants
- Member of ISOC and PICISOC
- Chartered Member of NZ Institute of Directors
- ~~Consultant to the Vanuatu Telecommunications & Radiocommunications Regulator (TRR) regarding the .vu Domain Name~~
- Contracted by InternetNZ to participate in the ITU Plenipotentiary meeting in Dubai during October and November 2018 at a fixed contract fee, plus travel and accommodation expenses reimbursement.
- Councillor honorarium for InternetNZ

Name: Don Stokes

Position: Councillor, InternetNZ

Term: AGM 2017 – AGM 2020

Declaration Date: 16 August 2017

Interests:

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

Name: Kate Pearce

Position: Councillor, InternetNZ

Term: AGM 2017 – AGM 2020

Declaration Date: ~~10 August 2018~~ 13 November 2019

Interests:

- ~~Organiser of the B-sides Wellington Security Conference~~
- Employee of Cisco
- 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
- Councillor's Honorarium for Internet NZ

The register was last updated in November 2018.

Towards our new Strategic Plan

Author: Jordan Carter, Group Chief Executive

Purpose: To seek Council confirmation of the draft Strategic Plan.

Introduction

Since the middle of 2018 a significant amount of work has been done by staff and Council to develop a new strategic framework for the new InternetNZ. Extensive workshops and deliberation have led to a framework that sets out:

- Our purpose as an organisation
- An overarching goal for our work
- Three areas of focus that contribute most to the overarching goal
- End states that sketch out where we are trying to move to in the three focus areas
- Clear domains of activity for our work
- Foundational “hows” that characterise how we do what we do

The outputs of this work are attached as a **draft Strategic Plan**.

Aside from a set of values, dealt with in a separate paper at this meeting, this framework is comprehensive and ready to take its next step.

Next step

The next step is to update the wording of the Plan consistent with the emerging brand framework that DNA has been developing for us. This work will either be done by staff or by DNA – yet to be determined.

This iteration will lead to a final Strategic Plan we can publish and share, one that does all it can to reinforce the overall story of the organisation we are becoming.

Because this strategic framework is an evolution rather than a revolution in InternetNZ’s approach, a feedback and introduction approach to the brand and strategy together is the right approach in my view. If a major revolution of our approach or our brand was planned, we would be rightly bound to have been more consultative with members and stakeholders at an earlier point.

At this meeting

I ask that you be ready to adopt the draft Plan without further modification, given that it has been extensively reviewed and shaped by Council over the past few months.

The outcome from the meeting should be substantive consensus on the substance of our approach, which staff can then sharpen up with the benefit of the brand work.

Recommendation

THAT Council **adopt** the Draft Strategic Plan, and agree it be updated to take into account the brand work from DNA once that is available.

Action: Staff to update draft Strategic Plan consistent with outputs from the brand work with DNA, and present back to Council for review between meetings.

Jordan Carter
Group Chief Executive

Attach: Draft Strategic Plan.

Draft Strategic Plan 2019-2022

Introduction

This draft Strategic Plan for InternetNZ is the product of extensive staff and Council work from June through October 2018.

We have sought to re-state InternetNZ’s purpose following the changes to our organisational structure last year.

This framework will shape all our work in the years to come. It crystallises a fresh take on our purpose – to maximise the benefits that .nz and the Internet offer Aotearoa New Zealand.

To help achieve that goal we will focus our work on enduring topics that make the Internet what it is, and that can unlock its potential – making sure everyone can make use of the Internet, making sure that trust and security are built in, and protecting the essential openness of the Internet within our country and around the world.

Our Values, currently under development, complete this framework.

[above to be re-written following availability of DNA work, and all content will be revised with the benefit of that work (developing an InternetNZ brand framework). This draft for Council consideration on 24 November 2018.]

Jordan Carter
Group Chief Executive

Table 1: Purpose / Goal / End States

PURPOSE: Maximising the contribution that .nz and the Internet make to Aotearoa-New Zealand			
	GOAL: Supporting Aotearoa-New Zealand’s contribution to and benefit from the connected world. <i>with a focus on</i>		
	WHY: Internet for All	WHY: Security & Trust	WHY: Openness
END STATE: In 3 years	Digital inclusion policy changes and investments, by government and others, have led to a significant decline in digital exclusion as measured by agreed indicators.	People understand how to manage and protect themselves and their data online. The online services ecosystem supports accountability for sound security practices.	Local Internet governance, including InternetNZ and the .nz ccTLD, remains multistakeholder, with operations based on open Internet tech. Stakeholders recognise and support this approach. InternetNZ supports others to operate as exemplars of openness.
END STATE: In 5 years	Useable Internet access (100+mbps) is available & affordable everywhere in Ao-NZ. Digital exclusion measures continue to show significant improvements.	People are increasingly managing and enhancing the security of their online lives. In Ao-NZ, security-by-design and privacy-by-design are ubiquitous in well-used services, contributing to their trustedness.	Internet openness in all its dimensions is supported and sustained in Ao-NZ. Services, infrastructure, governance and technologies in Internet-related areas are increasingly open.
END STATE: In 10 years	There is no need for “digital inclusion” related investments or policies. Access across Ao-NZ is ubiquitous, trust is high and the skills & motivation to make use of the Internet are high among adults & taught to all during school.	The ecosystem makes it non-viable to produce non-secure products and services or exploit unsafe tradeoffs. People have - and make use of - their power and understanding.	Ao-NZ is acknowledged as a world leader in Internet openness, and actively contributes to world Internet openness.

Explanation of Table 1 (Purpose / Goal / End States)

Our overall Purpose: **To maximise the contribution that .nz and the Internet make to Aotearoa-New Zealand.**

Our overall goal that helps achieve the Purpose: **Supporting Aotearoa-New Zealand’s contribution to and benefit from the connected world.**

Action in three areas are our focus to achieve this goal – our WHYs.

Internet for all, so all the people of Ao-NZ can improve their wellbeing.

- An element of access (being able to readily use good quality Internet).
and
- An element of opportunity (actually being able to do great stuff once you have access).

Security is enhanced, so people of Ao-NZ can have the trust and confidence to make beneficial use of the Internet.

- An element of informed choice, personal capability (more people know what is safe to do & how to safely do it)
and
- An element of security (more aspects of what people do online are genuinely secure)

Openness - of the Internet’s architecture, governance and technologies, so that people of Ao-NZ can benefit from innovation and from communication world-wide.

- An element of supporting, using and arguing for the technologies and architecture of Open.
and
- Supporting Kiwi voices in the open governance and technological development of the Internet.

Note: Openness is a precondition for innovative use of the Internet to thrive.

The **End States** help to focus our work by defining some future states our work should be contributing to.

Table 2: Mission and Foundations

WHAT: Operate an excellent .nz ccTLD			
WHAT: Non-.nz commercial activity and investment			
WHAT: Support the Internet community			
WHAT: Inform and influence			
WHAT: Funding			
	HOW: Great organisational capability (build people, improve processes)		
	HOW: Financial sustainability (diverse income, well-managed assets)		
	HOW: Ecosystem player, partner and funder (work with others, fill our niche, make grants)		
	HOW: Efficient and effective (focus effort for greatest impact)		
	HOW: Insight, evidence and analysis (reality-based).		

	Why we do it (PURPOSE)
	What we do (MISSION)
	What we do (MISSION) Earns income
	How we do it (FOUNDATIONS)

Explanation of Table 2 (Mission and Foundations)

Mission

These are the domains of work – they are our answer to the question “what does InternetNZ do?”. Activities that don’t fall into these four areas face a very high burden of proof before being done.

Operate an excellent .nz ccTLD

We are guardians of .nz and we operate it as a secure, reliable and accessible ccTLD, so as to maximise its contribution to Aotearoa-New Zealand. This is our critical function and primary operational responsibility.

Non-.nz commercial activity and investment

We use our capability and resources to develop or invest in other commercial activity that is not directly reliant on operating the .nz ccTLD. This could be services / products for other TLDs, or other types of products in our areas of high-reliability IT services and infrastructure or data science.

Support the Internet Community

Through great collaboration and an ecosystem-focused role, we support the development of the New Zealand Internet community and the ecosystem that it forms, so as to maximise its resilience and capacity, and so it can make the greatest contribution to our overall purpose.

Inform and influence

We share information and insight about the Internet and the .nz domain so that others’ decisions and actions are well informed and based on a sound understanding of the reality of the Internet and its technologies - with the aim of supporting our purpose.

Foundations

These are the tools and approaches we take to doing our work. They give a sense of how InternetNZ deploys its resources to support our mission and our purpose.

Great organisational capability (build people, improve processes)

We will be a workplace that attracts skilled people, and supports the growth and development of our people's skills and careers. We aim to be a place people want to stay with once they join. To do that and to achieve our goals we will be a workplace that is effective, well organised and where good processes and systems support the work we do.

Financial sustainability (diverse income, well-managed assets)

We are broadening our sources of income and managing our balance sheet carefully to reduce our organisational dependence on income from operating the .nz ccTLD, and maximising the difference we can make for the country.

Ecosystem player, partner and funder (work with others, fill our niche, make grants)

We pay attention to the health of the Internet ecosystem, and what we do enhances its functional completeness (the right components are there) and its connectedness and capability (the flows of energy and resources are good). We have a funding programme that makes grants and supports partnerships to help achieve our goals.

Efficient and effective (focus effort for greatest impact)

On any issue, we act with reference to other players and the environment, to most effectively and efficiently achieve good impact on our overall goals (even if this is an uncomfortable space for us). We monitor to see what difference we're making, and where we see that things we're doing aren't right any more, we stop doing them or change them. We're transparent and open about this.

Insight, evidence and analysis (reality-based)

The basis for our decisions and our action is the best available information, and sound logic. We know our stuff regarding the Internet and .nz. We're transparent and open about the information bases for our decisions, and have a sound process for assessing, deciding and re-assessing.

Organisational Principles / Values

Author: Jordan Carter, Group Chief Executive

Purpose: To elicit any further contributions from Council on the draft values and principles paper, and explain how this work will proceed next.

Staff prepared a first draft set of values and principles for Council to discuss in October. Comments on the draft were received. The **attached** document shows the draft and the comments received so far.

Separately, since the middle of the year, the staff team has developed a set of values that will form part of a staff charter and that are going to help define us as a team.

DNA have been retained to develop a new brand architecture framework for the organisation. Values are important to a brand framework in the sense that a brand is aiming to communicate the organisation – and values are integral to what we are.

The staff values set, and this draft document, have been shared with DNA. The thinking in these contributions will be at the heart of the brand architecture that DNA completes for us, expressed as values and likely as customer experience principles.

At this meeting we are therefore seeking any further comments from Council members on the attached, for us to pass on to DNA for incorporation in the brand architecture.

We will share the outcomes of the work with Council once it is available.

Recommendation

THAT Council **note** that the draft Organisational Values and Principles document, along with any further Council comments at this meeting, will be provided to DNA as a contribution to their work in developing the brand architecture.

Jordan Carter
Group Chief Executive

Attach: Draft “Organisational Values and Principles” document.

Organisational Values & Principles

Draft for Council Discussion - 24 October 2018

NOTE: this draft is seeking feedback from Council. DNA will incorporate this thinking in the brand architecture work they are doing for us.

Principles

These principles would set out the ground on which we stand as an organisation.

We stand for **openness** of data, information, systems, analysis, power and minds.

We deal with **reality**, doing our work grounded in evidence and what works.

We innovate, across our work and our organisation, to do more, better.

We **serve all the people of Aotearoa-New Zealand**, and are responsive to their diverse needs and aspirations.

We **collaborate** as a key player in the Internet ecosystem, working with others when we can.

Values

These values would guide how we operate.

Open	We believe in openness, and we uphold it in how we work.
Ethical	We act, behave and work to the highest ethical standards.
Guardianship	We are kaitiaki of an important Internet resource and we take the responsibilities of our stewardship seriously.
Adaptive	We change as an organisation, as people and as part of the community as our insight and relationships grow and develop.
Quality	We are professional and responsible, and we do all our work to the highest standards.
Supportive	We look after each other, celebrate our successes and learn lessons where we make mistakes.

Commented [1]: we stand for progress. innovation has relationships with disruption, which doesn't sit entirely well with stability values/principles that we need to have for .NZ. 'Progress' could be a middle ground? 'Seek to improve' is an alternative.

Commented [2]: I like this

Commented [3]: Me too

Commented [4]: at risk of making it less accessible, do we call out IETF standard RFC1591 (e.g. (in accordance with IETF STD RFC1591))

Commented [5]: i think it is important to reference this in some way

Commented [6]: Awareness - we keep across changes in the Internet Ecosystem, locally and globally and apply these learnings as we see appropriate.

Commented [7]: Evolve. We continuously seek improvement - not staying still.

Commented [8]: Also thoughtfulness. We do what we do with much thought and care.

Commented [9]: Thoughtfulness is quite good. It has strong linkages with the Ethical/Guardianship values and these three combined are all values that tie back to the serving AO-NZ/RFC1591 principle.

Commented [10]: I like that, too.

SMART Goals for the 2019/20 Plan

Author: Jordan Carter, Group Chief Executive & Catherine Fenwick,
Organisational Services Director.

Purpose: To seek Council decision on the key goals for the 2019/20 Plan and
Budget.

As part of the new Strategic Framework a key element is the confirmation of the 3-5 goals that InternetNZ will use to focus its work over the next 12-18 months.

These goals will be used to build our Budget and plan our work for 2019/20.

The staff and management have been working on these goals by using open workshops with all staff over the last two months to bring to life the Strategic Framework that Council and staff have developed together, and which will be formally approved at this meeting.

They serve as the translation of what we know about the environment, and the Strategic Framework, into the areas we will use our resources and take practical action next year.

These goals are designed to be SMART - specific, measurable, achievable, relevant and time-bound.

They will help us prioritise its work based on alignment to the Why's and What's below. They also gives focus to our planning on the How's.

The 5 goals recommended touch on all areas in the Strategic Framework and will allow us to measure our work effectively.

They are goals we can make real progress towards achieving in the 12-18 month timeframe.

They advance the end states that Council has defined through the strategy process.

They pull the new InternetNZ organisation together, and Council and our stakeholders will be able to easily hold us to account for how we go in achieving them.

Once agreed, more specifics about what we will do to achieve these will be the core feature of the 2019/20 Plan, a draft of which will be tabled with Council in February.

Goals for 2019/20 (12-18 months)

1. InternetNZ establishes with stakeholders what a **globally excellent .nz ccTLD** looks like for Aotearoa-New Zealand and develops an action plan for this.
2. InternetNZ collaboratively produces an assessment of the **key threats to Internet openness**, and establishes InternetNZ's and Aotearoa-New Zealand's responses to these threats.
3. InternetNZ has implemented a **cybersecurity improvement programme** for itself and developed a shared plan for improved security across .nz registrars.
4. InternetNZ will collaborate with others to identify, agree and effect significant progress on four **interventions to bridge different digital divides** (motivation, access, trust, skills).
5. InternetNZ will have **two new non-.nz services**, validated through our business process, delivering annual recurring revenue, that are aligned to our strategic focus areas.

Recommendation

THAT Council **adopt** the goals in this paper as the core of the 2019/20 Plan and Budget.

Jordan Carter
Group Chief Executive

Attached: Appendix 1: Strategic Framework – Summary Table

Appendix 1: Strategic Framework - Summary Table

PURPOSE: Maximising the contribution that .nz and the Internet make to Aotearoa-New Zealand			
	GOAL: Supporting Aotearoa-New Zealand's contribution to and benefit from the connected world. with a focus on		
	WHY: Internet for All	WHY: Security & Trust	WHY: Openness
	<i>End States</i>		
WHAT: Operate an excellent .nz ccTLD	...SMART Goals...		
WHAT: Non-.nz commercial activity and investment			
WHAT: Support the Internet community			
WHAT: Inform and influence			
	HOW: Great organisational capability (build people, improve processes)		
	HOW: Financial sustainability (diverse income, well-managed assets)		
	HOW: Ecosystem player, partner and funder (work with others, fill our niche, make grants)		
	HOW: Efficient and effective (focus effort for greatest impact)		
	HOW: Insight, evidence and analysis (reality-based).		
Business Planning			
Values			

Community Funding - Strategic Alignment and Improvement

Author: Andrew Cushen, Outreach & Engagement Director

Purpose: To brief Council on a suite of changes to Community Funding, and to seek agreement on these changes.

Purpose

The purpose of this paper is to propose for discussion and decision a set of changes to InternetNZ's Community Funding. These changes have been developed by Vanisa, Gertrud and myself in response to:

- The Grants Impact work that has been done over the last 12 months.
- The learning, engagement and development that has been done in the Community and Outreach and Engagement teams during the last 12 months.
- Contemplating the best ways that Community Funding may contribute to the new InternetNZ Strategy.
- The opportunity and objective to increase the efficiency of time, operational expenditure and recipient satisfaction in these processes, aligned with new practices in the philanthropic community.

In doing so, what is presented here is best seen as a set of incremental improvements to the Community Funding instruments used by InternetNZ. These improvements will:

- Increase efficiency for InternetNZ, our staff and councillors and more importantly our funding recipients.
- Increase relevance of funding to InternetNZ's strategic focus areas, while still retaining and encouraging community innovation.
- Increase InternetNZ's ability to demonstrate, measure and report on the impact of Community Funding, by tying these more clearly to InternetNZ's strategic framework.

This document does not:

- Propose changes to the Grants Policy. These will follow at the February Meeting of Council, if Council agrees to the direction proposed in this paper.
- Propose future funding pool sizes, noting the previous Strategic Plan objective to increase the total Community Funding pool to \$1 million per annum by 2020. Any increase in budget allocations will be considered as part of the annual budget and activity planning process for 2019/20.

Please note that this paper has been prepared by Staff alongside the Strategic Framework, and has not been discussed in advance with the Grants Committee.

Current giving by InternetNZ

There are four primary instruments of InternetNZ's community contributions:

1. **Community Grants** - \$400,000 in FY18/19. Delivered by a number of different timed funding rounds, predominantly focused on the type of project being applied for. Specifically:
 - a. Community Projects round,
 - b. Internet Research round,
 - c. Conference Attendance round,
 - d. In addition, some On Demand funding available for applications under \$5,000.
2. **Strategic Partnerships** - \$400,000 in FY18/19. Designed to be strategic collaborative relationships. Partnerships are recommended to Council by staff and are usually multi-year funding relationships.
3. **Sponsorship** - \$75,000 in FY18/19. Designed for InternetNZ to support events in the Internet Community via sponsorship. Provides a staff led process for assessing and deciding these sponsorships.
4. **Memorandum of Understanding (MoU) partners**. There is no financial contribution to these organisations. Instead these MoU record some services collaborations and/or shared interests between InternetNZ and these organisations.

This paper is dedicated to discussing the Community Grants and Strategic Partnerships instruments.

Aligning Community Grants with the new InternetNZ Strategic Framework

InternetNZ has the opportunity to explicitly align these Community Funding instruments with the new InternetNZ strategic framework. This would mean:

Current process	Future	Why
Rounds designed according to project type - i.e. Research, Community Projects, Conference Attendance.	Explicitly align rounds to be open to any application that relates to any of the Strategic Focus Areas: <ul style="list-style-type: none"> • Openness • Access • Security and Trust This is a similar approach to the Canterbury round which we ran in 2014.	This deliberately aligns InternetNZ grants with the new Strategic Plan. Provides an assessment framework for Grant Making to allow us to test, measure, prove accountability and celebrate the contribution of the Internet Community.
Grants delivered to a different set of objectives to the InternetNZ Strategy.	Grants are part of how we deliver to the Strategic Focus Areas, alongside and with the innovation of the Internet Community.	Builds a philanthropic theory of change and demonstratable impact framework.

Partial funding for many projects. Grantees may be eliminated if they have received two grants in the past two years.	Develop a long term impact model connected to the InternetNZ strategy.	By aligning these projects explicitly with the Strategy Framework, impact and long term investment is possible and maximises the contribution. This is a key recommendation of the grant impact work.
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Aligning Strategic Partnerships with the new InternetNZ Strategic Framework

We also recommend closer alignment between Strategic Partnerships and the new InternetNZ Strategic Framework. The current list of Strategic Partners is presented below, with an assessment of where they best fit with the new InternetNZ Strategic Framework:

Organisation	Partnership funding in 2017/18	Length of relationship with INZ	Strategic Alignment
20/20 Trust	\$100,000	Since 2014	Access for All
Tohatoha (CCANZ)	\$35,000	Since 2014	Openness
AUT, NZ Work Research Institute (World Internet Project)	\$40,000	Since 2014	Access for All
Figure.NZ	\$60,000	Since 2015	Openness
Centre for ICT Law, University of Auckland	\$40,000	Since 2016	Openness
Kiwicon	\$20,000	Since 2016	Trust & Security
Netsafe (not renewed for 18/19)	\$100,000	2014 - 2018	Trust & Security
TOTAL	\$395,000		

These are the recommended changes to increase alignment between Strategic Partnerships and InternetNZ:

Current situation	Future	Why
Mixed alignment based on the InternetNZ Strategy, pre-existing	Explicitly align Strategic Partnerships with the Activity Plan in any given year.	This means that partnerships are a means through which InternetNZ achieves its objectives, alongside organisations in the community.

relationships and/or objects.		
Broad objectives for Strategic Partnerships.	Specific objectives and deliverables for Strategic Partnerships at the time of entry.	Makes clear why we are entering these Strategic Partnerships, and then why we end these relationships.
No Kaupapa Māori partners	Build and find Māori partners, and work together on improving the skills, knowledge and outcomes desired for Māori communities to thrive online, and make the most of this for their culture and community.	This would be a quick and effective manner through which we could add to Māori engagement activities.
Differing levels but primarily a transactional relationship (money for a report)	Partners to include money - and InternetNZ time, knowledge and connections, depending on partner needs. All partners would attend and share our events, such as NetHui. Knowledge sharing and relationships would go both ways.	InternetNZ has the potential to use partnerships to deliberately: <ul style="list-style-type: none"> • Utilise skillsets, perspectives and experience that do not exist within the operational team, and that could not be developed as efficiently as partnering • Align with existing work and leadership in the Community, rather than risking duplication and competition • Increasing impact through adding investment to existing initiatives • Deliberately gain a link to a new part of the Internet Community • Use as part of our delivery mechanisms - e.g. "Internet Research Forum Partnership" with a University, and/or NetHui/Speaker Series hosting.
Multi-year contracts with unclear criteria for retirement	Clear alignment with Activity Plans on timeframes appropriate to the specific deliverables or purpose of the Partnership.	By making these Strategic Partnerships more specific as to their deliverables or purpose we can more clearly time, enter and exit these with clarity for all parties.

Further improvements to Community Grants

The following are not strategic alignment opportunities; rather related initiatives that will increase the efficiency and timeliness in Community Grants, and therefore the contribution of this part of Community Funding to InternetNZ's strategy. These also

align with the lessons and research done by the team on improved practices in philanthropic giving.

Current Situation	Future	Why
Grants Committee primarily involved in assessing applications	Committee focused on setting and monitoring strategic funding priorities in any given year, and on approval rather than assessment. Move approval from the Council to the Committee.	Committee can play a valuable role in setting strategic priorities for staff to meet. This “double handling” of assessment slows down the Grant process, and increases time pressure and workload on Councillors.
Grants Committee assesses all applications of all kinds – with external members co-opted as required	Committee to have the option to delegate all assessments to a specialist assessment panel (which may include Council members, staff and external appointees) who will provide a recommendation to the Grants Committee to make the final decision.	Specialist assessments may provide more flexibility and accurate assessment, in community alignment and in engagement.
Grants Committee may co-opt additional perspectives and assessors	Committee co-opts additional members that add perspectives according to strategic funding priorities for any given year – e.g. if targeting greater Māori participation, co-opt someone to add this perspective.	Allows Committee to augment its strategic prioritisation role by adding specific expertise and links to the parts of the Community that we wish to encourage.
Two big rounds which are both only open once a year	If these changes result in the increased efficiency that are hoped for, move to a round every quarter.	Many projects miss the round timing due to only having one opportunity a year to apply. Best practice in this area is to provide more frequent application windows to give applicants the ability to apply when they need it.
Conference Attendance rounds open twice a year, alongside the Research and Community Grants Rounds	Move to On Demand, and provide at default, pre-set values – \$1,000 for domestic, \$3,000 for international. Insist that applicants don’t apply until acceptance of any conditional papers.	Increased efficiency in internal decision making. Quicker response time for applicants for what is usually quite short notice opportunities.
Grants Committee meets in person for Conference Attendance grant decisions.	All decisions for Community Grants under \$5k made over email discussion, with online meeting option should decision makers requires it.	Increased efficiency in decision making.

On-demand decisions are made over an email discussion		
No funds for evaluations or follow up ideas	Retain an additional 10% of all grant amounts in reserve for any follow up that arises from the project – for example to attend a NetHui to present the output, or consequential conference attendance, or any other output/promotional/policy or evaluation processes that are aligned to the InternetNZ Activity Plan.	Reserving follow up funding provides the resources to maximise the benefit of these grant outputs to both the recipient and InternetNZ.

Next steps

Staff would like to gain Council's guidance, thoughts and approval on the ideas presented in this paper. Many of these require further development in order to implement for next financial year; specifically:

- Revision of the Grants Policy
- Revision of the Terms of Reference of the Grants Committee
- Changes to Smarty Grants configuration
- Development of new processes for gaining and approving Strategic Partnerships linked to annual Activity Plans.

Most of these changes are able to be implemented either as live, or as experiments to test effectiveness, for the 2019/20 year.

Recommendations

THAT Council approve alignment of Community Funding, particularly Community Grants and Strategic Partnerships with the new InternetNZ Strategic Framework.

THAT Council request changes to the Grants Policy and Terms of Reference for the Grants Committee to affect this alignment, to be presented at the February 2019 meeting of Council.

THAT Council notes the proposed operational improvements to Community Grants processes, and approves implementation and/or testing these improvements in the 2019/20 year.

.NZ COMPREHENSIVE POLICY REVIEW

Author: Ellen Strickland, Policy Director

Purpose of Paper: To recommend a principles-based comprehensive review of the .nz policy framework.

We are recommending a holistic principles-based review of .nz policy framework

The .nz policy framework has not had a comprehensive review since it was put in place more than 15 years ago. A lot has changed in the last 15 years, and we need to ensure Aotearoa has a robust, yet flexible, .nz policy framework that works in this ever-changing world.

For this reason, .nz Policy Committee is recommending that Council agree to a comprehensive principles-based review of the .nz policy framework and existing .nz policies. This review will look at the general principles that govern .nz, the .nz policy framework and structure, and test the assumptions that have existed since the framework's inception. Using a strengthened framework, the review will also look at the .nz policies themselves to ensure they are fit-for-purpose.

The current policy framework bears the hallmarks of having been amended and 'patched' over the years. At times the policies are written in a way that is overly formal to the point of detracting from the meaning. In other places, the policy skirts over issues very lightly. There are also issues with a confusion between operational matters and governance matters.

This review will ensure .nz policy aligns with our newly-stated strategic purpose, maximising the contribution that .nz and the Internet makes to Aotearoa-New Zealand. The review will also lead to a set of documents that show a clear distinction between statements of principle (the policy statements) and procedural detail (operational policy).

This review intends to move .nz policy reviews to an issues-based approach to policy. This means putting the issues and stakeholders at the centre of the policy process to ensure open and inclusive discussion of the issues, and consequently a robust and flexible .nz policy framework. The policy language flows from decisions about how to tackle the issues, rather than the wording itself being the focus of the review.

Objectives for the review

The objectives of a comprehensive review of .nz policy are:

- providing a thorough, holistic review of .nz policy by and with stakeholders
- identifying and analysing issues that require a policy response, and suggesting proposed approaches to responding to those issues that is backed by quality stakeholder insight

This paper was written in consultation with Jo Lim
at Australian Continuous Improvement Group

By achieving these objectives, the following outcomes will be advanced:

- .nz policy is fit for purpose as a robust but flexible framework to allow people to maximise benefit of .nz and of the Internet
- .nz policy reflects the needs and expectations of the Aotearoa-New Zealand Internet community now and into the future

We are committed to a multi-stakeholder governance framework

Stakeholder participation is a fundamental expectation for InternetNZ. Having stakeholders actively involved in the process allows us to improve the connectedness to local Internet communities and helps us better understand and take account of policy impacts on various stakeholders.

As part of our commitment to a multi-stakeholder governance framework with open and inclusive processes, we are recommending a broad-based Advisory Panel be established. The Panel, supported by InternetNZ, is the core of the review.

The selection of the Panel will be through an open nomination process. The Panel will be made up of representatives from key stakeholder groups and critical interest groups.

There two options for the size of the Panel:

- a targeted Panel of between 5 - 7 people to have a more in-depth, focused approach,
- a more diverse 12-person Panel that will provide an adequate number of perspectives and be more exploratory.

Beyond the Panel, it is important to provide touchpoints for the wider community to raise their policy issues and concerns. To ensure these wide range of views are heard the Panel will also undertake open consultation with stakeholders. This will be to further ensure this is an open, issues- focused review of .nz policies.

The Panel will be established for a limited period. We expect the review to take 12 months.

The Panel will be led by a pre-appointed Chair. The Chair will be appointed by the Council. The calibre of the Chair will help ensure a high-quality Panel.

There are two main options for the Chair. One is that we can choose an **independent** Chair who that has had no connection with InternetNZ, but who has sufficient mana to direct the Panel. In this instance, the Chair may not have the same focus as the Council. This may result in a more innovative outcome, but it may introduce a small risk that the Panel pursues a wider remit, although the Chair's role will be clear in the established Terms of Reference.

The other option is a Chair selected by the Council who are known to InternetNZ and who may introduce less risk, as such. This option may return a result that is more status quo, though this is not necessarily the case.

The style of Chair and the size of the Panel are a key conversation we would like to have with the Council.

The proposed process

The main elements of the review are as follows:

- A Panel Chair will be appointed by the Council through the .nz Policy Committee.
- The selection of Panel members will be done through an open nomination process with clear selection criteria and role description/expectations.
- InternetNZ (through the .nz Policy Committee) will appoint the Panel. The Panel will be given a clear terms of reference setting the scope, timing, process and deliverables.
- The Panel will be comprised of representatives from key stakeholder groups and critical interest groups representing their local community.
- The selection process will ensure the Panel has cultural, gender and geographic diversity.
- The Panel will elect a Vice-Chair from within the membership. The Vice-Chair will work with the Chair to ensure adequate reporting and management of the Panel's work.
- The Panel will deliver on its terms of reference through a combination of internal deliberations and public consultation.
- The Panel will be provided with full secretariat and policy support by InternetNZ staff.
- The Panel will undertake open consultation with stakeholders.

The Panel's remit will be to providing policy recommendations to InternetNZ. The Panel's recommendations will be used by InternetNZ policy staff as a basis for the creation of policy documentation. The Panel will not have a role in drafting wording of policies or procedures, but their outputs will inform policies and procedures. This process will allow InternetNZ staff to provide appropriate guidance on the process, ensures the project remains within scope, and that the outcomes are implementable.

This process is based on the how .au Domain Administration Ltd (auDA) undertook its formal, comprehensive reviews of .au policy. It is also similar to the stakeholder committee approach taken by Nominet for policy development and review in the .uk domain space.

Risk analysis and mitigation

Below is analysis of risks and some steps on mitigating these.

Risk	Probability 	Mitigation
Panel becomes focused on a particular agenda		<ul style="list-style-type: none"> • The selection criteria will be clear and robust so that candidates are appropriately vetted, and membership is balanced and representative. • Appointing a larger Panel would help to lessen the influence exercised by individuals.

		<ul style="list-style-type: none"> • A qualified and experienced Chair will ensure that proceedings are not dominated by individuals. • Only the Panel Chair will be authorised to speak on behalf of the Panel, to avoid the risk of individual members misrepresenting matters. • Publishing all Panel minutes and papers will help ensure transparency of proceedings and accountability of Panel members.
Panel members do not participate.		<ul style="list-style-type: none"> • Appointing a larger Panel will allow for some fluctuation or drop-off in participation over time. • It is possible to address participation in the Panel's operating procedures
The Panel goes "off track" - i.e. over-time or out of scope.		<ul style="list-style-type: none"> • A qualified and experienced Chair with support from InternetNZ should ensure the Panel meets the timelines and deliverables. • Regular reports will be made to the .nz Policy Committee and/or InternetNZ Council. • Use the Terms of Reference to define scope and timing requirements, with mid-review milestone gate which requires a report from the Chair and Vice-Chair to Council and the .nz policy committee.

The costs are for one year - but will have multiyear benefits

We have estimate that this review will cost between \$300,000 - \$350,000.

Although this review is an additional cost to baseline, we believe that it should be considered business as usual. Once every decade types of reviews of this type are required to ensure a best practice approach maintained.

For reasons outlined above, a review is strongly recommended. While the costs of this panel approach are more than an internal review, they are less than using expert consultants and fit better with our commitment to multi-stakeholder policy creation

If the review is not undertaken, there will still be a cost to InternetNZ. This will come through the need for ad hoc policy to be undertaken as issue arise as part of a changing nature of the .nz environment. Currently ad hoc policy of .nz cost InternetNZ and DNZ approximately \$32,000pa.

Not doing a comprehensive review is also a risk to our reputation as stewards of .nz, to have outdated policy, or engage in a policy process that limits stakeholder engagement and ownership of the policies. We firmly believe a panel led review process is the best option.

We have money in the existing budget for .nz policy work to convene the Panel for initial work and pay fees, as well as well as provide support from staff. Detailed budget for the consultation plan will need to be worked through as part of 2019-2020 budget planning and then confirmed with the Panel on convening.

Options Analysis

There are other ways in which the comprehensive review could be conducted – three options below were also considered. It is taken as a given that any review would need to include at least some degree of stakeholder engagement and public consultation – an entirely internal review would not be in line with the consensus-based, multi-stakeholder principles of Internet governance.

The panel approach was chosen over these options as despite it being likely the most expensive option, it is the most engaging and extensive, being issues led by stakeholders.

Other options considered include:

Policy option	Pros	Cons	Estimated costs
<p>Staff-led review: InternetNZ staff would conduct the comprehensive review, including stakeholder engagement and/or public consultation, and drafting policy recommendations.</p>	<p>This approach would be very similar to the standard PDP used by DNCL in the past and would have the same advantages – i.e. low overhead, quick and straightforward process</p>	<p>However, it would likely not be regarded by stakeholders as fully open, transparent or inclusive. Past DNCL experience suggests that staff-led reviews do not achieve high levels of stakeholder engagement, and do not necessarily succeed in eliciting and addressing the full range of policy issues.</p>	<p>\$300,000</p>
<p>Expert working group: InternetNZ would appoint a small working group (e.g. 5-6 members) of “experts”</p>	<p>it may be quicker and easier to run,</p>	<p>it would not necessarily achieve the optimum level of stakeholder engagement and issues identification desirable for a full comprehensive review of the.nz policy framework.</p>	<p>\$650,000</p>
<p>External consultant review: InternetNZ would appoint an external</p>	<p>This approach would make the review independent from InternetNZ, which may encourage greater</p>	<p>However, in the absence of any major concerns about independence, using an external consultant</p>	<p>\$400,000 - \$500,000</p>

consultant to conduct the comprehensive review	stakeholder engagement and confidence in the process.	would not offer any real benefit over the other options, and may result in impractical or infeasible outcomes due to the reduced involvement of InternetNZ staff.	
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Ongoing and Future Policy Processes

While this review process is ongoing, there would be monthly meetings of the .nz policy group and regular meetings of the .nz policy committee and InternetNZ will continue to take action on urgent policy related issues where needed.

Once the Panel has completed the comprehensive review of .nz InternetNZ will be equipped to:

- a. understand the scope and nature of policy changes needed for .nz to continue to be managed in line with the Internet community's expectations
- b. reflect on the desired processes that the new policy development process should contain, and whether future panels would be required
- c. separate out .nz policy from regulatory policy and procedure, which would be devolved to the Domain Name Commission.

Recommendations:

Note that the .nz policy framework has not had a comprehensive review since it was put in place more than 15 years ago.

Agree to a comprehensive review of the .nz policy framework and existing .nz policies. Yes / No

Agree

- **EITHER** to appoint an independent Chair who has sufficient mana to direct the Panel and a broader, community perspective Yes / No
- **OR** to appoint a Chair who is known to InternetNZ Yes / No

Agree

- **EITHER** a targeted Panel of between 5 - 7 people to have a more in-depth, focused approach Yes / No
- **OR** to a diverse 12-person Panel that will provide an adequate number of perspectives and be more exploratory Yes / No

APPENDIX ONE (DRAFT) .NZ PANEL – TERMS OF REFERENCE

Purpose

The domain name system is a vital component of the Internet - allowing people to easily access Internet resources.

Making sure that the policy and operating environment for .nz is up to date and dealing well with the needs of New Zealand's Internet users, is an important goal for InternetNZ as the steward of .nz.

A full review of the .nz principles and .nz policies is timely. This comprehensive review will provide a chance to assess the current frameworks performance, how it can be further improved, and to allow the community to identify and raise current or emerging issues that need a policy response either today or in the near future. The review will be conducted by a stakeholder panel and InternetNZ,

The purpose of the Panel is to lead the comprehensive review of the framework for .nz policy to ensure that it reflects the needs and expectations of the .nz Internet community.

Background

The .nz policy governs the .nz domain space, including:

- the registration and management of .nz domain names
- the second level domain (2LD) structure
- the conduct of .nz registrars and resellers and
- the handling of complaints and disputes.

The policy framework was established by InternetNZ and the Domain Name Commission Ltd (DNCL) in the early 2000s. Individual policies have since been reviewed and amended on an as needs basis, and in 2015, the policy framework was consolidated from 14 policies into the four policies that are currently in effect.

In 2018, following an organisational review and restructure, InternetNZ assumed direct responsibility for policy development within the .nz domain name space. A new .nz Policy Committee of the InternetNZ Council has been formed to provide oversight and governance of the .nz policy function.

Activity

1. The Panel will review the .nz TLD Principles (at <https://internetnz.nz/tld-principles>) and provide recommendations about what changes (if any) should be made.
2. The Panel will review the .nz Framework Policy¹ (at <https://internetnz.nz/governance-policies-register>) and provide recommendations about what changes (if any) should be made.
3. The Panel will review the current .nz policies (at <https://internetnz.nz/dotnz>) and provide recommendations about what changes (if any) should be made.

¹ A 2018 review of this Governance Policy document did not consider the substance of the policy, it only adjusted the structure to reflect current InternetNZ and DNCL responsibilities. We would like to have a single integrated framework for .nz policy, rather than this policy remain separate, which is why it should be in scope for the Panel's work.

Ref	Title	Version	Date Issued
PDP	Policy Development Process	v3.20	19 June 2018
PR	Principles and Responsibilities	v1.30	19 June 2018
OP	Operations and Procedures	v2.30	19 June 2018
DRS	Dispute Resolution Service	v4.20	19 June 2018

Note: As part of the review of the PDP policy, the Panel will consider options for future .nz policy development, including both periodic and ongoing review processes.

4. The Panel will provide feedback on this comprehensive review process, to help inform and guide any future review processes undertaken by InternetNZ.

Chair and Vice-Chair

The Chair of the Panel is [name]. OR: The Chair of the Panel will be appointed by InternetNZ.

A Vice-Chair will be elected from within the membership of the panel and will work with the Chair as leadership of the Panel in reporting and management of the Panel's work.

Members

The Panel will consist of up to 15 members other than the Chair. It is intended that the Panel will represent key stakeholders in the .nz Internet community, including registrars, resellers, registrants, business, consumers, government, law enforcement, legal sector, IT industry and Internet users. The members of the Panel will be announced publicly unless there is sufficient reason for a particular individual to remain unnamed. In this instance, the .nz policy Committee and the InternetNZ Council will agree to the name being withheld. The .nz policy Committee and the InternetNZ Council will know the full membership of the Panel.

Panel members will be appointed by the InternetNZ Council on the basis of their individual skills, experience and knowledge of the domain name industry. The Council will also seek to achieve a fair and reasonable balance of stakeholder interests.

Membership of the Panel is on a voluntary basis, although InternetNZ may assist with expenses (refer to Operations below). Panel members must be prepared to commit their time and effort for the duration of the Terms of Reference (refer to Timeline below).

Operations

High level principles and approaches for the Panel's operational procedures are set out in [to come]. Consistent with these, the Panel will otherwise determine its own operational procedures and meeting schedule.

The Panel will undertake at least two public consultations during the course of its work.

The Chair will provide regular progress reports to the Council through the .nz Policy Committee.

InternetNZ will provide secretariat and other operational support to the Panel. InternetNZ secretariat support will produce a record of each meeting noting attendance

and topics discussed, the committee may themselves release detailed notes, however to ensure free and frank advice any release or publication of detailed minutes is at their own discretion.

InternetNZ may provide sitting fees using the government meeting rates to Panel members, including Chair and Vice-chair, where required, for example in the case of not-for-profit organisations and individuals whose participation in the Panel is not funded by their employer. Such assistance will be provided at InternetNZ's discretion.

Outputs

We anticipate that the final output of the Panel's work will be a report that summarises the issues discovered, and the analysis and recommended responses that should be considered by InternetNZ to respond to those issues.

Where a range of possible options is available, it would be preferable for the Panel to specify these and explain how it chose a preferred option.

The report may include suggestions for future work or issues that need consideration in the future.

The report should not attempt to draft new policy language or prepare proposed draft revised policies. There are two key reasons for this:

- InternetNZ intends to shape the future policy framework with a clear distinction between principles, policies and processes / procedures. The drafting style that will achieve this is yet to be determined.
- Clarity about the essential policy issues and making sure that e.g. the public can understand the implications and essence of policy issues, is best achieved by plain English writing, rather than formal policy documentation. This will help maximise public input and engagement with the Panel's work.

Timeline

An indicative timeline is as follows:

<i>Activity</i>	<i>Timing</i>
Call for Panel nominations	December 2018
Appointment of Panel Chair and members	February 2018
1st Panel meeting	March 2019
1st public consultation	May 2019
2nd public consultation	July 2019
Final report to InternetNZ	September 2019

The timeline is subject to change.

Māori Engagement - Follow up from Retreat

Author: Andrew Cushen, Outreach & Engagement Director

Purpose: Summarise and present the discussions had at the Council Retreat in September 2018, and to propose the next steps forward.

Summary of discussion

Council and staff had a discussion about what we are committed to as an organisation in working with the Māori Internet Community. This conversation included the following commitments:

1. We are committed to having discussions in an intercultural space.
2. We are committed to recognising Māori as an additional core stakeholder group in addition to the five in the Internet Governance multistakeholder model, and for encouraging international recognition of indigenous peoples in this manner in this model.
3. We are committed to using Te Reo Māori as an integral part of how we communicate and engage at InternetNZ, and to explore how to fully communicate all of the work we do in both English and Te Reo Māori.
4. We are committed to integrating Māori people, voices and perspectives in all our work.
5. We are committed to investing priority, money and energy into engagement with the Māori Internet community.
6. We are committed to developing and proposing amendments to the InternetNZ Constitution to commit to Māori equity.
7. We are committed to supporting Māori contribution to and benefit from the Internet.

Actions

As a result of this set of commitments, the following actions were identified, and prioritised, as follows:

1. Develop advisory capacity at InternetNZ – ideally a body.

A proposed scope of work and quote has been solicited from Busby Ramshaw Grice (BRG) to assist staff in delivering to this first priority. This will be presented separately to Council at the meeting, for information.

2. Develop a capability plan for InternetNZ operations.

Capability planning is underway already across all training requirements. The advisory capability will be instrumental in designing these capabilities.

The following other actions were identified and not prioritised at this time. They are listed below for acknowledgement and future exploration and action:

1. Plan for and cost out translation into Te Reo Māori of all outputs.

Will be explored as part of the budget process for 2019/20.

2. Develop a consultation plan with the Māori Internet Community.

Will be covered as part of the BRG engagement.

3. Budget for engagement with the Māori Internet Community.

Will be designed as part of the BRG engagement and incorporated into the 2019/20 budget.

4. Establish appropriate practices as a standing part of Council activity – karakia and waiata as a minimum.

Done.

5. Invite those that have done well with engaging with Māori stakeholders to discuss how they did this with Council.

Will be covered as part of the BRG engagement.

Recommendations

THAT Council note this paper as a record of this aspect of the Council Retreat.

Management Items for Discussion

Author: Jordan Carter, Group Chief Executive

Purpose: To raise issues from the organisation for Council's consideration and advice.

Introduction

Welcome to this new paper, which is part of our ongoing evolution of information provision to Council.

This paper is designed to raise key issues for Council, issues where Council advice or input would be helpful for management, or where we want to ensure that there are "no surprises" for Council.

Readers should be informed by the broader context as presented in quarterly Activity, .nz and Financial reports.

Matters are presented in four sections:

- **Key items** - main items we'd like a conversation about
- **Exceptions to note** - significant issues in the general reporting we want to be sure you have seen
- **Late Changes** - any material changes to conditions or issues otherwise covered in quarterly reporting
- **Key future commitments** - a look forward to some key events over the next six months

In future, we'll publish to Council and the public activity and .nz reports within twenty days of the quarter's end, and financial reports within six weeks of the quarter's end. This paper will always be the most up to date, being finalised the day that the Council paper set is finalised.

I welcome your feedback on this approach.

Jordan

A. Key Items

A1 - Security work update

<p>Issue:</p>	<p>I have previously advised Council (August 2018) that further work would be required to upgrade and improve our security posture. This is now under way, with a fresh threat assessment being conducted over the next few weeks, a new understanding and documentation of information security risks to be documented, and a new ISMS governance framework to be developed.</p> <p>The overall goal is to build consciousness and responsibility of and about information security, broadly expressed, throughout the organisation.</p> <p>This is important work to be done and got right. We have not created a budget for the project or sought approval, but instead intend to conduct the work within the overall spending limit approved by Council.</p> <p>Total cost in 18/19 is likely to be around \$75k. Any costs in 19/20 will be budgeted through the planning process.</p>
<p>Our ask:</p>	<p>How comfortable is Council with progressing this work in the current financial without a formal decision to assign resources?</p> <p>(We can prepare a paper for intersessional decision if required.)</p>

A2 - Audit / Risk work update

<p>Issue:</p>	<p>Following the merger, an initial staff effort was made to combine the risk registers of NZRS and InternetNZ into a new combined register. This has led the Audit and Risk Committee and staff to realise that we actually need to start afresh, considering the business risks to the new integrated organisation, and developing a new, manageable and useful risk register from there.</p> <p>We are retaining PwC to assist with this. The work will be done in conjunction with the security risks work noted above.</p>
<p>Our ask:</p>	<p>That you note that improved risk management is under development, and expect updates from A&R in future meetings.</p> <p>That as many of Council as possible attend the associated workshop – dates to come.</p>

A3 - Ongoing commoditisation of registry services

Issue:	Staff attending the ICANN meeting in October noted continuing commoditisation trend of registry systems and services. We will think about the implications of this trend for .nz, in the context of the new SMART goal to establish exactly how we can maximise the benefits .nz offers to Ao-NZ.
Our ask:	That you note this observation and be aware that it will be part of our thinking as we develop .nz.

A4 - 2019/20 Planning and Budget process

Issue:	<p>Following Council agreeing the SMART goals and the broad strategic framework for InternetNZ at this meeting, Catherine Fenwick will lead the staff process to produce the 2019 Plan and Budget.</p> <p>We anticipate this will lead to Council seeing the following outputs a the first two meetings of next year:</p> <p>February - proposed high level financial goals, and key projects to deliver on the SMART goals.</p> <p>March - fully costed Plan and full Budget for approval.</p> <p>This means that February will be the chance for Council to assess the financial and activity trajectory staff are proposing, and adjust it if required. The final draft plan in March will take account of the direction set.</p>
Our ask:	That you note this process and decide at this meeting if you would like any adjustments to it.

A5 - Strategy - engagement appetite

<p>Issue:</p>	<p>This meeting sees Council likely to adopt the draft Strategic framework (including end states). Our intention is to send this material to DNA to get the way the strategic framework is described into language consistent with the overall brand framework being developed.</p> <p>Once that is done and Council has reviewed the work, we would like to introduce it to members and stakeholders. Timing means this is unlikely to be ready until after the year-end stakeholder events being held in late November.</p> <p>Our view is that it would be preferable to present this work as outlining InternetNZ's direction over the next few years, and welcoming feedback on it.</p> <p>This is as opposed to taking a consultative approach.</p> <p>Traditionally, we have had little input on strategic matters from members or stakeholders – input has focused often on specific projects or policy issues. The plan is a focusing and restatement of our existing approach, rather than a radical new direction – if it was, a consultative approach would be necessary and right.</p> <p>We think the introduce-and-feedback approach is more appropriate, but welcome your views.</p>
<p>Our ask:</p>	<p>Support the staff proposal as to how to introduce the revised Strategic framework to members and the public, either in December or January.</p>

A6 - Developing a Council work plan for 2019

<p>Issue:</p>	<p>The report Boardworks provided in September suggested that Council should clearly define its work plan each year. Staff will prepare a draft 'annual Council work plan' for Council's consideration at the February meeting, that takes account of the planning cycle and existing knowledge about Council's focus. That draft will be one that Council should consider and further extend.</p>
<p>Our ask:</p>	<p>That you note this approach, and provide any suggestions about items of work to staff before the end of January 2019 so they can be incorporated in the first draft of the annual Council work plan.</p>

A7 - Governance policies review in 2019

Issue:	Boardworks have advised, as part of their review of our governance approach, that the policies and delegations framework needs re-development. Staff intend to progress this in a low key manner in 2019, bringing policies to Council for review and approval as the work progresses. We will base this work on the Boardworks approach, which Councillors seemed favourable about in the discussion at the retreat in September.
Our ask:	Let us know if you have any concerns with staff progressing this.

B. Exceptions to note

There are no particular exceptions from the quarterly reports we wish to draw to your attention in this paper.

C. Late Changes

C1 - Register shrinks in October

Change:	The register of .nz domain names shrank by 2,415 in October 2018. We noted this in the Q2 Activity Report (July-October 2018).
Comment / ask:	The main cause of the decline was a registrar discovering names in the context of simplifying their registrar IDs with us (multiple IDs from growth through acquisition of existing registrars). They discovered they were maintaining some names that registrants no longer required. For noting.

D. Key Q3/Q4 commitments

This table summarises key external commitments over the next two quarters for reference.

5, 11, 16 October	NetHui Roadtrip	
13-19 October	DNS-OARC 29 and RIPE 77 - Amsterdam, The Netherlands	Sebastian Castro
20-25 October	ICANN 63 - Barcelona, Spain	JC BC DM (JB)
Late October – early November	ITU Plenipotentiary - Dubai, UAE	JC NB (KD)
12-14 November	United Nations IGF - Paris	JC ES
13 November	Speaker Series: Truth, Justice & the Internet	-
22-24 November	Council meeting and Marae visit	-
27 November	Domain Name Policy Forum (WLG) and Stakeholder Christmas Event	-
29 November	Stakeholder Christmas Event in Auckland	-
26-30 January 2019	Namescon - Las Vegas	TJ
31 January - 1 February	NZNOG 2019	DG BC SC
15 February	Council meeting	-
20-21 February	APTLD 75 - Dubai, UAE	TBC
25-28 February	APRICOT 2019	TBC
9-14 March	ICANN 64 - Kobe, Japan	TBC
29 March	Council meeting - Annual Plan and Budget	-

Jordan Carter
Group Chief Executive

14 November 2018

Finalising changes to the .nz Framework policy

Author: Jordan Carter, Group Chief Executive

Purpose of Paper: To seek Council decision on the revised .nz Framework Policy, updated following public consultation.

Introduction

At the August 2018 meeting you approved staff consulting the public on proposed changes to the .nz Framework Policy, a .nz governance policy that sets out the roles and responsibilities of InternetNZ and DNCL in operating .nz, and the principles by which InternetNZ operates .nz.

This paper sets out the background and the consultation process we followed, summarises the feedback received and explains further changes in response. It concludes with a recommendation that Council approve the paper and bring it into force on 1 December 2018.

Background and specific changes proposed

This policy required updating given the merger between InternetNZ and NZRS that occurred on 1 April. The key changes proposed in the draft policy document were as follows:

- References to NZRS have been removed from the document
- Minor updated language for some of the .nz Principles
- The section about Reserved Matters has been deleted, as all the responsibilities in it are now recorded in the role for InternetNZ in the policy
- Incorporated former NZRS responsibilities as responsibilities for InternetNZ
- Updated responsibilities for InternetNZ
- Updated responsibilities for DNCL
- The removal of a reference to a detailed spreadsheet required for managing the previous complex relationships in the old structure.

Consultation process

Following the August meeting, staff posted a consultation paper and the marked up changes proposed on the website (<https://internetnz.nz/nz-framework-policy-review-2018>) on 10 October, and welcomed comments through to 12 November.

The consultation was advertised in dotNews, the registrar newsletter and the DNC newsletter, and on social media.

Two submissions were received (March, Roberts) and MBIE confirmed they would not be making a submission.

Matters raised and response

The following table summarises the matters raised in the submissions and how they have been dealt with in the revised policy.

Matter	Response
The policy should reference the InternetNZ-MBIE Memorandum of Understanding that memorialises InternetNZ’s role as the ccTLD manager for .nz and MBIE’s role as a significantly interested party.	Referencing the MOU provides useful context for this policy and helps readers understand the nature of InternetNZ’s role. Now included (see new footnote to clause 1.2).
Replace the term “local Internet community” with “national Internet community” in clause 1.2.	The term “local Internet community” is used in the InternetNZ-MBIE MOU, and in RFC1591. It is the correct term and should be maintained. No change made.
Suggestion that “Jurisdiction” is a more appropriate heading for principle at clause 2.1.1 than “Rule of law”.	The principle at clause 2.1.1. is primarily designed to set out that InternetNZ will uphold the rule of law and of due process. This is different to a focus on defining NZ jurisdiction as opposed to others. The term “jurisdiction” would summon up cross-jurisdictional issues which aren’t the focus of the clause. As such the current heading is more appropriate. No change made.
The principle in clause 2.1.2 should be “first come first served” rather than “first come first serve”.	This is grammatically correct and the term should be corrected. Change made to clause 2.1.2.

A final draft of the policy, incorporating the changes summarised in the previous section and further changes as set out in the table above, is attached to this paper. For clarity’s sake there are no tracked changes.

Commencement

Given that the changes in this policy are designed to reflect the new operational structure, there are no changes created for InternetNZ, DNCL or any other party by the implementation of this policy.

Therefore I propose a commencement date of 1 December 2018 as the next month-start following this meeting.

Recommendation

THAT Council **adopt** the revised .nz Framework Policy with an implementation date of 1 December 2018.

Jordan Carter
Group Chief Executive

14 November 2018

.nz Framework Policy

Policy	NZF - .nz Framework Policy
Version	2.0
Date in force	1 December 2018
Planned review	February 2021

1. Introduction

- 1.1. This policy sets out the high level framework by which Internet New Zealand Inc (InternetNZ) and its subsidiary Domain Name Commission Ltd (DNCL) fulfils the role of designated manager for the .nz domain name space, also referred to as the .nz country code top level domain (in this policy, referred to as the “.nz TLD”).
- 1.2. InternetNZ serves as the designated manager (or ccTLD manager) at the pleasure of the local Internet community¹. It regards this role as one being done on trust and on behalf of that community. Consistent with RFC1591, there is no concept of “ownership” involved.
- 1.3. Changes to this policy are made according to the process set out in the InternetNZ Policy Development Policy available at www.internetnz.nz.

2. Principles for the .nz TLD

- 2.1. The following overarching principles govern the operation of the .nz TLD:
 - 2.1.1. **Rule of law:** the laws of New Zealand apply and the lawful instructions of the courts and the authorities made as part of due process will be complied with – noting that this may require action that overrides the following principles.
 - 2.1.2. **First come first served:** any domain name can be registered if it is available for registration on a first come first served basis.
 - 2.1.3. **Registrant rights come first:** the rights and interests of registrants are safeguarded.

¹ See the 2016 Memorandum of Understanding (.PDF file [here](#)) between InternetNZ and the Ministry of Business, Innovation and Employment which sets out context regarding InternetNZ’s role as ccTLD manager for .nz.

- 2.1.4. **Low barriers to entry:** entry requirements are set no higher than necessary to maintain a competitive and stable market for registrars.
 - 2.1.5. **No concern for use:** the ccTLD manager is not concerned with the use of a domain name.
 - 2.1.6. **Structural separation:** regulatory, registry and registrar functions are structurally separated.
 - 2.1.7. **Clear chain of relationships:** all registrants have agreements with their registrar, and all registrars with the registry and with DNCL. Where appropriate the DNCL can intervene in these relationships consistent with this policy, the .nz policies and associated agreements and contracts
- 2.2. These overarching principles apply to all decisions and policy frameworks for the .nz TLD.
 - 2.3. Any changes to these overarching principles would only be made after extensive public consultation and discussion within the local Internet community.
 - 2.4. General principles for the management of top level domains have been published by InternetNZ and give further explanation of how .nz is intended to be operated. These are available at <https://internetnz.nz/tld-principles>

3. Operating framework & allocation of responsibilities

- 3.1. The critical elements required for the operation of the .nz TLD are as follows:
 - 3.1.1. Day to day management of the .nz TLD
 - 3.1.2. Operation of the .nz register
 - 3.1.3. Operation of the .nz DNS
 - 3.1.4. Maintenance of the security, stability and resilience of the .nz TLD
 - 3.1.5. Establishment, development and enforcement of the policy framework applying to the .nz TLD
 - 3.1.6. Establishment, development and enforcement of the contractual framework applying to the .nz TLD

- 3.2. InternetNZ is responsible for the overall operation of the .nz TLD. In doing so it is responsible for:
 - 3.2.1. the long-term strategy for the .nz TLD, which binds the InternetNZ group;
 - 3.2.2. maintaining and developing the policy framework within which the .nz TLD operates;
 - 3.2.3. the operation of the .nz register and .nz DNS consistent with agreed and publicly available service level commitments;
 - 3.2.4. billing relationships with authorised .nz registrars;
 - 3.2.5. marketing of the .nz TLD to help drive an increase in registrations over time;
 - 3.2.6. setting the monthly registration fee for .nz domain names;
 - 3.2.7. intellectual property rights in the .nz register;
 - 3.2.8. being the lead representative for the group in the Internet Governance system (e.g. ICANN, APTLD) in collaboration with DNCL; and
 - 3.2.9. the ongoing development of the product offering (e.g. the introduction of DNSSEC).
- 3.3. InternetNZ has established a subsidiary company, DNCL, to assist it with implementing its responsibilities as designated manager.
- 3.4. DNCL is delegated the responsibility for assuring compliance with the policy framework applying to the .nz domain, and providing dispute resolution services. In doing so it is responsible for:
 - 3.4.1. enforcing compliance with the policy framework within which the .nz TLD operates;
 - 3.4.2. developing and enforcing the contractual framework within which the .nz TLD operates;
 - 3.4.3. providing dispute resolution services for registrants; and
 - 3.4.4. monitoring and reporting on the markets that operate in the .nz TLD.

- 3.5. Together, InternetNZ and DNCL are responsible for:
 - 3.5.1. Developing a strategic view of .nz
 - 3.5.2. maintenance of the security, stability and resilience of the .nz TLD; and
 - 3.5.3. publication of a range of information about the .nz TLD; and
 - 3.5.4. the promotion of the .nz TLD in the public interest.
- 3.6. InternetNZ holds DNCL to account through its ownership interest in the company, through the Group Chief Executive chairing the Board of DNCL, and through the shared strategy and budget planning process.
- 3.7. The delegated responsibilities in this policy are the full responsibility of the subsidiary. InternetNZ holds DNCL to account for their performance of these responsibilities. In turn, InternetNZ will not seek to interfere in the subsidiary's exercise of these responsibilities.
- 3.8. DNCL reports to InternetNZ on their corporate performance, and on their responsibilities as set out in this policy and in the DNCL Operating Agreement, as set out in the Planning and Reporting policy.

4. Other related policies and documents

- 4.1. There are a number of other documents that are related but are not part of this policy but are consistent with it.
- 4.2. Particular attention is due to the Constitution and Operating Agreement for DNCL, and to applicable strategies and plans covering .nz.
- 4.3. These documents can be found on the website at <https://internetNZ.nz/dotnz> or at <https://internetNZ.nz/governance>.

.nz Quarterly Report: Second Quarter ended 30 September 2018

Overview of the quarter

This is the second .nz Quarterly Report for the 2018/19 financial year, prepared jointly by InternetNZ and DNCL. There is nothing in this report that is confidential.

.nz and Global Domain Name comparison

A high level comparison of .nz, ccTLD and gTLD figures is shown in the table below:

		TLDs	Domains(est)	Growth Median (1Y)
.nz	-	-	720,584	3.6%
ccTLDs	Africa	58	3.4M	6.2%
	Americas	53	13.9M	1.4%
	Asia	98	63.3M	2.9%
	Europe	57	71.7M	2.7%
gTLDs		1,203	191.9M	7.1%
.kiwi	-	-	17,966	-90.7%

Note: ccTLD and gTLD stats sourced from CENTR stats: <https://stats.centr.org>

Totals exclude TLDs with inconsistent or unreliable registration data.

Strategic partnerships with trusted stakeholders

The quarterly meeting of the Registrar Advisory group was held in August 2018. The Terms of Reference were agreed by the group .nz policy update, portal enhancements, channel management, commercial activities and compliance work. In addition, the RAG approved a revamp to the current Registrar table to give consumers a better experience and to stay with the current RAG list for communications.

International

InternetNZ staff attended and participated in the following:

- July channel management meetings with Registrars in Melbourne. Represented .nz when attending Registrar - VentralIP's 10th Birthday celebration party
- Sebastian Castro attended LACNOG 2018, LACNIC 30 and LACTLD during September in Argentina. He participated in a DNSSEC workshop, presented original work about good practices at .nz for the LACTLD group and shared original research about DNS Flag day to the LACNOG audience.

Staff from the Domain Name Commission attended the following:

- At the request of the Korean Information Security Agency (KISA) for a .nz representative, Dylan Connolly presented at ICANN's 5-day Asia Pacific Internet Governance Academy (APIGA) in South Korea. The event is targeted at undergraduate and graduate students from Universities in Asia Pacific aged 18-35.
- Brent Carey, Ellen Strickland and Keith Davidson attended the Asia Pacific Regional Internet Governance Forum hosted by Memorandum of Understanding partner the Telecommunications and Radiocommunications Regulator of Vanuatu. Ellen gave a presentation on disaster preparedness and the New Zealand experience.
- Brent Carey attended and presented at APTLD 74 in Tashkent, Uzbekistan. Brent was on a panel discussing best practice privacy approaches and the impact of GDPR on registries and approaches to cybersecurity. Brent also guest wrote a blog post for APNIC following the event on creating safe and trusted spaces online.

Annual reports

N/A

Promotion and Marketing

The following promotional and marketing work was undertaken during the quarter:

- Domain name for dummies books, .nz branded books, pens, shopping bags, and tops were sent to Registrars to assist with their .nz promotions at conferences and social media giveaways.
- Several new .nz e-learning videos were produced and shared with Registrars. The e-learning videos focus on targeted marketing ideas for Registrars using the portal and Colmar Brunton research.

The Domain Name Commission participated in Te Wiki o te Reo Maori for the first time. The Commission wrote a guest blog for InternetNZ highlighting the .iwi.nz and .maori.nz spaces.

At present .nz significant promotion and marketing are on hold whilst the InternetNZ brand architecture is reviewed. In parallel with the brand review planning is underway for the creation of a single online home for .nz serving the information needs of registrars, registrants and potential registrants.

Channel

Registrar Market

The table below shows a summary of the number of registrars that are authorised and connected to the production registry system.

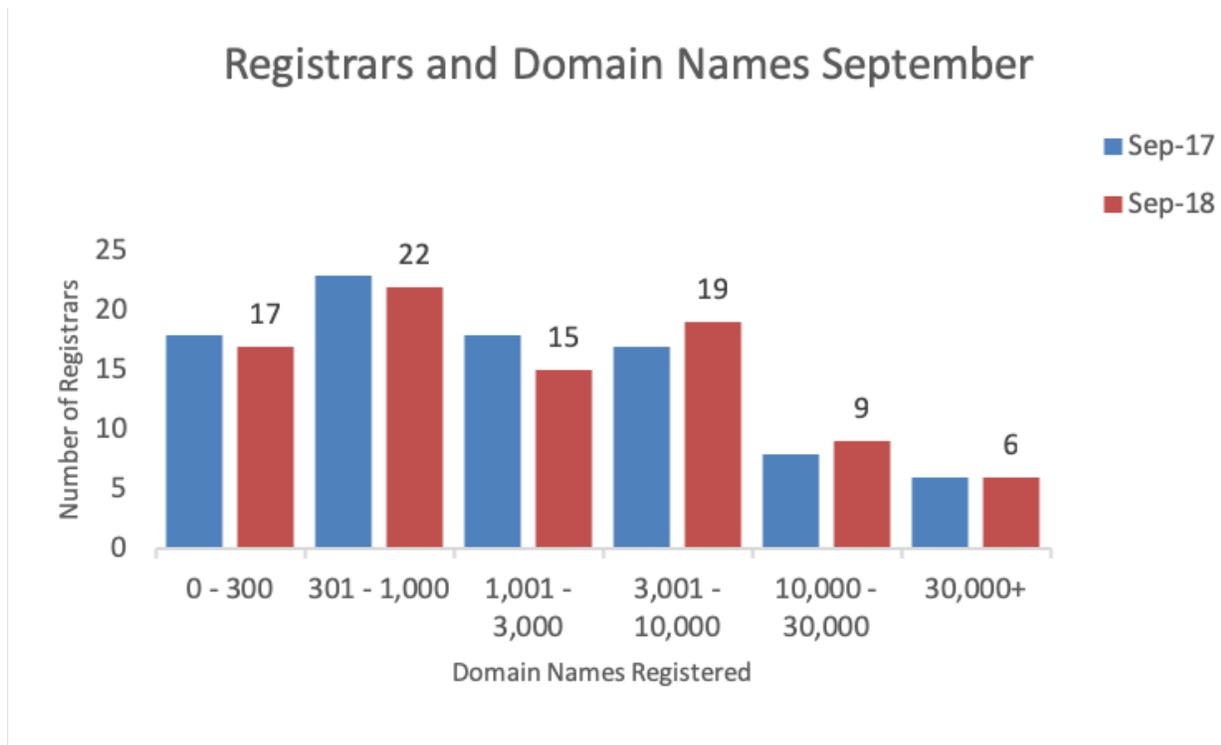
Registrars authorised	91
Registrars connected	88
Number connected during the quarter:	0
Number authorised during the quarter:	0
Number de-authorised during the quarter:	2

During this quarter we started to see some consolidation from our larger registrars in reducing the number of registrar brands that they sell domain names through. The number of registrars dropped by 2 to 88 and we expect a further reduction of existing registrar brands in the next quarter. The total number of registrars where registrars under the same ownership have been linked together is 61.

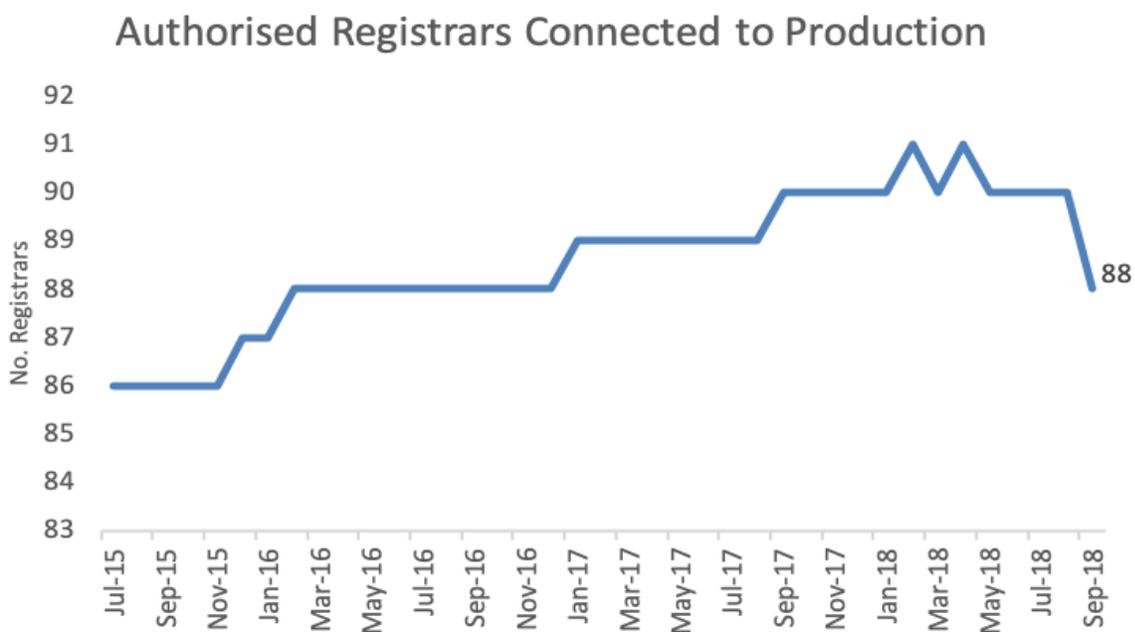
Vodafone have announced that they will no longer providing domain registration services from 28 February 2019. See: <https://www.vodafone.co.nz/broadband/domains-and-hosting/>

MelbourneIT rebranded to Arq group from 28 May 2018, there were no changes to products and services as result of this name change. Arq is the overarching brand for the group they still use other brands such as MelbourneIT & Domainz to service to certain segments.

The following chart shows the spread of registrars across the level of domain name registrations:



The following chart shows the number of registrars (including the DNC) connected to the SRS:



Policy

.nz Policy Consultation

While there are no consultations on the .nz policy framework during the period of this report, Council agreed a draft set of updates to the “.nz Framework Policy” at its August meeting. Consultation on those changes will occur in the third quarter. The changes involve aligning the policy’s assignment of roles and responsibilities within the Group so that it is consistent with the new organisational structure.

In this period the .nz Policy Committee also had its first meeting and is preparing its work plan.

Policy Framework

This Strategic Transformation initially related to a review and consolidation of the .nz policies conducted and concluded by DNCL. The current policy framework of four main policies is the outcome of this work.

The .nz Policy Committee is considering a fresh, comprehensive review of the .nz policies framework, soliciting public input and stakeholder engagement to determine whether the policy framework is fit for purpose and how it can be improved, to be conducted in 2019. This will be discussed at the Council meeting.

Registry and Technology

Registry Performance

Service Level Expectation targets for the DNS , SRS and WHOIS were met throughout this quarter:

System	SLE %	Jul	Aug	Sep
SRS	99.9	100	100	100
DNS	99.9	100	100	100
WHOIS	99.9	100	100	100

Research

The Research Team went through some transformations, as Huayi started her Maternity Leave and Gerard Barbalich started as replacement focusing on Domain Retention prediction and Malicious Domain detection in collaboration with the Domain Name Commission.

The rest of the team has focused on two original pieces of research.

- The Source Address classification uses machine learning to pin down the sources of traffic at .nz DNS servers, the results can be used to provide a better service to important clients and to improve the Domain Popularity Ranking.
- The DNS Flag day measures how changes to DNS software will impact .nz domains, and in collaboration with .CL and CZ we could benchmark the traversal effect across ccTLDs.

Both pieces of work were presented at International conferences with excellent response from the community.

Compliance and Disputes

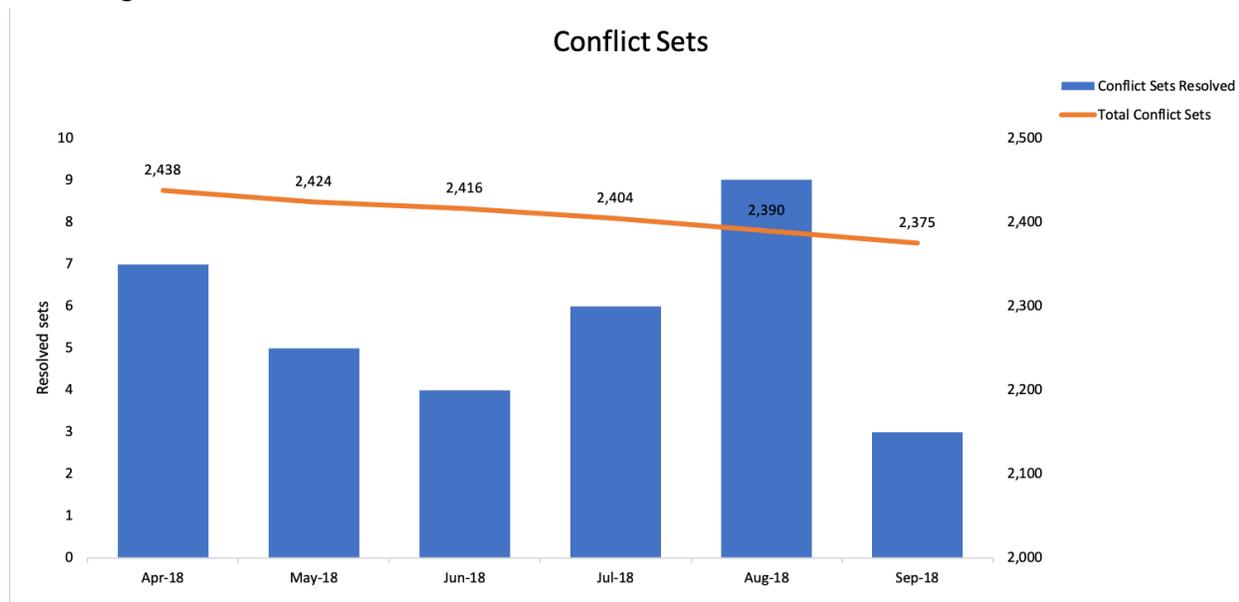
In this quarter the Domain Name Commission has been following up a number of activities to make .nz safe, trusted and secure:

- Embedding the individual registrant privacy option - there has been a shift in compliance focus on awareness raising and education to deadline requirements to offer a privacy option by November 2018.
- Contractual compliance - ensuring all .nz authorised registrars have signed and returned new .nz agreements with GDPR clauses this year.
- Domain name registration abuse issues, for example, working with Registrars in relation to 3,500 domain names which resulted in the Registrars taking their own compliance action in relation to these domains.
- 257 domain names went through the .nz invalid details process this quarter and were cancelled for failing to meet .nz policy requirements.
- Successful litigation action in the US against Domain Tools. Winning a preliminary injunction against the company which prevents them from accessing and publishing .nz registrant data.

Annex: Key Statistics

Conflicted Domains at the Second Level

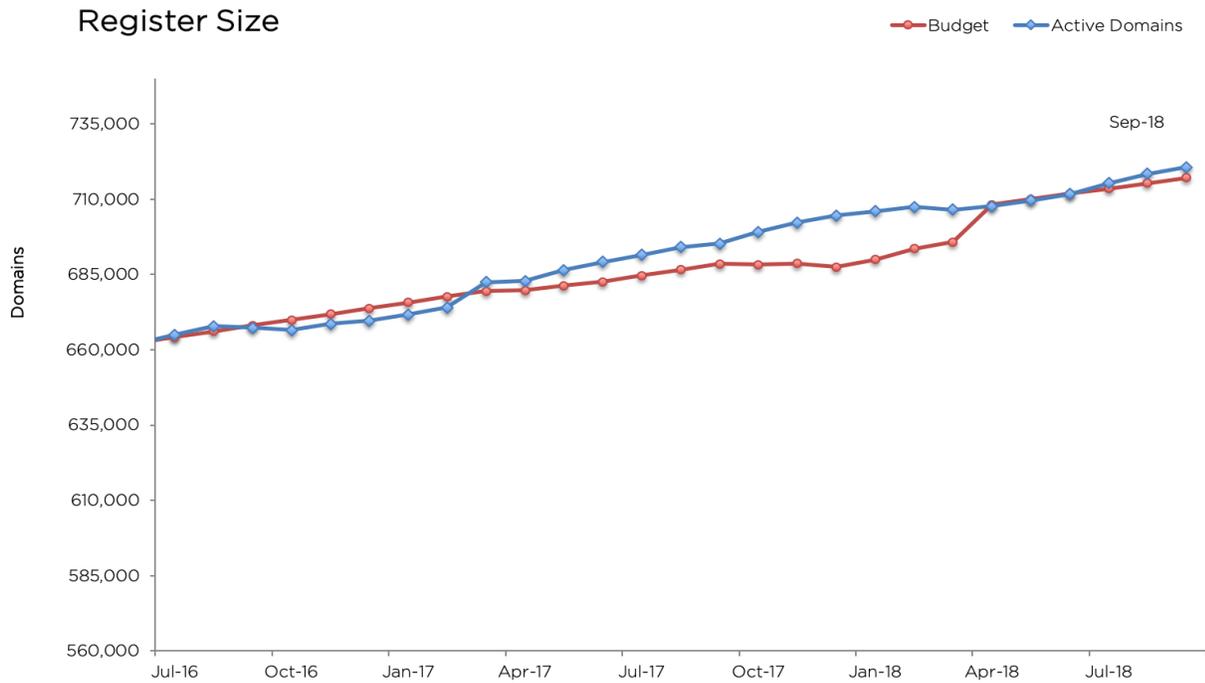
A total of 18 conflict sets were resolved in the last quarter. The number of conflict sets cease to exist when all names in the conflict are released. This chart shows the progress in reducing conflict sets:



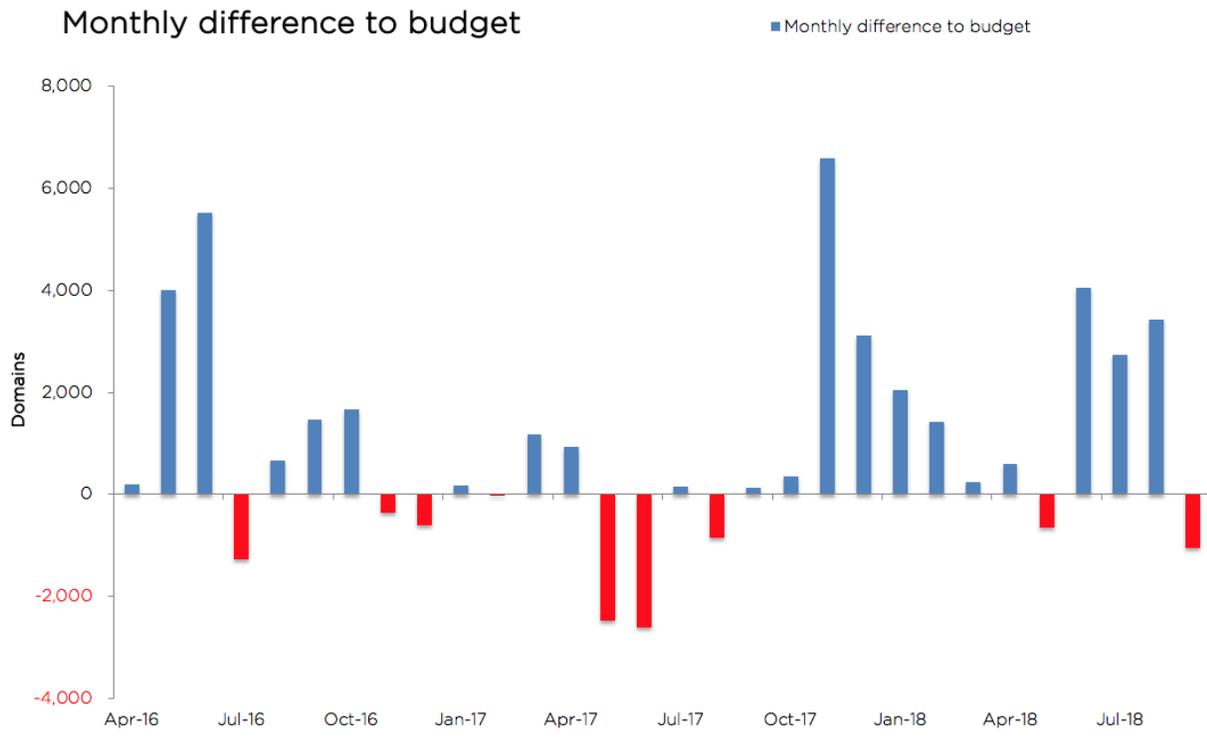
The total number of domains in the conflict sets is 5,346 as at the end of the quarter.

Domain Names

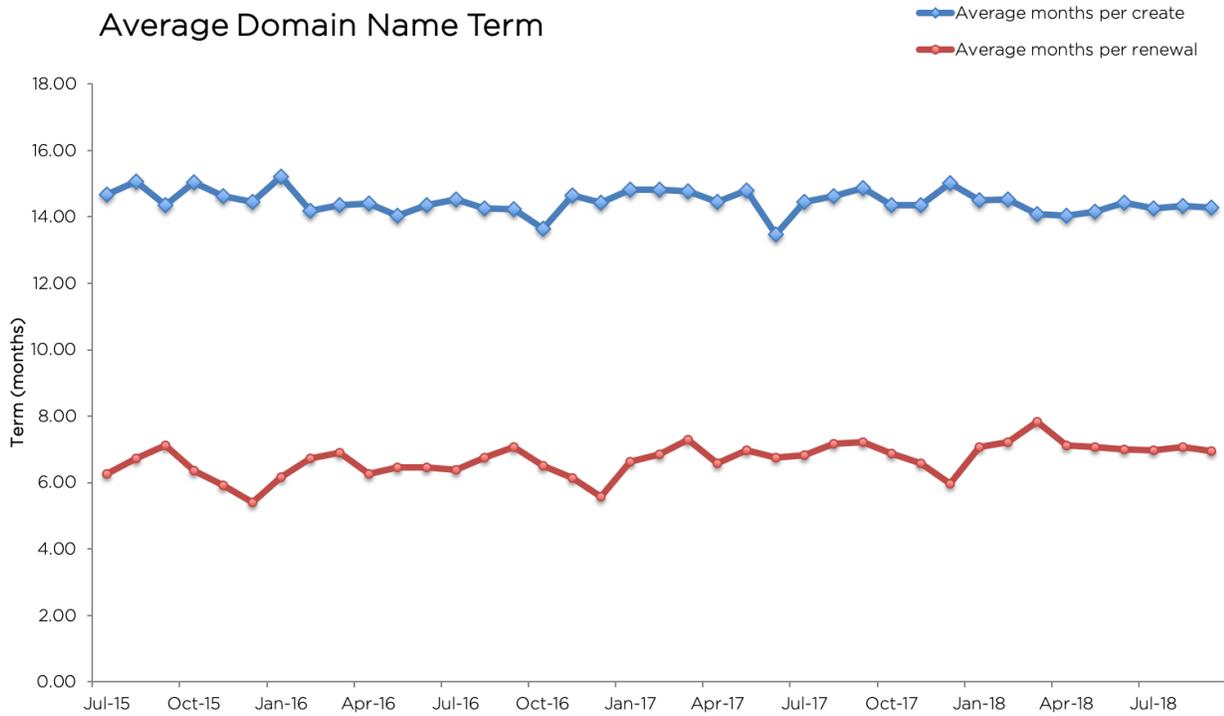
The size of the register against InternetNZ budgeted growth is shown in the chart below:



The monthly difference of growth against InternetNZ budgeted growth is shown in the chart below:



The average registration/renewal term is shown in the chart below:



Create and renewal terms have remained at a consistent level this quarter.

.nz Totals

The breakdown of domain name growth by second level is noted in the table below. The .co.nz and .nz second levels are growing and the remainder or the second levels are either static or in decline:

	July 2018	August 2018	September 2018
.co.nz	511,779	513,684	515,154
.nz	138,290	139,554	140,349
.org.nz	27,507	27,527	27,515
.net.nz	23,076	22,956	22,900
Domain Total	715,389	718,467	720,584

(Note: Only the second levels that have above 10,000 names are shown and the total number of domains)

Joint .nz Strategy Transformations

Primary Transformation

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

Underlying Transformations

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

1.5	The .nz policy framework has evolved from its origins in 2002.	The .nz policy framework has been reviewed and updated for current needs, and is validated as meeting the needs of the New Zealand Internet community.
1.6	Inconsistency in the articulation of the role, purpose and mandate for the operation of .nz across the Group - resulting in a lack of clarity among stakeholders.	The whole Group is confident in consistently articulating our role and purpose, and the mandate for our operation of .nz - resulting in the wider Internet community being clear about and supportive of our role.
1.7	InternetNZ has limited knowledge of the purchasing behaviour of registrants.	InternetNZ has good knowledge of the full sales channel including resellers and influencers, and the purchasing behaviours of registrants.
1.8	.nz is not a widely known brand.	.nz is a well recognised brand.

DOMAIN NAME COMMISSION

2nd Quarter 2018/19 Report

This report includes DNCL's quarterly Profit and Loss Statement.

DNCL's major activities are contained in the joint .nz report and are not repeated here.

Financial

As at the quarter ending 30 September 2018, the accounts report a deficit result of \$206,850 against a budgeted deficit of \$32,245.

This outcome reflects a variance overspend of \$174,605, of which \$236,783 is attributable to US litigation.

The results in these accounts are reported against the approved, the reviewed budget presented to the Board at the February meeting.

Income and Expenditure Variances

Income:

Income is over compared to budget by \$8,486. Within that, the DRS revenue is over by \$4k - this will be offset by an equal expense being incurred in future, the balance is interest income.

Expenditure:

Areas over budget for the quarter ending are Communications \$850, Professional Services \$4,469, and Projects \$34,203 all over due to budget phasing and will align with budgets over time. The other overspend is in the other comprehensive costs (US litigation) by \$131,264, which has led to an accumulated over spend of \$174,605. The litigation costs remain within the agreed DNCL Board litigation budget.

All other areas for the quarter were underspent by \$51,166.

YTD expenditure (excluding the litigation costs) are under budget by \$53,692 with the exception of personnel and staffing costs that are slightly only over (\$27,798) as a result of the organisational review restructure which resulted in two Full time equivalent roles within DNCL being made redundant.

YTD the Other Comprehensive costs are over by \$236,783. Assuming no further action in this area the year-end result is tracking to be approximately \$172k over budget which is attributable to the US litigation.

Domain Name Commission Limited
Income Statement
For the Quarter Ended 30 Sept 2018

	July - Sept 2018				Year-to-Date			
	Q2 Act (\$)	Q2 Bud (\$)	Q2 Var (\$)	Q2 Var (%)	YTD Act (\$)	YTD Bud (\$)	YTD Var (\$)	YTD Var (%)
<u>INCOME</u>								
5050 · Authorisation Fees	0	0	0	0%	3,000	3,000	0	0%
5080 · DRS Complaint Fees	10,000	8,000	2,000	25%	20,000	16,000	4,000	25%
5100 · Management Fees	330,000	330,000	0	0%	660,000	660,000	0	0%
7010 · Interest Income	6,201	1,600	4,601	288%	6,236	1,750	4,486	256%
Total Income	346,201	339,600	6,601	2%	689,236	680,750	8,486	1%
<u>EXPENDITURE</u>								
DNCL Board	7,231	9,672	(2,441)	-25%	18,531	22,594	(4,063)	-18%
Communications	2,230	1,380	850	62%	16,984	18,760	(1,776)	-9%
Compliance	0	2,700	(2,700)	-100%	0	6,939	(6,939)	-100%
Dispute Resolution Services	13,571	14,855	(1,284)	-9%	23,793	25,710	(1,917)	-7%
Registrars	2,366	3,369	(1,003)	-30%	4,816	11,738	(6,922)	-59%
International	14,739	34,270	(19,531)	-57%	29,736	57,270	(27,534)	-48%
Office and Administration	66,361	75,841	(9,480)	-12%	134,293	142,024	(7,731)	-5%
Personnel and Staff	130,385	135,447	(5,063)	-4%	301,921	274,123	27,798	10%
Professional Services	14,438	9,969	4,469	45%	18,523	19,739	(1,216)	-6%
Projects	34,203	0	34,203	100%	34,203	47,500	(13,297)	-28%
Total Expenditure	285,523	287,503	1,980	1%	582,799	626,397	43,598	7%
Depreciation	2,336	12,000	(9,664)	-81%	11,506	21,600	(10,094)	-47%
Other Comprehensive Items	163,763	32,499	131,264	404%	301,781	64,998	236,783	364%
Net Profit/Loss	(105,420)	7,598	(113,018)	1487%	(206,850)	(32,245)	(174,605)	541%

Promotion of .nz, Compliance activities and International Outreach

Please see content in the joint .nz report.

Conflicted Names Process

A total of 39 conflict sets were resolved between July and the end of September 2018. The number of conflict sets ceases to exist when all names in the conflict are released.

As at 30 September 2018 the total outstanding conflicted domain names yet to be resolved is 2,375.

Jordan Carter
Chair, DNCL – 13 November 2018

Health and Safety Report as at October 2018

Month	Number of Near Misses reported/or identified	Number of Incidents reported/or identified	First Aid Incidents reported/or identified
January - April	0	0	0
May	0	1	1
June -August	0	0	0
September	0	1	0
October	0	0	0

Summary

- Incident reported in September was related to the desk move/office reshuffle where a member of staff reported to having back pains due to the uneven floor (i.e. leaning towards the center of the room) on the new work area. The desk had now been moved to a less leaning part of floor and the Property Manager had also been called in to the office investigate and provide action to fix this issue.
- Monthly Hazard walks had taken place and no hazards (other than the one mentioned above) were identified.
- The new INZ Group Health and Safety Committee (consist of 8 volunteer members from different team/work areas) met on 31 October 2018 for the first time.
- Health & Safety Committee's Terms of Reference were agreed in preparation for approval through SLT.
- Dylan Connolly (DNCL) was appointed as Committee Chair. He will stand as Chair for 6 months at which time the Chair will rotate.
- The priorities of the Committee are to progress training for committee members , updating the Health and Safety Policy and review / implementation the Sexual Harassment Policy, the Bullying, Discrimination and Harassment Policy.
- The committee is currently setting up the communication networks to ensure that all staff are fully involved in Health and Safety in the workplace.
- A priority for the Committee is also a response to the recent earthquake and ensuring that staff are fully prepared for any future quakes.

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MINUTES OF COUNCIL MEETING - To be ratified

Status: Draft / To be Ratified

Present: Jamie Baddeley (President), Joy Liddicoat, Kate Pearce, Dave Moskovitz, Sarah Lee, Don Stokes, Keith Davidson, Richard Hulse, and Richard Wood (*video*)

In Attendance: Jordan Carter (Chief Executive), Maria Reyes (minute taker) Andrew Cushen (InternetNZ), Ellen Strickland (InternetNZ), David Morrison (InternetNZ), Catherine Fenwick (InternetNZ), Dave Baker (InternetNZ, *in part*), Celestina Sumbly (InternetNZ, *in part*), Gertrud Kikajon (InternetNZ, *in part*), Craig Young (TUANZ, *in part*), Tristan Ilich (TUANZ, *in part*), and John Page (Boardworks, *in part*)

Apologies: Amber Craig and Kelly Buehler

Meeting Opened: 10.30am

Council was in committee from 9am to 10.30am for the TUANZ presentation of their organisational update; Council only session; and for the Council and CE alone time.

Craig Young and Tristan Ilich (TUANZ) left the meeting at 9.30am

Andrew Cushen, Catherine Fenwick, David Morrison and Ellen Strickland left the meeting at 9.40am

Andrew, Catherine, David, Ellen, and Maria Reyes joined the meeting at 10.30am

Prior to the start of the meeting the President acknowledged Richard Hulse who was re-elected for another three-year term in Council.

He also thanked Jordan and the rest of the staff for a successful AGM that was held on 26 July, which received a lot of positive feedback; and he also thanked Sarah Lee and others who helped with the cultural parts of the AGM.

1.3 Interests Register

Richard Hulse advised that there will be a change in his employment in the next few weeks and that he already forwarded the details to Maria Reyes (Office Manager) who will update his register of interest once the employment change has occurred.

Keith Davidson advised that he travelled overseas to attend the Asia Pacific Regional IGF in Vanuatu and that InternetNZ covered the cost for this travel, hence would like to note his appreciation for InternetNZ's support.

Sarah Lee advised that she is no longer a contractor of the 2020 Communications Trust and that she is no longer a member of the Māori Advisory Group for Injury Prevention Network.

David Moskovitz noted that his register of interest still includes DNCL Directorship and that this needs to be removed as he is no longer a member of this board.

AP14/18: Staff to update the register of interest as per changes noted at this meeting.

2.1 Work Plan and Budget Update

Jordan gave an overview of the paper and highlighted the recommended approach in dealing with the funding plan to accommodate new projects that weren't initially in the budget but are key to developing the new organisation (e.g. branding project), projects that were included in the budget but where uncertainty remains, and other operating costs affected by the restructure.

Celestina Sumbly joined the meeting at 10.37am

Celestina gave a brief overview of what will be involved in the brand project work with an external supplier – this includes consultation, workshops and getting recommendations on the framework and implementation for the results of the work. There is no assumption that there'll be a new visual brand or name change.

Celestina left the meeting at 10.50am

Council had a short discussion on the recommended 'Balanced Approach' as detailed in the paper, and encouraged staff (led by Jordan) to keep an eye on where the balance lies. It was noted that Jordan had committed to minimising any additional funds being spent.

RN59/18: THAT Council note the information in this paper about adjustments to the work plan for the year arising from the implementation of the Organisational Review, including the specific projects that will incur costs that were deliberately not budgeted for.

RN60/18: THAT Council invite the Chief Executive to propose an updated 2018/19 Plan and Budget that accommodates these projects through a combination of plan changes and budget adjustments labelled "Balanced Approach" as set out in this paper, and send this for Council consideration by 20 September 2018.

(Cr Davidson/Cr Lee)
CARRIED U

2.2 Strategy – feedback on the working draft focus for Council Retreat

Jordan gave a summary of the proposed approach for the Council Strategy Retreat and sought for Council's feedback. He also asked that Council confirm their preferred travel arrangements and provide the details to staff who are organising the logistics for the retreat.

The Vice President gave her apologies as she is unable to attend the strategy retreat due to another commitment; however she advised that she will provide her comments and input on the topics to be discussed prior to the retreat and will send it to the group.

RN61/18: THAT Council agree to the approach to strategy development set out in this paper, particularly the workshop to hear staff's draft of the overall Strategic Framework and the outline programme for the retreat.

(President/Cr Hulse)
CARRIED U

Council took a short break at 10.57am and reconvened at 11.15am

John Page (Boardworks) joined the meeting at 11.15am

2.3 Boardworks – briefing on Council review findings

John Page spoke to his report on the findings of the Council review conducted between end of July and mid-August. This discussion was held in committee and a copy of the full report has been circulated to Council in confidence prior to the meeting.

John left the meeting at 11.45am

Council had a brief discussion on what was presented, and how they can apply some of the recommended approaches and improvements that have been raised by John. They also agreed that the copy of the report that was circulated to Council will be made available to the public.

It was also noted that Council prefers to keep the regular dinner held prior to the Council meeting as they find this really useful. Staff will send an invite to Council so that it is already noted in their calendars.

AP15/18: Staff to set the Council dinner dates and send invites to Council list.

AP16/18: Staff to draft a cover paper for the Boardworks Council Review briefing paper and send it to the President for review.

AP17/18: Chief Executive to circulate the Boardworks paper to the SLT team and include in the Strategy retreat agenda for discussion.

2.4 .nz Framework Policy – draft for review/discussion

Jordan gave an overview of this paper and highlighted the amendments added to the policy and gave a bit of background on some of the drivers of the changes made. A few other suggested changes have been raised by Council which Jordan have also noted.

In discussing the draft, Council asked staff to remove the draft change to principle 2.1.5, noting that this would be something to consider following the forum on domain name abuse planned for November.

Sarah Lee left the meeting at 12.30pm

RN62/18: THAT Council agree the proposed changes to the .nz Framework policy as amended, and agree to the proposed repeal of the Subsidiaries and Information Sharing governance policies.

(Vice President/Cr Pearce)

CARRIED U

RN63/18: THAT Council ask staff to conduct the appropriate consultation relating to these changes.

(Vice President/Cr Pearce)

CARRIED U

3.1 President's Report – Fellows discussion

A short discussion was held regarding the renaming of the term "Fellows" and Council is considering whether creating a working group would be the best approach so this can be reviewed properly and can also look into not just finding a new term for "Fellows" but also look at other aspects that go with being a Fellow including the Life Membership associated with it.

AP18/18: Staff to support Council and Fellows in establishing a small working group to consider these issues.

Sarah Lee re-joined the meeting at 12.37pm

3.2 Chief Executive's Report – key issue for discussion

Report was taken as read.

Jordan highlighted that the report was in a different format and sought Council's feedback on this.

A question was raised regarding the key priorities for the Member Outreach. In response, Andrew advised that his team are currently picking things up where it was left off (when the membership project was initiated last year) and are now looking at different platforms for members to use, as well as looking at possible improvements on how to encourage more new memberships.

Gertrud Kikajon joined the meeting at 12.39pm

3.3 Annual Review of Committees and Bank Signatories

Richard Wood, Chair of the Grants Committee, advised that the Committee is one member short since Brenda Wallace (who was a member of this Committee) has now left Council. Discussion was held whether the Committee can invite external members with relevant expertise to be part of the Committee. Council agreed to the suggestion that the Grants Committee look into the proposed approach when they review the Grants Policy.

AP19/18: Grants Committee to review the Committee's Terms of Reference as well as the Grants Policy and come back with a proposed revision for discussion and approval at the February 2019 meeting.

Sarah Lee also raised that the Māori Engagement Committee (which is now called Komiti Whakauru Māori) is also needing an additional member since Brenda was previously a member of this Committee. The Vice President advised that she would be happy to volunteer to be part of this Committee.

Discussion was held regarding an issue raised by the .nz Policy Committee regarding its scope, and Council agreed that anything relating to .nz matters such as review of fees and commercial matters, the Committee will provide advice rather than recommendations, and that the decision-making will sit with Council as the governance body.

Council also noted that this approach is a slight variation to the agreements in October 2017 that .nz commercial and fees matters would be ones where the policy committee would make recommendations, but is comfortable with the difference and felt that keeping the policy committee focused on policy would be the right approach.

Council also briefly discussed the fee setting process for .nz, and asked staff to work with DNCL in preparing a transparent process for how this is done, for discussion in November.

AP20/18: Staff to work with DNCL around the .nz Fee Review and for the .nz Policy Committee to come back to Council with some advice on this.

A brief discussion was held around adding Māori names for the other Council Committees, along with the current English names of each Committee.

AP21/18: Māori Engagement Committee (Komiti Whakauru Māori) to provide recommendation on Māori names for each Council Committee.

- RN64/18:** THAT Council confirm that it will conduct some of its work through these four committees: Audit and Risk, CE Review, Grants, Komiti Whakauru Māori (Māori Engagement Committee), and.nz Policy.
- RN65/18:** THAT the Terms of Reference for each of the committees as attached to this paper be adopted.
- RN66/18:** THAT the current bank signatories (Jamie Baddeley, Joy Liddicoat, Amber Craig, Keith Davidson, Richard Hulse, Jordan Carter, Catherine Fenwick, Dave Baker) be confirmed.
- RN67/18:** THAT Brenda Wallace be removed as a bank signatory.
- RN68/18:** THAT Dave Moskovitz and Kate Pearce be added as bank signatories.
- RN69/18:** THAT the membership of the following Committees be approved:
- Audit & Risk Committee: Amber Craig, Keith Davidson, Richard Hulse, and Don Stokes, with David Wright advising.
 - Grants Committee: Richard Wood, Dave Moskovitz, and Kelly Buehler
 - Komiti Whakauru Māori: Sarah Lee, Amber Craig, and Joy Liddicoat
 - .nz Policy Committee: Kate Pearce, Joy Liddicoat, Keith Davidson, and Kelly Buehler
 - Chief Executive Review: Jamie Baddeley, Joy Liddicoat, Richard Hulse and Kelly Buehler

(Vice President/Cr Stokes)
CARRIED U

Ellen and Gertrud left the meeting at 1.08pm

Council took a lunch break at 1.08pm and reconvened at 1.48pm

3.4 Dates for Council 2019

Jordan noted that there were two options for Council to consider for the proposed 2019 Council Dates. One option was scheduled as per the current quarterly Council meeting, while the other option proposes to have six rather than five meetings per year so Council can have more frequent but shorter meetings.

Council have agreed to go for the latter option and the President also added that it would be good if all Committee meetings could be added to the schedule as well.

RN70/18: THAT Council adopt the Schedule of Meetings for 2019 with Option2 (*i.e. six Council meetings rather than five meetings a year*) as the preferred schedule for the Council meetings

(President/Cr Lee)
CARRIED U

3.5 .nz Report – Q1 2018/19

Report was taken as read.

Jordan noted that the report presented is also in a new format and advised that Council's view and feedback on the new report structure are welcomed and can be passed on to him.

He also highlighted that DNCL has a Memorandum of Understanding (MOU) with the Office of the Privacy Commissioner and CERTNZ which will enable DNCL to share withheld registrant information for the reasons set out in the MOU. It was noted that this is a public document and that it is now published on to the DNCL website.

Council also commended on having a new digital approach for the DNCL annual reports and that it was a good step forward for the organisation.

Council thanked Brent Carey (Domain Name Commissioner) and the rest of his team, and the Tech Services and Commercial teams, for the ongoing progress with .nz.

RN71/18: THAT the .nz Quarterly Report for Q1 2018/19 be received.

(Vice President/Cr Stokes)
CARRIED U

4.1 DNCL Quarterly Report – Q1 2018/19

Report was taken as read.

Jordan, as Chair of the DNCL Board, extended Brent's apologies to Council who was unable to attend the meeting.

After a brief discussion, a suggestion was raised that it would be helpful if the report is presented so it also shows progress against the transformations. Jordan had noted this and taken it on board.

RN72/18: THAT the DNCL Quarterly Report for Q1 2018/19 be received.

(Cr Davidson/Cr Moskovitz)
CARRIED U

5.1 Chief Executive's Report

In addition to what Jordan had highlighted earlier in the meeting on this report, he added that another highlight to note is the progress on the Domain Analytics project. David Morrison noted that it is currently underway to bring it to a releasable beta version and the team are just going through this development work now. In the coming months they will be working with the Registrars to ask who would be keen to participate in beta testing. They will then gather feedback from participants and refine product if needed and make decisions as to what the next steps will be.

Dave Baker joined the meeting at 2.10pm

A question was raised regarding International Engagement and whether InternetNZ will continue to be a recognised At Large Structure, part of ICANN's At-Large Advisory Council system. Jordan advised that as noted in the paper, staff recommends a continuation of membership for now and a "wait and see" stance on the ALAC membership and will stay as a member for now, rather than withdrawing or committing more resources right now.

AP22/18: Jordan to get clarity on the obligations of the ALAC membership and set some goals on how to manage membership, and share these back with Council next meeting.

5.2 Health & Safety Update

Report was taken as read, with no incidents reported.

BCP update

Dave Baker gave a verbal update on the Business Continuity Plan (BCP) and advised that he, along with Catherine Fenwick (Organisational Services Director) and Maria Reyes (Office Manager), have done a site visit at the back-up office in Tawa for inspection.

BCP Training had been conducted last week with the SLT and other staff who have not had the training before. He also added that they had conducted an activation test in Auckland to make sure that the contracted company in Auckland has tested the ability to take control of the system in case Wellington has no tech expertise available.

Dave left the meeting at 2.20pm

5.3 Financial Reports

A comment was raised that it would be useful if the costings in the report are categorised by workstream to have a clearer breakdown of cost (e.g. staff cost). Jordan advised that this is reflected in the Group consolidated financial report but not on the InternetNZ financial report.

After Jordan had sought Council's view on the new reporting format, a comment from Council was noted that it was good to have the new formatted report with the commentaries included.

Council also requested a report that shows the cost savings arising from the organisational review's structural changes, and other cost changes (savings and increases, one off and ongoing) arising from the merger. This will be prepared and presented to the November meeting.

AP23/18: Cost and savings report arising from the organisational review to be prepared by staff and shared with Council at the November meeting.

RN73/18: THAT the Consolidated Financial Report and InternetNZ Financial Report for Q1 2018/19 be received.

(President/Cr Moskovitz)
CARRIED U

5.4 Council Committee Reports

Report was taken as read.

The President thanked the Chair of the Audit & Risk Committee for the Committee's annual self-appraisal report.

RN74/18: THAT Council receive the Audit & Risk Committee Annual self-appraisal Report.

(Vice President/President)
CARRIED U

5.5 Consent Agenda

RN75/18: THAT the minutes of the meetings held on 25 May 2018 be received and adopted as a true and correct record.

RN76/18: THAT the new members be noted.

RN77/18: THAT the evotes be ratified.

(Cr Hulse/Cr Wood)
CARRIED U

6.2 General Business

Council raised a question regarding NetHui and whether Councillor's attendance is required. In response, Andrew advised that Council are welcome to attend. However, they were given a heads up that they will need to allot a couple of days allowance (day before and day after the event) as travel might take longer for some of the cities where NetHui will be held. He also added that it would be best for Council to confirm their interest to attend and send their travel details to staff as soon as possible as booking flights are a bit of a challenge - hence, it's better to book sooner rather than later.

A brief discussion was also held around updating the photos and information on the Council page in the InternetNZ website. A photo shoot will be arranged at the November Council meeting. Details will be confirmed and sent to Council closer to the date.

AP24/18: Andrew to arrange and send details to Council regarding the Council photo prior to the November meeting.

At the end of the meeting, Council and staff, led by Sarah Lee sang a waiata.

Next Meeting: The next scheduled Council meeting are as follows:
21-23 September – Annual Council Strategy Retreat
22-24 November – Marae Training (22nd-23rd) and Council meeting (24th)

Meeting Closed: 2.43pm

Action Point Register

	Action	Who	Status	Due by	Comment
February 2018 Council Meeting					
AP02/18	President and Vice President to come back to Council with recommendations as to who could be considered as advisors to Council.	President / Vice Pres	Complete	May-18	Decision made to appoint no advisors
August 2018 Council Meeting					
AP15/18	Staff to set the Council dinner dates and send invites to Council list.	Maria	Complete	Nov-18	
Ap16/18	Staff to draft a cover paper for the Boardworks Council Review briefing paper and send it to the President for review.	Jordan	Complete	Nov-18	
AP17/18	Chief Executive to circulate the Boardworks paper to the SLT team and include in the Strategy retreat agenda for discussion.	Jordan	Complete	Nov-18	
AP18/18	Staff to support Council and Fellows in establishing a small working group to consider these issues.	Andrew	Complete	Nov-18	Fellow Naming Working Group has been established
AP19/18	Grants Committee to review the Committee's Terms of Reference as well as the Grants Policy and come back with a proposed revision for discussion and approval at the February 2019 meeting.	Grants Cmte	In progress	Feb-19	
AP20/18	Staff to work with DNCL around the .nz Fee Review and for the .nz Policy Committee to come back to Council with some advice on this.	Jordan	Deferred	Nov-18	Pricing approach to be done in 2019
AP21/18	Māori Engagement Committee (Komiti Whakauru Māori) to provide recommendation on Māori names for each Council Committee.	MEC	In progress	Nov-18	
AP22/18	Jordan to get clarity on the obligations of the ALAC membership and set some goals on how to manage membership, and share these back with Council next meeting.	Jordan	In progress	Nov-18	
AP23/18	Cost and savings report arising from the organisational review to be prepared by staff and shared with Council at the November meeting.	Jordan/Mary	In progress	Nov-18	
AP24/18	Andrew to arrange and send details to Council regarding the Council photo prior to the November meeting.	Andrew	In progress	Nov-18	

InternetNZ Membership Report

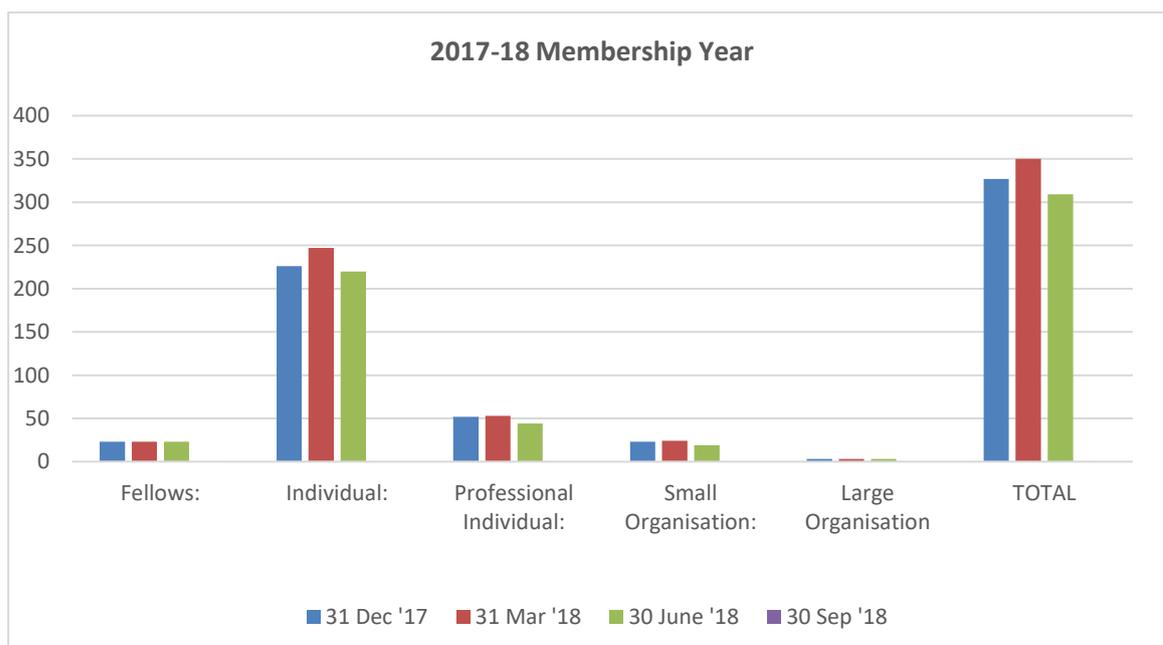
Status: FINAL
 Author: Maria Reyes, Office Manager

Current Membership *(as at 13 November 2018)*

Fellows	Individual	Individual Plus	Small Organisation	Large Organisation	TOTAL
27	237	44	21	3	332

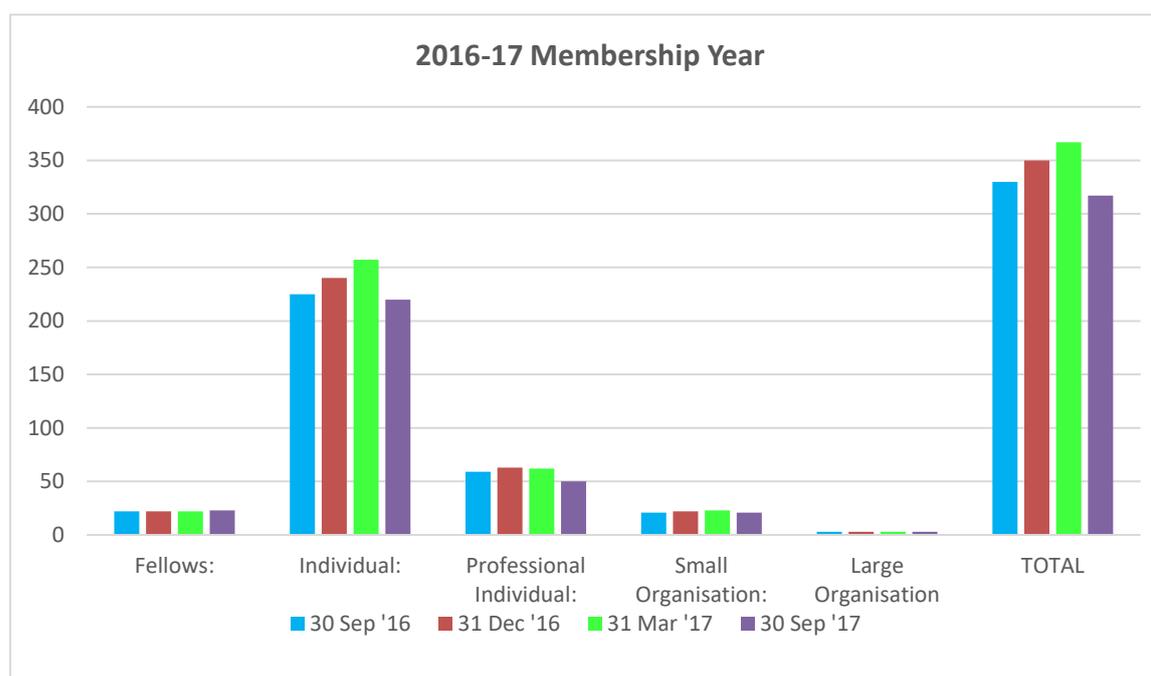
2017-18 Membership Year

	31 Dec '17	31 Mar '18	30 June '18	30 Sep '18
Fellows:	23	23	23	27
Individual:	226	247	220	227
Individual Plus:	52	53	44	44
Small Organisation:	23	24	19	20
Large Organisation:	3	3	3	3
Total Membership:	327	350	309	321



2016-17 Membership Year

	31 Dec '17	31 Mar '17	30 June '17	30 Sep '17
Fellows:	22	22	22	23
Individual:	240	257	210	220
Individual Plus:	63	62	50	50
Small Organisation:	22	23	21	21
Large Organisation:	3	3	3	3
Total Membership:	350	367	306	317



Membership by region* (based on Current Membership as at 30 September 2018)

Joined in	NORTH ISLANDS		SOUTH ISLANDS	
	Northern	Southern	Northern	Southern
2016-2018	27	61	9	3
2013-2015	20	49	6	2
2010-2012	17	38	10	2
2005-2009	23	40	2	1
Foundation-2004	4	6	0	2
TOTAL	91	194	27	10

*International members - 10

Recommendation:

THAT the new members be noted.

E-vote Ratification

Author: Maria Reyes, Office Manager

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

Evote:	Motion:	For:	Against:	Abstain:
03092018	<p>THAT Council authorise the Chief Executive, pursuant to the governance policy controlling the contracting of Councilors and Directors, to contract Cr Keith Davidson to participate in the ITU's plenipotentiary conference in October and November 2018, subject to Cabinet approving the New Zealand delegation's membership.</p> <p><i>(Cr Hulse / Vice President)</i></p>	Richard Hulse Dave Moskovitz Joy Liddicoat Amber Craig Don Stokes Kate Pearce Kelly Buehler Richard Wood Sarah Lee Jamie Baddeley		Keith Davidson
27092018	<ul style="list-style-type: none"> • THAT Dr William Liu from Auckland University of Technology be awarded \$1,875.00 from the Conference Attendance funding round. • THAT Nils Pokel from Nelson Provincial Museum be awarded \$550.00 from the Conference Attendance funding round. • THAT Laura Jamieson be awarded \$350.00 from the Conference Attendance funding round. • THAT Lina Hao from Victoria University of Wellington be awarded \$3,500.00 from the Conference Attendance funding round. • THAT Dr Kathleen Kuehn from Victoria University of Wellington be awarded \$3,589.00 from the Conference Attendance funding round. • THAT Dr Ulrich Speidel from University of Auckland be awarded \$3,600.00 from the 	Dave Moskovitz Sarah Lee Richard Hulse Joy Liddicoat Don Stokes Amber Craig Jamie Baddeley Kelly Buehler Keith Davidson Kate Pearce		Richard Hulse <i>(for the decision relating to Nils Pokel)</i> Joy Liddicoat <i>(for the decision relating to University of Otago - Laura Jamieson)</i>

	<p>Conference Attendance funding round.</p> <ul style="list-style-type: none"> • THAT Prof Paul S. Pang from Unitech Institute of Technology be \$3,600.00 from the Conference Attendance funding round. <p><i>(Cr Craig / Cr Hulse)</i></p>			
01102018	<p>THAT Council note and adopt the changes to the Plan and Budget (Opex and Capex) for 2018/19 set out in this paper.</p> <p><i>(Vice President / Cr Davidson)</i></p>	<p>Kelly Buehler Richard Wood Sarah Lee Keith Davidson Joy Liddicoat Kate Pearce Don Stokes Dave Moskovitz Jamie Baddeley Richard Hulse</p>		

Recommendation

THAT the e-votes be ratified.

Cost and Savings Report - Merger

Author: Jordan Carter, Chief Executive

Purpose of Paper: To provide Council with a financial summary of the costs and savings resulting from the merger of INZ and NZRS, and restructure of DNCL.

Introduction

This table below sets out the costs and savings resulting from the merger of NZRS into INZ and the restructure of DNCL, it also outlines the costs that have been incurred in establishing the New InternetNZ, one off costs, and on-going increases to baseline expenses.

1. Savings/Increases Table

Savings			Expenditure				
Area	DNCL (ongoing)	INZ (ongoing)	NZRS (ongoing)	Area	One-off as per Aug paper	One-off costs funded by budget cuts	On-going baseline increases
Governance	\$102,937		201,507	Branding	\$140,000		
Staffing	\$380,964		\$542,143	Product Dev	\$50,000		
International	\$48,123		\$61,244	Org Changes Project	\$215,222	\$23,384	
Legal	\$34,033			Recruitment		\$143,012	
Accountants		\$50,000		Staffing during restructure		\$118,023	
Legal		\$43,189		Staffing Leadership structure			\$594,463
Sub Totals	\$566,056	\$93,189	\$804,894	Entitlement alignments			\$81,905
Total		\$1,464,139		Consultants - ICANN	\$25,000		
				Sub Totals	\$430,222	\$284,420	\$676,368
				Total		\$1,391,009	

2. Commentary on Increases

The net ongoing impact for the organisation of the structural changes based on today's information is:

- Ongoing savings of \$1.464m per annum compared with 2017/18
- New costs of \$676k per annum ongoing, compared with 2017/18
- A net savings on an ongoing basis of \$788k/year

As reported at the August Council meeting, we identified one off costs of \$430k those costs were made up as follows:

- Integration of business systems and processes
- Developing a new strategic framework
- Developing the leadership structure/ Recruitment
- Culture work including HR and other policies, team values
- A refreshed and revised Brand framework
- Some handover contractor support in the ICANN environment
- A small provision for new product and service development

One-off costs that have been funded by current budget savings amounted to \$284k.

Increases in the baseline of \$676k are to fund current staffing levels and maintain aligned entitlements.

Document Information Disclosure Review - November 2018

Author: Maria Reyes

Purpose of paper: To assess confidential papers from Council meetings two years ago that are due for review under the Document Information Disclosure Policy.

At the February and August 2016 meetings, the following papers were circulated to Council in confidence as per the Grants Committee and Komiti Whakauru Māori (Māori Engagement)'s request:

- Internet Research Funding Round 2016 – Recommendations to Council – Feb 2016
- Māori Engagement Strategy (working draft) – August 2016

There were no confidential papers at the April or May 2016 meetings.

At this time, information regarding the Internet Research Funding Round 2016 recommendations were withheld from public to protect privacy of applicants, especially those who were unsuccessful with their applications.

For the Māori Engagement Strategy (working draft) paper, this was kept in confidence as the Committee decided to discuss the proposed draft with Council first to determine next steps.

I have approached Andrew Cushen, Outreach and Engagement Director and he advised that the Internet Research Funding Round 2016 recommendations paper continue to be held in confidence to protect privacy of applicants

He also advised that the Māori Engagement Strategy paper will still need to be held in confidence as the Committee are still effectively finalising their engagement strategy.

Confidential papers from the November 2016 Council meeting will be considered for release in February 2019.

Recommendation:

THAT the Māori Engagement Strategy (working draft) noted in the August 2016 Council meeting, be held in confidence until the strategy has been finalised; and that the Internet Research Funding Round 2016 recommendations paper noted in the February 2016 meeting continue to be held in confidence due to privacy purposes.



SUMMARY OF COUNCIL COMMITTEE ACTIVITY

Author: Jordan Carter, Chief Executive

Purpose of Paper: To provide a staff summary of Council Committee activity in the three months 25 August – 24 November 2018.

Audit and Risk Committee

- The Committee has met once since 25 August and will meet again on November 15th
- The Committee has been focused audit and reporting, Risk Management Policy and register review, IT Security Audit and Health & Safety.
- Kate Pearce has joined the Committee – minutes of November council meeting should records this.
- The Nov 15th meeting will focus on Audit Tender process, report from auditors on Financial Procedure Audit and policy review on Investment and Treasury.

.NZ Policy Committee

- The Committee has met 3 times since the 25 May. This is a new committee
- The members of the committee are Kate Pearce (Chair), Kelly Buehler, Joy Liddicoat, and Keith Davidson.
- The focus of the meetings have been on the TOR, .nz Policy framework review, operational updates, Domain Name Abuse Forum and edu.nz. The proposed comprehensive review of .nz policies is the main item the Committee will be tabling for discussion at this meeting.

Komiti Whakauru Māori

- The Committee has not met since Council meeting.
- Work has focused first on preparation for the Council Retreat, and then on staff action following that retreat to solicit and confirm professional advice on how to proceed.
- The outcomes of the Council Retreat and outline of professional advice is presented separately to this meeting.

Grants Committee

- The Committee has met twice since Council meeting.
- Work was focused on Conference Attendance and Internet Research grants rounds.
- Recommendation paper is included in the November Council papers.

Fellows Working Group

- This is a new Working Group comprised of Councillors and Fellows. The nominated members of this Working Group are Kate Pearce, Keith Davidson and Kelly Buehler from the Council; and Colin Jackson, Dean Pemberton, Di Daniels and Keitha Booth as nominated by the Fellows.
- This Working Group was created further to the action at the last meeting of Council and has met twice since being formed in late October.
- The Working Group has agreed its scope and objectives; undertaken a comprehensive brainstorming of options across the not-for-profit sector and reviewed these to confirm an initial short list for further consideration.
- They have asked now to incorporate advice from Māori perspectives in terms of appropriate terms that convey the appropriate mana as bestowed by the Society.

Jordan Carter

Chief Executive

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Grants Reporting Update: November 2018

Below is a brief update on the progress of our awarded grant projects and other work by the Community Team relating to grants.

The swapping of Community Projects and Internet Research rounds this year has gone smoothly and we have received a good amount of strong applications for both rounds and the feedback we have received has been positive.

Overall, contracts are progressing, acceptable reporting has been received on time. We have now updated and moved our acquittal forms into SmartyGrants to utilise the system better, and offer our grantees easier processes. Dr Farkhondeh Hassandoust and Dr Bodo Lang's reports are in the new format.

We would like to highlight the work of the Blind Foundation, ([final report](#)) grantee of the Community Projects 2017/18 round. They have had strong publicity on their pilot project to convert DAISY (Digital Audio Information System) format into an Amazon Alexa voice platform. They are now working with Amazon to take this project to the next level, and allow better access and higher quality of life to visually impaired people. [The Project \(TV3 news show\) covered this story recently.](#)

Please refer to the Community Funding paper for other work the Community team has been working during this past period.

Legend

	<i>Great project, staff sees media and follow up potential.</i>
	<i>The project has progressed well without any problems and changes.</i>
	<i>There have been changes to the project plan and/or timeline.</i>
	<i>Either there have been big changes to the project scope or timeline. Also indicates to missing reports.</i>

Community Projects 2017/18

Name	Amount awarded	Purpose	Report	Comments
Skylight Trust	\$20,000	To build the Resilience Hub, Digital Resources and Community Training Modules.	Final report Budget	 <i>A great big project which as a whole uses the Internet to provide mental health and trauma support to diverse and geographically isolated communities.</i>
Ngā Taonga Sound & Vision	\$12,500	To develop a Data API and front-end application for Ngā Taonga AudioVisual Collection (Phase I).	Mid-year report	 <i>Collection of 461,066 records from TVNZ Archive collection has been soft-launched and is now first time publicly accessible. There has been great progress already and we look forward to the end of the project.</i>

Internet Research 2017/18

Name	Amount awarded	Purpose	Report	Comments
Dr Farkhondeh Hassandoust	\$14,850	To research "Information Security Online: A Critical Evaluation of College Students' Security Awareness in New Zealand".	Final report	 <i>Interesting research which compared international students' actual InfoSec practices at ICL Graduate Business School, and their perception of their awareness. The results of this research were a surprise for the students as it was clear their actual awareness of threat was not of high level.</i>

Conference Attendance 2017/18

Name	Amount awarded	Purpose	Report	Comments
Jessica Manis	\$3,500	To attend the AWE – Augmented World Expo in (30 May- 1 June 2018, Santa Clara, USA).	Final report	 Well attended conference with the latest updates in the AR/VR industry and how to use these technologies more creatively and a wider range of areas.
Lorraine Williamson & MOA Kluster	\$2,800	To attend International Society for Technology in Education conference (24-27 June 2018, Chicago, USA).	Final report	 A very informative conference that brings the latest trends in teaching to the attendees. Focusing on students interest and using them in project-based learning delivers better results.

Internet Research 2016/17

Name	Amount awarded	Purpose	Report	Comments
Dr Bodo Lang	\$22,450	To investigate the role of Internet-enabled technologies (for example websites and apps) within the sharing economy/collaborative economy/peer-to-peer marketplace.	Final report	 The research has struggled to find a good sample size - to mitigate a soft launch will be held in order to find more people. Should that not work, Bodo will look at using overseas data in this research.
Dr Wendy Wrapson from AUT	\$27,000	To research Internet usage and social connectedness of residents of aged care facilities.	Final report	 This research provides a great insight into how older people use the Internet and the big part their younger family members play in building their Internet competencies.

Expected reports prior to the next Grants Reporting Update in November 2018

Round	Name	Amount awarded	Purpose	Report due
Internet Research	Chris Hails	\$9,715	To evaluate the programmatic identification of cybersecurity risk profiles that may in future facilitate the delivery of targeted or personalised risk mitigation interventions.	Final report November 2018
Community Projects	EOS Ecology	\$20,000	To build STREAMED – a community-based online water clarity monitoring tool.	Final report November 2018
Conference Attendance	Timothy Johnson	\$4,000	To attend the ICANN GDD Industry Summit 2018 (14-17 May 2018, Vancouver, Canada).	Final report November 2018
Conference Attendance	Aniket Mahanti	\$4,000	To attend the IEEE Local Computer Networks Conference (LCN).	Final report November 2018
Community Projects	EOS Ecology	\$20,000	To build STREAMED – a community-based online water clarity monitoring tool.	Final report November 2018
Internet Research	Philippa Smith	\$6,686	Freedom of speech on the Internet – where do we draw the line? To research inappropriate online behaviour to gain a better understanding of its impact on the notion of freedom of speech which has implications for every user of the Internet.	Mid-year report November 2018
Internet Research	Dr Aniket Mahanti from University of Auckland	\$10,000	<i>Longitudinal study of the adoption of the Top-level Domain (TLD) Names and Domain Name System Security Extensions (DNSSEC).</i> To build on past research that has primarily focused on understanding technical behaviour and properties of DNS requests and responses, DNS security, and usage of TLDs.	Mid-year report November 2018
Internet Research	Dr Haibo Zhang from the University of Otago	\$25,000	<i>Accurate synchronization for coherent joint transmission to provide better mobile Internet service.</i>	Mid-year report November 2018

			To research efficient solutions for coherent joint transmission in 5G networks, where multiple Access Points (APs) cooperate to perform simultaneous data transmission to a single user device to achieve high-quality communication.	
Internet Research	Dr Yun Sing Koh from the University of Auckland	\$10,500	<i>Investigating Changes in Phishing Models for Social Networks.</i> To research the development of a robust spam phishing detection system to investigate how the New Zealand community is affected by spam phishing in social networks.	Mid-year report November 2018
Internet Research	Dr Simone Rodda from University of Auckland	\$25,000	To research behaviour change strategies for Internet Addiction: An exploratory study. The study will provide preliminary evidence as to the feasibility of self-managed treatment using action and coping planning for Internet Addiction.	Mid-year report February 2019
Community Projects	Faucet Foundation	\$12,000	To establish the Faucet Foundation Incorporated.	Final report January 2019
Community Projects	Ngā Taonga Sound & Vision	\$12,500	To develop Data API and front-end application for Ngā Taonga AudioVisual Collection (Phase I).	Final report January 2019