

## AGENDA FOR AGM – 19 JUNE 2003

1800	Welcome
1805	Apologies
1810	Minutes of 2002 AGM and Matters Arising
1815	President's Report (on behalf of Council)
1830	Treasurer's Report
1845	2003/04 Budget
1900	NZRS Report
1920	Executive Director Report
1930	DNC/NZOC Report
1945	General Business
1955	Announcement of Election Results
2000	Close

**DRAFT Minutes of AGM of InternetNZ**  
**6 July 2002**  
**InternetNZ Boardroom, L4, 4 Bond Street Wellington**

**The meeting was reconvened from one week previously (29 June 2002) when a quorum had not been achieved.**

The meeting commenced at 11am.

The President welcomed those present and noted that this was a reconvened meeting as the meeting set down for 29 June 2002 at 10am had failed to reach a quorum. He pointed out that there was not a quorum of members at this meeting, but it was not required. He mentioned that he saw the lack of members present as a vote of confidence in the present course the Society is taking.

The Executive Director explained the voting procedures then left to consult with the Technical Manager.

**PRESENT:**

Members:

**Both Meetings:**

Jonathan Ah Kit, Keith Davidson, Steven Heath, Lesley Hughes, Frank March, Bill Parkin, Steven Rose, John Rumsey, Greg Shaw, Don Stokes, Chris Streatfield, Lesley Walker

**First meeting only:**

Richard Bourne, Jordan Carter, Roger De Salis, John Hine, Susan Hobbs, John Vorstermanns, David Zanetti

**Second meeting only:**

Stephen Bell, Peter Dengate Thrush, Mark Harris,

**PROXIES:**

Held by: (Full List)

	<u>Both meetings</u>	<u>Second meeting only</u>
C Streatfield	1	1
S Heath	2	
K Davidson	4	
F. March	1	
J Ah Kit	1	

**APOLOGIES:** (combined meetings)

**Both meetings:**

David Archibald, David Farrar, Howard Frederick, Bob Gray, Colin Jackson, Ewen McNeil, Richard Naylor, Simon Riley, Rick Shera, Joop Teernstra, Nick Wallingford, Drew Whittle,

**First meeting only:**

Jennifer Northover

**Second meeting only:**

Richard Bourne, Jordan Carter, David Zanetti

**AGM02/77 MOVED:** (President/Harris) "THAT the Apologies be sustained"

**CARRIED U**

## **MINUTES OF 2001 AGM**

**AGM02/78 MOVED:** (Streatfield/ Treasurer) "THAT the Minutes of the Annual General Meeting held on 21-22 June 2001 be accepted as a true and accurate record of that meeting"

**CARRIED U**

## **MATTERS ARISING**

There were no matters that are not to be covered elsewhere.

## **ANNUAL REPORT OF COUNCIL**

The President spoke to his published report. He noted:

- Dividend from Domainz allowed continuation of Implementation of the SRS
- The Admin Committee had been very active
- Domainz had appointed 2 new directors, but one has since resigned
- The "Brown Defamation Case" was relatively resolved although there is still dialogue between Patrick O'Brien and the Board of Domainz
- Domainz AGM had been held and a successful year reported. The President offered thanks to the Staff and Management of Domainz for successfully working in a change environment.
- It has been an active year in International Affairs
- The Internet2 project is now underway
- The ISP Forum last November was a successful event hosted by the Society. The challenge now is to assist ISPs with self regulation
- Legal and Regulatory Committee have been active and have raised the level of credibility the Society as with government
- The Society has successfully rebranded to InternetNZ, now avoiding any confusion with ISOC.
- .maori.nz has been a successful 2<sup>nd</sup> level domain application process
- Implementation of the SRS is progressing well with the target of October achievable
- Staff of InternetNZ were complimented on a good year's work
- From the Planning Day the Council is continuing to evolve a process to categorise and prioritise tasks
- The year has seen significant progress for the Society dominated by the implementation of the SRS and application for .maori.nz

The President thanked outgoing Councillors for their input during the year, particularly Cr Gray with his work in setting up the processes for the SRS Implementation and the President especially mentioned the work of outgoing Treasurer Steven Heath who was also closely involved with the 2<sup>nd</sup> level domain applications.

**AGM02/79 MOVED:** (Dengate Thrush/Harris) "THAT the meeting receives with great pleasure the President's report on Council Activities for the year"

**CARRIED U**

## **VOTING**

Voting was unable to be completed on the computers in the room so papers were handed out for the election of Treasurer, for those in the room who had not previously voted on line.

**AGM02/80 MOVED:** (??) "THAT nominations be closed"

**CARRIED U**

Scrutineers were appointed

**AGM02/81 MOVED:** (President/Stokes) "THAT John Rumsey, Jonathan Ah Kit and the Executive Director be appointed scrutineers" **CARRIED U**

## **ELECTION RESULTS**

Result of the Election for Treasurer was declared:

C. Streatfield	26 votes
P. Harpham	16 votes

Chris Streatfield was declared elected Treasurer.

Further nominations for Council were called for.

It was noted that those previously voted for on line were deemed to be elected

Additional Nomination:

Grant Forsyth (nominated by President)

Nominations were closed.

The following people were elected as Councillors:

Jordan Carter  
Bert Felt  
Grant Forsyth  
Bill Parkin  
Nick Wallingford  
Michael Wallmannsberger

## **RESULTS OF CONSTITUTIONAL AMENDMENTS**

The following motions were part of the pre-AGM online voting process and were also voted on by those present at the AGM who had not previously voted online.

**AGM02/82 MOVED:** (Streatfield/Hobbs) (Online Motion 1 - Change to rule 15)  
**CONSTITUTIONAL AMENDMENT**

To be inserted in the Section 15. RULES as paragraph 15.8 (or numbered accordingly if other amendments are further inserted)

### **PRECISE AMENDMENT**

"15.8 Any interpretation of these rules, required for the proper conduct of the Society, shall be addressed to the Admin Committee, comprising at a minimum the Officers of the Society, for a ruling. The Admin Committee may refer the matter to external expert advice. If the ruling requires an amendment to be made to these rules, the decision will be an interim decision pending approval of the Constitutional amendment made under Section 15 of these rules."

**LOST**

For:	AGM: 0
	Online:17
	<b>Total: 17</b>
Against:	AGM: 13
	Online: 19
	<b>Total: 32</b>
Abstained	AGM: 0
	Online: 2
	<b>Total: 2</b>

**AGM02/83 MOVED:** (Streatfield/Hobbs) (Online Motion 2 - Change to Termination of Membership)

**CONSTITUTIONAL AMENDMENT**

To be inserted in the Section 4. TERMINATION OF MEMBERSHIP as sub-paragraph 4.1. a (or numbered accordingly if other amendments are further inserted)

**PRECISE AMENDMENT**

"4.1.a Any Member who resigns their membership in the Society will not be eligible for re-subscription to the Society as laid out in Section 3 of this Constitution for a minimum of one year to take effect from the date of resignation."

	<b>LOST</b>
For:	AGM: 0
	Online: 10
	<b>Total: 10</b>
Against	AGM: 9
	Online: 27
	<b>Total: 36</b>
Abstained	AGM: 1
	Online: 1
	<b>Total: 2</b>

**AGM02/84 MOVED:** (Streatfield/Hobbs) (Online Motion 3 - Council Members)

**CONSTITUTIONAL AMENDMENT**

To be inserted in Section 6. COUNCIL

Under Vacancies on Council as paragraphs 6.9 and 6.10 (or numbered accordingly if other amendments are further inserted)

**PRECISE AMENDMENT**

"6.9. Council Members or Officers will have been deemed to have resigned their position if they fail to attend three consecutive properly notified meetings. The date of resignation will be the date of the third consecutive meeting that the Councillor or Officer failed to attend. Vacancies occurring under this paragraph will be filled by Member ballot in an electronic by-election unless there is less than 3 months left on the term of office.

a. The definition of "Meetings" for the purposes of paragraph 6.9 will mean any meeting of, or on behalf of, the Society, to which the Councillor or Officer by dint of their position would normally be expected to attend.

b. The term "properly notified" for the purposes of paragraph 6.9 means any meeting called with proper notice and to which the Councillor or

Officer has received correct timely notification, but excluding meetings, emergency or otherwise, called with less than 48 hours notice.

6.10. Council Members or Officers who resign their positions, either directly or as a consequence of paragraph 6.9, shall not be eligible for nomination to an elected position in the Society, either in elections or by-elections, for a period of one year to take effect from the date of resignation."

**LOST**  
For: AGM: 0  
Online: 15  
**Total: 15**

Against AGM: 7  
Online: 23  
**Total: 30**

Abstained: AGM: 1  
Online: 0  
**Total: 1**

**AGM02/85 MOVED:** (Farrar/Heath) (Online Motion 4 - Removal of IAG Council Members)  
**CONSTITUTIONAL AMENDMENT**  
**SUMMARY OF AMENDMENT**

To remove the clause which provides for one member of Council to be appointed by the Industry Advisory Group.

**PRECISE AMENDMENT**

"That section 5.3 of the constitution be deleted."

Section 5.3 is "5.3 The IAG shall have the right to appoint one person to sit on Council. The appointed person shall be notified to the Secretary not less than 21 days prior to the AGM. The IAG-appointed Council Member must be a financial individual Member of the Society."

**CARRIED**  
For: AGM: 10  
Online: 35  
**Total: 45**

Against AGM: 0  
Online: 2  
**Total: 2**

Abstained: AGM: 0  
Online: 1  
**Total: 1**

**AGM02/86 MOVED:** (Farrar/Heath) (Online Motion 5 - To Reduce Council from 20 to 14)  
**CONSTITUTIONAL AMENDMENT**  
**SUMMARY OF AMENDMENT**

To reduce the size of the Council of InternetNZ from 20 to 14

**PRECISE AMENDMENT**

"That section 6.2 of the constitution be amended by replacing "20" with "14".

And that a transitional section 6.9 be added to the constitution, such clause to last only until the conclusion of the 2004 AGM which states Council shall reduce in size from 20 to 14 by

a) not filling any vacancies amongst Councillors until the size of Council is 14 or less, and

b) limiting the number of Councillors elected at each AGM to a maximum of five unless more are required to make a full council of 14. Any numbers in addition to the five would be for a one year term only."

**CARRIED**

For: AGM: 1  
Online: 33  
**Total: 34**

Against: AGM: 9  
Online: 4  
**Total: 13**

Abstained: AGM: 0  
Online: 1  
**Total: 1**

End of Online Motions.

A Short break was taken

**ANNUAL ACCOUNTS**

Treasurer-

The new Auditor is Grant Thornton and the process this year end was much improved. Income will be increased again this year and the position is healthy.

Jennifer Northover commented to the Treasurer that she felt the wording in his report that the Society would have been "Insolvent in early 2002" was emotive and too strong and she would like to have it changed. Also she commented that the bullet point about cash flow was unnecessary

Treasurer responded that the AGM in 2001 agreed to a "deficit" budget and without the unexpected dividend and Domainz paying for the DRS report the Society would not have had enough money to pay for budgeted items

The President clarified that it was known and recognized that if all budgeted items were paid for money would run out, but it was known that there was an intention by Domainz to pay a dividend.

Treasurer agreed that there was an expectation of dividend. He noted that he had requested repeatedly for cash flow statements but had only received one.

Frank March noted that when talking about a "budget deficit", the term "insolvent" suggests improper behaviour by officers and staff. In this case there was clearly going to be fund coming from Domainz. The Executive Director pointed out on several occasions that the meet the planned expenditure there was a need for more funds.

Treasurer maintained that there was no expectation of more funds.

President noted that Domainz was aware of the situation and offered the Treasurer an apology if he was not apprised of this.

Peter Dengate Thrush stated that as the Chair of the AGM he took exception - that the Dividend was expected. He cannot accept a report with that statement in it. The dividend has frequently paid over in more than one installment.

**AGM02/87 MOVED:** (Northover/March) "THAT the Treasurer's report not be received until the wording is changed to reflect a less subjective approach and until typographical errors have been corrected."

**CARRIED**  
For: 19

Against	3 (Treasurer plus his two proxies)
	Abstained 2 (Riley, Rose)

**AGM02/88 MOVED:** (Streatfield/Harris) "THAT Grant Thornton are reappointed as auditors"

**CARRIED U**

**AGM02/89 MOVED:** (Harris/Streatfield) "THAT the Audited Annual Accounts for the year ended 31 March 2002 be accepted"

**CARRIED U**

Discussion points:

- International Affairs committee allocation of funds was included in the DNC budget which is reported in total, not by line item
- Clear delegation lines are required as to who has responsibility for budget items
- Executive Director noted that this budget is for the whole of InternetNZ – ie Council, Society, Domain Name Commissioner. The budget refers to the accounting system and is for reporting purposes, is separate from Governance.
- Confidence was expressed in the planning process and congratulations offered to Council on the presentation of the Budget.
- Peter Dengate Thrush requested that the budget for International Affairs be increased by \$20 000, this to come from the DNC contingencies allowed for the first year of operations, and that \$10 000 be tagged to pay for sending more representatives to regional meetings.

**AGM02/90 MOVED:** (P Dengate Thrush/Parkin) "THAT the International Travel budget be increased by \$20,000, of which \$10,000 is tagged to allow more attendance to Regional Meetings, to be funded from the contingencies budget of the Domain Name Commissioner."

**CARRIED**  
Against: Treasurer

**AGM02/91 MOVED:** (Streatfield/March) "THAT the Budget as amended be adopted"

**CARRIED**  
**(acclamation)**  
Abstention: Parkin

**AGM02/92 MOVED:** (Treasurer/President) " THAT Beverley Irvine is thanked for her exceptional role as Administration Manager during the year"

**CARRIED U**  
**(Acclamation)**



**AGM02/93 MOVED:** (Treasurer/President) " THAT when any gift is proposed of over \$75 that explicit council approval be sought and that any accounting and tax issues be determined before the presentation of the gift, be it monetary or not

**CARRIED**  
Against Northover  
Abstained Riley

**AGM02/94 MOVED:** (Parkin/P Dengate Thrush) "THAT the voting papers be destroyed"  
**CARRIED U**

## **SRS PRESENTATION**

The Domain Name Commissioner and Chair of the New Zealand Domain Name Registry Limited had addressed those present at the original AGM last Saturday and did not attend the reconvened meeting. Those interested who had not heard the DNC were referred to the website [www.dnc.org.nz](http://www.dnc.org.nz).

## **EXECUTIVE DIRECTOR'S REPORT**

The Executive Director spoke to her published report. She highlighted:

- The Contract had been signed for the Internet2 project, IndustryNZ funding has been approved but not yet received. Laurence Zwimpfer has been appointed the consultant and his report is due in September. She thanked the steering group for their worked and noted that 2 councillors were on that group.

**AGM02/95 MOVED:** (Northover/Ah Kit) "THAT the Internet2 Steering Group be thanked for their efforts to establish the Next Generation Internet Capability Study"

**CARRIED**  
Abstained: Harris

**AGM02/96 MOVED:** (President/Harris) "THAT the Executive Directors Report be accepted"  
**CARRIED U**

## **INTERNATIONAL UPDATE**

Peter Dengate Thrush presented a draft report on the ICANN meeting in Bucharest.

## **GENERAL BUSINESS**

Foreshadowed Policy Motions – it was noted a 50% majority was required to pass.

### **AGM Notified Policy Motion #1**

The policy this amendment seeks to modify viz.:

AGM01-71 (MOVED: March/Frederick) "THAT the Chair of ISOCNZ shall not be on the Board of Domainz, nor shall other officer holders in ISOCNZ hold office in Domainz; Councilors of ISOCNZ can be on the Board and can hold office in Domainz"

was approved at the 2001 AGM. With the instigation this year of the electronic pre-voting (and still not decided that there will be an online participation option) there is a strong likelihood that many Members of the Society may not attend in person. The Officers of the Society are now only

elected by the Members so with that in mind I feel the matter should be placed before all Members for a vote although not strictly falling into the category of a Constitutional Amendment.

### **Motion**

Update to policy on relationship between the Council of the Society and wholly-owned subsidiary commercial entities.

Moved: Chris Streatfield

Seconded: Sue Hobbs

### **PRECISE AMENDMENT**

"That Officers of the Internet Society of New Zealand Incorporated (InternetNZ) are barred from concurrently holding a seat on the Board of Directors of wholly-owned subsidiary companies."

### **RATIONALE**

Currently the Society has a binding policy that no Officer of the Society may also be an Officer of Domainz. With the incorporation of the new registry company, New Zealand Domain Name Registry (NZDNR), it is necessary to update the current policy. To avoid the need to have such motions on an on-going basis, and leaving the Society open to some possible difficulties in interim periods, I propose that we do not specify the company name in the motion. This avoids complications if the company name is changed or if new companies are formed. There was, and still is, a possibility that conflicts of interest can arise when an elected Officer is on the Board of Directors of our subsidiary companies.

The Officers of the Society have always played a leading role in setting Society and Council policy. This role is appearing to becoming more important over time. When individuals have private knowledge that may modify their position, objectivity in policy making is almost impossible. For Council there is always the added difficulty that the discussions of the Board are private and so must be unaware of at least some of the strategic thinking of the Board. If this strategic thinking leads into strong arguments in favour of policies that benefit the Board Council can never be sure that it is making the "best" decisions.

**AGM02/97 MOVED:** (March/Treasurer) "THAT notified Policy Motion #1 does lie upon the table"

**CARRIED**

Against

P Dengate Thrush, Treasurer

Abstained

Riley

Discussion:

- This is needed to update the policy set at the last AGM which was before the setting up of the New Zealand Domain Name Registry Limited, and which was limited to officers of the Society not being officers of the Board
- Suggested that this be debated by not decided now
- Request that members discuss this matter

### **AGM Notified Motion #2**

To be added to the approved policies adopted at the 2001 AGM concerning the structure of the WGs and Standing Committees of the Society.

Moved: Chris Streatfield

Seconded: Sue Hobbs

### **PRECISE AMENDMENT**

"That members of Committees of the Council of the Internet Society of New Zealand Incorporated are responsible in the first instance to the Chair of the Committee in which they participate. In the

event of a dispute arising between members of a Committee the Committee Chair will attempt to resolve the dispute. If the dispute is between a member and the Chair of the Committee, or the Committee Chair is unable resolve a dispute the matter will be addressed to the Admin Committee. The Admin Committee will attempt to resolve the dispute and make a recommendation accordingly. If the matter cannot be resolved by the Admin Committee the matter will be addressed to the Council who will rule on the matter. In the exceptional event that the dispute arises within the Admin Committee the matter will be addressed directly to Council. The Council ruling on the matter will be final."

**RATIONALE**

It has been pointed out to me that there is a lack of escalation procedures for internal disputes arising in Standing Committees or Working Groups of the Council. While it may seem obvious that the amendment should be true, this motion intends to formalise the procedure. For clarity both Working Groups and Standing Committees are defined here as "Committees". The person in charge of Standing Committees and Working Groups is defined here as "Chair" and members and participants in the Committees or Working Groups are defined as "members". For Committees the term "members" includes all persons who are participants in those Committees, whatever their other status may be, viz. Officers of the Society, ordinary members of the Society and others who may not be Society Members.

**AGM02/98 MOVED:** (Rose/March) "THAT notified Policy Motion #2 does lie upon the table"

**CARRIED**

Against

Stokes, Northover, Treasurer

Abstained

Riley

Discussion:

- David Farrar (Proxy held by Steven Heath) asked that his opposition to this be noted
- Concern that this gives more power to the Admin Committee which is already operating as an Executive Committee.

Meeting Closed at 2.59pm

## President's Report

The 2002/2003 year has been a year of significant change and progress for your Society. Much of the Society's efforts have been expended on activities associated with the Shared Registry Service (SRS). Milestones relating to the SRS that were achieved during the past year include:

- NZ Registry Services Ltd (NZRS) formed to operate the .nz Registry, and directors appointed 13 April 2002.
- Recruitment of the Domain Name Commissioner (DNC) during April 2002.
- .nz Oversight Committee (NZOC) members appointed on 7 June 2002, and delegation for the operation and oversight of .nz made to the NZOC.
- Domainz Future Task Force created on 19 July 2002 to decide Domainz's future with InternetNZ
- On 30 August Domainz changes its company name from NZ Internet Registry Ltd to Domainz Ltd.
- SRS went live operationally on Monday 14 October 2002.
- Council resolves on 8 November that InternetNZ will divest Domainz, preferably as a "going concern".
- First 3 competitive Registrars authorised in November 2001, and by the end of November, more than 20 Registrars had applied for authorisation.
- The first 3 competitive Registrars start operating directly with the SRS on 7 December 2002.
- Subsequent to our balance date, on 4 April 2003, it was resolved that the domain name market in NZ be considered competitive, with 32 competitive
- Registrars operating with the SRS, and approximately 50% of domain names
- Shifted away from Domainz

The efforts of a great many people have gone into the success of the SRS, and as we review the efforts culminating in the establishment of a competitive .nz market, we should recall with gratitude the efforts of so many people who contributed to the success of the project. The Registry is technically sound and functional, the policies and agreements between registrants, Registrars, NZRS, DNC, NZOC and InternetNZ are comprehensive, financially the Registry is operating successfully on much reduced domain name fees, and politically the SRS seems to have been successful as there appear to be no critics. We should consider the SRS an overwhelming success, giving New Zealand arguably the most "pro-Registrant" domain name system in the world.

The transition to the SRS is now in it's final stages, with the only major task remaining being the orderly disposal of Domainz, which is scheduled for completion by 30 September 2003.

While the SRS transition has obviously been the major focus of your Council in the past year, progress has been significant on a number of other

InternetNZ initiatives. A few of the more significant include:

- For second level domain name applications - approval of .maori.nz on 19 July, rejection of .bank.nz, and progress on .geek.nz
- Significant effort into the Next Generation Internet (NGI / Internet2) project, including the publication "Collaborating at Speed" and the establishment of the NGI consortium
- Resolution for InternetNZ to become an advocate for IPv6 in NZ
- Consolidation of internal procedures and processes, particularly with ongoing work from the Constitutional Review and Strategic Planning task forces.
- Reviews of International Committee structure and reporting.
- International Committee continuing to advocate, with some success) internationally for the creation of a ccNSO either within or outside of ICANN.
- InternetNZ has been solidly represented and has contributed positively in national and international fora throughout the year.
- Ongoing progress towards Best Practice for the operation of the Internet in NZ.
- Departure of our first Executive Director, Sue Leader, at 31 December 2002, subsequently replaced by Peter Macaulay.
- According to my records, a total of 6,472 InternetNZ list messages received during the year.

I wish to thank the outgoing Council for its contributions, support and efforts during the past year. My gratitude is also extended to the staff and governance personnel of NZRS, NZOC, Domainz and InternetNZ who have collectively responded positively and professionally most specifically to the changing environment during the SRS transition, but also in regard to their commitment to InternetNZ's overarching policies of operating in a "bottom-up, open and transparent" manner.

As the focus of Council diverts from .nz issues, it is my hope that your Council will be able to meet less frequently in the forthcoming year, but make greater progress on InternetNZ issues through greater functionality of Committees, Working Groups and Task Forces. The new year sees a reduction in the overall size of Council. This will mean that all incoming Councillors will have increased workloads and responsibilities, a big ask, particularly as Councillors are unpaid volunteers.

I look back over the past year with a sense of strong achievement for our Society, and I sense the forthcoming year will be one of consolidation and commitment to broader policy and political issues both within New Zealand and internationally.

2002/03 Actual	2002/03 Budget	Area	Account	2003/04 Budget
<b>INCOME</b>				
\$ 12,788	\$ 15,000		Membership	\$ 20,000
\$ 35,259	\$ 37,500		Interest	\$ 49,482
\$ 1,500,000	\$ 1,500,000		Dividends	\$ -
\$ 60,000	\$ 60,000		Domainz Mgmt Fee	
\$ 745,750	\$ 613,800		DNC Management Fees	\$ 818,400
	\$ -		Dnc Registrar Authorisation Fees	\$ 20,000
\$ 50,000	\$ -		Grants (NGI)	
\$ 14,291	\$ 1,000		Sundry	\$ 1,000
<b>\$ 2,418,088</b>	<b>\$ 2,227,300</b>		<b>TOTAL INCOME</b>	<b>\$ 908,882</b>
<b>EXPENDITURE</b>				
\$ 1,545	\$ 3,000	1	Accountancy Fees	\$ 5,000
\$ 1,290	\$ -	2	Admin Cmte	\$ 3,000
\$ 841	\$ 3,500	2	AGM	\$ 2,000
\$ -	\$ -	2	Audit Cmte	\$ 1,000
\$ 814	\$ 3,000	1	Audit Fees	\$ 3,000
\$ 760	\$ 1,000	1	Bank Fees	\$ 1,000
\$ 3,241	\$ 1,317	1	Cleaning	\$ 3,000
\$ 4,534	\$ 2,200	1	Comp Consumables	\$ 2,200
\$ 2,652	\$ 3,000	4	Conferences/Events	\$ 3,000
\$ 37,716	\$ 54,000	2	Council Meetings	\$ 25,000
\$ 20,127	\$ 16,000	1	Depreciation	\$ 16,000
\$ 144,969	\$ 196,875	9	DNC Personnel and Staff costs	\$ 270,000
\$ 33,926	\$ 54,150	9	DNC Office and administration	\$ 66,700
\$ 73,410	\$ 55,725	9	DNC Professional Services	\$ 180,000
\$ 18,952	\$ 39,000	9	DNC Communications	\$ 45,000
\$ 25,874	\$ 46,500	9	DNC - NZOC and other cmtes	\$ 58,000
\$ 4,529	\$ 28,125	9	DNC Registrar Activities	\$ 43,500
\$ 91,365	\$ 179,349	9	DNC - International	\$ 152,500
\$ 16,200	\$ 79,050	9	DNC - SRS Implementation	
\$ 2,134	\$ 2,250	1	Domain Names	\$ 1,000
\$ 41	\$ -	8	Domainz Future Taskforce	\$ 50,000
\$ 3,780	\$ 1,000	1	General Expenses	\$ 1,000
\$ -	\$ 2,000	2	Governance & Const Cmte	\$ 3,000
\$ 20,834	\$ 32,000	2	Honoraria	\$ 27,000
\$ 3,089	\$ 500	1	Insurance	\$ 4,000
\$ -	\$ -	3	Internat. Travel (non .nz)	\$ 10,000
\$ 233	\$ 2,000	3	International Cmte	\$ 3,000
\$ 3,501	\$ 2,380	1	Internet	\$ 3,500
\$ -	\$ 40,000	6	Internet Code of Practice	\$ 15,000
\$ -	\$ 10,000	5	Legal & Reg. Cmte	\$ 3,000
\$ 105	\$ 250	7	Maori Internet Soc.	\$ 250
\$ 69,371	\$ 55,000	7	Next Generation Internet	\$ 15,000

\$	3,042		7	NZNOG Conference Sponsorship	\$	5,000
\$	7,472	\$	1	Other		
\$	-	\$	1	Office Power/Rates/Ins	\$	10,000
\$	-	\$	1	Office Relocation	\$	4,000
\$	6,485	\$	7	Outreach Cmte	\$	3,000
\$	13,193	\$	7	Outreach Projects	\$	15,000
\$	242	\$	2	Planning	\$	5,000
\$	2,568	\$	1	Postage/Couriers	\$	1,000
\$	10,225	\$	1	Printing/Stationery	\$	2,500
\$	668	\$	1	Professional Services	\$	20,000
\$	3,415	\$	4	Promotions/Comms	\$	15,000
		\$	4	Rebranding		
		\$	1	Recruitment	\$	5,000
\$	12,524	\$	1	Rent	\$	12,500
\$	74,722	\$	9	SRS Implementation		
\$	199		1	Sale of Assets (Loss)		
\$	225,591	\$	1	Staff Costs	\$	220,000
\$	356	\$	1	Staff Training	\$	5,000
\$	-	\$	4	Summit	\$	20,000
\$	51	\$	2	Tech Cmte	\$	3,000
			7	Technical Committee Projects	\$	15,000
\$	2,280	\$	1	Technical Services	\$	40,000
\$	7,589	\$	1	Telecommunications	\$	10,000
\$	-	\$	4	Travel - Staff	\$	7,000
			2	Travel - Officers	\$	4,000
\$	1,083	\$	9	2LD Committee		
			4	Website Revamp	\$	10,000
\$	957,538	\$		<b>TOTAL EXPENDITURE</b>	\$	<b>1,447,650</b>
\$	1,460,549	\$		<b>SURPLUS/DEFICIT</b>	<b>-\$</b>	<b>538,768</b>
				<b>OPENING CASH</b>	\$	<b>701,216</b>
				PLUS LOAN REPAYS	\$	518,100
				PLUS DEPRECIATION	\$	16,000
				LESS CAPITAL EXPEND	<b>-\$</b>	35,600
				LESS DEFICIT	<b>-\$</b>	538,768
				<b>CLOSING CASH</b>	\$	<b>660,948</b>
				<b>EXPENDITURE BREAKDOWN</b>		
\$	315,613	\$	1	Office Expenses	\$	369,700
\$	73,925	\$	2	Council Expenses	\$	73,000
\$	233	\$	3	International (non .nz)	\$	13,000
\$	6,735	\$	4	Communications/Education	\$	55,000
\$	-	\$	5	Representation to Govt	\$	3,000
\$	-	\$	6	Industry Self Regulation	\$	15,000
\$	75,961	\$	7	Internet Projects	\$	53,250
\$	41	\$	8	Domainz Sale	\$	50,000
\$	483,947	\$	9	.nz Expenses	\$	815,700
\$	956,455	\$		<b>TOTAL</b>	\$	<b>1,447,650</b>

# **ANNUAL REPORT OF THE EXECUTIVE DIRECTOR TO THE 2003 AGM OF INTERNETNZ**

May 5 2003

## **INTRODUCTION**

I am pleased to present my fifth, and final, Annual Report to Society. This Report will cover the first three quarters of the 2002-03 year, and my successor, Pete Macaulay will present the Report for the final quarter.

InternetNZ entered the 2002-03 year with high expectations and an ambitious work plan. The Society eagerly awaited the realisation of many years' work with the introduction of a competitive Registrars market, the establishment of a new Registry, the creation of the Office of the Domain Name Commissioner, the release of the Next Generation Internet (NGI) Capability Study, the revision of the Internet Code of Practice, and the culmination of reform movements within the International Internet governance arena.

The Office of the Society continued to deliver the high quality, professional services which underpin the work of the Society. As always, limited resources meant all staff gave fully of themselves to ensure that the Society could meet it's objectives. As well as delivering "business as usual" the Office undertook a full review of it's own structure, provided Administration support for the new Office of the Domain Name Commissioner and for the new Registry, and developed new processes and procedures to implement the extension of members' online participation at AGMs. Detailed reports were made to all Council meetings and these can be found online<sup>1</sup>.

## **NEXT GENERATION INTERNET (NGI) PROJECT**

As reported to the last AGM, InternetNZ acted as Sponsoring Organisation for the NGI Capability Study and sought and gained \$50,000 matching funding from Industry NZ for the study.

This year the study moved into the implementation phase with the engagement of Laurence Zwimpfer as Lead Consultant for the Study. I worked with the Convenor of the NGI Steering Group, Neil James, and with Industry NZ's John Houliker to develop an appropriate contract for the work. Once Laurence was engaged I managed his contract, providing the relevant financial reporting to the Steering Group. The Office facilitated the September Stakeholder Meeting where the draft Study was presented.

The major outcome of the Study was the establishment of the independent NGI Consortium, and the Office provided an interim bank account, and administrative and financial services for the Consortium-in-formation, then agreed to continue that support for the first quarter of 2003 while a CEO was appointed and got established. The Council of InternetNZ adopted my recommendation that

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<sup>1</sup> <http://www.internetnz.net.nz/public/executive-director-reports/>



InternetNZ become a founding member of the Consortium. A full report on the work of the NGI Steering Group and the new Consortium appears elsewhere.

## **LEGISLATION**

The Office continued to support the work of the Legal and Regulatory Affairs Committee in 2002. The Annual Report by the Chair of Legal and Regulatory Affairs, Vice-President Rick Shera, appears elsewhere.

### **Draft Telecommunications Information Privacy Code**

InternetNZ made written submission on the Draft Telecommunications Information Privacy Code at the end of March, and was represented at the April public consultations, with the Chair of Legal and Regulatory Affairs participating at the Auckland meeting and the Executive Director at the Wellington meeting. The Commission later notified us that Sections 9 (b) and 9 (c) covering retention of traffic data were dropped, leaving just 9 (a) which is the law as it is now. This was a good outcome in line with our submission.

Also arising from that consultation, InternetNZ has an opportunity to raise profile and provide leadership by working with the Privacy Commission to promote privacy awareness on the Internet. One suggestion is to jointly promote the need for websites to have a Privacy Policy and for them to display a link to their Privacy Policy Statements on the site's top page. [After making this suggestion I returned to the Office and immediately drafted a Privacy Policy statement for the Society's website!]

### **Inquiry into the Operation of the Films, Videos and Publications Act.**

We also made written submission to the Inquiry into the Operation of the Films, Videos and Publications Act. In October the Society Chair of Legal and Regulatory Affairs, the Executive Director, and InternetNZ member Steven Bell made Oral Submission to the Government Administration Select Committee.

### **Follow-up on Consumer Protection (Definitions of Goods and Services) Bill**

The Consumer Protection (Definitions of Goods and Services) Bill, on which InternetNZ made written submission in January 2002, and the Executive Director later made Oral Submission on behalf of the Society, was reported to the House<sup>2</sup> in November and unanimously recommended deleting the section defining telecommunications signals as "goods" saying:

We received submissions that the definition of telecommunications signals in the bill is wide enough to cover the content of telecommunications.

It is argued that this may mean, for example, that under the principal Act, an internet service provider may be liable for the consequential losses of a consumer who relies on incorrect information on a web page.

It was not intended that suppliers of telecommunications signals would be liable for the content of the telecommunications. However, there is a

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<sup>2</sup> <http://www.clerk.parliament.govt.nz/content/1276/154bar2.pdf>

possibility that on the basis of the definition of telecommunications signals used in the bill, liability for the content of telecommunications could arise under consumer protection legislation."

### **Comment**

As has proved to be the case in the past, InternetNZ's Submissions, whether written or oral, are treated with great respect by the legislators. Those responsible for developing and enacting laws which impact the Internet in New Zealand frequently lack the in-depth knowledge which the Society can provide, and we are also valued as we are a cross-sectorial organisation which clearly has no "axe to grind".

## **NEW SECOND LEVEL DOMAINS PROPOSALS**

Responsibility for new Second Level Domain proposals moved to the Office of the Domain Name Commissioner (DNC) in mid-2002. However, as the DNC had a huge priority workload with the establishment of a Competitive Registrars market, the Office of the Society agreed to continue the consultation processes begun for the .maori.nz proposal. This proposal from Te Whanau Ipurangi/NZ Maori Internet Society Inc<sup>3</sup> gained overwhelming support from the Internet community, and became the first new second level domain in the .nz namespace since 1995. We believe it is also only the second indigenous people's namespace in the world, the first being .iwi.nz which was created as a moderated domain in 1995. The new domain went live on September 5 2002, generating interest worldwide (see *Communications and Public Profile* section)

Mid-year the NZ Bankers' Association proposed that a new second level domain, .bank.nz, be created. This was their second attempt to establish the domain, and this proposal again failed to gain the support of the New Zealand Internet community.

The Council also received a proposal for the creation of .geek.nz shortly after the .bank.nz proposal was received. As the Council had already signalled their plan to review the whole second level domain creation process, this proposal was accepted for consultation, and a moratorium placed on any further proposals. The DNC took over the second level domain process in December and the .geek.nz proposal gained huge support in the first round of consultations.

## **COMMUNICATIONS AND PUBLIC PROFILE**

Effective communications are critical to ensure that InternetNZ's internal and external stakeholders are well informed about the work of the Society. Emphasis was placed this year on fully implementing the Society's Open Documents Policy and the extended online participation for members (see *Membership Services* section).

The rebranding exercise was brought to a conclusion with the successful registration of InternetNZ trademarks. Our logo is now consistently used in all

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<sup>3</sup> <http://www.nzmis.org.nz>

media work, and looks well when compared with the logos of other organisations. One of the cost-effective ways used to increase brand awareness has been by taking up sponsorship opportunities where our logo can be displayed.

The Society enjoyed a second year of positive media coverage, both in response to media releases and by direct approaches from media on issues of the day. Releases were made on major issues such as new Second Level Domains proposals (.maori.nz, .bank.nz, .geek.nz), the NGI Capability Study, the severance the final link with NASA (the origin of the Internet in New Zealand) when the new secondary nameservers came online, the "retirement" of the Executive Director (Sue Leader), and the appointment of the new Executive Director (Pete Macauley).

Interest was extremely high, both nationally and internationally, when the success of the proposal to create the new Second Level Domain, .maori.nz, was announced. I gave interviews to RNZ, NewsTalkZB, TV3 (Te Marae), ABC (Australia), a German journalist, and various print/online media. International interest was also high concerning the .geek.nz proposal.

The President, the Vice President, and I fielded regular calls from all media for interviews and information. I also did a variety of backgrounders for the media on subjects ranging from Internet pornography, the definition of 'publishing' on the Internet, the creation of .maori.nz, and on email and AUP's, and I wrote two Opinion Pieces for InfoTech Weekly.

Vice President Rick Shera participated in an excellent radio program on Hacking which was followed up by him doing a Radio NZ interview. I did an interview on Open Systems with the same producer. (Although he used many of my points, he did not use "me" in the end.) This led to a TV3 News interview.

I have contributed an "InternetNZ News" column to each issue of UniForum's print newsletter "UniForum News" and wrote a webpage on the Internet Code of Practice for the Internet Safety Group's education website.

## **INTERNATIONAL WORK**

International work continued to remain important, especially in the light of major reform proposals for ICANN. A full report of the work of the International Affairs Committee appears elsewhere, as does a Glossary of Acronyms<sup>4</sup>.

My direct involvements were to represent the Society at the Shanghai APTLD, ccTLD, and ICANN meetings in October. In February 2003 I stood in for the International Affairs Committee Chair, Peter Dengate Thrush, as he was unable to attend the APTLD Board Meeting and AGM (Peter is Senior Vice Chair of APTLD). I have maintained good working relationships with our Pacific colleagues, one result of which was the Society funding Andy Linton's attendance at the Pacific-INET 2002 seminar in Nadi where he provided very well received IPv6 training.

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<sup>4</sup> For the Glossary of Acronyms see page ???

In relation to our ongoing battle with ICANN to get our listing in the IANA database updated, I completed the work on the case materials which document the problems from 1999 onwards.

Progress was made late in the year with two of the three issues resolved. The Administration contact details were finally updated on the ccTLD database and the Secondary Nameserver updates completed. The third stage of the process, that of updating the technical contact details which still list the ITS operators at Waikato University, had not been resolved by my departure on December 31. This remains a major issue, as the database now needs updating to reflect the new Registry.

The Council appointed me a member of the International Affairs Committee "in my own right" when I completed my contract as Executive Director, and I am now participating in the "Review of International Affairs".

## **MEMBERSHIP SERVICES**

Improvements to Membership Services were primarily focused around the Constitutional changes and the new processes for online AGMs which arose. Time management became interesting as the new Constitution has a range of timelines which vary depending on circumstances, for example, whether there are sufficient nominations for Council to run a purely online vote prior to the AGM or whether nominations must be re-opened from the floor. The online voting system was modified to allow for automated preferential vote counting, and computers provided at the venue for online voting from the floor. A variety of implementation issues arose, in part because the AGM was inquorate had to be adjourned and reconvened a week later. I prepared a full AGM Implementation Issues Report for the incoming Executive Director.

The only other new membership service was my work with the Institute for International Research (IIR). IIR approached me to chair their two-day Intranet Content Summit, and I agreed on a quid-pro-quo arrangement. InternetNZ members were then offered two free tickets to two other IIR events - an E-Government and an Internet Security conference. A draw was held for tickets and attendees' asked to report back. This was an experiment to see whether we could both raise our profile by endorsing the events (logo prominently displayed in promotional material) and provide a benefit for members. I believe the idea has promise, but the new Executive Director will need to determine whether this is the right company to partner with as they have been bought out.

## **RELATIONSHIP MANAGEMENT AND NETWORKING**

The Executive Director remains the nexus for communications with both internal and external stakeholders, sibling organisations, community and professional organisations, and government. What follows is a partial listing of the people and organisations I have worked with this year.

### **Internal and External Stakeholders**

InternetNZ Council and membership, the Domain Name Commissioner, New Zealand Registry Services Ltd, Domainz Ltd; APTLD, APNIC, ccTLD, ICANN, PAC-NET; and print, radio, television, and Internet Media; the general public.

### **Sibling Organisations**

UniForum, TUANZ, NZ Computer Society, The NZ Internet Safety Group, Te Whanau Ipurangi/NZ Maori Internet Society, NGI-NZ, GOVIS.

### **Government**

Ministry of Economic Development, Industry NZ , E-government Unit, Ministry of Justice, Privacy Commission, ECAT, ICT Taskforce.

### **Community and Professional Organisations**

UNESCO, The Risk Management Society of NZ, The International Institute for Research, The New Zealand Bankers Association, The New Zealand Federation of Business and Professional Women, Shakti (Asian Women's Refuge)

## **SUPPORTING THE WORK OF COUNCIL**

### **Administration**

The Executive Director attended all meetings of Council and those of relevant Committees and Working Groups. Full administration support for the work of Council was provided. In addition some specific tasks were completed, viz, the now compulsory Register of Interests<sup>5</sup>, negotiating a new Directors and Officers Insurance Policy to replace the old cover provided jointly with Domainz, and working with the new Auditors. As well I negotiated the transfer of the block of IP addresses which Domainz, as the first New Zealand Registry, held on behalf of InternetNZ, into the Society's name.

### **Financial**

Productive time was spent working with the new Treasurer, Chris Streatfield, to create new reports structured to provide a much more useful picture for Council of the Society's finances, something which I have been pushing for for some time. I fully endorsed the Treasurer's desire for greater involvement by the Accountants. The Office has always delivered a high standard of financial management and reporting, but resourcing limits have meant that staff were exposed to too much risk with one person handling all the work. The noted that this is a common situation for Incorporated Societies.

## **STRATEGIC PLANNING FOLLOW-UP**

As reported to the 2002 AGM, a Strategic Planning Session was held just prior to that AGM. The outcomes helped determine Budget needs in the context of a rapidly changing environment. The focus was placed on identifying candidate projects (some proposed by InternetNZ members), evaluating them in relation to our Aims and Objectives, and then ranking them in terms of priority. Members had been asked to put forward candidate projects as well.

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<sup>5</sup> <http://www.internetnz.net.nz/about-us/council02register-of-interests.html>

The exercise was valuable, and at the same time identified areas which needed more work within the planning process itself. The Executive Director was tasked with transforming the eleven candidate projects into a workable Business Plan. In order to do this we had to take a step back and create a standardised process with which to assess the candidate projects, and Project Control Guidelines were developed as a result. These were then used to assess the projects and a draft Business Cases document covering seven areas of work was presented to Council. Council subsequently created a "Strategic Planning Taskforce" to further develop a formalised planning process.

In preparing the Business Cases the "business as usual" work of the Society was clearly defined for the first time, and this created a benchmark for future development. The Office of the Society's key targets (Area 1) had 23 deliverables under the following subsections: Financial, Council Support, Event Management, Membership Services, Communications, Public Profile, and Administration. In addition the Executive Director and the Office of the Society had involvement in other Areas as summarised in this Report.

## **OFFICE AND ADMINISTRATION**

The Office network was substantially upgraded in 2002 to accommodate the new Office of the Domain Name Commissioner (DNC). Technical Services Manager, John Vorstermanns, added a new stand-alone firewall and installed anti-virus and anti-spam software after upgrading the two existing servers' software. The DNC's office has purchased two new machines, and one of them is running solely on Red Hat. These were integrated into the network, as was the new printer/scanner/fax. The final outsourced system was brought in-house with the installation of a Secure Server. The core network remains Linux based (Debian). The Office is looking to migrate entirely to Linux and desktop environments are being investigated. We may have to retain a Windows box for the membership databases and the accounting software, but even if we do, Microsoft licensing costs will drop sharply. John has also set up IMAP for all staff.

The phone system was also upgraded to cater for the demands of the two Offices.

The Boardroom continues to be utilised on a regular basis by external organisations. Combined UniForum/InternetNZ Regional meetings take place monthly, as do Board meetings for the Hibernian Society, and a variety of celebratory events have been staged there. The income is not huge, but the benefits to public profile are excellent, and all users comment on the quality of the facility.

## **INTERNAL REVIEW AND RESTRUCTURING**

The analysis of the work of the Office of the Society which arose out of the draft Business Cases identified resourcing issues. The then Administration Manager left her role to take up the position of Senior Support Analyst in the Office of the DNC in August, which brought forward the restructuring work which was underway and presented an opportunity to rethink resourcing methods within the

constraints of the current Budget. I prepared a Staffing Paper for Council and a temporary person was taken on to do the office administration, and an external Minute secretary trialed. In the event, our "temp" Zofia Krawczyk, fitted our needs well and she was hired as the new Office Administrator. We have benefited from Zofia's talents, and I welcomed the opportunity to hand over the website updates into her safe hands.

John Vorstermanns continued his excellent work as part-time Technical Manager for the Society. After review and discussion we agreed that everyone's needs would be better met with a contract change, and John now provides his skills on a Technical Services Contract.

A full report on Restructuring appears elsewhere, but I would like to make two comments here.

Firstly I am pleased that Council recognised that the Office of the Society is under-resourced and has undertaken to resource one more person, taking capacity from the Executive Director plus one staff member and a half-time contractor, to the Executive Director plus two staff members and a half-time contractor.

Secondly, I want to commend the restructuring of the Executive Director's role. This was long overdue, and the process was well thought out and implemented. I am particularly pleased with two key aspects, firstly the clear division between Policy and Operational matters. This is an issue which members will know I have constantly raised for the last three years, and the new Governance document is an excellent move. I am also pleased to see that the relationship with the Local Internet Community, from which InternetNZ derives its mandate to manage .nz, is clearly spelled out.

## **CONCLUSION**

I want to congratulate InternetNZ on the achievements of the 2002 year. Many hours of work by many dedicated people has made this possible. The restructuring is a positive move in our evolving organisation and recognises the importance of the work the Society does. I chose not to apply for the restructured Executive Director role as I felt that I had completed the job I began in August 1998 - that of managing the transition of the Society from a completely volunteer organisation to one with a small number of professional paid staff. I would like to thank the Officers, Councillors, members, staff, and colleagues for their support over the years. I have found it a most rewarding experience and a privilege to be involved. Best wishes to the new Executive Director and Council for the future.

**Sue Leader**  
**Outgoing Executive Director**

## ANNUAL REPORT OF THE INTERNATIONAL AFFAIRS COMMITTEE TO THE 2003 AGM OF INTERNETNZ

May 5 2003

### INTRODUCTION

I am pleased to submit the Annual Report on behalf of the International Affairs Committee. This committee has a diverse membership, some of whom have been involved with international Internet governance for over five years. Several have senior representation roles within ICANN bodies. The members are:

Peter Dengate Thrush (Chair)	(Senior Vice President APTLD; ccTLD AdCom member) Barrister: intellectual property, competition, tax and Internet matters
Jennifer Northover (Deputy Chair)	(CENTR Liaison) Councillor, InternetNZ; Director - Northover Management Consulting
Frank March	(Government Advisory Committee, ICANN) Chair, .nz Oversight Committee; Specialist IT Advisor, MED
Sue Leader	Executive Director, InternetNZ 2002; InternetNZ member 2003; Director - one2one & more
David Farrar	(At Large and DNSO) Secretary, InternetNZ; Strategy & Information Analyst, Office of the Leader of the Opposition
Richard Bourne	(APTLD Liaison) Chair, Technical Committee, InternetNZ; Technical Director - Liverton Ltd
Joop Teernstra	(At Large and DNSO) Councillor, InternetNZ; Director - Imagination Ltd, Director - Terabytes of New Zealand Ltd
Grant Forsyth	(Business Constituency representative on the DNSO Names Council); Councillor, InternetNZ; Manager Industry & Regulatory Affairs, TelstraClear
Keith Davidson	(ex officio) President, InternetNZ; Owner - WISE Net Ltd
Pete Macaulay	(ex officio) Executive Director, InternetNZ 2003
Debbie Monahan	(Observer) Domain Name Commissioner, InternetNZ

### INTERNATIONAL AFFAIRS REVIEW

The Council has instituted a Review of the Society's work in the whole International Affairs arena. This review group, led by Frank March, Chair NZOC (.nz Oversight Committee), has a wide mandate and will be reporting in depth shortly. On that basis, this Report takes only a high-level look at the work of the Committee in 2002-03. A Glossary of Acronyms<sup>1</sup> appears elsewhere.

### ICANN MEETINGS

The Internet Corporation for Assigned Names and Numbers (ICANN) is the global body currently assigned the coordination and technical management of the global Internet. ICANN currently has three Supporting Organisations (SO) which develop Policy in their area of expertise, and our specific focus has been on developing a fourth SO for the Country Code Top Level Domains (ccTLD) - the ccSO. The ccTLDs were formerly a Constituency of the Domain Name SO



(DNSO), and the DNSO is managed by three representatives from each of the remaining Constituencies. We have a further interest in seeing the promise of At Large membership and Board seats brought to fruition. We also liaise regularly with ICANN's Government Advisory Committee (GAC).

The ccTLDs are further divided into five sub-regions and we work closely with, and are founder members of, our regional group Asia Pacific Top Level Domains Ltd (APTLD). We are also an Associate member of the European grouping, CENTR, as we share common issues and states of development. Finally, where possible, we support the work of our colleagues in the Pacific Region.

Unless otherwise specified, all ICANN meetings also include APTLD, ccTLD, and DNSO meetings. The usual schedule is one day of APTLD meetings, three days of ccTLD meetings (the third of which overlaps with the DNSO Names Council Meeting and the General Assembly meeting), and two days of ICANN Board meetings. Other constituencies, such as the Business Constituency, meet for one or two days prior to the DNSO meeting as well.

The 2002-03 year was slated to be a critical one, not only because the ccTLDs were coming close to establishing our own SO, but because in February 2002 the President & CEO of ICANN published a rather controversial paper to reform ICANN<sup>ii</sup>. The first ICANN meeting of the 2002-03 year took place in Bucharest, and the date coincided with the InternetNZ AGM in June. Fortunately Jennifer was able to join Peter to represent .nz. Grant attended in his role on the Names Council<sup>iii</sup>. The next ICANN meeting took place in Shanghai in October, and .nz was represented by Peter and Sue, with Frank's travel to the GAC meeting being subsidised by InternetNZ as the Council believed NZ government attendance was crucial<sup>iv</sup>. Grant attended for the Names Council.

An extra ICANN meeting was held at short notice in Amsterdam in December. The ccTLDs voted unanimously not to hold a formal meeting at Amsterdam. Although some Managers attended informally, .nz sent no representatives.

APTLD holds its AGM at APRICOT in February, and as Peter was unable to attend, Sue substituted for him at Taipei, accompanied by Keith. New Executive Director, Pete Macaulay attended APRICOT as a first introduction to our international work, InternetNZ Councillor Roger De Salis attended the first global IPv6 Summit, and Keith and Pete represented us at the APNIC meeting.

The final ICANN meeting for the 2002-03 year was in March in Rio de Janeiro with Peter and Keith attending - the outcomes of this important meeting are below.

## **APTLD**

APTLD continues to develop as a forum for Asia-Pacific ccTLD Managers. A major focus is ICANN-ccTLD matters, and APTLD particularly functions as a consensus building mechanism vis-a-vis issues such as the ccSO and ICANN reform. Peter Dengate Thrush was re-elected as Senior Vice Chair of APTLD, and was reconfirmed as the APTLD representative on the Administration

Committee (AdCom) of the ccTLD constituency/ccSO-in-formation. Peter continues to be the key liaison and spokesperson for APTLD on ccTLD-ICANN matters. In this role he also chaired the intensive three-day ccTLD meeting in Shanghai.

APTLD also acts as a vehicle for the sharing of ideas, practices and training amongst managers. We piloted the first Nameserver training courses, and these are now being run by the ccTLD constituency on a global basis. Other issues which have been workshopped include Domain Name Dispute Resolution Policy development, re-delegation issues, ENUM deployment, and security. APTLD also sponsors outreach activities to developing ccTLDs which would otherwise not be able to afford to attend APTLD/ccTLD/ICANN meetings. A small sponsorship fund is available to subsidise attendance by ccTLD Managers who have never been to a meeting.

The other dominating issue for APTLD is that of Internationalised Domain Names (IDNs). IDNs are non-Latin character-set based domain names, and allow character-sets such as Chinese, Japanese, and Arabic to be used for URLs. Whilst this is not an issue for .nz, it is of crucial importance for our neighbours, and the new standards for IDNs issued by the IETF this year mean that implementations will soar. There are potential inter-operability issues with IDNs deployment and the ccTLDs have a role in ensuring standardisation.

## **PACIFIC WORK**

We maintain liaison with colleagues in the Pacific, and at the request of the organisers of the first Pacific-INET InternetNZ paid the expenses for Andy Linton to run a workshop on IPv6 in Nadi. Feedback was excellent, and we maintain our positive relations with our closest neighbours. Sue has been tasked with designing an appropriate project for the Pacific and she is working with APTLD Board member and Chair of Pacific INET, Richard St Clair (.nu), to create a proposal.

## **ccTLD DEVELOPMENT**

The ccTLD community, now known as the World Wide Alliance of Top Level Domains (WWTLD), met in Rio de Janeiro in conjunction with the ICANN meeting. Fifty-four ccTLD Managers were represented and they spent an intensive three days on SO and ICANN Reform issues. The Committee on ICANN Evolution and Reform (ERC) issued its final report<sup>y</sup> on the April 22 2003, which embodies the recommendations of the Assistance Group's recommendations on the establishment of an Supporting Organisation for the ccTLDs. This structure of this SO, now called the Country Code Names Supporting Organisation (ccNSO), largely reflects the work already done by the WWTLD to establish an SO. The critical principles for the ccNSO to be successful lie in two areas. First, the range of Policy which ICANN can adopt and enforce upon ccTLDs is limited and has a narrow technical focus. Unlike the generic Top Level Domains (gTLDs) such as ".com", all ccTLDs are answerable to their Local Internet Community, and their operations are governed by the laws of the country or territory within which they operate. Secondly, the mandate for

creating Policy must rest solely with the ccTLDs themselves. It has taken several years work to ensure that ICANN understands how ccTLDs differ from gTLDs, and the ERC's report is a welcome indication that this understanding still exists.

Each regional grouping of ccTLDs had extensively consulted on the recommendations in the ERC report and all had some reservations. These issues were fully debated at the WWTLD meeting, and formal Resolutions<sup>vi</sup> reached and a Communique<sup>vii</sup> produced which were presented to the ICANN Board. The Communique said, in part:

"The view of the ccTLDs was positive toward the formation of the ccNSO. It was agreed that it would be the only appropriate forum in which to develop policies concerning ccTLD administration. There was a broad range of opinions on some of the implementation details of the proposal, such as the organisation's narrow scope, voting procedures, and problems of binding policy. However there is a strong will to resolve these outstanding issues.

ccTLDs reiterated their view that any global policy role for the ccNSO or ICANN is very limited in scope, and the majority of policies are matters of local concern. Also, it was considered that when policy is developed and proposed to the board, the policy may only be approved or returned to ccNSO for further revision. The ccTLDs are encouraged that these fundamental principles are now widely acknowledged by those involved in the process."

The meeting also moved forward on liaison with the GAC, IDNs deployment issues, and improvements to the IANA function.

## **OTHER**

Other international issues - APRICOT, APIA<sup>viii</sup>, the Pacific Forum, the ITU's World Summit on the Information Society<sup>ix</sup> (WSIS) and the ITU's growing interest in Internet governance, UN ICT Task Force<sup>x</sup> and the Digital Opportunity Initiative, ENUM, the work of APEC-TEL<sup>xi</sup>, the ongoing work of the IETF<sup>xii</sup> on Internet Standards - continue to beg for attention, and our level of involvement will be determined by the International Affairs Review.

**Sue Leader**  
**On behalf of**  
**the International Affairs Committee**

<b>Date</b>	<b>Meeting/Event</b>	<b>.nz Delegates</b>	<b>Place</b>
<b>2003</b>			
March 23-27	ICANN Meeting (global Internet management body) - ccTLD (Country Code Top Level Domain Managers), and ICANN Board meeting	Keith Davidson, Peter Dengate Thrush. In attendance: Grant Forsyth (Business Constituency)	Rio de Janeiro
Feb 23 - March 1	APTLD (Asia Pacific Top Level Domains Association Ltd)	Sue Leader, Keith Davidson, Pete McCauley	Taipei
Feb 23 - March 2	APRICOT (Asia Pacific Region Internet and Computer Training) and APNIC (Asia Pacific Network Information Centre)	Keith Davidson, Pete McCauley, Roger De Salis. In attendance: Bob Gray, Tim ?? (Domainz)	Taipei
<b>2002</b>			
Oct 6 -31	ICANN Meeting - APTLD, ccTLD, and ICANN Board meeting	Peter Dengate Thrush, Sue Leader, Frank March. In attendance: Grant Forsyth (BC)	Shanghai
June 24-28	ICANN Meeting - APTLD, ccTLD, and ICANN Board meeting	Peter Dengate Thrush, Jennifer Northover. In attendance: Grant Forsyth (BC)	Bucharest

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<sup>i</sup> For the Glossary of Acronyms see page ????

<sup>ii</sup> "President's Report: ICANN – The Case for Reform", M Stuart Lynn, <http://www.icann.org/general/lynn-reform-proposal-24feb02.htm>

<sup>iii</sup> travel for which is not paid by InternetNZ

<sup>iv</sup> The Minutes of the Council Meeting on August 30 2002 record: "Noted: InternetNZ notes that government has no provision to pay for attendance by the GAC representative. InternetNZ notes that the New Zealand government believes in a "light touch" in terms of the Internet, and InternetNZ believes that this message can best be communicated government to government at the GAC meeting. InternetNZ judges that it serves the best interests of the NZ Internet Community that the GAC representative attend this important meeting, and therefore has decided to fund his attendance. InternetNZ will make this decision known to government."

<sup>v</sup> <http://www.icann.org/committees/evol-reform/fifth-supplemental-implementation-report-22apr03.htm>

<sup>vi</sup> [http://www.wwtld.org/meetings/Rio/ccTLDRio\\_communique\\_26Mar2003.html](http://www.wwtld.org/meetings/Rio/ccTLDRio_communique_26Mar2003.html)

<sup>vii</sup> [http://www.wwtld.org/meetings/Rio/ccNSO\\_resolution.html](http://www.wwtld.org/meetings/Rio/ccNSO_resolution.html)

<sup>viii</sup> <http://www.apia.org>

<sup>ix</sup> <http://www.itu.int/wsis/>

<sup>x</sup> <http://www.unicttaskforce.org/>

<sup>xi</sup> <http://www.apectelwg.org/apec/main.html>

<sup>xii</sup> <http://www.ietf.org/>