Agenda for a meeting of the InternetNZ Council
Friday, 18 May 2012
Level 9 Grand Arcade Tower, 16 Willis St, Wellington

Start	Item	Person
10.00am	**Council alone time**	Frank March
10.15am	**Strategic discussion** Business development priorities	Frank March
12.30pm	**Lunch**	

1.00pm	**Apologies**
	Declaration of Councillor interests
	Agenda consideration - in committee items
	Consent agenda item
	a. Ratification of minutes: 17 February 2012
	      and 23 March 2012
	b. President's report
	c. DNCL monthly reports for January, February and
	      March and fourth quarter report
	d. NZRS fourth quarter report
	e. Evote ratification
		Frank March

1.05pm	**Matters arising from the minutes** Outstanding action points from previous meeting	Frank March
1.15pm	**Grants Committee** Discussion on possible addition to InternetNZ objects	Frank March
1.45pm	**Audit and Risk Committee** Indemnity for Councillors	Neil James
1.55pm	**Investment Policy Sub-Committee**	Dave Moskovitz
2.10pm	**2020 Communications Trust update**	Neil James
2.25pm	**Break**	
2.40pm	**InternetNZ operational report** CE's report Financial report to March 2012 Grants report Report on InternetNZ Grants 2011/2012 Funding Round proposal (policy & legal research) Proposal for NetHui Regional Events TLD principles Members' privacy policy Membership update	Vikram Kumar
4.00pm	**Update from NetSafe**	Martin Cocker
4.20pm	**Other business** Meeting feedback	Frank March
5.00pm	**Meeting ends**	

Annotated agenda for a meeting of the InternetNZ Council
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Start	Item	Person
10.00am	**Council alone time**	Frank March
10.15am	**Strategic discussion** Business development priorities	Frank March
12.30pm	**Lunch**	
1.00pm	**Apologies** **Declaration of Councillor interests** **Agenda consideration - in committee items** **Consent agenda item** *THAT the minutes of the meetings held on 17 February 2012 and 23 March 2012 be received and adopted as a true and correct record, and THAT the following reports be received:* a. Ratification of minutes: 17 February 2012 and 23 March 2012 b. President's report c. DNCL monthly reports for January, February and March and fourth quarter report d. NZRS fourth quarter report e. Evote ratification *THAT the DNCL and NZRS chairs be directed to report on proposals to revise the roles and responsibilities of those organisations.*	Frank March
1.05pm	**Matters arising from the minutes** Outstanding action points from previous meeting	Frank March
1.15pm	**Grants Committee** Discussion on possible addition to InternetNZ objects	Frank March
1.45pm	**Audit and Risk Committee** Indemnity for Councillors *THAT the Audit & Risk Committee seeks an addition to the Constitution around Councillor indemnity.*	Neil James
1.55pm	**Investment Policy Sub-Committee**	Dave Moskovitz
2.10pm	**2020 Communications Trust update**	Neil James
2.25pm	**Break**	
2.40pm	**InternetNZ operational report** CE's report Financial report to March 2012 Grants report Report on InternetNZ Grants 2011/2012 Funding Round proposal (policy & legal research) Proposal for NetHui Regional Events TLD principles	Vikram Kumar

Members' privacy policy
Membership update

THAT Council receives the CE's Report.

THAT Council notes the financial report to 31 March 2012.

THAT Council note the decisions made regarding grants funding requests since the last Council meeting.

THAT Council notes the report on InternetNZ Grants for the financial year 2011/2012.

THAT Council approves the parameters outlined above to initiate the $100,000 competitive bidding Policy & Legal Funding Round from the approved 2012/13 grants budget.

THAT Council approves holding a national NetHui annually, alternating between Auckland and Wellington.

THAT Council approves holding a series of NetHui regional events beginning with a one or two day event in the South Island prior to the end of 2012.

THAT Council approves the following high-level TLD principles as InternetNZ's position:

1. Domain name markets should be competitive.
2. Choice for registrants should be maintained and expanded.
3. Domain registrations should be first come, first served.
4. Parties to domain registrations should be on a level playing field.
5. Registrant data should be public.
6. Registry / Registrar operations within a TLD should be split.
7. TLD policy should be determined by open multi-stakeholder processes.

THAT Council discusses the changes to members' privacy policy and Councillor role description.

THAT Council discusses the options for members who do not wish to accept the changed members' privacy policy.

THAT Council approves changes as appropriate to members' privacy policy and Councillor role description and the process to be followed to inform members (and obtain informed consent if appropriate).

THAT the new members be approved.

4.00pm	**Update from NetSafe**	Martin Cocker
4.20pm	**Other business** Meeting feedback	Frank March
5.00pm	**Meeting ends**	

INTERNETNZ COUNCILLOR REGISTER OF INTERESTS

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

Officers and Councillors receive the following annual honoraria:

Honoraria

President - $18,000
Vice President - $11,250
Councillor - $9,000

Name: Frank March

Position: President, InternetNZ
Term: AGM 2009 - AGM 2012
Declaration Date: 21 March 2007, updated 25 July 2011

Interests:

- Holds two .nz domain name registrations
- Member of NZ Association of Scientists
- Employed by the NZ Government (Ministry of Economic Development), consequently:
- NZ representative on the Governmental Advisory Committee of ICANN
- Technical advisor to the Trans Pacific Partnership negotiators for the Telecommunications and Ecommerce Chapters
- Member of IPv6 Steering Group and administration team
- Member of the Institute of Directors
- Officer's Honorarium for InternetNZ

Name: Jamie Baddeley
Position: Vice President, InternetNZ
Term: AGM 2009 - AGM 2012
Declaration Date: 28 August 2007, updated 17 October 2011

Interests:

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

Name: Donald Clark
Position: Councillor, InternetNZ
Term: AGM 2011 - AGM 2014
Declaration Date: 20 April 2009, updated 18 August 2011

Interests:

- Holds several .nz domain name registrations
- Contracted by InternetNZ to support New Zealand IPv6 Task Force
- Councillor's Honorarium for InternetNZ

Name: Michael Foley
Position: Councillor, InternetNZ
Term: AGM 2009 - AGM 2012
Declaration Date: 25 August 2007, updated 27 September 2011

Interests:

- Director of Voco Limited
- Director of Domain Name Commission Ltd
- Domain Name Commission Director's fees
- Holder of .nz domain names
- Member of Advisory Group for Enternet Online Limited (EOL)
- Councillor's Honorarium for InternetNZ

Name: Neil James
Position: Councillor, InternetNZ
Term: AGM 2010 - AGM 2013
Declaration Date: 28 August 2008, updated 22 November 2011

Interests:

- Member of Identity and Access Management for Education and Research (IMAGER)
- Supporting fibre development in the Dunedin region
- Fellow of NZCS
- Councillor's Honorarium for InternetNZ

Name: Hamish MacEwan
Position: Councillor, InternetNZ
Term: AGM 2009 - AGM 2012
Declaration Date: 24 August 2007; updated 27 September 2011

Interests:

- Self employed Open ICT consultant
- Registrant of sundry .nz domains
- Councillor's Honorarium for InternetNZ

Name: Jonny Martin
Position: Councillor, InternetNZ
Term: AGM 2010 - AGM 2013
Declaration Date: 28 August 2007, updated 6 March 2009

Interests:

- Employee of Packet Clearing House
- Shareholder of FX Networks Ltd
- Director of the Asia Pacific Internet Association (APIA)
- Member of NZNOG and APRICOT organising committees
- Holds a number of .nz and .net domain names
- Councillor's Honorarium for InternetNZ

Name: Nat Torkington
Position: Councillor, InternetNZ
Term: AGM 2011 - AGM 2014
Declaration Date: 1 October 2009, updated 17 October 2011

Interests:

- Kiwi Foo Conference organiser
- Member of the advisory board to the Government Information Systems group within the Department of Internal Affairs
- Member of the Industry Advisory Board of the Auckland Bioengineering Institute
- Founder of Open New Zealand
- Sits on the Library Information Advisory Commission
- Blogger for O'Reilly Media
- Past consultant for Telecom New Zealand on innovation, and may continue to do so in the future
- Advisor to the American cloud computing startup Opscode
- Advisor to Spotlight Reports, NZ-based web startup
- Director, Silverstripe
- Director, He Hononga Software Ltd.
- .nz, .com, .org, .cn, .us, .me domain registrant
- Advisor to PHP Fog
- Advisor to 77 Pieces
- Director, GNAT Limited
- Councillor's Honorarium for InternetNZ

Name: Michael Wallmannsberger
Position: Councillor, InternetNZ
Term: AGM 2011 - AGM 2014
Declaration Date: 31 July 2006, updated 7 January 2011

Interests:

- Employee of ASB Bank Limited
- Member of the New Zealand Labour Party.
- .nz domain name registrant
- Member of the Standards Council
- Member of the Institute of Directors
- Shareholder/Director, Wallmannsberger Ltd
- Director of .nz Registry Services
- Councillor's Honorarium for InternetNZ

Name: Lance Wiggs
Position: Councillor, InternetNZ
Term: AGM 2010 - AGM 2013
Declaration Date: 9 August 2010, updated 1 May 2012

Interests:

- Beneficiary shareholder and consultant to Pacific Fibre Limited

- Owner and director of LanceWiggs Consulting

- Director and shareholder in several NZ companies operating online and which are owners of several .co.nz domain names

- Director of Cadimage Limited, Graphisoft New Zealand Limited

- Director of Cadimage Group Limited

- Director of Powerkiwi Limited

- Director of Safeplus Limited

- Director of Organik Software Limited

- Director of News Crowd Limited

- Director of Define Instruments Limited

- Director of Lingopal Limited (Australia)

- Shareholder and advisor to Valuecruncher Limted

- Shareholder and advisor to Authentic Tours Limited

- Member of the Institute of Directors

- Shareholder and advisor to Vend Limited

- Consulting to ASB

- Councillor's Honorarium for InternetNZ

Name: Don Christie
Position: Councillor, InternetNZ
Term: AGM 2010 - AGM 2013
Declaration Date: 10 August 2010, updated 13 June 2011

Interests:

- Director and shareholder of Catalyst IT Limited

- Catalyst in turn has interests in Flexible Learning Network and Truenet

- Catalyst is a member of TUANZ

- Member of the NZOSS

- Member of NZCS

- Member of the NZIIA

- President of NZRise Inc

- Director of Totara Learning Solutions Limited

- Open Source Industry Australia board member
- Councillor's Honorarium for InternetNZ

Name: Dave Moskovitz
Position: Councillor, InternetNZ
Term: AGM 2011 - AGM 2014
Declaration Date: 9 August 2010

Interests:

- Registrant of .nz, .com, .org domains
- **Board memberships:**
- Think Tank Consulting Limited (Chair)
- WebFund Limited (Chair)
- Golden Ticket Limited (Chair)
- WebFund Golden Ticket Holdings Limited
- WebFund Smartshow Holdings Limited
- **Shareholdings (all of the above, plus):**
- Ponoko Limited
- Celsias Limited
- 8interactive Limited
- Numerous publicly listed companies
- Admin Innovations Limited (through WebFund)
- DIYFather Limited (through WebFund)
- Smartshow Limited (through WebFund)
- **Non-profit Leadership:**
- Trustee, Think Tank Charitable Trust
- Board member, AngelHQ Establishment Board
- Treasurer, Wellington Progressive Jewish Congregation
- Councillor, Wellington Regional Jewish Council
- Co-Chair, Wellington Council of Christians and Jews
- **Other memberships:**
- New Zealand Open Source Society
- Institute of Directors in New Zealand
- Springboard
- Royal Society
- Councillor's Honorarium for InternetNZ

MINUTES OF COUNCIL MEETING

Status:	Draft
Present:	Frank March (President), Jamie Baddeley (Vice President), Donald Clark, Michael Foley (via VC), Neil James, Hamish MacEwan, Jonny Martin, Dave Moskovitz, Nat Torkington, Michael Wallmannsberger.
In Attendance:	Vikram Kumar (Chief Executive), Susi Cosimo (Shared Services Unit Manager), Susan Chalmers (minute taker), Maria Reyes (minute taker), Debbie Monahan (Domain Name Commissioner), Joy Liddicoat (DNCL Chair), Richard Currey (NZRS Chair), Jay Daley (NZRS CE), Paul McKitrick (DNCL Staff), Simon Riley (Member), Jim Whitman (Member)
Meeting Opened:	The President formally opened the meeting at 1:01pm.

1. Apologies

Council received apologies from Cr Wiggs and Cr Christie who were not able to attend the meeting.

2. Declaration of Councillors interests

Councillors were reminded to provide written confirmation of any changes to the register to office@internetnz.net.nz. No changes were noted.

3. Agenda consideration – in committee items

There were no items noted that may need to be moved into committee.

4. Consent agenda item

The President apologised for not presenting a written President's report.

RN 01/12: THAT the minutes of the meeting held on 9 December 2011 be received and adopted as a true and correct record, and THAT the following reports are received:

    a. Ratification of minutes: 9 December 2011
    b. DNCL monthly reports for November and December and third quarter report

c.   NZRS third quarter report
d.   Evote ratification

(President / Vice President)
CARRIED U

Evotes

There have been five evotes conducted since the last Council meeting on 9 December 2012.

Evote:		For:	Against:	Abstain:
15122011	THAT the grants request from Matakana School for $8,606 to purchase iPod Touches be declined.	Don Christie Lance Wiggs Nathan Torkington Neil James Dave Moskovitz Michael Wallmannsberger Jamie Baddeley Michael Foley Frank March Donald Clark Hamish MacEwan Jonny Martin		
16122011	THAT the request from Lifeline Aotearoa trading as Lifeline Auckland Inc. for $14,000 to upgrade and redevelop their IT infrastructure be declined.	Donald Clark Frank March Jamie Baddeley Hamish MacEwan Michael Foley Dave Moskovitz Michael Wallmannsberger Jonny Martin Nathan Torkington Neil James	Don Christie	
30012012	THAT the application from Community Radio Hamilton for $6,500 to part fund their participation in the Access Internet Radio project be declined.	Frank March Hamish MacEwan Michael Foley Donald Clark Neil James Jamie Baddeley	Lance Wiggs Don Christie	Michael Wallmannsberger Dave Moskovitz

Evote:		For:	Against:	Abstain:
09022012	THAT the dotKiwi green paper be received and comments from InternetNZ members on the report invited.	Hamish MacEwan Dave Moskovitz Donald Clark Lance Wiggs Michael Foley Neil James Frank March Don Christie Nat Torkington Jonny Martin Michael Wallmannsberger Jamie Baddeley		
090220122	THAT the application from NZRise for $10,000 to produce an educational seminar for trade negotiators during the March 2012 round of Trans-Pacific Partnership be accepted.	Donald Clark Michael Foley Jonny Martin Hamish MacEwan Frank March Neil James Lance Wiggs Michael Wallmannsberger Nat Torkington Jamie Baddeley		Don Christie Dave Moskovitz

5. Matters arising from the minutes

AP 25/10:   No further progress.

AP 31/10:   On hold until the dotString decisions are made.

AP 06/11:   Covered later in the agenda.

AP 07/11:   Action Point is complete. This is a preceding requirement for AP 06/11.

AP 28/11:   Cr Moskovitz is planning to call a meeting in the next few weeks regarding this and will report back at next Council meeting.

AP 32/11:   Covered later in the agenda.

AP 39/11:   The application has gone through and a decision is about to be made following this year's meeting in India, most probably by end of this month or early next month.

AP 40/11:   Further updates will be discussed later in the agenda.

AP 43/11:   In progress. Vikram is due to have a meeting on 29 February.

AP 44/11:   Completed.

AP 50/11:   Membership renewal process is complete. Draft wireframes were circulated to Council.

AP 55/11:   Covered later in the meeting.

AP 58/11:   Completed.

AP 59/11:   Completed.

AP 60/11:   Completed.

AP 63/11:   No further progress. The work is not being done at this point but this should be done by next Council meeting.

AP 64/11:   Complete.

AP 65/11:   In progress. This will be covered at next Council meeting. Whatever is implemented would come into effect in the next financial year. It will require a joint exercise of the Chairs and Boards.

AP 66/11:   Covered later in the agenda.

AP 67/11:   Vikram will give a verbal update (off the record).

6. dotString Working Group update and discussion

The President provided a brief summary of the strategic discussion prior to the meeting. The "green paper" has been circulated to members but the financial decisions/issues were not included as this will be covered in the "white paper". The white paper will not be available to members because they are commercial in confidence. Council is consulting the members on matters of principle (through the green paper).

AP 01/12:   The President will circulate an email to the members-announce list making the division of responsibilities clear, after circulating a draft to Council over the weekend.

There was a discussion on whether to proceed with the preparation of a white paper and application for the .kiwi gTLD. To meet ICANN's time frames, InternetNZ must apply for an "application slot" immediately. The only commitment is the US$5,000 application fee which requires a Council resolution. It was discussed whether a final decision could be made now rather than deferring it until after the white paper. Council was in favour of proceeding with registering for an "application slot" to keep future options open and to receive the information required to put in an application for .kiwi.

Council was also in favour of providing members with a simplified form for their views on the Green Paper.

The CEs were asked whether there are any expected additional external costs associated for developing the white paper or any concern about the expenditure. In response, Jay noted that a person will be contracted to develop the financials for the white paper while Debbie commented that there would be additional costs but this depends on what the questions are in the application process.

Council members were invited to post their personal views about InternetNZ applying for .kiwi on the members discuss list so that all members had an opportunity to engage in this critical discussion.

RN 02/12:   THAT Council approves in principle to proceed with the preparation of a white paper and further that approval is given for the booking of an application slot with ICANN and that any final decision on this will be made at a special Council meeting to be held before the end of March.

(President/Cr Torkington)
CARRIED U

7. NZ Registry Services

The President commended NZRS for a well written report and also recognised the APTLD report attached to the DNCL report.

Cr Torkington raised a question whether there is any involvement from InternetNZ with the crisis communications scenario specified on the Audit and Risk section of the NZRS third quarter report. Jay Daley commented that it was a bit complicated at that time as the PR Company advised that it was not necessary but that it is something that they are looking at to resolve.

The difference between authorised and connected registrars was raised. Jay replied that the difference between the two represented those who had not completed the testing process. Debbie noted that DNCL follows up with registrars if there is a long gap in their completion of this testing process.

It was noted that NZRS' Statement of Expectations was discussed at the December 2011 Council meeting. There are no additional comments at this point but Richard advised that there are a few textual changes on the document which he will discuss at the NZRS Board meeting next Friday and will forward to Council after the Board meeting.

8. Domain Name Commission
The Council was given a briefing on the outage mentioned in the report. Debbie commented that NZRS was quick to address the outage and that she was satisfied with the action taken so no further action was required. The information surrounding this was published in a newsletter and there was a cross-reference between the DNCL and NZRS on the accuracy of the report.

Joy Liddicoat gave a brief summary of the 10-year anniversary plan and commented that this can be an opportunity to increase visibility around the SRS. DNCL will reflect not only backwards but also look forward during this anniversary. A letter relating to this is included in the Council papers and it proposes that the Council nominates a representative to join the Planning team.

Joy noted that the Statement of Expectations that was given by the Council to DNCL late last year included an expectation to proactively strengthen perceptions related to .nz. The Statement of Direction and Goals responds to that and articulates the ways that DNCL shall work more closely with NZRS around these goals. The proposed budget had also taken the expectations around a greater environmental watch into account.

RN 03/12:   THAT DNCL Statement of Directions and Goals be received.

(President / Vice President)
CARRIED U

RN 04/12:   THAT it is noted that October 2012 marks 10 years of the .nz Shared Registered System.

(President / Vice President)
CARRIED U

RN 05/12: THAT it is noted that the event should be marked with an appropriate promotion and celebration of .nz

(President / Vice President)
CARRIED U

RN 06/12: THAT it is noted that DNCL is intending to convene a Planning Team to identify and plan activities.

(President /Vice President)
CARRIED U

RN 07/12: THAT Council nominates Cr MacEwan as the Council representative to join the Planning Team.

(President / Vice President)
CARRIED U

Cr Baddeley noted that Cr MacEwan and himself were up for re-election in 2012. It was therefore noted that Cr MacEwan is to be on the Planning Team pro tempore and Council will nominate a new representative should he not be re-elected.

2.00pm – Paul McKitrick joined the meeting

Paul McKitrick gave a presentation on the DNCL Security Strategy. Four key points were identified in the strategy which focuses on the development of .nz security policy and also reconciling it with other security efforts within New Zealand. He noted that the strategy has linkages with NZRS running .nz.

The President raised a question around how the work of the NZITF is developing. Paul commented that this is going well and that there is cohesion where there used to be fragmentation and that concrete initiatives are now underway. Debbie also noted that when Paul chairs NZITF, he represents InternetNZ as a group rather than specifically DNCL.

On behalf of the NZITF, Paul conveyed its thanks for the support that InternetNZ has provided and continues to provide it.

2.11pm – Paul McKitrick left the meeting.

9. Group Financials
RN 08/12: THAT the third quarter consolidated group financial statements be received.

(President /Cr Martin)
CARRIED U

2.15pm – Joy Liddicoat, Debbie Monahan, Richard Curry and Jay Daley left the meeting.
2.15pm - 2.32pm – The Council took a brief break.

10. Audit and Risk Committee

Cr James noted a slight refinement in the Terms of Reference in addition to a suggested change to the InternetNZ Reserves Policy – a minor adjustment of the wording for clarification.

The Committee has yet to address the legal advice related to Council indemnity. This will be addressed at the next meeting of the Committee.

RN 09/12:   THAT the amended Terms of Reference for the Audit and Risk Committee as at February 2012 be adopted.

(President /Cr James)
CARRIED U

Regarding the reserves policy, "ceasing payment would make operational and financial sense" is the suggested addition. In the absence of this change, it would appear that Council would require a change even when that would not make financial sense.

RN 10/12:   THAT the amended InternetNZ Reserves Policy as at February 2012 be adopted.

(President /Cr James)
CARRIED U

11. 2020 Communications Trust update

Two handouts were distributed – a diagram for the 2020 Communications Trust Activity Map 2012-2015 and the ICT in Schools Report 2011. It was noted that InternetNZ has contributed questions to the ICT in Schools Report as a sponsor.

Cr James highlighted a slight error on the update report that did not appear on the copy given to the Council, regarding the Trust developing an operational plan over the first part of this year.

Audit and Risk Committee continued

There was a brief discussion around the model Financial Reporting to the InternetNZ Council. There has been extensive work to get to this stage, and it was agreed that Council are happy with the model.

12. InternetNZ Operational Report

CE's Report

Vikram provided a brief overview of the report and commented that the first part of the year is traditionally a slow period as it includes the summer holidays but this was not the case this year.

Cr Foley raised a point around InternetNZ working with local government (item 6 on CE's report). He asked whether this has been extended to other City Councils other than Wellington. Vikram commented that at the moment the preference is to work with City Councils that want to work with InternetNZ. Dunedin, for example, has raised its hand and Vikram will be meeting with them soon. This year InternetNZ will do some promotion to more City Councils as the focus so far has been on creating a positive track record and proving InternetNZ's credibility.

Vikram gave a verbal update on the member's consultation meeting held in Christchurch, Auckland and Wellington. The principles paper, .kiwi, and Business Plan were among other things that were discussed at the meetings. Auckland's attendance number was noteworthy. This can be attributed to the issues raised and an opportunity to attend the recording of Media 7's weekly show with two Webstock speakers arranged by InternetNZ. Christchurch and Auckland members wanted InternetNZ to be more actively engaged in their cities and asked for more members meetings.

The President commented on the Christchurch funding round – the shortlist contained proposals of various strengths. In addition, there are a number of overlapping proposals relating to groups- wireless Internet and digital archiving around Christchurch. Two meetings were held and parties have been given until the end of February to prepare detailed proposals.

RN 11/12   THAT Council receive the CE's report.

<div align="right">(President /Cr Baddeley)
CARRIED U</div>

RN 12/12:   THAT Council notes the financial reports to 31 December 2011.

<div align="right">(President /Cr Wallmannsberger)
CARRIED U</div>

Grants report

Vikram gave a summary on the grants report. Since the report was circulated, two pending applications have been approved - NZRise (approved via Evote) and the Kidpower Teenpower Fullpower Trust. The current balance for the grants budget until 31 March is $26,912.

RN 13/12:   THAT Council notes the decisions made regarding grants funding requests since the last Council meeting.

<div align="right">(President /Cr Martin)
CARRIED U</div>

Business Plan

Vikram gave a brief summary of the feedback and comments received from members on the Business Plan. Christchurch and Auckland members had similar feedback that the Business Plan is broadly acceptable but there were a few things that they would like to add. Additionally, there were two members from Auckland who commented that a lack of prioritisation could lead to a lack of focus. There were similar comments in Wellington where some members emphasised the need to continue the protection function of the Internet and also to keep an eye on traditional subject matter areas such as telecommunications, UFB, etc.

Vikram noted that the areas where we will make a difference do not come through. He highlighted five areas which collectively have the ability to take us to the next level, noting they are multi-year efforts but each one of them had the potential to lift InternetNZ to a higher level of activity.

- Reactive work is what could be categorised as the "protect function" because it tends to be areas that we need to react to, such as things that come from outside (particularly government).

- Proactive work is divided into two areas, internal-facing proactive work and external-facing proactive work. The big leaps will come from the latter as opposed to the internal-facing work. For example network measurements have the ability to take InternetNZ to a whole new level of discussion and would fundamentally change the debate in New Zealand about technical policy issues from opinions to evidence-based.
- Getting a contract person who is highly regarded in the technical community can start the conversation and close the gap between the technical community, Crown Fibre Holdings and the Commerce Commission. This person will drive InternetNZ forward in terms of being an organisation which connects the technical community with technical policy questions to the regulatory policy people.
- Looking at conferences, he suggested that having mini-NetHui will respond to the need to get into the regional areas and to start addressing the need for people to have Internet policy conversations outside Auckland and Wellington.
- Having a "think tank" means having a set of people loosely or strongly affiliated with InternetNZ doing a small number of studies every year without the day-to-day pressures. This will be part of InternetNZ and will not be a separate institution.

The President noted the necessity to highlight the five priority areas. The business plan is ambitious and this could be open to criticism that it is "all things to all people", thus prioritisation is required.

3.30pm – Michael Wallmannsberger left the meeting.

The President noted the conversation around replacing the term "grant". The change was made to respond to feedback that people did not like the term "grants" and feel they were hand-downs. There was strong feedback from Council and members that InternetNZ is investing in community outcomes. Cr Moskovitz objected to replacing "grant" with "community investment" as he sees investments as a shareholder and expecting financial returns. It was suggested that the term "grants" be replaced with "community funding" as it is clear that we are giving money away for good purposes.

3.35pm – Michael Wallmannsberger joined the meeting.

Cr Clark asked if the Business Plan should note engagement with NZRS and DNCL. Vikram responded that it is his responsibility to work with other organisations as appropriate to deliver outcomes. It was agreed that the responsibility for the group activities lies with the Boards and Council rather than the CEs as they are only accountable for their own Business Plans.

Cr Moskovitz wanted the InternetNZ website rebuilt from scratch. It was agreed that website improvements were required as part of an integrated communications plan but not a complete rebuild.

AP 02/12: Vikram to update the Business Plan by adding an environmental context, highlight the five priorities, and note website improvements and send it to the Council by email. This will then be presented to the members at the AGM for adoption.

It was noted that two areas in the budget had some reductions: the Council/Members and Share Services Unit budgets. This is due to better controlling and understanding expenditure.

RN 14/12:   Subject to amendments as discussed, THAT the Council approves the Business Plan 2012/13 and the proposed budget in principle; and THAT the amended Business Plan and budget be sent to members for adoption at the 2012 Annual General Meeting.

<div align="right">

President/Cr Clark
CARRIED U

</div>

gTLD Principles

The gTLD Principles had been previously approved by Council in principle, subject to members' consultation and feedback. InternetNZ has not been able to incorporate the feedback from NZRS within the time available. Keith Davidson has been asked to finalise this paper by next Council meeting.

InternetNZ Principles

The draft InternetNZ Principles as discussed at the Policy Advisory Group were circulated to members and formed a major part of the recent consultations. There has been insufficient time prior to the Council meeting to adequately incorporate the valuable feedback from members. A revised list of principles will be discussed with the Policy Advisory Group and finalised for Council discussion and approval at the next meeting.

Membership List

There was a discussion on whether there is a need to change the current members' privacy policy. It was agreed that an amendment is needed to allow Council members access to the list of members and that Councillors may not use the list for personal gain including for business or electoral purposes.

As there is a change in the privacy policy needed, members must be notified with an option to change their privacy settings.

AP 03/12:   Staff to provide Council with a revised draft members' privacy policy and a revised draft Council member role description by the next meeting.

RN 15/12:   THAT Council discusses specifics of membership list availability to Council members including purpose, extent of information to be provided and specified uses of the list.

<div align="right">

(President /Cr Moskovitz)
CARRIED U

</div>

RN 16/12:   THAT Council approves in principle a change in members' privacy policy which will allow Council members access to the full list of members to carry out their duties as a member of Council.

<div align="right">

(President /Cr Moskovitz)
CARRIED U

</div>

RN 17/12: THAT the new members be approved.

(President /Cr Foley)
CARRIED U

13. Discussion on possible addition to InternetNZ objects

There was a discussion on whether InternetNZ should broaden its objects or add a new object that would allow Council to recognise a deserving organisation who wants to enhance its use of the Internet.

Cr Moskovitz noted that the general purpose of the organisation is very broad but the objects of the constitution (2.1 to 2.10) are very specific to the Internet itself.

It was proposed that a new object could be added: "to support other organisations in using the Internet to deliver their services in ways that are novel to New Zealand".

It was noted that any change in the objects needs legal advice to check for any impact on InternetNZ's registered charity status. Further, any constitutional change must be voted on by the members in a general meeting. Section 14.5 of the constitution states that: "No motion proposing any amendment to this Constitution at a general meeting shall be deemed to have been passed unless two-thirds of the votes cast on the motion were in favour."

One problem with the grants approval process is that the application is received but often only needs a small tweak for it to qualify. This has caused frustration to some applicants.

Vikram suggested adopting the successful experience of the one-off Community Projects Funding Round which separated the roles of staff and the role of the Grants Committee. This would let staff focus on helping people apply for a grant but without being involved in the decision-making.

AP 04/12: The CE to seek legal advice as to any impact that the proposed new object may have on InternetNZ's registered charity status by the next Council meeting.

RN 18/12: THAT the composition of the Grants Committee consist of the President ex-officio and two Council members.

(Cr Baddeley/Cr Foley)
Against: Cr MacEwan
CARRIED

It was agreed that composition of the Grants committee consist of Frank March as President ex-officio and two Council members, Cr MacEwan and Cr Moskovitz.

4.47pm – Simon Riley left the meeting.
4.52pm – Jim Whitman left the meeting.

14. Other Business

A discussion on InternetNZ's relationship with other organisations will be covered at the May Council meeting.

AP 05/12:   Staff to include InternetNZ's relationship with other organisations in the agenda for the May Council meeting.

Next Meeting: The next scheduled Council meeting is a special meeting, to be held 23 March 2012.

Meeting Closed: The meeting closed at 4:58 pm

Signed as a true and correct record:

_____

Frank March, CHAIR

Action Point Register

	Action	Who	Status	Due by	Comment
December 2010					
AP 25/10	President to discuss with Liz Dengate Thrush Foundation further options for InternetNZ to honour the memory of the late Liz Dengate Thrush.	Frank March	No further progress	March 2011 Council meeting	
AP 31/10	The CE to discuss the identified inconsistencies in the InternetNZ Governance Policies with the CEs of NZRS and DNCL and report back to Council at the March 2011 meeting with possible solutions.	CE	In progress	March 2011 Council meeting	To be raised at Chairs and Ces meeting. Verbal update to Council.
March 2011					
AP 06/11	The CE to ask a business continuity planning expert to look at current plans across the Group by the June 2011 Council meeting.	CE	In progress	June Council meeting	To clarify: does Council want NZRS business continuity plans externally verified? Also InternetNZ and DNCL?
AP 07/11	Update InternetNZ natural disaster recovery plan, to be presented at the June 2011 Council meeting.	CE	Complete	June Council meeting	2 gaps identified and filled.

	Action	Who	Status	Due by	Comment
June 2011					
AP 28/11	The Council sub-committee to provide a report on implementation of the three steps outlined in the paper on developing a strategy for investing the Group's cash in excess of reserves, at the August 2011 Council meeting.	Council sub-committee	Complete	August Council meeting	Separate paper provided.
August 2011					
AP 39/11	The CE to appoint a taskforce to further undertake a feasibility study on benefits, costs, logistics and risks of hosting the 2014 APRICOT meeting in Auckland and report back to the Council at the October 2011 Council meeting.	CE	Complete	October Council meeting	Council went into committee during December Council Meeting to discuss the possibility of InternetNZ hosting an APRICOT meeting.
AP 40/11	The President will lead a business development working group consisting of Cr Wiggs, Cr MacEwan, the 3 CEs, and other stakeholders as necessary on developing a strategy for establishing a new gTLD, by the October Council meeting, with the decision being made at the December 2011 Council meeting.	President CE DNC NZRS CE Cr Wiggs Cr MacEwan	Complete	October Council meeting December Council meeting	

	Action	Who	Status	Due by	Comment
AP 43/11	The CE to work with Rick Shera and Cr Christie on making appropriate Hector's World Limited content available under a creative commons licence to ensure this is publicly available and report back to Council at the October 2011 Council meeting.	CE Rick Shera Cr Christie	Complete	October Council meeting	Now available under CC licence. Have requested website update.
AP 44/11	The CE to request the Christchurch School Network Trust (GCSN) to provide a report on the trialled video conferencing options, by the October 2011 Council meeting and ask that they make a recommendation on the way forward.	CE	Complete	October Council meeting	Report is included in December Council papers.
AP 50/11	The CE to look at possible options for improving the membership renewal process, by October 2011 Council meeting.	CE	Complete	October Council meeting	
October 2011					
AP 55/11	dotString Working Group to develop a green paper on the dotString proposal, by December 2011 Council meeting.	dotString Working Group	Complete	December Council meeting	This action was not intended for completion by December Council meeting, covered later in the agenda.

	Action	Who	Status	Due by	Comment
AP 58/11	The CE to provide an updated report on the results from the Community Projects Funding Round, including any recommendations for future rounds, at the December 2011 Council meeting.	CE	Complete	December Council meeting	Included in papers
AP 59/11	The CE to nominate two representatives from Christchurch for the Christchurch Funding Committee, by December 2011 Council meeting.	CE	Complete	December Council meeting	3 members included. Update in papers
AP 60/11	The President to confirm if Cr MacEwan and Cr Moskovitz are able to join the Christchurch Funding Committee, by December 2011 Council meeting.	President	Complete	December Council meeting	Both are on the Committee
December 2011					
AP 63/11	President to prepare a paper for the next Council meeting on the process for the President to be directed to act on behalf of Council as well as any delegations to the President thereof.	President	In progress	February Council meeting	
AP 64/11	CE to circulate to Council the details of the $225,750 community investment already pre-committed for the 2012/13 financial year.	CE	Complete	February Council meeting	

	Action	Who	Status	Due by	Comment
AP 65/11	The President to commence the process for a review of Director's remuneration and provide an update at the February Council meeting.	President	In progress	February Council meeting	
AP 66/11	Staff to prepare a report for Councillors on the pros and cons of membership list availability to Council members for the next meeting.	InternetNZ Staff	Complete	February Council meeting	Include in papers for February Council meeting
AP 67/11	InternetNZ to consider becoming a member of the Maori Internet Society and encourage the Maori Internet Society to become a member of InternetNZ.	InternetNZ	Complete	February Council meeting	Not becoming a member for the time being but working with everyone interested in Maori Internet issues.
February 2012					
AP 01/12	The President will circulate an email (re dotKiwi paper) to the members-announce list making the division of responsibilities clear, after circulating a draft to Council over the weekend.	President	Completed	May 2012	
AP 02/12	Vikram to update the Business Plan by adding an environmental context, highlight the five priorities, and note website improvements and send it to the Council by email. This will then be presented to the members at the AGM for adoption.	CE	Complete	May 2012	

	Action	Who	Status	Due by	Comment
AP 03/12	Staff to provide Council with a revised draft members' privacy policy and a revised draft Council member role description by the next meeting.	InternetNZ Staff	Complete	May 2012	Separate paper provided.
AP 04/12	The CE to seek legal advice as to any impact that the proposed new object may have on InternetNZ's registered charity status by the next Council meeting.	CE	Complete	May 2012	Email sent to Council on 11 April
AP 05/12	Staff to include InternetNZ's relationship with other organisations in the agenda for the May Council meeting.	InternetNZ Staff	In progress	May 2012	Frank to provide verbal update

MINUTES OF COUNCIL MEETING

Status:	Draft
Present:	Frank March (President), Jamie Baddeley (Vice President), Don Christie, Donald Clark, Neil James, Hamish MacEwan, Jonny Martin (via VC), Dave Moskovitz, Nat Torkington (via VC), Lance Wiggs.
In Attendance:	Vikram Kumar (Chief Executive), Maria Reyes (minute taker), Debbie Monahan (Domain Name Commissioner), Joy Liddicoat (DNCL Chair), Richard Currey (NZRS Chair), Jay Daley (NZRS CE),
Meeting Opened:	The President formally opened the meeting at 9:29am

1. Apologies

Council received apologies from Cr Wallmannsberger and Cr Foley who were not able to attend the meeting.

2. Agenda consideration – in committee items

The President noted that the meeting will not be recorded but the resolutions will be minuted.

Council was in committee from 9.48am – 2.10pm.

1.40pm - Cr Moskovitz left the meeting.

3. Resolutions

RN 20/12:   THAT InternetNZ should proceed to bid for dotKiwi.

(Cr Clark / Cr Wiggs)
For: Cr Wiggs
Cr Clark
Cr Christie
Cr James

Against: Cr March
Cr MacEwan
Cr Baddeley
Cr Martin
Cr Torkington
Cr Moskovitz (via phone)

RN 21/12: THAT Council thanks the dotString working group for its efforts.

(Cr Clark / Cr Martin)
CARRIED U

The President noted his personal and Council's appreciation for the work and effort put in by Jay Daley, CE of NZRS, in developing the papers for Council's discussion and decision on dotKiwi.

Next Meeting: The next scheduled Council meeting is 11 May 2012.
Meeting Closed: The meeting closed at 2:30pm
Signed as a true and correct record:

_____

Frank March, CHAIR

President's Report to May 2012 Council Meeting

Author: Frank March

Status of paper: Final

Business Development

The dotString business development exercise was one of the more interesting discussions involving a wide range of members we have had on the members' list. The subsequent Council decision reflected the broad division across the membership about whether applying for the dot Kiwi TLD was an appropriate action for InternetNZ to take. Overall I believe the discussion, the process, and the final decision all reflected credit on the organisation, its members and the Council itself.

The Green Paper raised a number of issues in addition to those associated with dot Kiwi, including the need to ensure both the integrity of InternetNZ's relationship with the New Zealand Internet community, and its own financial security. This discussion has created a momentum that needs to continue: Having put one issue to rest, the future financial development of InternetNZ, and security of .nz, remain to be addressed.

Over the weekend of 5-6 May I was pleased to be able to join the NZRS Board in a strategic retreat where the future of .nz was discussed in the light of the imminent flood of new gTLDs. I am convinced that one option we do not have is to leave things as they stand at present. We need to review all our existing .nz policies: Not urgently, and not necessarily in order to introduce drastic change, but in the light of the pressures and opportunities that will arise for registrants, registrars and other registries in the new environment.

Roles and Responsibilities

The NZRS strategic retreat also looked at the strengths and opportunities offered by our subsidiaries. One of the lessons that came out of the dotString project was that the rather narrow scope of the two subsidiaries is now a barrier to using their strengths and capabilities to the fullest extent in furthering the overall objectives of InternetNZ. This largely reflects their maturity as organisations and the maturity of the .nz TLD. The dotString project also showed us that change in our environment is rapid and we need to be more nimble than we have shown ourselves to be.

In light of that I propose to Council that we direct the Chairs of NZRS and DNCL to produce a joint report to address how the scope of their organisations, as set out in their company constitutions and operating agreements, constrains their ability to adapt to the future, and how that scope should change to maximise the value of their competencies to the group benefit.

International

My report from the Costa Rica ICANN/GAC meeting is attached.

Board Vacancies

I have initiated a process for recruiting to fill a vacancy on the NZRS Board, due to the retirement of Donna Hiser who has now served the full time allowed under the Board constitution. The position has been advertised, and an interview process will be conducted in June with a recommendation to come to the Council for evote. Donna has made an enormous contribution to .nz over nearly 12 years, from when she took over as CEO of Domainz, to her subsequent roles as Director and Chair of NZRS.

Council and Chair evaluation

I am proposing that we repeat the Council and Chair self-evaluation we conducted last year. The results should be available for discussion prior to the AGM. I will be circulating the questionnaires used last year and will welcome any suggestions for improvements to those or to the methodology we followed.

Review of Directors' Remuneration

I am in the process of engaging The Boardroom Practice (TBP) to conduct a review of current directors' fees covering both the subsidiary Boards and Council. Janine Smith of TBP provided a report in October 2010 which resulted in some changes and it is desirable that this be repeated at roughly two yearly intervals. Any changes would come into effect following the 2013 AGM.

Recommendations arising:

1   That the President's report is received.

2   That the DNCL and NZRS chairs be directed to report on proposals to revise the roles and responsibilities of those organisations.

Report from ICANN/GAC Meeting
and
Associated Discussions

San Jose, Costa Rica, March 2012

Frank March

The 43rd ICANN meeting was held from 11-16 March in San Hose. I attended with full financial support from InternetNZ (through Domain Name Commission Ltd (DCNL)), and leave to attend from the Ministry of Economic Development.

I attended the meeting of the Governmental Advisory Committee (GAC) on Sunday to Wednesday, 12-14 March, as well as the ICANN Open Forum and other meetings. Unfortunately I was unable to attend the Saturday capacity building session of the GAC and the ICANN Board meeting on the Friday because of other travel commitments.

Governmental Advisory Committee

The GAC Communiqué from March 2012 meeting may be found at
https://gacweb.icann.org/download/attachments/9470303/CR_Communique_FINAL.pdf?version=1&modificationDate=1331878654000

I was unable to attend the GAC meeting at the 42nd ICANN meeting in Senegal. It has become very apparent that with the pace of developments within the ICANN and indeed the world Internet governance community generally, missing even one meeting means a loss of continuity and means that staying in touch with developments is very difficult.

This was a very busy meeting and one of the more contentious ones.

 1. *GAC Working Methods/ Secretariat*

I have commented on this in previous reports. Although it is essentially an internal GAC issue it illustrates a number of problems with the GAC and its fundamental contradictions as a consensus-based intergovernmental organisation working within the ICANN rules, providing advice to the ICANN Council, and about to take on an immense workload with the new gTLD programme.

When it comes to working methods, GAC consensus effectively means that any member can effectively veto moves to have ICANN provide secretariat support for the GAC, and when an offer is made to provide secretariat services from the same member, it becomes difficult to impossible to refuse that offer. In the past, despite the generous support that has been given, the GAC has often lacked the strong and responsive secretariat it requires to carry out its work.

At the same time, it is now becoming apparent that the only safe way forward, ensuring that resources are available to carry out the workload in a timely fashion, is to draw on ICANN staff resources. This is also the best way to ensure that the secretariat is answerable appropriately to the GAC Chair.

 2. *New gTLD Issues*

The GAC, along with many other constituencies with ICANN, has expressed serious concern about the proposed batching of new gTLD applications. This, along with other outstanding concerns that have not been addressed, means that individual governments are likely to develop serious misgivings about the way ICANN is operating.

As far as New Zealand is concerned, no serious issues are expected with new gTLD strings but a watching brief will be maintained by a group comprised of officials from MED (myself), DIA and Maori Affairs to ensure, in particular, that culturally sensitive strings for Maori or Pacifica are drawn to ICANN's attention.

3. ICANN's contract Oversight and Enforcement

I led a discussion in the GAC/Board meeting of the GAC's concerns with ICANN's consistent failure to ensure that its own contractual conditions were enforced. I noted that this failure was one of the chief factors undermining governmental confidence in the ICANN model for Internet governance which is playing into the hands of the likes of the ITU and those governments supporting ITU intervention in the Internet governance space.

The GAC Communiqué includes: "The GAC notes that there are two components to an effective compliance system: Clear and enforceable contracts; and effective and pro-active enforcement."

I also noted that best practice dictated a clear separation between operational and policy activities for any regulatory organisation and pointed at the InternetNZ/Dot nz model as an example of best practice in operation.

Framework of Interpretation Working Group

I attended a meeting of this group in Costa Rica as a member of the GAC.

Next ICANN/GAC meeting

The next GAC meeting will be held in Prague in late June 2012 in conjunction with the 44th ICANN Meeting.

Council
InternetNZ

Monthly .nz report – for January 2012

1.   Statistics

The level of active .nz domain names increased from 466,192 to 469,154, an increase of 2,962.
A table showing net growth over the last 12 months is shown in Appendix 1.

	31 Dec 2011	**31 Jan 2012**	**Creates**	**Renewal**	**Net Change**
.ac	1,911	1914	14	333	3
.co	404,175	406,827	6,732	61,071	2,652
.cri	13	13	0	1	0
.geek	1,118	1,124	15	232	6
.gen	1,388	1,385	12	263	-3
.govt	1,105	1,107	2	1,073	2
.health	145	145	0	126	0
.iwi	77	77	0	8	0
.maori	663	660	6	80	-3
.mil	33	33	0	10	0
.net	26,224	26,465	535	3,751	241
.org	26,111	26,159	278	3,535	48
.parliament	8	8	0	8	0
.school	3,221	3,237	21	1,228	16
Total	**466,192**	**469,154**	**7,615**	**71,719**	**2,962**
Growth over previous month	**2,232 0.5%**	**2,962 0.6%**			

Registry Performance

▪   **SRS % Availability and Performance**

Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12
100	100	100	99.99	99.99	99.99	100	100	100	100	99.87	99.99

Outages during month greater than 5 minutes: Nil

Transaction	Average Response Times (in seconds)		
	As per SLA	*January 2012*	*Av last 12 months*
Domain Details Query	<0.50	0.02	0.02
Domain Update	<0.80	0.25	0.21
Domain Create	<0.80	0.30	0.26
Get Message	<0.50	0.05	0.03
WHOIS	<0.50	0.06	0.05
UDAI Valid Query	<0.50	0.13	0.10

- **DNS % Availability and Performance**

Server   % Availability

	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12
NS1	100	100	100	100	100	100	100	100	100	99.99	100	100
NS2	100	100	100	100	100	100	100	100	100	100	100	100
NS3	100	100	100	100	100	100	100	100	100	100	100	100
NS4	100	100	100	100	100	100	100	100	100	100	100	100
NS5	100	100	100	100	100	100	100	100	100	100	100	100
NS6	100	100	100	100	100	100	100	100	100	100	100	100
NS7	100	100	100	100	100	100	100	100	100	100	100	100

Performance Stress Testing

The figures are derived from the 'stress testing' of the name servers. 1201 UDP and 121 TCP transactions are used. Measurements are in milliseconds.

	UDP	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	TCP	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12
NS1	<5	0.05	0.05	0.05	0.05	0.05	0.05	<50	0.12	0.12	0.13	0.13	0.13	0.13
NS2a	<5	0.06	0.06	0.06	0.06	0.07	0.06	<50	0.23	0.22	0.17	0.26	0.19	0.20
NS2b	<5	0.07	0.06	0.06	0.06	0.06	0.06	<50	0.18	0.19	0.17	0.19	0.18	0.18
NS3a	<5	0.08	0.06	0.08	0.06	0.07	0.07	<50	0.17	0.18	0.15	0.18	0.16	0.17
NS3b	<5	0.08	0.06	0.07	0.08	0.07	0.07	<50	0.22	0.20	0.25	0.23	0.23	0.23

SRS Zone Pushes

These figures show the average time taken from the point that the first Primary begins the zone push to the time that the last of the secondaries acknowledges that it is up to date.

Measurement	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12
Average Time (sec)	90	74	78	72	72	69

2.   .nz Policies and Procedures

- No policy reviews were being consulted on over January.

3. Registrar Authorisation and Connection

Registrars authorised	83
Registrars connected	78

Number authorised during the month: Nil
Number de-authorised during the month: Nil
Number connected during the month: Nil

4. Other .nz matters

▪ Work has begun on identifying suitable domain names to update the '.nz is our home' promotion on the DNC website given a number of the current people profiled have changed positions.

5. Compliance and Security

• Work is progressing on developing a .nz Security Strategy that will complement the DNCL .nz Strategy. This will be published once signed off by the Board at an upcoming meeting.

• Work is also continuing on the DNSSEC Friendly Criteria including the 'DNS Security FAQ for Registrants' and the '.nz DNSSEC Guide for Registrars'.

6. Dispute Resolution Service

. At the end of January there were nine disputes progressing through the .NZ dispute resolution service. We received four valid complaints during the month. One dispute was sent away for mediation and settled, resulting in a transfer. We received an Expert decision which resulted in the name being transferred to the Complainant. Two Expert decisions directing a transfer to the Complainant were implemented. Overall January was a fairly standard month for the DRS.

7. DNC Office

▪ The DNC continued her involvement with the InternetNZ dotString Working Group.

Joy Liddicoat
Chair, DNCL

	28 Feb 2011	31 Mar 2011	30 Apr 2011	30 May 2011	30 June 2011	31 July 2011	31 Aug 2011	31 Sept 2011	31 Oct 2011	30 Nov 2011	31 Dec 2011	31 Jan 2012	Creates Jan 2012	Renewals Jan 2012	Net Change Dec/Jan 2011/12
.ac	1,858	1,870	1,878	1,885	1,884	1,851	1864	1,875	1,908	1,903	1,911	1914	14	333	3
.co	372,062	375,079	377,510	381,615	385,459	389,282	392,913	396,018	398,841	402,233	404,175	406,827	6,732	61,071	2,652
.cri	13	13	13	13	13	13	13	13	13	13	13	13	0	1	0
.geek	1,039	1,049	1,062	1,073	1,078	1,074	1,075	1,086	1,121	1,116	1,118	1,124	15	232	6
.gen	1,326	1,324	1,343	1,353	1,361	1,346	1,358	1,370	1,403	1,390	1,388	1,385	12	263	-3
.govt	1,085	1,090	1,098	1,100	1,085	1,089	1,091	1,097	1,097	1,099	1,105	1,107	2	1,073	2
.health	127	128	131	132	134	138	139	141	144	145	145	145	0	126	0
.iwi	76	76	76	74	77	78	76	76	76	76	77	77	0	8	0
.maori	625	621	620	632	646	638	636	642	669	677	663	660	6	80	-3
.mil	30	32	33	33	33	33	33	33	33	33	33	33	0	10	0
.net	23,935	24,159	24,258	24,574	24,867	25,040	25,312	25,526	25,781	26,060	26,224	26,465	535	3,751	241
.org	24,373	24,649	24,761	24,978	25,167	25,288	25,511	25,689	25,859	25,992	26,111	26,159	278	3,535	48
.parliament	7	7	7	7	8	8	8	8	8	8	8	8	0	8	0
.school	3,084	3,086	3,098	3,107	3,117	3,136	3,151	3,170	3,207	3,215	3,221	3,237	21	1,228	16
Total	429,640	433,183	435,888	440,576	444,929	449,014	453,180	456,744	460,160	463,960	466,192	**469,154**	**7,615**	**71,719**	**2,962**
Growth over previous month	3,147	3,543	2,705	4,688	4,353	4,085	4,166	3,564	3,416	3,800	2,232	**2,962**			
variance against budget#	897	1,293	-295	1,688	1,353	1,085	1166	564	416	800	768	**38**			

#For 2010/11 FY budget was 2,250 net growth per month, from 1 April 2011 is 3,000.

Council
InternetNZ

Monthly .nz report – for February 2012

1. Statistics

The level of active .nz domain names increased from 469,154 to 473,166, an increase of 4,012.

	31 Jan 2012	**29 Feb 2012**	**Creates**	**Renewal**	**Net Change**
.ac	1914	1,921	27	307	7
.co	406,827	410,365	8,172	61,421	3,538
.cri	13	13	0	3	0
.geek	1,124	1,138	22	228	14
.gen	1,385	1,394	19	257	9
.govt	1,107	1,111	4	1075	4
.health	145	145	0	127	0
.iwi	77	78	0	16	1
.maori	660	666	17	90	6
.mil	33	33	0	10	0
.net	26,465	26,746	621	3,637	281
.org	26,159	26,300	408	3,552	141
.parliament	8	8	0	8	0
.school	3,237	3,248	25	1207	11
Total	**469,154**	**473,166**	**9,315**	**71,938**	**4,012**
Growth over previous month	**2,962 0.6%**	**4,012 0.9%**			

Registry Performance

▪ **SRS % Availability and Performance**

Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12
100	100	99.99	99.99	99.99	100	100	100	100	99.87	99.99	99.96

Outages during month greater than 5 minutes: Nil

Transaction	Average Response Times (in seconds)		
	As per SLA	*February 2012*	*Av last 12 months*
Domain Details Query	<0.50	0.01	0.01
Domain Update	<0.80	0.22	0.21
Domain Create	<0.80	0.25	0.26
Get Message	<0.50	0.04	0.03
WHOIS	<0.50	0.04	0.05
UDAI Valid Query	<0.50	0.09	0.10

- ### DNS % Availability and Performance

Server   **% Availability**

	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12
NS1	100	100	100	100	100	100	100	100	99.99	100	100	100
NS2	100	100	100	100	100	100	100	100	100	100	100	100
NS3	100	100	100	100	100	100	100	100	100	100	100	100
NS4	100	100	100	100	100	100	100	100	100	100	100	100
NS5	100	100	100	100	100	100	100	100	100	100	100	100
NS6	100	100	100	100	100	100	100	100	100	100	100	100
NS7	100	100	100	100	100	100	100	100	100	100	100	100

Performance Stress Testing

The figures are derived from the 'stress testing' of the name servers. 1201 UDP and 121 TCP transactions are used. Measurements are in milliseconds.

	UDP	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	TCP	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12
NS1	<5	0.05	0.05	0.05	0.05	0.05	0.05	<50	0.12	0.13	0.13	0.13	0.13	0.13
NS2a	<5	0.06	0.06	0.06	0.07	0.06	0.07	<50	0.22	0.17	0.26	0.19	0.20	0.19
NS2b	<5	0.06	0.06	0.06	0.06	0.06	0.06	<50	0.19	0.17	0.19	0.18	0.18	0.16
NS3a	<5	0.06	0.08	0.06	0.07	0.07	0.07	<50	0.18	0.15	0.18	0.16	0.17	0.18
NS3b	<5	0.06	0.07	0.08	0.07	0.07	0.09	<50	0.20	0.25	0.23	0.23	0.23	0.23

SRS Zone Pushes

These figures show the average time taken from the point that the first Primary begins the zone push to the time that the last of the secondaries acknowledges that it is up to date.

Measurement	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12
Average Time (sec)	74	78	72	72	69	62

2. .nz Policies and Procedures

- No policy reviews were being consulted on over February.

3. Registrar Authorisation and Connection

Registrars authorised	83
Registrars connected	78

Number authorised during the month: Nil
Number de-authorised during the month: Nil
Number connected during the month: Nil

4. Other .nz matters

- The DNCL team is developing a set of internal 'measures of success' for ensuring we continue to provide a timely response to queries raised by registrars and registrants.

5. Compliance and Security

- Work is continuing on the DNSSEC Friendly Criteria including the 'DNS Security FAQ for Registrants' and the '.nz DNSSEC Guide for Registrars'.

6. Dispute Resolution Service

. At the end of February there were six valid complaints progressing through the DRS. Three disputes were sent away for Mediation, and one Expert decision was received directing a transfer. Even though the dispute resolution service numbers remain low, the number of enquiries about the DRS service remain steady. A questionnaire regarding the DRS service has been developed and is being sent out to parties involved in complaints received in 2012 at the completion of their case. The first questionnaires were sent out this month but we have yet to have any returned.

7. DNC Office

- The Manager, Compliance and Security attended APTLD and APRICOT meetings in New Delhi, presenting on the work .nz has done on creating the concept of "DNSSEC Friendly" for registrars. A copy of his travel report is enclosed as Appendix 1.

Joy Liddicoat
Chair, DNCL

APTLD New Delhi 2012 Trip Report

APTLD met in New Delhi 24 and 25 February. Around 50 representatives attended this meeting from 20 ccTLD's and member organisations.

In addition to general organisational updates there were two key themes at this meeting: IDN's, and Contingency planning. There was also a key discussion on the International Telecommunications Union (ITU).

The APTLD meeting was organised by APTLD staff and hosted and sponsored by INRegistry the, .in Registry and NIXI, the National Internet eXchange of India. All conference presentations are available online at: http://www.aptld.org/newdelhi2012/

Overview of .in

As is traditional with APTLD meetings, the conference was opened with a welcome and presentation by the host.   Dr. Govind, CEO of NIXI provided a recent history of .in with some interesting numbers and observations.

In late 2004 the Indian Government decided to revamp the administration of the .in registry. At that time registrations were restrictive and there were only 6600 .in names and seven .in registrars. Today there are 87 registrars from around the world managing over 1.3 million names, with 38% of .in names registered outside of India.

Growth in .in domain names is now showing an exponential trend with recent months showing 100,000 registrations up from a recent average of 65,000 registrations. A promotional pricing program has encouraged this growth with .in registrars being eligible for tiered discounts based on either their monthly volume of registrations or their monthly growth rate. The standard price for registering .in names is ~$NZD9 a year for names at the second level, and ~$NZD6 a year for names at the third level. The top promotional tier is eligible to register names at the second level from ~$NZD 2.50 per year and third level names from ~$NZD 2.70 per year.

In contrast to .nz, .in publishes the number of names managed by registrars and their accreditation date, as a way to promote competition amongst registrars.

.in uses the Arbitration Act of India and its processes to handle its disputes resolution service. There are 15 arbitrators who have processed a total of 331 disputes since it was introduced in 2005. Disputes are resolved in 90 days and are subject to the jurisdiction of New Delhi courts only. The cost to file a dispute is ~$NZD250 with 10% of this fee going to NIXI and the rest going to the Indian Government. The .in DRS is governed by two key legal documents - the .in Domain Name Dispute Resolution Policy, and the INDRP Rules of Procedure. These documents take into account a first come, first served principle as well as trademark rights.

.in is taking 'proactive steps to reduce the abuse of domain names'. In addition to some registrars monitoring for domain name abuse themselves, .in is also informed by an Indian security agency (possibly IN-CERT) of names that it has determined as 'bad'. The names are immediately 'cut off' or 'blocked' by .in and there were no details of how a name is determined bad, and what recourse there is for registrants.

.in was signed in 2010 and operate a testing environment and encourage registrars to

make use of it before they begin offering DNSSEC services to registrants.

Member Updates

There were five general updates from members:

.mo Country Update (Macao)
Jerry Leong provided an overview of .mo. Control of .mo was taken over by the Macao SAR Government in August 2011, it had been previously run by the Macao University. .mo domains registration fees are ~$NZD30 per year. There are strict registration restrictions for .mo domain names, which must either match the name of the entity or the trademark registered in Macao, and names can only be registered for one year at a time.

.np Country update (Nepal)
Rajiv Bastola provided the .np update. .np has just over 28,000 registrations and permits registrations at the 3rd level with 18 2LDs in which registrations can be made. .np runs a first come first served basis registration policy and registrants have to apply for a name and provide proof of who they are and the reason for applying for the name. It is free to register a .np domain name but you need to be a resident of Nepal. It is run on a volunteer basis by Mercantile Communications PVT LTD.

.id Country Update (Indonesia)
Yudho Giri Sucahyo of PANDI the registry and registrar for .id provided the .id update. In 2011.id became EPP compliant and they are moving from SPRS to SRS in 2012.
They are introducing two 2LD's in 2012, biz.id and my.id, they considered introducing com.id but their local community said that .co.id was sufficient.
They are also in the process of establishing a dispute resolution policy and stepping up international engagement.

.vn country Update (Vietnam)
.vn is run by VNNIC, which is part of the Ministry of Information and Communication of Vietnam. They have 75 staff and manage over 261,000 names. .vn permits registrations at both second level and at the third level, and offer registrations at the third level under provincial names, at the second level, and 13 other 2LD's.

.ru Update (Russia)
Andrei Kolesnikov presented a very interesting plan that Russia has to apply for a new Russian IDN gTLD which is equivalent to .child. The goal behind this is to build a sustainable trusted internet environment for children and teenagers by generating and consolidation high quality amusing and educational content for Russian speakers. They want this space to be free from violence, pornography, gambling, and other content that is harmful for children. .ru has set up a new entity for this initiative and has government support.

IDN Updates

.in IDN Update (India)
Akshat Joshi shared NIXI's experiences and challenges in launching IDN's for .in. In India there are 438 Indian languages in use, with 22 of these as officially recognised languages. .in is planning to introduce IDN's for seven languages by June 2012.

.kr IDN Update (South Korea)
MinJung Park discussed the work KISA had done to improve the adoption of IDN's in South Korea. They offered a phased sunrise period, with the first offering to Government (7,000 IDN domain names registered), and then to trademark holders (3,000 IDN domain

names registered), then by lottery (120,000 IDN domain names registered). Now there are 215,000 IDN domain names registered in .kr. KISA also worked with providers of web browsers, software developers, and hardware developers to improve the support of .kr IDN's.

.ru IDN Update (Russia)
Irina Danelia provided an update of some of the statistics observed in the first twelve months of offering IDN domain names in .ru. One interesting statistic is that 77% of .ru idn domains are delegated vs 72% of ascii .ru domain names. .ru has also implemented some stricter registration policies which has resulted in a significant drop in domain names falling from 938,000 registrations in December 2011 by 94,000 names to 844,000 in January 2012.

Contingency planning

There was a session of two talks on ccLTD contingency planning.   The first presentation was by Yeo Yeeling from Malaysia and the second was by Jonathan Shea from Hong Kong. They both talked about contingency planning and risk management models at their respective registries.

One notable item of interest is that in Malaysia .my is considered to be Critical National Information Infrastructure (CNII). Malaysia's National Cyber Security Policy specifies cyber security requirement's and controls for organisations that have been identified as CNII, such as complying with ISO 27001 ISMS requirements and contingency planning.

DNSSEC

I presented the only talk on DNSSEC, which focused on the .nz DNSSEC Friendly Status we are developing for Registrars. There was a lot of interest following my presentation on our policies around the transfer of signed names. I only referred to this briefly in my presentation as I had presented on our DNSSEC related policies in detail at a previous meeting, however it is clearly an issue, which a number of ccTLD's are now starting to think about.

ITU Update

Rajnesh D. Singh from ISOC talked about the current ITU proposals and their implications to the Internet and ccTLD operators. ITU believe that they have a mandate in cyber security. ITU is taking a network neutrality approach and believes that they should be able to stop one country that is negatively impacting and adversely affecting another country - which could have severe ramifications for countries that have signed up to this. Rajnesh urged members to review ITU's proposals and discuss the implications of this on ccTLD's with their governments.

AGM

The Annual General Meeting of APTLD was held in the afternoon of 24 February 2012.

Next Meeting

The next APTLD Members' Meeting will be held in Moscow, Russia in 21 and 22 June 2012.

Paul McKitrick

Council
InternetNZ

Monthly .nz report – for March 2012

1.   Statistics

The level of active .nz domain names increased from 473,166 to 477,688 an increase of 4,522.
A table showing net growth over the last 12 months is shown in Appendix 1.

	29 Feb 2012	**31 Mar 2012**	**Creates**	**Renewal**	**Net Change**
.ac	1,921	1,934	29	322	13
.co	410,365	414,389	8946	63,619	4,024
.cri	13	13	0	7	0
.geek	1,138	1,142	19	251	4
.gen	1,394	1,386	8	273	-8
.govt	1,111	1,114	5	1,077	3
.health	145	145	0	128	0
.iwi	78	78	0	12	0
.maori	666	678	18	98	12
.mil	33	33	0	12	0
.net	26,746	27,023	605	3,827	277
.org	26,300	26,475	460	3,684	175
.parliament	8	8	0	8	0
.school	3,248	3,270	30	1,200	22
Total	**473,166**	**477,688**	**10,120**	**74,518**	**4,522**
Growth over previous month	**4,012 0.9%**	**4,522 1.0%**			

Registry Performance

▪   **SRS % Availability and Performance**

Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
100	99.99	99.99	99.99	100	100	100	100	99.87	99.99	99.96	100

Outages during month greater than 5 minutes: Nil

Transaction	**Average Response Times (in seconds)**		
	As per SLA	*March 2012*	*Av last 12 months*

Domain Details Query	<0.50	0.01	0.01
Domain Update	<0.80	0.20	0.21
Domain Create	<0.80	0.23	0.26
Get Message	<0.50	0.04	0.03
WHOIS	<0.50	0.04	0.05
UDAI Valid Query	<0.50	0.08	0.10

▪ **DNS % Availability and Performance**

Server **% Availability**

	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
NS1	100	100	100	100	100	100	100	99.99	100	100	100	100
NS2	100	100	100	100	100	100	100	100	100	100	100	100
NS3	100	100	100	100	100	100	100	100	100	100	100	100
NS4	100	100	100	100	100	100	100	100	100	100	100	100
NS5	100	100	100	100	100	100	100	100	100	100	100	100
NS6	100	100	100	100	100	100	100	100	100	100	100	100
NS7	100	100	100	100	100	100	100	100	100	100	100	100

Performance Stress Testing

The figures are derived from the 'stress testing' of the name servers. 1201 UDP and 121 TCP transactions are used. Measurements are in milliseconds.

	UDP	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	TCP	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
NS1	<5	0.05	0.05	0.05	0.05	0.05	0.05	<50	0.13	0.13	0.13	0.13	0.13	0.13
NS2a	<5	0.06	0.06	0.07	0.06	0.07	0.07	<50	0.17	0.26	0.19	0.20	0.19	0.23
NS2b	<5	0.06	0.06	0.06	0.06	0.06	0.06	<50	0.17	0.19	0.18	0.18	0.16	0.13
NS3a	<5	0.08	0.06	0.07	0.07	0.07	0.05	<50	0.15	0.18	0.16	0.17	0.18	0.13
NS3b	<5	0.07	0.08	0.07	0.07	0.09	0.06	<50	0.25	0.23	0.23	0.23	0.23	0.23

SRS Zone Pushes

These figures show the average time taken from the point that the first Primary begins the zone push to the time that the last of the secondaries acknowledges that it is up to date.

Measurement	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
Average Time (sec)	78	72	72	69	62	*591

* The zone push times were significantly increased for the name servers following the installation of the Netscreen routers on the 4th. On the 6th a fix to the Netscreens was applied that returned the zone push times for all the servers except for NS1 to their normal zone push times prior to the change to the new router. A fix for NS1 was made on the 19th March that reduced the average response time to around 120 seconds and a further change is planed to occur in April to bring this time down to less than 60 seconds.

2.   .nz Policies and Procedures

▪   No policy reviews were being consulted on over March.

3.   Registrar Authorisation and Connection

Registrars authorised	84
Registrars connected	78

Number authorised during the month: Nil
Number de-authorised during the month: Nil
Number connected during the month: Nil

4.   Other .nz matters

•   Work on updating the '.nz is our home' campaign on the DNC website has been completed. The new images will start being uploaded shortly.

5.   Compliance and Security

•   NZ Lawyer interviewed Paul McKitrick, in his role as Chair of the NZ Internet Taskforce (NZITF), for an article on online security. This article can be read online at http://www.nzlawyermagazine.co.nz/CurrentIssue/Issue180/180F3/tabid/4118/Default.aspx

•   The Manager, Compliance and Security, together with the DNC, presented to the Organised and Financial Crime Agency New Zealand (OFCANZ) on *Domain Names for Investigators* and also met with the new head of the Police National Cyber Crime Centre.

•   Work continues on refining the criteria for a registrar to be defined as 'DNSSEC Friendly'. Following feedback, there will be two DNSSEC related statuses. One for registrars who meet the criteria to be deemed 'DNSSEC Friendly', and one for registrars who can simply 'Handle DS Records', the latter being similar to the 'IPv6 Glue Records' status. Some registrars have already completed the application form.

6.   Dispute Resolution Service

At the end of the month there were ten valid complaints progressing through the DRS system. Three valid complaints were received, and none of the three complaints received a response meaning they do not go through mediation.

Two disputes were suspended due to the fact that legal proceedings had commenced between the parties, both of the parties were already involved in conflict before they filed with the DRS.   Three disputes were sent away for an Expert determination and are yet to come back.

A common theme that was present throughout the month was business purchase agreements that failed to include the domain name in the final agreement. They had provided the complainant with the operational login details to use the website, but they neglected to make a change of registrant with their registrar.   As the complainant was able to manage the content of the website they had the understanding that the domain name was under their control. It was not until they went to make changes at the registry level that they discovered that they were not listed as the current Registrant.

The two individual complainants decided not to send the dispute away for an Expert determination and see what other options they had available. Whether that was trying to

locate the current registrant or letting the registration lapse and trying to pick up the registration. Both of the domain names and websites remain active to date.

7.   DNC Office

- Michael Foley, Director, attended the ICANN meeting with the DNC. He has prepared a travel report on the meeting that is enclosed as Appendix 2.

Joy Liddicoat
Chair, DNCL

Appendix 1

	30 Apr 2011	30 May 2011	30 June 2011	31 July 2011	31 Aug 2011	31 Sept 2011	31 Oct 2011	30 Nov 2011	31 Dec 2011	31 Jan 2012	29 Feb 2012	31 Mar 2012	Creates Mar 2012	Renewals Mar 2012	Net Change Feb/Mar 2012
.ac	1,878	1,885	1,884	1,851	1864	1,875	1,908	1,903	1,911	1914	1,921	1,934	29	322	13
.co	377,510	381,615	385,459	389,282	392,913	396,018	398,841	402,233	404,175	406,827	410,365	414,389	8946	63,619	4,024
.cri	13	13	13	13	13	13	13	13	13	13	13	13	0	7	0
.geek	1,062	1,073	1,078	1,074	1,075	1,086	1,121	1,116	1,118	1,124	1,138	1,142	19	251	4
.gen	1,343	1,353	1,361	1,346	1,358	1,370	1,403	1,390	1,388	1,385	1,394	1,386	8	273	-8
.govt	1,098	1,100	1,085	1,089	1,091	1,097	1,097	1,099	1,105	1,107	1,111	1,114	5	1,077	3
.health	131	132	134	138	139	141	144	145	145	145	145	145	0	128	0
.iwi	76	74	77	78	76	76	76	76	77	77	78	78	0	12	0
.maori	620	632	646	638	636	642	669	677	663	660	666	678	18	98	12
.mil	33	33	33	33	33	33	33	33	33	33	33	33	0	12	0
.net	24,258	24,574	24,867	25,040	25,312	25,526	25,781	26,060	26,224	26,465	26,746	27,023	605	3,827	277
.org	24,761	24,978	25,167	25,288	25,511	25,689	25,859	25,992	26,111	26,159	26,300	26,475	460	3,684	175
.parliament	7	7	8	8	8	8	8	8	8	8	8	8	0	8	0
.school	3,098	3,107	3,117	3,136	3,151	3,170	3,207	3,215	3,221	3,237	3,248	3,270	30	1,200	22
Total	435,888	440,576	444,929	449,014	453,180	456,744	460,160	463,960	466,192	469,154	473,166	**477,688**	**10,120**	**74,518**	**4,522**
Growth over previous month	2,705	4,688	4,353	4,085	4,166	3,564	3,416	3,800	2,232	2,962	4,012	**4,522**			
variance against budget#	-295	1,688	1,353	1,085	1166	564	416	800	-768	-38	1012	**1522**			

#For 2010/11 FY budget was 2,250 net growth per month, from 1 April 2011 is 3,000.

ICANN 43 Trip Report – Michael Foley

1. Background

I travelled to the 43rd meeting of ICANN held in Costa Rica as part of the INZ delegation with Debbie Monahan (DNC) and Keith Davidson (International Relations). Also travelling were Frank March (INZ President) attending as a member of the GAC, and Joy Liddicoat (Chair DNCL) attending as a member of the gNSO Council.

2. Overall impressions and key points noted

The Internet governance ecosystem is politically fraught, illustrating the challenges of a truly diverse (cultural, technical, policy, political) multi-stakeholder environment.
There is a ton of work going on in a variety of spheres spanning policy, technical and operational framework arenas. There are some very smart and impressive people here. And some who make noise without substantive contribution….

Despite being held over 7 days, time is short to address all agenda items reinforcing the need for strong interpersonal relationships to address substantive matters outside sessions. It is relationships that hold this thing together and a new-comer is moved to observe that the nepotistic characteristics of the organisation and its associated stakeholder groups is an exposure the mitigation of which will require deliberate efforts to encourage new blood into the "family". This is true of NZ's own delegation with Frank, Keith and Debbie deeply entwined with the machinery of ICANN through the relationships and credibility they have built up over many years. Succession planning in this regard is key if NZ is to continue to enjoy the influence it clearly (from my observation) has in this world.

Coming into this environment as an "outsider" who has a fundamental and strongly held belief in the criticality of the Internet to the global social, economic and cultural wellbeing and progression of the planet and the peoples who inhabit it, one expects ICANN to be a slick operation with sound governance and management principles well implemented and regularly reviewed in context. This is not the case. It is still to a large extent the wild, wild west…

ICANN management and governance is not strong on some fundamentals, including financial management/transparency, HR (capability and capacity) management as evidenced by churn at senior levels and inability to effectively recruit, unrealistic strategic work program. These issues are openly acknowledged but one has to ask why such simple business disciplines can't be addressed with relative ease by a competent and focused CEO and a solid supporting team (the latter of which is probably already substantially there).

At the governance layer the "all in the family" theme also prevails. It was observed (with unashamed dismay) by some that recent ICANN Board meetings to discuss the new gTLD program required the recusal of no less than eight Board members as a result of conflicts of interest. Our own Peter Dengate Thrush came in for public criticism for the perception of conflict of interest that has resulted from his commercial involvement in the gTLD market so soon after the completion of his term as Chair Of the ICANN Board (the inference being that he must have been planning this whilst actively promoting the establishment of the program within ICANN).

NTIA's cancellation of the IANA procurement process is a case in point. NTIA's tender stipulated a structurally separated business model and ICANN elected to not respond with such a structure. This is an illustrative example of an apparent inclination to hold onto the strong "club" or "family" mentality and model that is in evidence here.

A challenge will be to achieve a balance in this regard going forward – again, the unsurprising reality is that people do business with people and that interpersonal relationships are what underpins this multi-stakeholder ecosystem.

My own view is that a strong group of independent directors with a range of skills should be maintained to balance and complement Board members from within the tent. The organisation should be able to easily afford the additional expense of such a course, and in fact cannot afford to not adopt such an approach as the evolution of the Internet ecosystem gathers pace and momentum.

This is an organisation experiencing (unsurprising) growing pains as the Internet ecosystem evolves rapidly to be globally recognised as the strategic connectedness fabric for the world economy. A clear imperative is to avoid ceding control to governments, a position which I support as doing so would inevitably undermine the power of the fabric as a global enabler.

An analogy that I discussed with KD (and arguably the last example of such a global framework) is the laws of the sea which are interpreted consistently across the globe for the benefit of all. The work being done by the FOI (Framework of Interpretation) working group assumes huge importance as it looks to take the provisions of RFC1591 (developed almost 20 years ago) and with that backdrop baseline a new framework, the "laws of the digital sea" in a sense, in context.

A key area of interest for me coming into this meeting is the New gTLD Program, particularly in light of the current debate within InternetNZ in respect of our stance on participation in dotString initiatives. Some observations in this regard include:

- ICANN will have to evolve to accommodate a more open gTLD world. A degree of structural separation of policy and operations would seem to me to be an urgent priority in this evolution.
- There is no clear view on how the new gTLD market will unfold. Some ccTLDs believe that there is a threat and are adopting defensive bidding stances. Others believe that new gTLDs are likely to address niches (as opposed to the traditional ccTLDs that have already got the market and identify with a broad constituency) citing examples such as .cat (addressing the Catalan language constituency and generating 50,000 DNs already). Those that see opportunity suggest that the opening up of this space may be a rising tide raising all boats.
- The ongoing marketing/promotion of ccTLDs (.nz) will assume more important going forward.
- As a ccTLD, keeping life "easy" for Registrars seems to be an imperative for .nz in the face of the new gTLD market – keep things simple with relatively few "special features", and don't try to be too cute. The value in .nz is its simplicity and the strength and relevance to registrants of the policy, management and operational framework that underpins it.
- We would do well to initiate a "value review" of .nz through the lens of both registrars and registrants.

- Our media strategy needs to be reviewed in light of the gTLD program – our ability to advocate strongly for the "Internet community" is one of the strengths of .nz.
- The likelihood that the market for new TLDs will be context-driven indicates that our marketing efforts should continue (because this is the current thrust) to focus on building a "personality" around .nz that end-users/registrants can identify with.

Another area that came to my attention as requiring a deliberate focus from New Zealand is the upcoming NCIT forum where the International Telecommunications Regulations will be reviewed and revised by the ITU for the first time since 1988. With the worldwide trends seeing the weakening of the market power of incumbent telecommunications providers, the ITU is an organisation looking for a reason to exist and it is reported that there is a move by several governments to have the regulatory framework extended to cover the Internet. This is to be strenuously resisted.

It was reported that ICANN is preparing a submission and ISOC has also done significant amount of work on this issue. However, cc's need to talk to governments and make strong representation that Internet regulations not be included in ITU scope lest ITU end up with control over the infrastructure that runs the Internet (by effectively administering the IANA database).

ccTLDs need to formally attach themselves to government delegations as expert advisors in the lead-up to and for this inter-governmental forum.

Appendix: Summary of Key Points of sessions attended

Day 1

The highlights of the Opening Ceremony were CEO Rod Beckstrom's outburst (and the reaction that followed over the ensuing days of the conference) and the speech given by Costa Rica's President Laura Chinchilla.

As reported in the media, Beckstrom offered a scathing criticism of his own board of directors, saying the current batch looks like it is too conflicted to act in the public interest. He appeared to single out the chair and vice-chair for special concern.
"ICANN must be able to act for the public good while placing commercial and financial interests in the appropriate context," Beckstrom said. "How can it do this if all top leadership is from the very domain name industry it is supposed to coordinate independently?" He went on to criticize ICANN's Nominating Committee (NomCom), which appoints half of the ICANN board. NomCom's structure is a "significant threat" to ICANN, he said.

Whilst not without validity (see my own observations above), the platform was not the appropriate one from which to voice such concerns and there seemed to be an element of deflecting attention from the shortcomings of Beckstrom's own management/leadership of ICANN as he approaches the end of his contract in June. The response of the ICANN Board over the coming weeks will be interesting however one would surmise that some level of formal censure would be likely.

President Laura Chinchilla's address provided a welcome contrast. She was impressive and visionary, saying "The Internet is the hope of an integrated world without frontiers, a common world without controlling owners, a world of opportunities and equality. This is a utopia that we have been dreaming about and is a world in which each and every one of us are protagonists of a destiny that we have in our hands."

She was accorded a standing ovation

Other sessions attended on Day 1 were:
- gTLD Program Update – mostly procedural matters such as Applicant Assistance, Batching and Defensive Applications. There were no major surprises although the batching regime will be interesting to see unfold and has some fishhooks in respect of the public interest factors and how these are weighed in priority setting.
- Joint ccNSO/gNSO Meeting – the most interesting aspect of this meeting was the report from the ccNSO SOP Working Group that has been reviewing ICANN's Strategic and Operating Plan – the working group's assessment of management framework shortcomings of ICANN was an eye-opener and must be cause for concern.
- Tech Day afternoon session which was given over primarily to security related issues. Presentations are available on the ICANN 43 website.

Day 2

ccNSO Member Meeting Day 1

1. Finance Working Group report back on survey on ICANN Contributions and Services

a. Self-selected survey sample - 55 ccTLDs completed survey (of 126 in ccNSO, which is only half of the ccTLDs in existence) – some bias towards Europe US and under-representation of the Africas

b. Conclusions are that:

- Those ccTLDs that contribute the most, generally consume the least ICANN services (20% don't contribute at all)
- Financial contribution is independent of a formal arrangement between ICANN and ccTLD
- ccTLD contributions disclosed by ICANN are materially less than the actual financial and non-financial contributions made by the ccTLD community.

2. ccNSO meeting with ICANN Board

a. IANA contract news – the ccNSO was surprised that there were no proposals received by the NTIA that met the RFP requirements. Recognising the importance of the IANA function to ccTLD managers, what happened and what are the next steps?

    i. To questions from the floor, Steve Crocker asserted that there was no hidden agenda in the cancellation of the procurement process by NTIA and that the matters would be addressed.

b. What are some of the experiences with ccTLDs with WHOIS verification - which ones require full authentication?

    i. Peter Verboet .be - Concerns in government at quality of WHOIS data have resulted in development of a screening and early warning system. He was not sure if scalable for other TLDs.

    ii. Anabeth Lange .no - A relatively small registry of 550k DNs (similar to .nz with 485k DNs). An early warning system in place with notifications to registrants to update WHOIS data.

    iii. Nigel Roberts .uk System developed where in-built at time of registration with automatic incorporation of application data into WHOIS record. Has been sold to another ccTLD.

c. Progress Report from the Framework of Interpretation (FOI) Working Group and next steps. This Working Group is chaired by Keith Davidson.

    i. The Working Group was established as result of outputs from Delegations/Re-delegations Working Group.

    ii. The approach to Working Group outputs is iterative completion and drip feed of chapters to stakeholders for approval then review of overall deliverable at conclusion of the process.

    iii. The Working Group has completed the first chapter of work (5 chapters envisaged overall), what constitutes consent from a TLD manager, in

the past few days. Consensus from ccTLD community will going to GAC then expect to be able to bring to ICANN Board.

    iv.   The ICANN Board expressed the view that iterative process is sound and will propose to ICANN Board that adoption on a chapter by chapter basis be approved.

    v.   Keith advised the meeting that the chapters were likely to be as follows:

- Consent
- Significantly interested parties
- Revocation
- Glossary
- Recommendations for IANA reports on delegations and re-delegations

d. Presentation of and discussion on the Results of ccNSO Finance Working Group Survey on contributions of ccTLD's to ICANN and use of ICANN services. See above. An interesting point was the comment around issues with obtaining financial and cost data from ICANN – Rod Beckstrom committed to providing better financials going forward. Clear signs that lack of transparency in ICANN (or between ICANN and the community) in this regard.

The following agenda items were not addressed due to time pressure. These are material items and it is a concern that such material items can simply drop off the radar due to time constraints in the meetings

a. What will be in your view the medium-term impact of the new gTLD program on the structure of ICANN in general, and challenges it brings to the gNSO, its constituencies and policy development process. What are the potential issues and how to anticipate them?

b. Progress of the CEO search

c. Progress of the new gTLD launch, and emerging issues if any

3. IGF Update

a. IGF and the need for the cc community to make a contribution to the secretariat of the IGF lest it fall into government hands

b. WCIT – conference run by ITU (Dubai late 2012) about re-working the International Telecommunications Regulations (ITRs) last addressed in 1988 – it is a Treaty meeting so government-only. ITRs will be revised and finalised and sent to member states by June

    i.   Move by several governments to have the regulatory framework extended to cover the Internet.

    ii.   ICANN preparing a submission

    iii.   ISOC has done significant amount of work on this too

    iv.   cc's need to talk to governments and make strong representation that Internet regulations not be included in ITU scope lest ITU end up with control over the infrastructure that runs the Internet (by effectively administering the IANA database)

> v. Keith strongly suggested that ccTLDs should attach themselves to government delegations as expert advisors – this was reinforced by several delegates

> This is an important issue and needs focus from NZ.

4. IANA Update (Kim Davies)
   a. Workflow automation system implementation went well through 2011 with only minor issues experienced
   b. See slide pack for summary

5. SSR Update
   a. ICANN doing some good work in areas such as DNSSEC but improvement could be made in:
      i. Clarity around remit
      ii. More structured SSR plan
      iii. Consistency of language
      iv. Measurable goals and objectives
      v. Clarity on budget
      vi. Structured relationships with SOs
   b. Things missing include:
      i. Targeted outreach beyond ICANN boundaries
      ii. Budget traceability
      iii. Forward risk management framework
      iv. Ties with external bodies for threat and risk ID
      v. Formal incident and threat notification process
   c. Draft out in next couple of weeks for consultation pre-Prague
   d. Risk management framework for the DNS is a challenging process – strong recommendation that ICANN staff work with the community.

6. DSSA Working Group update
   a. Task is to determine frequency and severity of threats to the DNS
   b. Working Group has developed protocol for handling confidential info, adopted a methodology (NIST 800-30 on basis of fit to need and cost - none) and commenced a risk assessment
   c. Current Working Group focus is analysis of threats and vulnerabilities
   d. Working Group seeking guidance on extent of analysis – deep analysis (with exploding threat tree…) or wide and shallow on first pass to identify high-risk scenarios to drill into – the meeting affirmed the shallow first pass approach.

The remainder of the day was given over to a series of presentations including ccTLD Community Workspace, Regulatory Issues (ACTA, SOPA) and some reports from individual ccTLDs of activities in their cc, including a very interesting presentation from the Chinese delegation (it is worth looking at this slide pack)

Day 3

Sessions attended on Day 3 included:

GAC / ccNSO Joint Session where the status report and on FOI Working Group obtained approval in principal.

ccNSO Member Meeting Day 2

1. GNSO sought feedback from ccNSO members to inform development of the gTLD program.
2. ccNSO News
    a. Implementation of DNSSEC in Costa Rica
        i.   Used banking as the case study/context for the implementation
        ii. Selected Nanco National de Costa Rica
        iii. Implement DNSSEC for .fi.cr and chain with .cr then chain with root servers
        iv. Used new (low-cost) solution for hardware
        v.   Key goals
             *   DNSSEC awareness – embraced by Banco Nacional
             *   Sound implementation
        vi. Issues encountered
             *   Firewall issues
             *   Backing up TPM keys before signing in the production environment
             *   Process to approve and publish DPS
             *   Getting ISPs across the line
    b. Development of .cn (CNNIC) registration policy
        i.   Ad hoc openness period 2002-09 saw 13.8m registrations
        ii. Clean-up period 2009-11 saw this decrease to just 3.3m
             *   Applicant must be legally registered organisation
             *   99% of domain name info verified
             *   Mechanisms to identify domain name abuse (80,000 phishing sites taken down)
        iii. 2012 revision of rules for individuals pending approval from MIIT
    c. dotAfrica – running a gTLD on ccTLD infrastructure
        i.   ZADNA has statutory mandate
        ii. Significant priority work programme including
             *   Policy/standards
             *   Infrastructure improvements
             *   See presentation slides
        iii. AfTLD's dotAfrica project
             *   Have selected a preferred registry partner through formal tender and currently negotiating
             *   AUC ICT Minister's decision that AUC will lead and own dotAFrica
             *   2011 tender out for seeking consortia of African ccTLDs, registrars, etc

- AfTLD needed to change strategy in order to comply with requirements and avoid missing the boat
- Key issues including time, funding, technology/infrastructure fit
- ZA ccTLD has applied on behalf of African ccTLDs
    1. Use of co.za EPP infrastructure
    2. $1.3m funding commitment
    3. African ownership/leadership
    4. Structurally separate operation from ZA
    5. MOU with AfTLD
- AUC endorsed bid
- Now establishing brand – AfricaInOneSpace.org – and preparing application to ICANN
- Mandated application for the three major cities .capetown .joburg and .durban

d. Being green in cyberspace .eu
    i. EU Eco-Management and Audit Scheme (EMAS) available since 1995 as a voluntary certification
    ii. Three core elements
        - Performance
        - Credibility
        - Transparency
    iii. Policy targets and action plans, plus requirement for continuous improvement
    iv. Good tick box but unclear how this really benefits the Internet ecosystem

e. The re-birth of the Jordanian DNS

f. Summary of Regional Organisations
    i. LACTLD
        - Bi-lingual website now up as a means to greater integration with the global community (CMS available end-March)
        - Workshop schedule published – Economic, Policy, Technical and Legal
    ii. APTLD
        - Re-branding completed
        - New website launch mid-year with members section and more data online
        - New Delhi Members meeting recently held
    iii. AfTLD
        - AROC course in January with 12 TLDs
        - AGM set for last week in April
        - DNSSEC workshop (first in region) later in the year
    iv. Regional Organisation Survey
        - Objectives to promote cooperation across the four regions (APTLD, LACTLD, AfTLD and CENTR) and enable ccTLDs to benchmark with broader community
        - 81 ccTLDs participated
        - Report will be provided to members

Debbie and I attended the latter part of the gNSO Council Meeting where there was a big stoush over the IOC/Red Cross DN protection motion. The Affirmation of Commitments was also raised.

Day 4

My primary mission on Day 4 (our final day at ICANN) was to identify and acquire the traditional InternetNZ ICANN clock. I am pleased to be able to report that the mission was accomplished.

I attended part of the ccNSO FOI Working Group meeting as an observer where a point of interest was that IANA was unable to state how a revocation of a delegation would occur – neither criteria nor procedure. It does not seem clear how a "revocation" is actually defined (as opposed to a re-delegation). This is a well-run Working Group that is making good progress and Keith is to be congratulated.

I also attended the ICANN Public Forum where presentations were made to recognise the 25th Anniversary of TLD involvement of 27 TLDs – Debbie accepted on behalf of .nz and it was interesting to note that of the 17 TLDs in attendance only .nz shows two stakeholders (Debbie and Jay) indicating that of this group only NZ operates a structurally separated model.

There was some interesting discussion from the floor including ICANN Acting in the Global Interest. And ICANN apologised for late availability of documents for this meeting (statutory 15 days).

May 2012

Dr Frank March
President
InternetNZ

Dear Frank

Fourth Quarter 2011/12 .nz report

This report summarises the key results for the fourth quarter 2011/12 financial year. It includes information provided in the three monthly reports (January, February and March), plus financial information. Please note that the financial information provided are the unaudited end of year accounts. The audited accounts will be provided at a later date. There is nothing in this report that is confidential.

1. *Statistics*

▪ Over the quarter, .nz domain names have increased from 466,192 to 477,688, a net increase of 11,496 or 2.5%.

	As at 31 Dec 2011	As at 31 Jan 2012	As at 29 Feb 2012	As at 31 Mar 2012	Net Change over qtr
.ac	1,911	1914	1,921	1,934	23
.co	404,175	406,827	410,365	414,389	10,214
.cri	13	13	13	13	0
.geek	1,118	1,124	1,138	1,142	24
.gen	1,388	1,385	1,394	1,386	-2
.govt	1,105	1,107	1,111	1,114	9
.health	145	145	145	145	0
.iwi	77	77	78	78	1
.maori	663	660	666	678	15
.mil	33	33	33	33	0
.net	26,224	26,465	26,746	27,023	799
.org	26,111	26,159	26,300	26,475	364
.parliament	8	8	8	8	0
.school	3,221	3,237	3,248	3,270	49
Total	**466,192**	**469,154**	**473,166**	**477,688**	**11,496**
Net Growth		**2,962 0.6%**	**4,012 0.9%**	**4,522 1.0%**	**11,496 2.5%**

2. *Registry Performance*

▪ SLA targets achieved for January, February and March 2012.

- SRS availability over the quarter was January 99.9%, February 99.96% and March 100%.

- DNS availability was 100% for October and December but one of the seven servers had an unscheduled outage in November dropping the availability of that server to 99.9%. This result still met the SLA requirements for DNS availability.

3.   .nz Policies and Procedures

- Work continued on matters arising from the recent reviews of the Zone Transfer Policy (ZTP) and the Registering, Managing and Cancelling Domain Names Policy (RMC). Some changes to the ZTP policy are expected to be signed off by the Board at their first meeting of 2012.

4.   Registrars

- At the end of March 2012 there were 84 authorised Registrars with 78 of these connected to the production system and offering services to Registrants.

- Work continues on refining the criteria for a registrar to be defined as 'DNSSEC Friendly'. Following feedback, there will be two DNSSEC related statuses. One for registrars who meet the criteria to be deemed 'DNSSEC Friendly', and one for registrars who can simply 'Handle DS Records', the latter being similar to the 'IPv6 Glue Records' status. Some registrars have already completed the application form.

5.   Other Key Activities

- The annual meeting with the Dispute Resolution Service Experts was held in March 2012.

- International meetings included the Manager, Compliance and Security attending APTLD and APRICOT meetings in New Delhi in February 2012. The DNC and a DNCL Director also attended the ICANN meeting in Costa Rica in March 2012.

- NZ Lawyer interviewed Paul McKitrick, in his role as Chair of the NZ Internet Taskforce (NZITF), for an article on online security. This article can be read online at http://www.nzlawyermagazine.co.nz/CurrentIssue/Issue180/180F3/tabid/4118/Default.aspx

6.   Documents published

- A DNCL .nz Security Strategy has been developed and is online at http://dnc.org.nz/content/DNCL_Security_Strategy.pdf. This complements the DNCL .nz strategy which can be seen at http://dnc.org.nz/content/DNCL_Strategy_March_2011.pdf.

7.   Planned activities next quarter

- Board meetings arranged for 12 April and 14 June 2012.

- APTLD meeting in Russia in June; ICANN meeting in Czech Republic in June, directly following the APTLD meeting.

- Update DNCL work program to take into account activities identified in the Statement of Expectations for the 2012/13 year, including the joint work with NZRS on promoting and marketing .nz.

- Work with NZRS on refining the .nz quarterly reports to Council to ensure Council are kept informed of relevant .nz issues and activities without unnecessary duplication.

8. Financial

Profit and Loss Statement
For Quarter Ending 31 March 2012

	January - March 2012			Year-to-Date		
	Actual	**Budget**	**Variance**	**Actual**	**Budget**	**Variance**
INCOME						
Authorisation Fees	0	2,250	(2,250)	9,500	9,000	500
DRS Complaint Fees	10,000	9,000	1,000	19,800	36,000	(16,200)
Management Fees	315,000	315,000	0	1,260,000	1,260,000	0
Interest Income	8,218	3,375	4,843	18,232	13,500	4,732
Other Income	10,909	0	10,909	10,909	0	10,909
Total Income	**344,127**	**329,625**	**14,502**	**1,318,441**	**1,318,500**	**(59)**
EXPENDITURE						
Staff and Office costs	204,206	178,004	-26,202	730,538	697,114	-33,424
Professional Services and Commmunications	92,381	47,591	-44,790	148,708	178,000	29,292
Dispute Resolution Services	45,196	32,525	(12,671)	75,906	120,600	44,694
DNCL and DNC activities	25,908	37,375	11,467	108,232	149,500	41,268
International	66,969	67,750	781	197,287	237,000	39,713
Total Expenditure	**434,660**	**363,244**	**(71,416)**	**1,260,672**	**1,382,214**	**121,542**
Net Profit/Loss	**(90,533)**	**(33,619)**	**(56,914)**	**57,770**	**(63,714)**	**121,484**

Please note that these end of year results are pre-audit figures and may change.

Notes:

- 'Other income' receipted in the final quarter, per external accountant's recommendation, relates to the provision accommodated for by DNCL for lease incentive, not being required as the lease holder is InternetNZ.
- Lower than expected levels of dispute resolution complaints were received over the year. This resulted in lower revenue for the DRS complaint fees and lower expenditure for dispute resolution services.
- Expenditure for Professional Services and Communications is under budget mainly due to the use of legal services being below that expected. The level of expenditure over the quarter reflects the work done on updating the images for the '.nz is our home' on the DNCL website.

9. Additional Information for Council

- DNCL is planning to incorporate the celebration of the 10 years of the SRS into the wider promotional and marketing of .nz project that is being undertaken jointly with NZRS.

10. Board recommendation

This report outlines activities in the fourth quarter of the financial year 2011/12.   The Board of DNCL **recommends** that the Council of InternetNZ receives this report. Please do not hesitate to contact me if you have any questions.

Yours sincerely

Joy Liddicoat
Chair, DNCL

10 May 2012

Frank March
President
InternetNZ
PO Box 11 881
Wellington

Dear Frank

Re: 4th Quarter 2011 – 2012 Report

We enclose our fourth quarterly report of the 2011 - 2012 year, the quarter ended 31st March 2012. The report, which I submit on behalf of the Board, consists of the summarised management accounts and a commentary on financial, operational, and strategic issues in relation to the company's performance. There is nothing in the report that we regard as confidential.

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

1. Financial

Enclosed are Statements of:

- Financial performance; and
- Financial position

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

The net profit before tax of $883,352 for the quarter was 40.8% above the budgeted $627,051.

Domain name growth was above budget for the quarter (actual 11,496 versus budgeted 9,000). January's net growth was at 2,962, February's net growth at 4,012 and March's net growth at 4,522. Actual domain name fee income for the quarter was above budget by $48,782 (actual $1,825,592 versus budgeted $1,776,810).

Expenses for the quarter were $173,070 below budget (actual $1,059,319 versus budgeted $1,232,389).

The company's liquidity ratio was met.

2. Operational

a) Registrars

At the end of the quarter there were 79 authorised registrars in production. The following chart shows the spread of registrars across the level of domain name registrations:

Registrars By Size
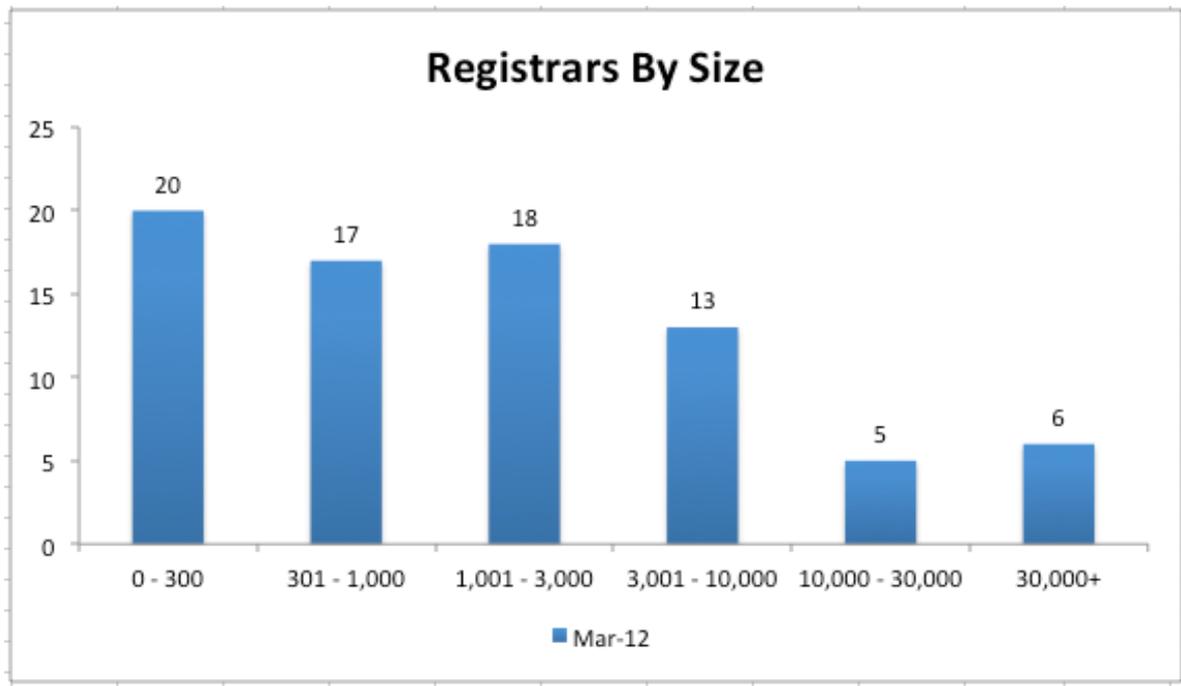
b) Domain name growth

The actual growth against budgeted growth is shown in the table below:

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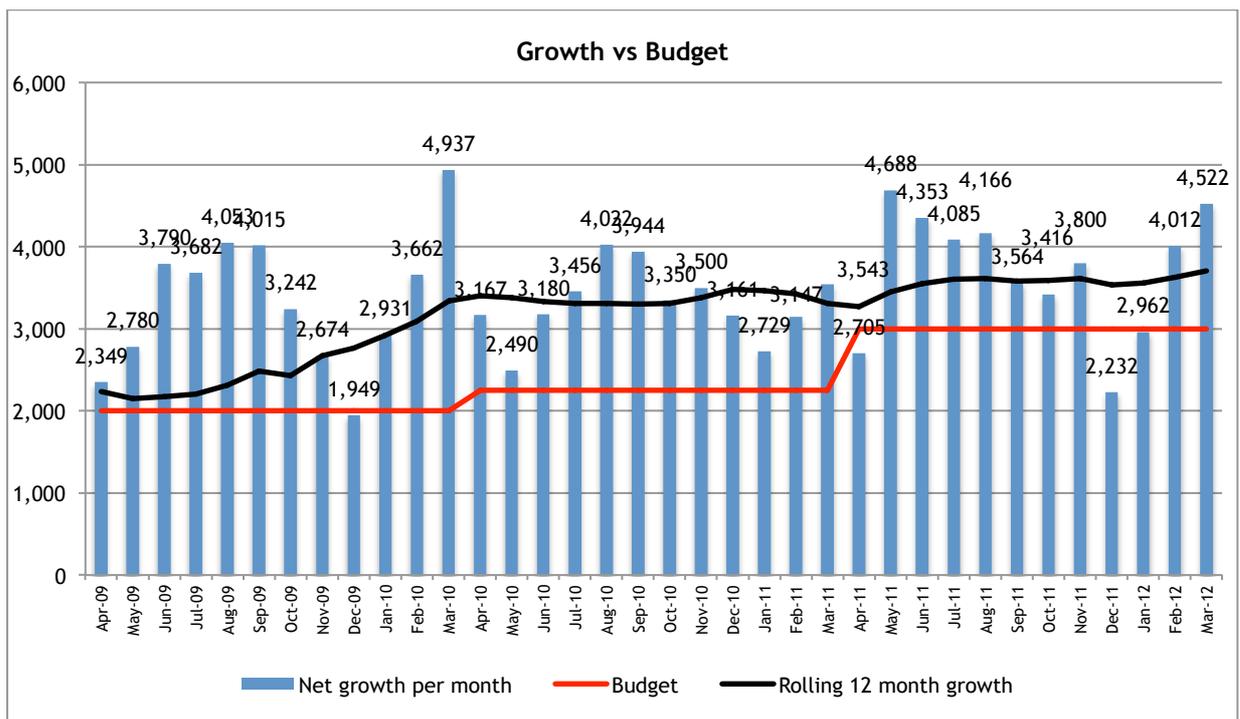
The breakdown of domain name growth by second level domain is noted in the table below:

	31 Jan 12	29 Feb 12	31 Mar 12
.ac	1,914	1,921	1,934
.co	406,827	410,365	414,389
.cri	13	13	13
.geek	1,124	1,138	1,142
.gen	1,385	1,394	1,386
.govt	1,107	1,111	1,114
.health	145	145	145
.iwi	77	78	78
.maori	660	666	678
.mil	33	33	33
.net	26,465	26,746	27,023
.org	26,159	26,300	26,475
.parliament	8	8	8
.school	3,237	3,248	3,270
Total	**469,154**	**473,166**	**477,688**
Growth over previous month	**2,962**	**4,012**	**4,522**
Variance against budget	**-38**	**1012**	**1522**

c) System availability

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

System	SLA %	Jan 12	Feb 12	Mar 12
SRS	99.90%	99.99	99.96	100.00
DNS	100%	100.00	100.00	100.00
Whois	99.90%	100.00	100.00	100.00

3. Other Key Strategic and Operational Activities

a) Project programme

In this quarter we worked on a number of major capital projects:

- With the DNSSEC project we discovered an anomaly in the representation of the keys in the zones. Although we had only one confirmed report of this causing problems we chose to change the representation to solve that, which meant implementing an entirely new key change process with IANA. This was successful and the rollout of DNSSEC to second levels will restart in the next quarter.

- All five production DNS sites in Lower Hutt, Christchurch and Auckland had successful hardware upgrades during March. This is part of our ongoing scheduled upgrade cycle to ensure that production equipment is well supported and in good condition.

- The SRS architectural review continues with a successful replacement of the messaging system and back-end catch-up functionality that keeps the distributed servers synchronised. This enables faster catch-up and so reduces the risk of data loss.

- The SRS network hardware upgrade has been completed. This provides separation of the internal and external networks at the Wellington and Albany sites, with dedicated capacity for each and no single point of failure.

- The operating system on all production servers was upgraded to the latest major release.

b) Audit and Risk

Following the unusual office break-in we commissioned a security firm to conduct a sweep of the public areas that found no evidence of tampering or installation of surveillance devices. We have now installed cameras and video recording equipment that monitors the stairwell and lift door out of hours.

We conducted a scheduled test of our satellite backup equipment and purchased additional equipment following that.

c) Business development

Our CE dedicated significant time to the dotString WG that concluded in this quarter.

d) Support of InternetNZ policy work

Our CE contributed to the work on the recently finalised TLD principles.

e) International engagement

The DNS Specialist attended two conferences focusing on DNS research, the DNS-OARC conference and SATIN.

The DNS Specialist presented on two topics, a technical report on the .NZ DNSKEY correction process, and a methodology and tool for DNS benchmarking that he developed during the DNSSEC project. The latter sparked great interest, and DNS operators are now discussing the principles that should drive those measurements.

4. Outlook: Strategic Issues and Key Operational Activities

Key activities for the first quarter of the 2012 - 2013 financial year include:

a) .nz development

We will be recruiting a Commercial Manager who will manage our registrar sales channel and provide them the support to increase their sales of .nz.

b) Project programme

This will focus on the following main projects:

- DNSSEC rollout
- SRS review
- Replacement of a test platform
- Upgrade of tape backup solution

c) Business development

Our main focus in the quarter in this area will be on a pair of initiatives previously advised to InternetNZ in a confidential briefing paper.

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

Yours sincerely

Richard Currey
Chair

InternetNZ

EVOTE RATIFICATION

| **Author:** | Susi Cosimo |

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

Evote:		For:	Against:	Abstain:
28022012	THAT the application from Open Parallel for $10,000 to be a sponsor of the Multicore World 2012 conference be declined.	Donald Clark Michael Foley Jonny Martin Hamish MacEwan Frank March Neil James Jamie Baddeley Dave Moskovitz Michael Wallmannsberger Nathan Torkington		Don Christie
120320121	THAT the Statement of Expectations for the Domain Name Commission Limited for the financial year 2012/13 as attached be adopted.	Jamie Baddeley Don Christie Donald Clark Michael Foley Hamish MacEwan Frank March Jonny Martin Neil James Dave Moskovitz Nat Torkington Michael Wallmannsberger Lance Wiggs		

Evote:		For:	Against:	Abstain:
120320122	THAT the Statement of Expectations for the New Zealand Domain Name Registry Limited trading as .nz Registry Services (NZRS) for the financial year 2012/13 as attached be adopted.	Jamie Baddeley Don Christie Donald Clark Michael Foley Hamish MacEwan Frank March Jonny Martin Neil James Dave Moskovitz Nat Torkington Michael Wallmannsberger Lance Wiggs		
290320121	THAT to aid in the re-build of Christchurch, the Digital Archiving Joint Project be funded $125,000 out of InternetNZ's reserves.	Don Christie Frank March Neil James Hamish MacEwan Donald Clark Dave Moskovitz Jamie Baddeley Michael Wallmannsberger Jonny Martin Nathan Torkington Michael Foley		
290320122	THAT to aid in the re-build of Christchurch, the Computers in Homes Mobile Stepping Up project be funded $125,000 out of InternetNZ's reserves.	Don Christie Frank March Neil James Hamish MacEwan Donald Clark Dave Moskovitz Jamie Baddeley Michael Wallmannsberger Jonny Martin Nathan Torkington Michael Foley		

Evote:		For:	Against:	Abstain:
290320123	THAT to aid in the re-build of Christchurch, the Sydenham / Lyttelton Free Wireless project be funded $37,000 out of InternetNZ's reserves.	Don Christie Frank March Neil James Hamish MacEwan Donald Clark Dave Moskovitz Jamie Baddeley Michael Wallmannsberger Jonny Martin Nathan Torkington Michael Foley		
290320124	THAT to aid in the re-build of Christchurch, the GCSN Schools Videoconferencing project be funded $85,000 out of InternetNZ's reserves.	Don Christie Frank March Neil James Hamish MacEwan Donald Clarkv Jamie Baddeley Michael Wallmannsberger Jonny Martin Nathan Torkington Michael Foley		
290320125	THAT to aid in the re-build of Christchurch, a sum of $63,000 be set aside from InternetNZ's reserves towards funding future wireless projects, pending further investigation.	Don Christie Frank March Neil James Hamish MacEwan Donald Clark Dave Moskovitz Jamie Baddeley Michael Wallmannsberger Jonny Martin Nathan Torkington Michael Foley		

Evote:		For:	Against:	Abstain:
03042012	THAT the application from Auckland University of Technology for $15,000 to support a research study to investigate people's subjective well-being based on online and offline time use and associated affective experiences be approved.	Michael Foley Frank March Hamish MacEwan Lance Wiggs Neil James Dave Moskovitz Michael Wallmannsberger Jonny Martin	Donald Clark Nathan Torkington	Don Christie

Recommendation: THAT the e-votes be ratified.

COUNCIL PAPER – Audit and Risk Committee Report on Councillor Indemnity

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Author: Neil James, Audit and Risk Committee Chair

Purpose of paper: To update and discuss with Council, the Audit and Risk Committee's work and proposed approach on strengthening InternetNZ Councillor indemnity provisions.

Background: The Audit and Risk Committee sought specialised legal advice to review the current association liability insurance policy and the InternetNZ constitution to ensure that Councillors and Officers were appropriately indemnified. This paper reflects the advice given and proposed additional measures InternetNZ can take.

1. An indemnity section to be added to the Constitution

The advice received recommended a section along the lines of the following be added to the InternetNZ Constitution:

1.1 Council Members shall not be liable for:

1.1.1 any losses or liabilities;

1.1.2 any act or acts or attempted act done in exercise of or pursuant to any power or discretion vested in them by this Constitution or any bylaws; or

1.1.3 any omission or omissions or non-exercise in respect of any obligation under this Constitution, bylaws or any other obligation imposed on them by virtue of their role, except losses or liabilities arising from their own dishonesty, wilful default or wilful breach of trust or negligence in the carrying out of their legal responsibilities.

1.2 Council Members, and every other person acting on behalf of the Council, shall be indemnified out of the Society's assets against all proper liabilities and expenses incurred by them in the exercise or attempted exercise of the powers and discretions vested in them and in respect of any matter or thing done or omitted to be done in any way relating to their responsibilities.

1.3 The liability of Council Members in connection with this deed or at law, in equity, or on any other basis shall at all times be limited to the assets of the Society.

It is probably appropriate for this section to fit in the Constitution as section 6.9.

2. Reason for seeking the addition to the Constitution

A proposal, complete with the suggested addition, needs to be written up. It important that it is clear to members why we are seeking this addition. The proposal could be along the following lines:

"This amendment to the rules is being put forward following professional advice received regarding insurance cover for Councillors and sub-committee members. The advice noted that it is best practice to hold association liability insurance (such as the current insurance held by InternetNZ) together with a deed of indemnity included in the constitution. Specifically it is recommended that InternetNZ should include a standing indemnity in the Constitution by which Councillors are indemnified against liability incurred in the carrying out of their responsibilities. A standing indemnity in the constitution would ensure Councillors are adequately protected regardless of InternetNZ's insurance arrangements. It was not considered necessary to make any special arrangements regarding sub-committee members. To action this the following addition to the Constitution is proposed:"

3. Timing

If Council would like the Audit and Risk Committee to raise this possible change to the Constitution with Members, the process is as follows:

> A proposal to amend the InternetNZ Constitution may be submitted by any member to the Returning Officer of the Society who must, within seven days after receipt of the proposal, forward it to all members.

> Any such motion shall be put to the next Annual General Meeting (to be held on 12 July 2012), which shall be held not earlier than fourteen (28 June 2012) or later than forty days (2 June 2012) from the forwarding of the proposal to members.

Recommendation

THAT the Audit & Risk Committee seeks an addition to the Constitution around Councillor indemnity.

InternetNZ

Communications Trust

Towards a Strategic Partnership - Activity Update: May 2012

Computers in Homes (CiH)	Our mid-year report summarising results from CiH surveys for the period to 31 December 2011 was published in March and copies were distributed to stakeholders. Copies will be available at the Council meeting. The programme is on track to meet our 2011-12 target of 1500 families by 30 June 2012. Regional coordinators met in Kapiti at the beginning of March for the quarterly CiH hui; the next meeting is scheduled to be held in Wellington 24-25 May. Website: www.computersinhomes.org.nz
Stepping UP	We are delighted that InternetNZ has funded our proposal for a mobile Stepping UP learning centre for Christchurch (using a converted bus). We have procured a suitable bus and it is currently being fitted out in Christchurch. We have re-commenced discussions with the Department of Statistics to open our Stepping UP centres on 5 March 2013 to assist people complete their Census online. Our target is 600 centres to be open for the day. Website: www.steppingup.org.nz
Living Heritage	UNESCO (NZ) has agreed to fund a Living Heritage programme in Niue. Living Heritage coordinator, Barbara Baker will travel to Niue in June to work with local schools. Website: www.livingheritage.org.nz
KiwiSkills	The Trust has entered into an agreement with the New Zealand Computer Society (NZCS) and the ECDL Foundation to take responsibility for the KiwiSkills and ICDL (international Computer Driving Licence) programmes in New Zealand and Fiji from 1 January 2012. The programme is managed by Rebecca Magee, who is currently on parental leave from NZCS. She is expected to join the 2020 project team later this year. In the meantime Sarah Lee, one of the *Computers in Homes* regional coordinators is filling in for Rebecca. Sarah promoted the programme at the recent Connecting UP conference and this will result in 200 new KiwiSkills candidates. Website: www.2020.org.nz
Community Wireless	We were naturally disappointed to miss out on funding from InternetNZ for our community wireless proposal in Christchurch. We now propose to scale this down for just one school community and seek funding. Our objective remains the same – to find a low cost solution for providing internet access to CiH families without telephone lines.
Digital Inclusion Seminar Series	Workshop has been held with marketing firm, Chilli, to develop a marketing plan, including key messages, value proposition for participants and communications strategy. Trustees are now reviewing the optimal time for launching to series to avoid conflicts with other digi-events, such as Connecting Up (held last week) and NetHui (July 11-13). An option to link with planned digital city events is being considered, e.g. Wanganui's Ultrafast Fibre TechEx (July 20-22).
2020 Operational Plan 2012	Our operational plan for 2012 is attached, as agreed. We acknowledge with appreciation receipt of InternetNZ's 2012 funding support for our core 2020 operations.

Operational Plan 2012

Context

Our Strategic Plan (2011-2015) has a vision for New Zealand where all citizens are able to function fully in an increasingly interconnected digital society. The specific role for the 2020 Trust during the period to 2015 is to provide leadership in digital inclusion, including promoting digital literacy and digital skills, with a special focus on communities that are economically and digitally disadvantaged.

Our Business Plan for financial year 2012-2013 plans to expand our existing programmes within three focussed work streams:

- Digital Literacy
- Digital Skills
- Digital Inclusion

Current and planned initiatives are summarised in our Activity Map (2012- 2015), included to provide a framework for this Operational Plan.

Operational Plan 2012

Our Operational Plan is summarised as a series of project plans, one for each of our planned activities. The project plans clearly state the objectives, scope and expected activity for each quarter, as well as identify resource dependencies and risk areas.

The initiatives included for 2012 include both existing and new projects:

Existing Projects	New Projects (2012)
Computers in Homes	Community Wireless
Stepping UP	KiwiSkills
Living Heritage	Digital Inclusion Seminars
ICT in Schools Research	

The Project Plans for these initiatives follow the Activity Map framework. We have also included our collaboration project plan, as all of our initiatives are implemented with partners.

New Zealanders fully participate in a digital world

2020 Communications Trust will provide leadership and work with communities to deliver programmes that contribute to New Zealanders digital literacy, skills and inclusion

Digital Literacy

Digital Skills

Digital Inclusion

- Computers in Homes
- Positive Computing for Parents
- Stepping UP
- Living Heritage
- ICT in Schools Research

- Community Wireless
- Mobile Stepping Up Centre
- KiwiSkills
- Digital Inclusion Seminars

- Community Technicians
- Community Content Creation
- ICTs in the Not-for-Profit Sector
- NZ Alliance for Digital Inclusion

- Whanau Ora Integration
- UFB Innovation
- Digital Buddies
- Teacher-Librarian Training
- Pacific Infrastructure
- Digital City Action Plans

Legend:
- Existing programme
- Planned for 2012
- Planned for 2013
- Future development

2020 Communications Trust Activity Map 2012-2015

Version 1.0   April 2012

Project Plan

Project		***Computers in Homes***
Prepared by		***Barbara Craig (lead)***, *Selwyn Screen, Kim Humpherson, Laurence Zwimpfer, Di Das*
Objective(s) for 2012		*1500 families complete training as part of DIA DLC programme* *90 refugee families complete training as part of MoE Refugee programme* *Community Wifi internet solution developed for families without phone lines* *Lobby government to increase support from 1500 families to 5000 families per year*
Scope		*Delivery of programme to 1600 families through 15 regional coordinators and national coordinator*
Activity by quarter	Q1 2012	*400 families graduate* *NCCG meeting held in Kapiti 1-2 March* *Mid-term Report produced (July-December 2011)* *5-Year Plan produced (2011-2016)*
	Q2 2012	*400 families graduate* *NCCG meeting held in Wellington 24-25 May* *Create digital repository of images and stories* *Develop communications plan*
	Q3 2012	*400 families graduate* *NCCG meeting held in Waitangi 30-31 August* *Annual report published (July 2011- June 2012)* *Digital publication (Ako Aotearoa) and CiH informational DVD produced*
	Q4 2012	*400 families graduate* *NCCG meeting held in Christchurch 29-30 November*
Required resources	Internal	*Full time coordinator and part-time administrative support* *Contract management (ongoing) and reporting to DIA and MoE (6-monthly)* *Quarterly coordinator hui*
	External	*Retain DIA DLC contract ($3.0M per annum)* *Retain MoE Refugee contract ($120,000 per annum)* *Secure community wifi support from InternetNZ ($150,000)*
Dependencies		*Stepping Up provides ongoing learning opportunities for Computers in Homes graduates*
Significant Risk Areas		*Government decides to withdraw support for Digital Literacy and Connection programme (currently contracted to June 2014, but government could decide to review fiscal priorities at any time)* *Unable to provide affordable internet connections for families without phone lines* *New Government Ministers do not understand value provided by programme*

Project Plan

Project		*Stepping UP*
Prepared by		***Kim Humpherson (lead),*** *Laurence Zwimpfer, Di Das, Barbara Craig*
Objective(s) for 2012		*1000 CiH graduates complete Stepping UP training as part of DIA DLC programme* *Lobby government and businesses (esp ICT industry) to obtain support for families who are not part of Computers in Homes* *Explore self-funding model with local businesses* *Secure recognition of programme from government as a qualifying activity for benefit allowances* *Establish collaborative agreement with ACE Aotearoa* *Pilot mobile Stepping UP learning centre in Christchurch*
Scope		*Delivery of programme to 1000 CiH graduates or their families/whanau in 15 CiH regions* *Extension to others in these regions wanting to enhance their digital skills*
Activity by quarter	Q1 2012	*250 CiH participants complete 4 digital steps* *Secure funding for mobile Stepping UP learning centre in Christchurch*
	Q2 2012	*250 CiH participants complete 4 digital steps* *Develop pricing and promotion package for local businesses*
	Q3 2012	*250 CiH participants complete 4 digital steps* *Consult with Ministry of Social Development about qualified training for beneficiaries*
	Q4 2012	*250 CiH participants complete 4 digital steps*
Required resources	Internal	*Support from national CiH coordinator and administrator* *Contract management (ongoing)* *Development resources for business promotion package ($10k)*
	External	*Secure funding support from InternetNZ for mobile learning centre ($125,000)*
Dependencies		*Funding for delivering Stepping UP training included in Computers in Homes DLC funding ($149 per CiH family).*
Significant Risk Areas		*Government decides to withdraw support for Digital Literacy and Connection programme (currently contracted to June 2014, but government could decide to review fiscal priorities at any time).* *Stepping UP (as subsidised programme) erodes market for KiwiSkills (as self-funded programme)*

Project Plan Living Heritage

Project	Living Heritage
Prepared by	Kath Norton, <u>Laurence Millar</u>
Objective(s) for 2012	Financially sustainable operation with secured annual funding of $100,000
Scope	During the next two years, the emphasis will be on securing baseline sustaining funding to maintain the website and operations. We will also aim to obtain project funding to extend Living Heritage into more schools in NZ and the Pacific , and also using the bilingual (Maori/English) platform for community and iwi stories.
Activity by quarter	Q1 2012	Identify potential sources of funding and collaboration opportunities with current known stakeholders (MinEdu, UNESCO, National Library, and Learning Media)
	Q2 2012	Workshop ideas for deeper collaboration and develop value proposition for commercial sponsorship and iwi Work with Ministry of Education to align Living Heritage with the national curriculum and identify how it can be embedded as a tool for eaching
	Q3 2012	Progress commercial sponsorship with targeted approach to potential sponsors Implement Living Heritage in one Pacific country (Niue)
	Q4 2012	Finalise funding arrangements
Required resources	Internal	
	External	
Dependencies	There are no known dependencies of Living Heritage project on other 2020 activities
Significant Risk Areas	If we cannot secure funding, the project will stall.

Project Plan

Project		*ICT in Schools*
Prepared by		*Kath Norton (lead), Barbara Craig, Laurence Zwimpfer*
Objective(s) for 2012		*Revise the questionnaires in consultation with the Ministry of Education.* *Develop an online open source survey option in consultation with Research NZ*
Scope		*This syndicated biennial research project has been coordinated by the 2020 Trust since 2005. The most recent research was carried out in August 2011 and published in November 2011. Financial support was received from 10 funding partners. The next research is scheduled for 2013.*
Activity by quarter	Q1 2012	
	Q2 2012	
	Q3 2012	
	Q4 2012	*Explore options for creating open source data* *Explore options for providing an online survey option in 2013*
Required resources	Internal	*Contract management.*
	External	*$75,000. Not required until 2013*
Dependencies		*Project funding ($75,000) required every two years to conduct research and provide every school (2500) with a printed copy, as well as a summary report in Interface.*
Significant Risk Areas		*Complexity and length of the questionnaires results in schools declining to participate.*

Project Plan

Project		*Community Wireless*
Prepared by		***Simon Riley (lead),*** *Selwyn Screen, Laurence Zwimpfer*
Objective(s) for 2012		*Pilot an affordable wireless model for connecting Computers in Homes families without telephone lines to the internet*
Scope		*63% of the 750 Computers in Homes families graduating between July and December 2011did not have an active fixed telephone line. The scope of this project is to develop and pilot test a low cost wireless model that could be implemented around the country in low socio-economic areas where families no longer have telephone lines.*
Activity by quarter	Q1 2012	*Identify suitable technology solutions* *Prepare and submit funding application to InternetNZ to implement a pilot programme in up to five areas in Christchurch for up to 125 families*
	Q2 2012	*Implement pilot programme in Christchurch – number of areas will depend on level of funding secured.*
	Q3 2012	*Document model and seek funding to expand to other areas*
	Q4 2012	*Report on success of programme and develop plan for 2013*
Required resources	Internal	*Funding provision for limited activity within Computers in Homes programme.* *Project management support.*
	External	*$150,000 to complete all five areas in Christchurch*
Dependencies		*Contributory funding (6 months internet access) from Computers in Homes programme*
Significant Risk Areas		*Technology solution proves to be more expensive and/or less reliable.* *Commercial wireless providers unwilling to sustain service at an affordable price*

Project Plan

Project		*KiwiSkills*
Prepared by		**David Barrow (lead),** *Kim Humpherson, Laurence Zwimpfer, Rebecca Magee, Sarah Lee*
Objective(s) for 2012		*Seamlessly transfer the KiwiSkills programme from NZCS to 2020* *Growing the programme by 33% (as measured by the number of completed KiwiSkills certificates)* *Secure contract with at least one new major partner to roll out KiwiSkills to 500 + employees*
Scope		*15,000 New Zealanders have participated in the core ICDL programme during the last 6 years. The opportunity exists to expand this programme to reach hundreds of thousands of New Zealand who are seeking to enhance their digital literacy skills.* *There are currently 40 test centre partners; the opportunity exists to expand the number of test centres, especially in new geographic regions where there is no existing partner.*
Activity by quarter	Q1 2012	*Sign agreement with NZCS for programme transfer* *Communicate transfer to all KiwiSkills stakeholders* *Establish programme support arrangements while Rebecca on parental leave (April - July 2012)* *Transfer NZCS KiwiSkills Accounting Function to 2020*
	Q2 2012	*CiH Coordinators participate in KiwiSkills training* *Update programme collateral, including website to reflect new relationship with 2020* *Acting Programme Manager maintains positive relationships with KiwiSkills stakeholders (training and test centre partners)* *Identify a test centre partner for each Computers in Homes region* *Promote KiwiSkills to the not-for-profit sector at the Connecting Up conference in Auckland on 26-27 April*
	Q3 2012	*Sign employment contract (from 1 August) with programme manager (Rebecca Magee)* *Launch new Security IT training module* *Launch ICDL Advanced in New Zealand* *Scope implementation of CRM for stakeholder management* *Develop "digital literacy for all" marketing and communications plan* *Develop plans to build KiwiSkills Brand and other KiwiSkills Certifications unique to NZ*
	Q4 2012	*Sign contract with large organisation for programme delivery to at least 500 employees* *Scope research activity and identify funding options to build on earlier Bunker report*
Required resources	Internal	*Programme administration support* *Contract Management and support*
	External	*Fees from existing training providers and test centres*
Dependencies		
Significant Risk Areas		*Existing training providers and test centres fail to renew their annual programme fees* *Programme loses momentum while manager on parental leave*

Seminar Series Project Plan as at 31st March 2012

Project		*Seminar Series*
Prepared by		<u>*Hazel Jennings*</u>*, Laurence Millar, Piripi Moore*
Objective(s) for 2012		*To develop a seminar series that reinforces the leadership position of the Trust and so contributes to our mission to "to provide leadership and deliver programs that contribute to digital literacy, skills and inclusion in New Zealand"*
Scope		*Seminars start in second half of 2012.*
Activity by quarter	Q1 2012	*Progress series with successful RFP respondent Chilli.* *Initial workshops and research to explore possibilities and develop draft proposal. (Due early April)*
	Q2 2012	*MILESTONE: Series proposal including branding and financial plans approved by the Trustees.* *Develop branding and value proposition for commercial sponsorship and progress with a targeted approach to potential sponsors*
	Q3 2012	*Plan and organise seminar series.* *First seminar(s)*
	Q4 2012	*Seminars*
Required resources	Internal	*Project management (ongoing)*
	External	*Funding for Chilli to manage the seminar series*
Dependencies	Still being developed	*Funding* *Trustees agree viability of series*
Significant Risk Areas	Still being developed	*Series over-extends the Trust, financially and in terms of Trustee support.* *Several IT initiatives currently "in the wind" would lessen impact of series.*

Collaboration project plan

Project	Collaboration with other organisations
Prepared by	Laurence Millar, Hazel Jennings, Piripi Moore
Objective(s) for 2012	A structured approach to managing relationships with other organisations that clearly documents the engagement management process and tracks results.
Scope	2020 strategic plan identifies that we will work with communities and partner organisations to achieve the Vision – that all New Zealanders full participate in a Digital World. The nature of collaboration will vary considerably dependent on the nature of the relationship – for example whanau, iwi and hapu, funding partners, delivery partners, other NFPs. This project will create and operate a framework for effective relationship management

Activity by quarter	Q1 2012	Identify and categorise current relationships (version 3 of schedule attached)
	Q2 2012	Review and analyse relationships to identify gaps in coverage and information. It is apparent that we need to increase our emphasis on building relationships with iwi and other Maori organisations. Develop action program of prioritized communications for critical partners
	Q3 2012	Implement CRM system for recording and tracking relationship interaction. Pilot for interactions with Ministers and MPs Continue regular prioritized communications
	Q4 2012	Continue regular prioritized communications Review effectiveness of relationship management
Required resources	Internal	Trustees to highlight interactions and key relationships that need management. Plus time and effort to pursue Administrative support for CRM operation
	External	CRM system implementation
Dependencies	No obvious dependencies	
Significant Risk Areas	Unable to get traction with critical stakeholders	

Current organisational relationships (v4 April 2012)

Organisation	Relationship
Department of Internal Affairs (DIA)	Government Agency Funder
Internet NZ	Strategic Partner Funder
Ministry of Education	Government Agency Funder
Microsoft NZ	Funder
UNESCO (NZ)	Funder
National Library	Government Agency
Office of Community and Voluntary Services	Government Agency (MSD)
Learning Media Limited	Government Agency Common Interest
2020 Far North ICT Trust	Delivery Partner
CiH Waikato Trust	Delivery Partner
Porirua e-Learning Trust	Delivery Partner
Tairawhiti REAP	Delivery Partner
Taranaki e-Learning Trust	Delivery Partner
Wairarapa REAP	Delivery Partner
Wellington ICT	Delivery Partner
WestREAP	Delivery Partner
ACE Aotearoa	Common Interest
Computer Clubhouse	Common Interest
Human Rights Commission	Common Interest
Netsafe	Common Interest
NZCS	Common Interest
NZICT	Common Interest
Retake The Net	Common Interest
SeniorNet	Common Interest

Organisation	Relationship
Social Development Partners	Common Interest
Supergrans	Common Interest
Te Kura (The Correspondence School)	Common Interest
Te Wananga o Raukawa	Common Interest
Wanganui Learning Centre	Common Interest
Wellington Libraries	Common Interest
Transpower	Supplier

Other candidate organisations for collaboration

- Citizens Advice Bureau
- Connecting Up (Australia)
- CYFS Caregiver Homes
- MaraeNet
- Ngati Porou
- NZRIse
- Plunket
- Tuhoe Gateway
- Whanau Link
- Whanau Ora
- Women's Refuge

CE's Report

Author:	Vikram Kumar
Purpose of Paper:	Report on progress since last Council meeting on 17 February 2012

A. Stretch Goals

1. Network Measurement

- Network measurement specialists Harmonic has been contracted to provide support for this project. In the first phase, they will provide a report on the possible scope of a Network Measurement Lab. The report is due by mid-July.

2. Technical and Internet numbering policy

- A technical policy conference called InTAC (Internet Technical Architecture Conference) is being planned for 10th July 2012, a day before NetHui 2012 and at the same venue. This conference will address a range of Internet technical policy issues with the involvement of government, ISPs, LFCs, Chorus, and technologists.

3. Conferences

- A separate paper on a proposal to hold regional NetHui conferences is provided.

4. Thought Leadership

- A separate paper detailing a competitive bidding round for Internet policy and legal research is provided. This proposal includes a way to strengthen ties with Universities to promote Internet policy development.

B. Progress on proactive projects

1. Research

- We have commissioned two organisations specialising in economic analysis- NZIER and Infometrics- to advise the best approach in quantifying the economic impact of the Internet. Both reports will be presented at NetHui.

- Research to understand the public's perception and understanding of the DIA's child exploitation filter (DCEFS) was completed with the input of a working group assembled for this purpose. Details at http://internetnz.net.nz/our-work/openness/internet-filtering

2. Telco and Internet regulatory policy

- A project to consider the lessons and implications for New Zealand of the converged regulation experience in comparable countries is underway. This is expected to inform InternetNZ's position on regulation of competition in broadcasting and telecommunications. Covered regulation of content is already being considered by the Law Commission.

- Vikram spoke at the Tel.Con 12 conference in Auckland about the new business models and challenges for telcos and ISPs.

3. IPv6 implementation

- InternetNZ continues to provide project and secretariat support to the IPv6 Task Force.

- In late-February a highly successful Government-focused event was held, with over 150 public sector and industry people attending. This May, a business-focussed event (in conjunction with Computerworld) is being held to help spur IPv6 adoption in the commercial sector.

- The Task Force recently surveyed its members to collect thoughts on the Task Force's future - there was an equal split as to whether the Task Force should continue to exist, but strong support for keeping the programme of surveys and metrics running for at least the next few years. A document outlining scenarios for the Task Force's future is being prepared for its July meeting.

4. Domain names diversity

- Principles related to Top Level Domains have been finalised following discussion with members and subsidiaries. These principles are being presented to Council for discussion and approval as a separate agenda item.

- Vikram's article on the potential legal risks of having a .com domain name drew widespread interest and discussion. Originally a blog post, it was re-published by the National Business Review both online and in print.

5. Copyright

- Planning is underway with the Victoria University of Wellington for the first Copyright Conference, scheduled for November this year.

- Vikram spoke on the Megaupload case and implications for cloud computing at breakfasts organised by NZCS in Auckland and Wellington.

6. Conferences

- NetHui location has been confirmed as SkyCity, Auckland. Over $70,000 has been raised in sponsorship so far and community support re-signed. Website has been refreshed. There have been about 300 registrations; 175 have joined the NetHui mailing list; and 12 new InternetNZ memberships.

Keynote speaker confirmed - privacy expert and former (US) Federal Trade Commissioner Pamela Jones Harbour. Two local keynotes confirmed - Auckland Deputy Mayor Penny Hulse and Judge David Harvey. Specific sectors targeted for greater participation are Education, Health, and Maori. Engagement over programme topics is via the mailing list and forum. The NetHui Advisory Board met to review programme and progress on 17th May, hosted by new DIA Chief Executive Colin MacDonald.

- InternetNZ's bid to host the 2014 APRICOT meeting failed, and the 2014 event will be held in Thailand. There were two specific issues for the APIA Board members (APIA convenes the APRICOT event) with the InternetNZ bid. Firstly, time-wise, due to other events being hosted in February 2014 at Sky City Convention Centre, our bid was to host during March, which was not considered fully desirable. Probably more crucial to the decision going against InternetNZ was the issue of limitation of liability imposed by the InternetNZ Council in its approval of the bid. The APIA board had never encountered any limitation of financial liability in the past, and were reluctant to entertain our bid with this limitation in place.

7. Supporting local governments

- We are keeping a watch on the projects funded through the Christchurch Funding Round. All funds have now been paid out, with the exception of the ring-fenced $63k for wireless Internet projects. Lyttelton/Sydenham has been talking with TradeMe re wireless; the suite of Digital Archiving projects are beginning, overseen by UC Ceismic. Computers in Homes and GCSN are also underway with their projects. The funding round had a reasonable degree of media coverage, including on TV3 and the National Business Review.

- At the invitation of the Digital Trust in Dunedin, we provided assistance in the implementation planning of Dunedin's Digital Strategy. In addition, a joint project is being planned to pilot the technical and business solutions for providing community wireless Internet in low socio-economic areas off the fibre broadband being rolled out to schools under the UFB and RBI initiatives.

8. Thought leadership

- InternetNZ coordinated a roundtable meeting on 28th March with a variety of participants. This roundtable examined the economic opportunities and challenges for New Zealand from the Internet. A follow-up meeting to discuss specific actions to some of the challenges is planned.

- Using an OECD study into the economic and consumer gains from broadband, InternetNZ promoted media coverage of the benefit to New Zealand from broadband over dial-up.

C. Core Operations

- ANZIAs 2012 - this year's Australia and New Zealand Internet Awards will be held in Canberra on the evening of 10th October. InternetNZ has been working closely with auDA on pre-event marketing and publicity. The NZ-based judging panel has been finalised and a number of expressions of interest from prospective applicants

are being received; several from New Zealand. Council is encouraged to help solicit more New Zealand entries - details at http://www.internetawards.co.nz.

- Mohawk Media has been commissioned to produce an animated video explaining the concept of an 'open and uncapturable' Internet. This is expected to be ready in time to be shown at NetHui 2012.

- This year the membership renewal process was improved, giving members a simpler online experience. Renewal figures are in the membership report. Personal follow-ups with non-renewing members have been undertaken. There were minor teething problems with some of the renewals, relating to the outsourcing of some processes to our website support firm.

- Staff and subsidiaries were formally consulted on a proposed structural change at InternetNZ.

- The unusually large number and width of requests for submissions placed some strain on the organisation. This was addressed by a mix of prioritisation and additional resources.

Date	To	Subject
28 February	Commerce Commission	Telco Development Liability
12 March	Law Commission	Issues paper The News Media Meets 'New Media'
13 March	Commerce Commission	Technical issues paper of demand side study
29 March	Govt Administration Committee	Electronic Identity Verification Bill
30 March	Ministry of Economic Development	Issues paper 111 Emergency Calling Review
9 April	Dunedin City Council	Draft Long Term Plan
27 April	Ministry of Economic Development	Copyright (Infringing File Sharing) Regulations Fee Review

InternetNZ appeared before the Government Administration Committee on 4th April to discuss our submission on the Electronic Identity Verification Bill.

D. Others

- Stefan Korn of Arriba Consulting has been contracted to identify a number of viable business opportunities that InternetNZ could choose to execute and to develop a mechanism that allows better evaluation of future business opportunities. For the purposes of full disclosure, please note that Stefan also manages WebFund Ltd. as a business partner with Cr Moskovitz.

- Vikram and Susan attended the Melbourne round of negotiations of the Trans Pacific Partnership (TPP) Agreement as stakeholders. Vikram presented at a lunch organised by NZRise and partly funded by InternetNZ. Susan presented at the stakeholder forum, focussing on US proposals giving rights holders exclusive power over temporary electronic copies. She also liaised with other stakeholders for information sharing and spoke with delegates on the US-proposed provision dealing with ccTLD dispute resolution procedures.

  Susan further attended the Dallas round of TPP negotiations and presented on the IP chapter as a stakeholder. She met with IP delegates from negotiating countries on a bilateral basis; spoke on a copyright panel with EFF and Public Knowledge; and participated in stakeholder engagement event on the problem with proposed enforcement measures, including Internet termination for repeat infringements and limiting the types of safe harbours in New Zealand law.

- InternetNZ facilitated a briefing for stakeholders on the Electronic Commerce chapter of the TPP given by Frank March (MED) and Michelle Slade (MFAT). Both members and non-members attended the briefing.

- We organised a Digital Learning Roundtable on 3rd May for educationalists and others interested to assist them in drafting submissions to the Education & Science Committee's current inquiry into digital learning environments.

- Vikram attended the Global INet conference organised by the Internet Society in Geneva. This was a good opportunity to develop relationships with others in our areas of Internet policy and governance. It also provided good validation of InternetNZ's priorities and focus areas going forward.

  He also chaired two sessions (technical developments in identity management and privacy issues related to cloud computing) and presented (on a new framework to analyse privacy and data governance in the context of the global nature of the Internet) at the Identity Conference and Privacy Forum, held from 30th April to 2nd May in Wellington.

- InternetNZ was one of the two funders with Telecom of a public lecture by cybersecurity expert Bruce Schneier. This was organised by the NZITF in Wellington on 1st May.

- Vikram attended a meeting of the 'ICT Forum' on behalf of InternetNZ, an informal inaugural gathering of ICT-related NGOs on 9th May in Wellington. The purpose of the Forum is to encourage discussion and alignment amongst the various NGOs from the ICT sector.

- PAG meetings have been revamped. The first hour of the meeting is now for external speakers to provide in-depth understanding of a specific area. The second hour provides an opportunity to follow up on the speakers' points and regular PAG agenda items. The first revamped meeting covered the Southern Cross Cable and the second Chorus. Members have provided very positive feedback on this change.

Recommendation

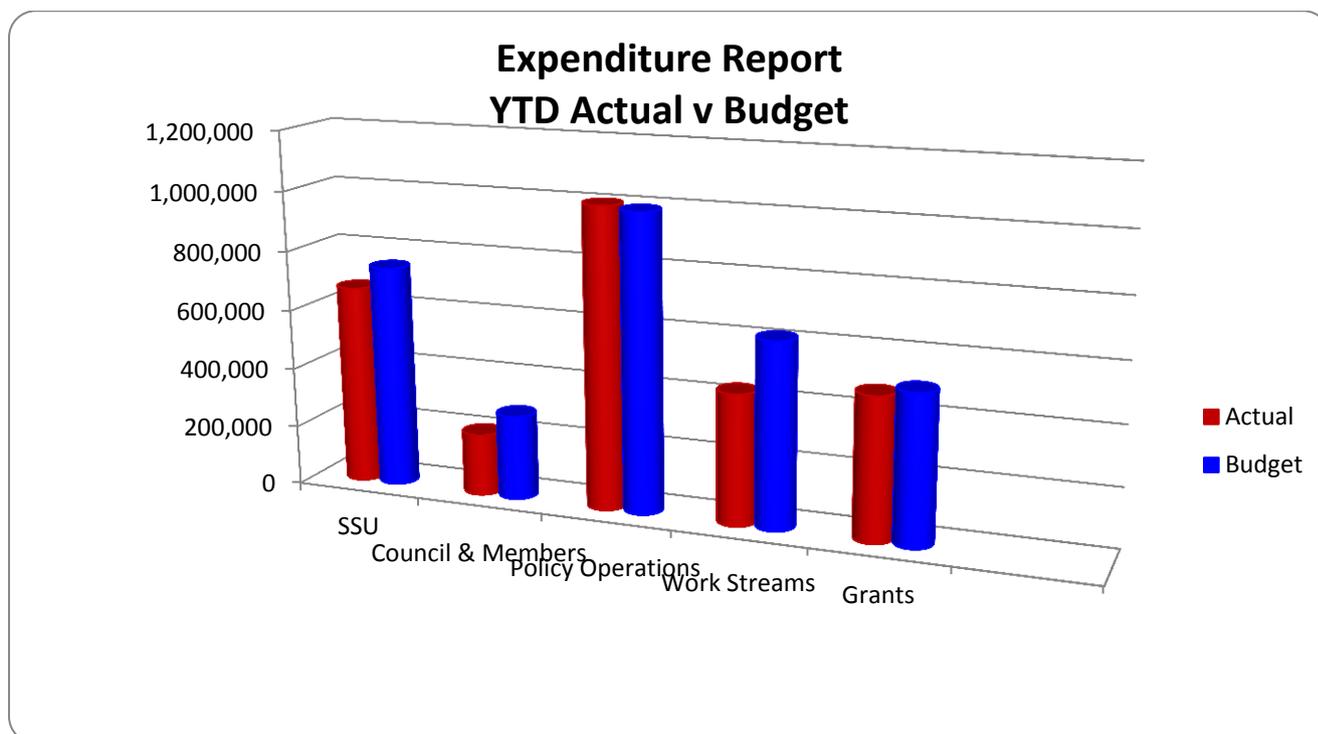That Council **receives** the CE's Report.

Financial Report to March 2012

Author: Vikram Kumar

Purpose of Paper: To provide an update on the financial performance of InternetNZ

Condensed Expenditure Report
Actual v Budget
As at 31 March 2012

	YTD Actual $	YTD Budget $	Variance $
SSU	669,009	746,874	-77,866
Council & Members	207,671	284,100	-76,429
Policy Operations	1,004,729	993,093	11,635
Work Streams	437,664	620,000	-182,336
Grants	477,501	500,000	-22,499
Total4	**2,796,573**	**3,144,067**	**-347,494**

Note: the above table is expenditure only.

	Apr '11 - Mar 12	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
500 · Operating Income			
530 · SSU Recharge	200,520.00	202,025.16	-1,505.16
542 · Membership - Corporate	5,919.26	5,832.00	87.26
546 · Membership - Individual	9,263.23	4,573.00	4,690.23
Total 500 · Operating Income	215,702.49	212,430.16	3,272.33
570 · Sundry Income	26,706.33	0.00	26,706.33
580 · Investment Income			
583 · Dividends	2,724,999.00	2,725,000.00	-1.00
586 · Interest	58,655.45	17,400.00	41,255.45
Total 580 · Investment Income	2,783,654.45	2,742,400.00	41,254.45
Total Income	3,026,063.27	2,954,830.16	71,233.11
Expense			
600 · Remuneration			
601 · ACC Levy	3,568.85	11,177.20	-7,608.35
625 · Miscellaneous Staff Costs	1,921.10	6,000.00	-4,078.90
630 · Recruitment	13,233.41	18,000.00	-4,766.59
635 · Staff Training	15,697.55	15,900.00	-202.45
651 · Wages & Salaries			
651-01 · Kiwi Saver - Employer Cont	18,398.96	24,074.00	-5,675.04
651 · Wages & Salaries - Other	667,371.95	760,355.00	-92,983.05
Total 651 · Wages & Salaries	685,770.91	784,429.00	-98,658.09
653 · Wages - Casual & Temporary	25,083.69	3,000.00	22,083.69
654 · Wages - Contractors	296,495.39	163,560.00	132,935.39
655 · Contracted Technical Services	33,486.24	40,000.00	-6,513.76
Total 600 · Remuneration	1,075,257.14	1,042,066.20	33,190.94
800 · Operating Expenses			
801 · Accountancy Fees	26,643.93	30,500.00	-3,856.07
805 · Advertising & Marketing	8,490.00	13,000.00	-4,510.00
808 · Audit Fees	10,040.00	11,000.00	-960.00
809 · Bank Charges	1,893.12	1,500.00	393.12
811 · Conferences	7,995.19	19,130.00	-11,134.81
813 · Consultants	8,575.05	25,999.96	-17,424.91
816 · Depreciation	61,286.00	87,000.00	-25,714.00
817 · Domain Names	494.00	928.00	-434.00
820 · General Office Expenses	26,024.99	53,074.96	-27,049.97
822 · Governance Training	6,532.18	12,000.00	-5,467.82
824 · Honoraria	116,659.86	114,500.00	2,159.86
826 · Legal Fees	13,732.50	25,000.00	-11,267.50

829 · Meeting Costs	36,890.04	64,500.00	-27,609.96
835 · Postages & Couriers	3,176.63	4,000.00	-823.37
851 · Repairs and Maintenance	5,796.78	8,000.04	-2,203.26
853 · R & M - Software	732.25	5,000.00	-4,267.75
855 · Printing & Stationery	17,100.10	23,600.00	-6,499.90
857 · Sponsorship	477,501.19	500,000.00	-22,498.81
860 · Subscriptions	26,251.70	27,000.00	-748.30
870 · Telecommunications	80,335.78	80,440.00	-104.22
872 · Travel & Accom - International	90,891.78	127,558.42	-36,666.64
873 · Travel & Accom - National	69,283.27	63,770.00	5,513.27
885 · Web Site Updates & Hosting	6,895.33	12,000.00	-5,104.67
899 · Work stream	437,663.65	620,000.00	-182,336.35
Total 800 · Operating Expenses	1,540,885.32	1,929,501.38	-388,616.06
900 · Overheads			
915 · Cleaning Costs	10,663.80	11,000.00	-336.20
926 · Depn - (Profit) / Loss on Sale	3,553.00	0.00	3,553.00
933 · Electricity	13,296.28	14,000.00	-703.72
950 · Insurance	8,517.36	9,199.50	-682.14
975 · Rent Paid	137,100.00	137,100.00	0.00
980 · Security	1,202.71	1,200.00	2.71
Total 900 · Overheads	174,333.15	172,499.50	1,833.65
995 · Extraordinary Items			
998 · gTLD Application	6,097.35	0.00	6,097.35
Total 995 · Extraordinary Items	6,097.35	0.00	6,097.35
Total Expense	2,796,572.96	3,144,067.08	-347,494.12
Net Ordinary Income	229,490.31	-189,236.92	418,727.23
Other Income/Expense			
Other Income			
1000 · Special Dividends			
1001 · Special Dividends Received	600,000.00	0.00	600,000.00
1010 · Special Dividends - Interest	121,538.30	124,454.30	-2,916.00
Total 1000 · Special Dividends	721,538.30	124,454.30	597,084.00
Total Other Income	721,538.30	124,454.30	597,084.00
Other Expense			
1900 · Special Dividend Exp-Overhead			
1935 · Special Div-Christchurch Rebuild	100,377.49	0.00	100,377.49
Total 1900 · Special Dividend Exp-Overhead	100,377.49	0.00	100,377.49
Total Other Expense	100,377.49	0.00	100,377.49
Net Other Income	621,160.81	124,454.30	496,706.51
Net Income	**850,651.12**	**-64,782.62**	**915,433.74**

**Net Income
YTD Actual/YTD Budget
(excluding special dividends)**
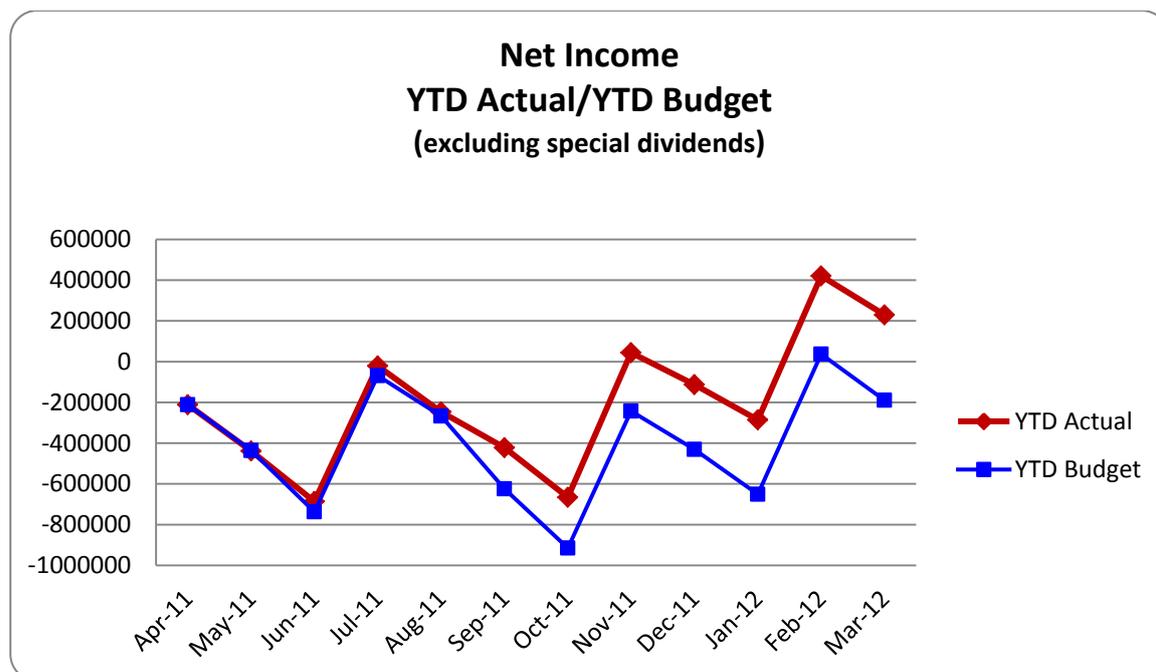
Commentary to Accounts

Unaudited result for year ending March 2012, InternetNZ made a profit of $229,490 against a budgeted loss of $189,237, reflecting an under-spend of $418,727 for the year.

Expenditure Variances

Major areas of difference are:

- Total Income was over budget by $71k, of which 41k is attributable to interest, and 27k in other income. Interest increase was due to additional funds from under-spend being invested on term deposits, other income was due to a yearend adjustment to lease incentive, and an IRD refund.

- The overall remuneration expenditure is $33k over budget due to additional contractor costs, while contactor costs, casual and temporary expenditure is over, salary and associated staff costs are under.

- Operating costs are $387k under budget, as reported in December over half of the under-spend is across conferences, consultants, depreciation, general expenses, legal fees, meeting costs, sponsorship and travel international (due to an ICANN trip being funded by DNCL). The remaining $182k is in work streams.

Other Expected Major Budget Variances
There are currently no other known major budget variances expected.

InternetNZ
Balance Sheet
As at 31 March 2012

ASSETS

  Current Assets

    Cheque/Savings/Term Deposits

Total Cheque/Savings/	1,746,026.32
Term Deposits-Special Dividends	
Total · Term Deposits-Special Dividends	3,021,926.71
Petty Cash	400.00
Total Cash	4,768,353.03
Other Current Assets	111,922.28
Total Other Current Assets	111,922.28
Total Current Assets	4,880,275.31
Fixed Assets	
Total Fixed Assets	297,591.00
Other Assets	
Ordinary Share Capital	30,000.00
Shares in DNCL	580,000.00
Loan - Hectors World Ltd	162,243.93
Impairment Prov Hector's World	-162,244.00
Total Other Assets	609,999.93
TOTAL ASSETS	**5,787,866.24**

LIABILITIES & EQUITY

  Liabilities

    Current Liabilities

      Accounts Payable

Total Accounts Payable	125,885.52
Other Current Liabilities	
Accruals	149,084.18
Lease Incentives	51,174.54
Tax Payable	-43,423.50
Payroll Liabilities	14,579.94
Total Other Current Liabilities	171,415.16
Total Current Liabilities	297,300.68
Total Liabilities	297,300.68
Equity	
Retained Earnings	4,639,914.44
Net Income	850,651.12
Total Equity	5,490,565.56
TOTAL LIABILITIES & EQUITY	**5,787,866.24**

Special Dividend Investment Information

Date	Bank	Term	Amount
20/10/2010	ASB	18 months	641,679
15/04/2011	BNZ	270 days	413,907
07/11/2011	Kiwibank	24 months	621,909
11/11/2011	ASB	24 months	385,427
02/12/2011	Kiwibank	24 months	250,000
16/01/2012	National	18 months	154,934
26/01/2012	National	12 months	554,071
Total $			**3,021,927**

Note: It is proposed that $500,000 of special dividend funds be pledged to the rebuilding of Christchurch in March 2012.

InternetNZ Reserves Investment Information

Date	Bank	Term	Amount
25/02/2011	BNZ	18 months	500,000
05/12/2011	BNZ	150 days	100,000
07/02/2012	ANZ	12 months	181.390
30/03/2012	Westpac	1 month	340,000
30/03/2012	Westpac	60 days	340,000
Total $			**1,461,390**

**Cash in Bank
Actual/Forecast
(excluding special dividends)**
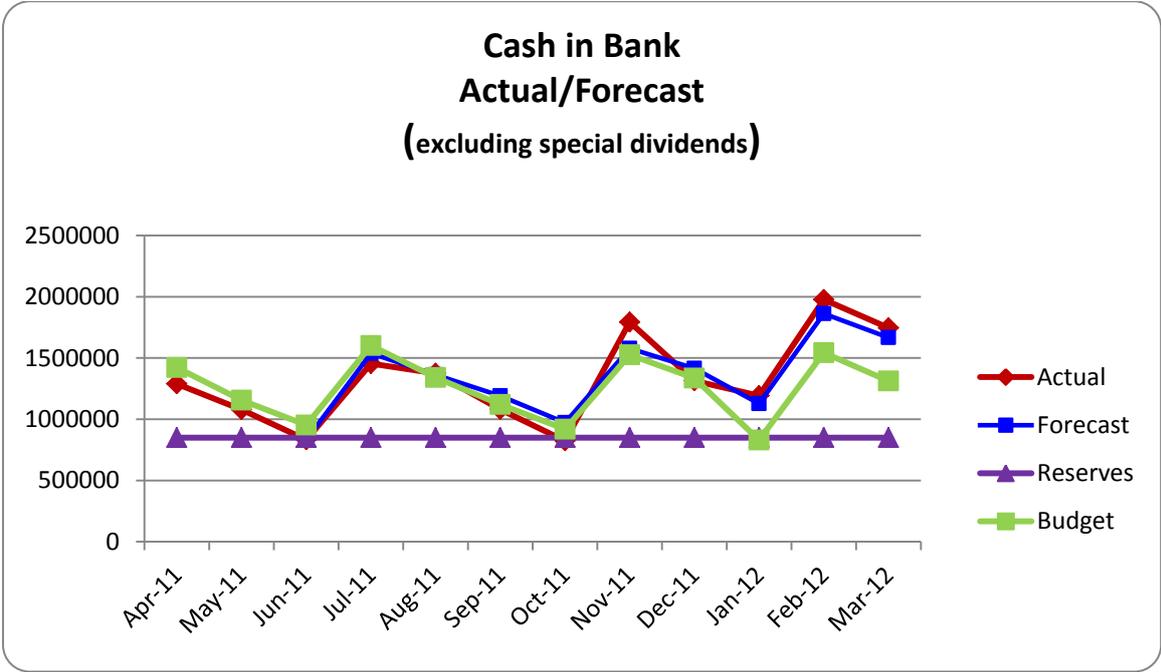
Recommendation:
THAT Council **notes** the financial report to 31 March 2012.

InternetNZ

Cash Flow Forecast

	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Total
RECEIPTS	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Invoiced Sales	7,154	23,056	31,800	22,992	19,184	18,759	20,808	19168	19106	19338	20952	27447	249,764
Special Dividends	0	0	0	0	600,000	0	0	0	0	0	0	0	600,000
Sundry	12,000	-455	-12,474	673	13,639	603	-1,349	1349	0	0	-3339	19762	30,409
Special Dividends Interest	1,217	0	-3,305	0	0	0	0	7700	38964	27912	0	46096	118,584
Dividends	0	0	0	908,333	0	0	0	908333	0	0	908333	0	2,724,999
Interest	0	0	0	0	0	0	0	0	775	0	0	0	775
Interest Received	756	189	0	1,850	1,395	872	951	10	0	432	8721	35003	50,179
Special Dividend Term Deposits	56,871	0	0	0	0	0	0	242300	0	0	0	0	299,171
Sundry Payables	0	1,457	0	2,107	0	0	0	0	0	1491	0	0	5,055
Prepayments	0	5,049	0	3,357	3,357	0	3,357	686	0	0	2732	4525	23,063
Accruals	0	0	0	0	524	0	1,990	10557	0	0	0	0	13,071
Interest Receivable	11,058	1,820	34,501	0	0	0	0	0	10661	0	1326	0	59,366
GST	1,512	49,887	0	45,825	54,600	71	3,306	46917	1114	49232	959	34966	288,389
	90,568	81,003	50,522	985,137	692,699	20,305	29,063	1,237,020	70,620	98,405	939,684	167,799	4,462,825
PAYMENTS													
Invoiced Costs	246,217	214,909	205,036	296,281	143,964	224,537	238,501	198194	200636	127922	93799	333714	2,523,710
ACC Levies	0	0	0	0	0	4,104	0	0	0	0	0	0	4,104
Salary & Wages	34,920	48,457	34,822	54,714	55,195	38,564	37,754	34583	33354	53837	35969	39030	501,199
Special Dividend Term Deposits	0	1	31,137	1	545,000	0	0	0	288824	27912	0	13226	906,101
Sundry Payables	2,493	0	3,025	0	508	1,576	1,429	0	0	0	3068	0	12,099
Prepayments	6,672	0	931	0	0	2,793	0	0	4920	2943	0	0	18,259
Accruals	32,938	10,750	2,750	6,597	3,966	25,373	0	18,836	8	0	1,240	0	102,458
RWT	0	0	0	0	0	0	0	0	10791	0	0	0	10,791
PAYE	18,332	16,789	16,688	5,389	23,681	18,064	8,281	15927	11080	6583	21923	12579	175,316
GST	0	0	2,411	0	0	0	0	0	0	0	0	0	2,411
	341,572	290,906	296,800	362,982	772,314	315,011	285,965	267,540	549,613	219,197	155,999	398,549	4,256,448
NET CASH FLOW	-251,004	-209,903	-246,278	622,155	-79,615	-294,706	-256,902	969,480	-478,993	-120,792	783,685	-230,750	206,377
OPENING BANK	1,539,805	1,288,801	1,078,898	832,620	1,454,775	1,375,160	1,080,454	823,552	1,793,032	1,314,039	1,193,247	1,976,932	1,539,805
CLOSING BANK	1,288,801	1,078,898	832,620	1,454,775	1,375,160	1,080,454	823,552	1,793,032	1,314,039	1,193,247	1,976,932	1,746,182	1,746,182

Bank Account Balances as per BS	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
NBNZ Savings	159,402	9,591	610	610	252,005	102,495	2,664	2,676	253,441	103,873	104,121	225,892
NBNZ Current	95,809	246,606	9,309	781,464	150,454	155,258	148,187	1,117,655	37,897	66,673	960,980	58,460
ANZ	172,261	172,261	172,261	172,261	172,261	172,261	172,261	172,261	302,261	302,261	311,391	181,390
BNZ 150 Day Term	210,889	0	0	0	0	0	0	0	100,000	100,000	100,000	100,000
BNZ Term Deposit	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Kiwibank Working Account	40	40	40	40	40	40	40	40	120,040	120,040	40	40
National Bank Term Deposit	0	0	0	0	300,000	150,000	0	0	0	0	0	0
ASB 90 Day	150,000	150,000	150,000	0	0	0	0	0	0	0	0	0
Westpac	0	0	0	0	0	0	0	0	0	0	0	680,000
Petty Cash	400	400	400	400	400	400	400	400	400	400	400	400
	1,288,801	1,078,898	832,620	1,454,775	1,375,160	1,080,454	823,552	1,793,032	1,314,039	1,193,247	1,976,932	1,746,182

Grants

Author:	Vikram Kumar
Purpose of Paper:	Inform Council about grants decisions made since the last Council meeting.

Decisions made by the Grants Committee since last Council meeting

Amount Requested	Applicant	Purpose	Decision	Amount Approved
$10,000	Open Parallel	Part sponsor Multicore World 2012	declined	
$3,000	in2securITy	Part fund 5 hands on "Experience Security" events	approved	$4,000
$5,000	Royal NZ Foundation of the Blind	To provide Christchurch members the Telephone Information Service	withdrawn	
$15,000	Auckland University of Technology	Research study to investigate people's subjective well-being	approved	$15,000
$250	Donelle McKinley, VUW	Student registration for Museums Aotearoa conference	declined	
$5,000	Mansion Heavy Industries	Help fund a computer gaming event in Auckland	declined	
$3,250	Jonathan Albright	Course fees, 2012 Oxford University Internet Institute (OII) doctoral programme	declined	

Amount Requested	Applicant	Purpose	Decision	Amount Approved
$20,084.99	Special Needs Educational Resource Library Charitable Trust	Workshops for our intellectually disabled clientele	pending	
$2,000	Victoria University of Wellington	Part fund Qiang Fu to present a research paper at NOSSDAV 2012	approved	$2,000
$5,000	Chandlermedia Ltd (trading as OMGWIFI)	Free/paid wifi for Christchurch	declined	

Budget for 2012/13 financial year: $500,000

Balance of budget left: $172,250

(excludes amounts already committed and $100,000 for the Internet policy bidding round)

Recommendation:

That Council **note** the decisions made regarding grants funding requests since the last Council meeting.

COUNCIL PAPER – Report on InternetNZ Grants 2011/2012

Author: Richard Wood

Objective of Paper

This paper provides summary information on InternetNZ Grants in the financial year 2011/2012 (1 April 2011 to 31 March 2012) and the results of a survey of grant applicants. Note that individual reports of use of the funds are filed by recipients and published on the InternetNZ website. This paper does not cover the Community Projects Funding Round in detail, nor include grant requests referred directly to council as partnership requests.

Grants Overview 2011/2012

A. Pre-committed grants*	$165,000
B. Community Project Funding Round	$46,000
C. Approved Grant Applications	$281,088
Total (A+B+C)	$492,088
Budget	$500,000

*InternetNZ had three pre-committed grants during the 2011/2012 period:
- AUT for World Internet Project - $35,000
- NetSafe for Strategic Partnership - $125,000
- LIANZA for Paul Reynolds scholarship - $5,000

	Applicant that had pre-existing relationship with InternetNZ	Applicant that did not have relationship with InternetNZ	Total
Number of Applications	20	25	45
Total applied for	NZ$197,818 +US$40,000	NZ$131,452	NZ$329,270 +US$40,000
Total funded	$203,678	$77,410	$281,088
Number and % of applicants successful	19 (95%)	9 (36%)	28 (62%)
Range requested	$500-$90,000	$250-$25,000	$250-$90,000
Median requested	$5,000	$5,000	$5,000

Outside of the Community Projects Funding round totaling $46,000, there were 45 grant applications, of which 28 were approved, 16 declined and 1 withdrawn. Amounts ranged from $500 to $90,000 for a subtotal of $266,088.

Note that 12 applications out of the 45 were at the $5,000 mark, indicating that our approval process (i.e. applications up to $5,000 are decided by the Grants Committee) does impact the amount applied for. This may also be an explanation for why the median amount applied for was the same for applicants whether or not they had a pre-existing relationship with InternetNZ.

Applicants that had a pre-existing relationship with InternetNZ were almost all successful (19 out of 20) while those that did not have a relationship were only successful about one-third of the times (9 out of 25). This may be due to better understanding of InternetNZ's objects and grants criteria rather than any systemic bias favouring applicants with a pre-existing relationship.

The average time between applications being received and the response by InternetNZ varied little by the success or not of the application, but understandably varied substantially depending on whether it was an application for more than $5000 or not, due to the differing process.

	Successful	Unsuccessful	All
Up to $5000	7.1 days	6.8	7.0
More than $5000	15.6	13.8	15.0
All	9.5	8.6	9.4

Survey Results

A survey of grant applicants was undertaken to assess whether the grants process is running smoothly and to identify any improvements that can be made.

All applicants for regular InternetNZ grants for the 2011/12 year were surveyed anonymously regarding their experience in applying, regardless of whether they were successful or not. A total of 40 were emailed (5 of the total 45 applications had applied for more than one grant and were asked to respond only once in relation to all their applications). There were 20 responses of which 5 were from unsuccessful applicants, limiting the usefulness of and potentially skewing the responses from this latter group.

The results show people hearing about InternetNZ grants from a number of sources:

How did you hear about InternetNZ providing grants?
I have previously applied	15% (3)
I am a member of InternetNZ	20% (4)
Friend/Colleague	35% (7)
Saw it mentioned on a website	20% (4)
Other	10% (2)

For the rest of the survey it is useful to break out the responses into those that were successful and those that were not:

Questions (Answer is average of response marked; most negative 1 to most positive 5)	Successful	Unsuccessful
How complete did you find the information about the grants before applying?	4.3	2.8
How did you find communication from or with InternetNZ during the application process?	4.7	3.4
How easy did you find the process of applying?	4.7	3.8
How well did the process meet your expectations with respect to timeliness?	4.9	3.4
How well were you kept informed throughout?	4.5	3.0
What was your overall satisfaction with the process?	5.0	3.0
If you did not receive a grant, how clearly was the reason(s) communicated to you?	N/A	2.6
If you did receive a grant, how clearly were your obligations in respect of that funding communicated to you?	4.1	N/A

As might be expected, those who received grants are happy with the process and results. Amongst this group, there is a clear need to better communicate obligations arising from the funding. Also, to better communicate information about grants before applying.

Of those that didn't receive grants, the two negative results are explained further in the free form comments. In essence there is a need to be clearer about our criteria for funding, in language that people who are not familiar with us and our terminology will understand.

Comments from unsuccessful applicants:

"I did find it confusing in relation to the criteria for the type of projects you do fund. I tried to focus our application so it met the criteria for education and research, but after being declined decided that probably your criteria/funds are aimed at a much higher level than the likes of our group ie a small voluntary community group."

"Just further clarification around the criteria of supporting projects that support promotion of the internet not just projects with an internet delivery component."

"Clarify what's NOT applicable to an InternetNZ grant from the council point of view. It's hard to see how a software request is not related to the internet these days, but the council has other perspective."

"It would be helpful to make the objectives more detailed and specific, they are very vague. We thought that our request fit the objectives (limited that they were) quite well, but the reason for declining was given as not meeting the objectives?

Follow Up Actions

- There have already been process changes made to the grants process such that the Chief Executive is no longer a part of the grants committee and now helps applicants in a two stage process. This is expected to assist in communication of how applications relate to InternetNZ objectives.
- More clarity as to objects and criteria on website
- More information regarding obligations to successful applicants
- Scheduling of satisfaction survey each year (although results will not be comparable)

Summary

There have been some persistent myths about InternetNZ's grants process being inefficient. The overall results, especially from successful applicants, are very good. At the same time, there is some work to be even better. There is also an opportunity to better assist applicants that have no pre-existing relationship with InternetNZ.

Recommendation:

THAT Council **notes** the report on InternetNZ Grants for the financial year 2011/2012.

COUNCIL PAPER – Funding Round proposal (policy & legal research)

Author: Campbell Gardiner

Background:
Business Planning discussions at last December's Council meeting saw Council agree to a $100,000 competitive funding round for Internet policy and legal projects, to be held early in the 2012/13 financial year.

This paper proposes a focus and criteria for that funding round, and outlines a plan for commencing the round, with suggested application process and schedule of key dates.

Funding focus & criteria:
It is proposed that the funding round be targeted at two specific areas – Internet-related public policy and legal research.

A total of $100k will be made available in the funding round, with a $20k cap per project.

Objective – the 'Policy & Legal Funding Round' is intended to help realise InternetNZ's desire to undertake more research into Internet-related policy and legal topics. Further, it will assist InternetNZ in forming better connections with New Zealand Internet researchers, particularly those from the tertiary sector.

Criteria – applications from any individual or organisation will be considered. However, funding round applicants must ensure that their project proposal/s relate to an Internet-related policy or legal area of work (*and)* align with one or more of InternetNZ's objects.

Funding caveats – all research arising from the funding round will be owned by InternetNZ and made available by InternetNZ under a Creative Commons BY-NC license. In addition, successful applicants will be expected to present the results of their research in a public workshop setting.

Application process:

There will be a two-stage application process. In the first stage, applicants will be invited to submit an Expression of Interest – a one-page outline of their project. The Grants Committee with inputs from two subject matter experts will shortlist these to ensure fit with criteria and InternetNZ objects.

Those shortlisted will then be invited to submit a detailed proposal. The Grants Committee will evaluate these proposals, gather additional information, conduct reference checks and hold discussions with applicants (if required).

Proposals compete against each other for the best one(s). If there are no or insufficiently good projects, then a lower amount or none at all will be allocated.

The Grants Committee will then make recommendations to Council, with final decisions made by Council.

> *Grants Committee note* – the funding round will be overseen by the usual sitting Grants Committee members. The two subject matter experts are Internet policy specialist Ellen Strickland (from the University of Queensland and a member of InternetNZ) and Graeme Crombie, a partner at the law firm Minter Ellison Rudd Watts.

Example projects:

To help prospective applicants determine whether their project proposal might fit the criteria, InternetNZ will publish an example list of Internet policy & legal research projects. Applicants can propose undertaking one of these projects or a variation of them or something different that meets the criteria:

- Development of a principles-based approach to future law-making in New Zealand involving the Internet and Internet intermediaries. Such a project would include analysis of making a law for the Internet specifically vs. making laws generally that have specific references to the Internet.
- A policy analysis of including the right to access the Internet as a universal service obligation in New Zealand.
- Identification and evaluation of existing policy and research evidence for promoting digital inclusion of economically poor individuals, families, and communities.
- Identification and analysis of references to key Internet terms, such as Internet Service Provider (ISP), in all existing New Zealand legislation to highlight inconsistencies and differences. And, optionally, proposing definitions for future law-making in New Zealand.

Post-funding workshop:
Following the funding round InternetNZ will co-ordinate a workshop in which funding recipients will present either the results of their work or a progress report to an audience of their peers. This workshop will be held in conjunction with another business plan initiative- to build closer relationships with Internet researchers in New Zealand universities.

Schedule:
The following schedule of dates is proposed.

Date/s	Action	Responsibility	Est. staff time
28 May – 1 June	Webpage/forms set up & tested	INZ staff	8hrs
1 – 29 June	Publicity & marketing Applications invited – Stage 1	INZ staff	30hrs
2 – 3 July	Shortlist finalised	Grants Committee	2 hrs
4 – 18 July	Applications invited – Stage 2 (detailed proposals)	INZ staff	2hrs
19 – 24 July	Recommendations to Council	Grants Committee	2hrs
17 August	Final decision/s	Council	n/a
20 August	Results publicised	Staff	3hrs
c. Oct/Nov	Post-funding workshop	Staff	50hrs

Risks:
The major risk is that insufficient good quality proposals will be attracted. This is being mitigated by maximising existing contacts with Universities and researchers. If there are insufficient proposals of acceptable quality, a smaller amount or none at all will be recommended by the Grants Committee.

Recommendation:

THAT Council approves the parameters outlined above to initiate the $100,000 competitive bidding Policy & Legal Funding Round from the approved 2012/13 grants budget.

COUNCIL PAPER – Proposal for NetHui Regional Events

Author: Richard Wood

Objective of Paper

This paper proposes regional NetHui events to complement national events, bringing discussion of Internet issues to the next level of population centres beyond Auckland and Wellington and increasing InternetNZ reach and participation in these regions.

Background

NetHui 2011 was successful for InternetNZ, community partners and the 500 participants. It brought together a variety of industry sectors and communities with an interest in issues relating to the Internet, providing a unique platform for networking and discussion. The desire for open discussion and a general alignment with InternetNZ's objectives was apparent.

Geographically, the biggest groups came from Auckland and Wellington.

Geographic Participation	
International	1
Australia	6
Northland	5
Auckland Region	275
Central NI/Waikato	22
East Coast/Hawkes Bay	7
Wellington/Lower NI	159
West Coast/Nelson	2
Canterbury	9
Otago/Southland	10
Unknown	4

The decision was made to hold NetHui 2012 in Auckland and planning is well underway. Registrations indicate that the target of 500 participants will be readily reached. It is anticipated that a similar geographic participation is likely, although the participation from Wellington may be lower if fewer government staff attend this year.

National NetHui events will always need to be held in Auckland or Wellington to attract the necessary number of participants for a national, three day conference.

Regional opportunity

To ensure that InternetNZ is delivering as a truly national and inclusive organisation, the opportunity is to hold regional events between national events to feed people

and ideas into, and feed learnings from, the national events. The regional events will not be cut down versions of the national NetHui events. They will have their own "essence" and may use a modified version of the NetHui branding.

The events will address major Internet issues as well as any specific local issues. They will build long term connections with local governments, businesses and other organisations through face-to-face contact. Involving local MPs is also important.

The approach of taking the discussion to the regions is a well proven path by different ICT organisations through the years, including NZCS and TUANZ, and is seen especially in road shows and workshops. Three years ago we ran the IPv6 Hui in Christchurch as part of a series of hui, attracting 30 people (compared to 100 in Auckland and 100 in Wellington).

For InternetNZ, as well as keeping the NetHui momentum going, there is opportunity for wider geographic diversity in the membership base. InternetNZ may also be able to engage with the Territorial Local Authorities on their digital strategies as one part of a regional event agenda, and gain a greater understanding of, and influence on, the impact of Internet issues outside the main centres.

During member consultations earlier this year, InternetNZ members in both Wellington and Christchurch were quite vocal about increasing events, in particular a regional NetHui, in their cities. They expressed an interest in helping organising the event and also saw it as a way to get to know other InternetNZ members better.

Given the size of population in Wellington likely to participate in a NetHui event, it makes sense to treat any Wellington event as a national event and alternate with Auckland. Note that decisions about national NetHui events need not hold up any planning for regional events.

Income and cost considerations

The goal is for regional events to be cost neutral outside of the staff resources expended. Local people will be asked to help organise the event, which will be one or two days long.

Sponsorship will be sought from both national and local organisations. If events in more than one region are able to be planned over time then national sponsors could be approached to sponsor the series of events. Involvement of dominant media partners such as local newspaper and radio stations as sponsors will be sought.

Anecdotally, there has been willingness in some cases for local people and firms to assist with bringing events to their towns, in respect to providing conference facilities and AV equipment – two of the biggest costs – as in-kind sponsorship. To keep costs down, streaming of the events can be left out unless a local supplier is interested in providing this in-kind.

Unlike the national NetHui it is not necessary to have international speakers, although bringing along a nationally-known speaker or two would likely provide useful input and be a draw card for participants.

Candidate centres

Dunedin and Christchurch are our first choices. Through recent visits we are aware that there are people in Dunedin who are ready to assist in organising such an event and the city is underway with implementing its digital strategy. Christchurch has always had a vibrant ICT community and there is an opportunity to build on the grants process recently undertaken. Focusing a first regional event in the South Island sends a strong message of our intention to include all of New Zealand in our activities. In the North Island, other priority cities are Hamilton and Tauranga due to population size.

Timing

To maintain the aforementioned momentum around Internet-related discussions, a date in October or November is possible for a first regional event in 2012. This will be in Dunedin or Christchurch.

Strategic Alignment

NetHui regional events sit in the context of InternetNZ's process of collaboration generally. The NetHui national event has opened specific collaborative opportunities. NetHui regional events offer the opportunity for further education, to expand the multi-stakeholder discussion, to drive the emerging collaboration wider and deeper and address most of InternetNZ's medium-term strategic priorities:

- **Leadership** – By providing the platform for NetHui regional events, InternetNZ is positioned as leading discussion of Internet-related issues. The InternetNZ message of an open and uncapturable Internet permeates the event.
- **Brand** – NetHui regional events provide branding opportunities both for InternetNZ and to extend our reach beyond that which has been achieved under the InternetNZ brand by using the NetHui brand to be inclusive of those that may be future InternetNZ members or may never be InternetNZ members.
- **Relationships** – NetHui regional events provide new opportunities to engage with regional government and organisations, while building upon those relationships already formed through grants and recent activity.

Recommendation:

1. THAT Council approves holding a national NetHui annually, alternating between Auckland and Wellington.

2. THAT Council approves holding a series of NetHui regional events beginning with a one or two day event in the South Island prior to the end of 2012.

TLD Principles

Author: Keith Davidson, Jordan Carter

Purpose of Paper: Recommend approval of TLD Principles

This paper sets out a framework of InternetNZ principles for the Top Level Domain (TLD) environment.

Establishing a set of principles that is consistent with its objects will ensure that InternetNZ's approach to TLD matters is transparent and predictable. It will have an agreed framework to apply to any decisions that need to be made.

These principles are intended to be relevant to the broad range of InternetNZ's engagement with the TLD environment. They are of use in determining the actions required from At Large status within the ICANN framework; in assessing the degree of participation InternetNZ takes in gTLD policy debates; and in determining appropriate involvement in creating new Top Level Domains. These principles may also provide assistance in evaluating potential changes proposed for management of the .NZ top level domain.

The attached report sets out the background, assumptions made, a summary list of principles, explores each in more depth, notes some other issues to consider, and concludes with a few thoughts on wider propagation of the principles.

These principles have been tested and debated with InternetNZ members and their acceptability gained by consensus support.

Recommendation

That Council **approves** the following high-level TLD principles as InternetNZ's position:

1. Domain name markets should be competitive.

2. Choice for registrants should be maintained and expanded.

3. Domain registrations should be first come, first served.

4. Parties to domain registrations should be on a level playing field.

5. Registrant data should be public.

6. Registry / Registrar operations within a TLD should be split.

7. TLD policy should be determined by open multi-stakeholder processes.

Top Level Domains: Principles

Introduction

This paper sets out a framework of InternetNZ principles for the Top Level Domain (TLD) environment.

Establishing a set of principles that is consistent with its objects will ensure that InternetNZ's approach to TLD matters is transparent and predictable. It will have an agreed framework to apply to any decisions that need to be made.

These principles are intended to be relevant to the broad range of InternetNZ's engagement with the TLD environment. They are of use in determining the actions required from At Large status within the ICANN framework, in assessing the degree of participation InternetNZ takes in gTLD policy debates; and in determining appropriate involvement in creating new Top Level Domains. These principles may also provide assistance in evaluating potential changes proposed for management of the .NZ top level domain.

There is no distinction drawn between the principles that apply to generic TLDs and those which apply to country code TLDs. These principles apply to both. There may be subsidiary principles that apply to ccTLDs given their special ties to a particular place and a particular national jurisdiction, and the consequent obligations to operate a ccTLD in the public interest[1], but these form a subset of principles consistent with those set out in this paper.

The report sets out the background, assumptions made, a summary list of principles, explores each in more depth, notes some other issues to consider, and concludes with a few thoughts on wider propagation of the principles.

These principles have been tested and debated with InternetNZ members and their acceptability gained by consensus support. This means that the agreement of different principles, or of a different interpretation of a particular principle, may have flow-on effects to other principles or their interpretation. It may also result in the necessity to change InternetNZ's positions in various international forums.

The principles are high-level, therefore they are broadly applicable to the diverse subject matter addressed by InternetNZ. They should accurately reflect the spirit of InternetNZ's past work, relate to its present work and guide its future work. In this regard, the goal was to craft a set that is maximally complementary. Principles should be enduring, remaining relevant and applicable across environmental changes. These principles remain open for review from time to time to ensure their continued applicability for InternetNZ, its charitable aims and its work. There may be occasions where these principles may come into conflict with each other, which will require consideration of their application in the specific circumstances under which they arise.

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[1] RFC1591 provides global policy guidance for the operation of TLDs and asserts some specific requirements on ccTLDs. Appendix A references relevant quotes from RFC1591

Background

The global coordination of the Domain Name System (DNS) rests with ICANN, the U.S.-based non-profit corporation that provides the multi-stakeholder consensus based decision making framework for policy on domain name issues.

InternetNZ participates in the ICANN environment primarily because of its role as a ccTLD manager, for .NZ. InternetNZ takes interest in the broader work of ICANN, and has done since its foundation, as an organisation that can project New Zealand interests and values into the broader global policy debate on domain name and Internet issues.

InternetNZ has had some involvement with ICANN's generic TLD processes, and as a contracted ICANN "At-Large Structure" (ALS)[2], has some obligation to take an interest in the gTLD environment on behalf of the local Internet community. With the forthcoming ICANN process to rapidly deploy many new generic TLDs in the global root, the importance of InternetNZ involvement is arguably greater than it has ever been.

InternetNZ is well respected in the ICANN environment because it is seen as a principled advocate for a coherent point of view. It operates the .NZ ccTLD in a manner consistent with the principles set out in this paper.

These are high level principles, and set out an ideal state which would represent the best possible framework for a TLD (given InternetNZ's vision, mission and objectives). They provide an exacting measure with which to test InternetNZ's administration of the .NZ ccTLD against current and future opportunities and developments within other areas of domain name policy.

Values

InternetNZ manages the .NZ ccTLD as a public good: it considers itself a trustee responsible on behalf of all the significantly interested parties in New Zealand for providing a secure and trustworthy domain name service. The values associated with public service – of responsibility and service to the community – are values that are at the core of InternetNZ's identity.

These values are reflected in the principles set out in this paper. They form the background for InternetNZ's engagement in the ICANN environment.

Assumptions

In developing these principles, we have regarded certain assumptions as axiomatic and as settled parts of InternetNZ policy. If these points are not widely held as beyond dispute, then there may be changes necessary to the principles to reflect the changed basis.

- InternetNZ puts the best interests of the registrant at the heart of its analysis of TLD issues.

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[2] Further explanation of InternetNZ being a recognised At Large Structure is included as Appendix B.

- InternetNZ holds and will continue to hold the .NZ country code top level domain delegation.

- InternetNZ manages .NZ on behalf of the local Internet community as a responsible trustee.

- InternetNZ will remain engaged in the ICANN environment, with an adequate level of resources, to maintain the .NZ delegation and to advance these principles in the broader TLD arena.

- InternetNZ generally supports adding new TLDs to the domain name system, to give more registrant choice, to allow registrants to choose between broader varieties of strings, and to increase competition between TLDs.

- Policy decisions regarding TLDs must be consistent with the technology available to implement them. InternetNZ will not advocate for principles or policies that would require fundamental changes to the Internet's operating technologies, or undermine the open Internet.

Principles: Summary

This section summarises the principles at a high level, along with any important explanatory points or caveats/restrictions. Full explanations are provided in the next section. The principles apply broadly to the entire TLD space or to any particular TLD, with the context being clear from the wording.

1. **Domain name markets should be competitive.**

   o Registrants should have a choice of registrars.

   o Registrars should be well-regulated with TLD policy frameworks that support real competition between them and equal treatment of registrars by the registry.

   o TLD administrators must require transparency for registrants.

   o Registrars should face a uniform pricing structure from registries.

   o Provided there is sufficient competition between TLDs, there is no particular concern with an administrator managing multiple TLDs.

2. **Choice for registrants should be maintained and expanded.**

   o A choice of strings (TLDs, and IDNs both at the TLD level and at lower levels) is an important choice for registrants to be able to make.

   o Choice of registrars is important as mentioned above.

   o Choice between a wide range of strings is more important than choice between fewer "well-managed" strings.

3. **Domain registrations should be first come first served.**

   o No banned names list within given TLDs.

   o Where disputes over a registration arise, they should be handled ex-post.

   o Dispute resolution should revolve on the principle of any legitimate rights to a name, rather than "greater" rights for any particular party.

   o No pre-qualification requirements should be required, and any sunrise period supports the first come first served principle (or uses the same dispute resolution as ex-post disputes).

4. **Parties to domain registrations should be on a level playing field.**

   o TLDs should not offer concessionary data or information to state or private agencies that the public cannot access.

   o An exception to this is where law enforcement authorities are investigating serious criminal matters. TLD managers should cooperate with them where evidence of wrongdoing is presented, and do so in a proportionate manner that follows due process and is consistent with the rule of law.

5. **Registrant data should be public.**

   o A free and publicly available register lookup service (such as WHOIS) should be maintained, with relevant authoritative information about the registrant, registrar and DNS servers for the domain.

6. **Registry / Registrar operations within a TLD should be split.**

   o Maintaining this separation is critical to protecting choice and competition for registrations and among registrars.

   o Two exceptions to this principle apply, where it can be shown there is no unfair competition arising for other registrars:

      ▪ for a closed community TLD not taking independent public registrations (.google is an hypothetical example); or

      ▪ where doing so addresses a market failure in the interests of significant stakeholders.

7. **TLD policy should be determined by open multi-stakeholder processes.**

   o Policy for top level domains, as for broader matters of Internet Governance, is best derived from multi-stakeholder dialogue that results in consensus based policy development.

Principles: Detail

1.　Domain name markets should be competitive.

Competition is a vital driver of good outcomes for domain name registrants. It drives a range of price, service and other options. In the domain name arena, **choice between registrars** is a fundamental driver of competition. Registrars should be operating on a level playing field, face low barriers to market entry, and operate under a uniform and appropriate regulatory framework that mandates transparency for registrants. This framework must include a flat fee per domain name month – no volume discounts should be countenanced, as such pricing forms a barrier to entry for prospective registrars.

Competition between TLDs also exists, with many options for registrants. Given the wide range of TLD choices available, InternetNZ does not believe that competition between TLD owners is always necessary. In other words, the principle does not require that TLDs aimed at similar markets be owned by different managers.

2.　Choice for registrants should be maintained and expanded.

Besides a competitive market generated by choice between registrars, registrants also need a choice of strings. Regardless of language and script, or whether they are open gTLDs, nationally or regionally based, or of other forms, a wide variety of TLD options lets people express themselves in the widest possible way, with few direct costs arising from an increased choice of strings.

As an aside, it is worth noting that having a wide variety of string choices reduces the need on the overall TLD framework to "enforce" a particular standard of governance on every TLD. While it is desirable from InternetNZ's point of view that TLDs be governed on a multi-stakeholder, open and transparent basis, the greater the array of choice available to the public, the less important this becomes for any particular TLD because registrants have greater choice.

That said, ccTLDs are in a special position due to their unique obligations to serve a particular geography and their important role in a country's national infrastructure. They must be governed in an appropriate manner, consistent with RFC1591.

3.　Domain registrations should be first come first served.

Free access to strings is best preserved by a "first come first served" doctrine for domain registrations within a TLD. Whatever level public registrations are allowed at, the registrant should be able to choose any free string, asserting on registration that they have the right to use that string.

There should be no pre-qualifications, banned names lists, sunrise registration periods, or any other steps where political or economic factors allow some registrants easy access to registration – or arbitrarily deny registrations to others. The exception is when a TLD is being launched or restructured, when a sunrise period may be used to protect the rights of existing registrants. In any such situation, disputes between applicants should be resolved on the same basis as ordinary ex-post disputes.

Where there is a dispute about a registrant's right to a name, these should handled ex post by an independent dispute resolution service such as the .NZ Dispute Resolution System. Decisions should be made against known criteria, and there should be no possibility of parties to a dispute "shopping" among dispute resolution providers in hope of a better outcome. Dispute resolution should revolve

on the principle of any legitimate rights to a name rather than "greater" rights. The courts of course retain their role as arbiter of last resort, should this be required.

4.   All parties to domain registrations should be on a level playing field.

TLD managers provide a narrow service to the public. Aside from their obligation to follow the law and to do what relevant authorities require of them, all parties should face equal treatment at all times.

In particular, there is no argument for special rights and privileges for any particular party, other than for authorities investigating serious criminal matters. Where the authorities give a TLD manager evidence of wrongdoing, the manager should be prepared to release information to those authorities following due process in the relevant jurisdiction, to the extent such release is proportionate to the scale of criminal wrongdoing being investigated and consistent with the rule of law.

5.   Registrant data should be public.

Registering a domain name is a public act, for provision of a useful service on the public Internet. All TLDs should maintain a public and free register lookup service (such as WHOIS), so that members of the public can contact a registrant or their registrar for technical, operational or other reasons.

TLD operators should of course maintain adequate security, restriction and monitoring of such WHOIS services, to prevent practices such as address harvesting. Registrants must use their own name or that of another legal entity for domain name registrations, and must include contact details through which they can be reached. They do not necessarily have to use their own personal or residential contact details, which they may wish to keep private.

6.   Registry / Registrar operations within a TLD should be split.

A competitive market between registrars cannot be maintained if the registry operator also participates in the market as a registrar for that TLD. The risk is that the registry will unfairly advantage its own registrar operation, through differential service quality, information provision, access to its competitor's information, or other discrimination. There is a clear conflict of interest in doing so. As a general principle, therefore, registries should not operate registrars and should not have relationships with registrants themselves.

Two exceptions to this principle are worth mentioning, where they do not have a negative impact on competition between all registrars. The first is where a TLD is designed to be offered only to a closed community: for example, if Google Inc was to obtain the TLD ".google", to use for their own corporate purposes and without public registrations (or only registrations as part of their suite of services), the demand for competition does not apply with the same force. The second is where the registry providing a registrar operation is designed to facilitate competition between registrars in the TLD's market, and as such is in the interests of significant stakeholders. This could require an operational separation (not necessarily a legal entity separation) of the registrar operation from the registry's core business to prevent inappropriate information flows or behavioural incentives affecting the registry's operation.

7. TLD policy should be determined by open multi-stakeholder processes.

ICANN is an example of open, transparent, multi-stakeholder policymaking. This is the best way to ensure that the expertise, interests and perspectives of all significant stakeholders in TLD policy can be understood, tested and incorporated in the policies that apply to top level domains.

This model is the best model to govern the future growth and development of the Internet, including TLD policy. No party has a right to a greater say: if the decision-making framework gives undue priority to any particular party, it undermines the prospect of the best policy emerging in the interests of the entire TLD community.

The US Government ("International Strategy for Cyberspace" May 2011), the G8 countries ("G8 Deauville Communiqué on Internet Issues" June 2011) and more recently the OECD have all pledged support for the global multi-stakeholder, equal participation in Internet Governance.

Other considerations

In dealing with TLD issues, it is important to note the widely acknowledged success of the .NZ governance model, and the recognition it has achieved internationally as a competitive and stable model for administering a TLD.

The success of that model and its careful representation in the international TLD environment is at the core of InternetNZ's influence as an advocate within the ICANN system. One of the reasons for that is that the .NZ ccTLD operates in a manner consistent with the principles set out in this paper.

We also note that a critical success factor for .NZ, and one to continue InternetNZ's support of in the global environment, is the separation between the operations of a TLD and the setting of the policy framework under which it operates.

During late 2011 and early 2012 these principles were published and debated by the InternetNZ membership. While consensus support prevailed it is noted that this consensus was not unanimous for every principle. We believe however that they have met a threshold for InternetNZ Council to consider adopting these as a final and working set of principles.

Appendix A – InternetNZ's role as an ICANN "At Large Structure" (ALS)

About ICANN's "At Large" community:
www.atlarge.icann.org/announcements/announcement-23may05.htm

InternetNZ became the 57th recognised "At Large Structure" on 16 May 2006:
www.atlarge.icann.org/file/23957/download/24149

Key criteria on ALS's from www.atlarge.icann.org/correspondence/structures-app.htm

> *"Criteria for an At-Large Structure:*
>
> *Commit to supporting individual Internet users' informed participation in ICANN by distributing to individual constituents/members information on relevant ICANN activities and issues, offering Internet-based mechanisms that enable discussions of one or more of these activities and issues among individual constituents/members, and involving individual constituents/members in relevant ICANN policy development, discussions and decisions.*
>
> *Be organised so that participation by individual Internet users who are citizens or residents of countries within the Geographic Region in which the ALS is based will predominate in the ALS' operation. The ALS may permit additional participation by others that is compatible with the interests of the individual Internet users within the region.*
>
> *Be self-supporting (not rely on ICANN for funding).*
>
> *Post on the Internet (on the ALAC's website or elsewhere) publicly-accessible, current information about the ALS's goals, structure, description of constituent group(s)/membership, working mechanisms, leadership, and contact(s).*
>
> *Assist the RALO in performing its function."*

InternetNZ is therefore an ALS belonging to the Asia Pacific Regional At Large Organisation (APRALO). One other New Zealand based organisation, the Maori Internet Society, is also a recognised ALS within ICANN and participant in APRALO.

Appendix B – RFC1591: Domain Name System Structure and Delegation

Requests for Comment (RFC's) provide the basis for Internet standards, and are created through the global multistakeholder group, the Internet Engineering Task Force. RFC1591 was created in March 1994 and provides policies and guidelines for the operation of TLDs, and some specific requirements applicable to ccTLDs. Issues of relevance to InternetNZ's Principles on new TLDs follow:

- *The country code domains (for example, FR, NL, KR, US) are each organized by an administrator for that country.*

- *These administrators are performing a public service on behalf of the Internet community.*

- *The major concern in selecting a designated manager for a domain is that it be able to carry out the necessary responsibilities, and have the ability to do an equitable, just, honest, and competent job.*

- *These designated authorities are trustees for the delegated domain, and have a duty to serve the community.*

- *The designated manager is the trustee of the top-level domain for both the nation, in the case of a country code, and the global Internet community.*

- *Concerns about "rights" and "ownership" of domains are inappropriate. It is appropriate to be concerned about "responsibilities" and "service" to the community.*

- *The designated manager must be equitable to all groups in the domain that request domain names.*

- *… no preferential service for customers of a particular data network provider.*

- *Significantly interested parties in the domain should agree that the designated manager is the appropriate party.*

- *In cases when there are persistent problems with the proper operation of a domain, the delegation may be revoked, and possibly delegated to another designated manager.*

The full text of RFC1591 is available at www.ietf.org/rfc/rfc1591.txt

Changes to members' privacy policy

Author:	Vikram Kumar
Purpose of Paper:	Inform Council of changes to policies to implement Action Point AP 03/12

Context

At its meeting in February 2012, Council "agreed that an amendment is needed to allow Council members access to the list of members and that Councillors may not use the list for personal gain including for business or electoral purposes." Accordingly, Action Point AP 03/12 is for "Staff to provide Council with a revised draft members' privacy policy and a revised draft Council member role description by the next meeting."

Change to Members' Privacy Policy

The current members' privacy policy is at http://internetnz.net.nz/membership/member-privacy-policy. The following provision prevents Council members from accessing members' personal information:

"The details of members who opt-out of having their names published will only be available to staff of InternetNZ."

To allow Council members to access personal information of all members, the policy will need to be amended to (additions in italics):

"The details of members who opt-out of having their names published will only be available to staff of InternetNZ. *Details of all members will also be available to Council members for the purpose as stated under '2. Use of Information' above.*"

Note that:

- Clause '2. Use of Information' specifies that "InternetNZ will only use members contact details for the purposes of servicing memberships and for providing you with information regarding InternetNZ activity." This does not require any change as the intention is that Council members will use members' personal information only "for the purposes of servicing memberships" such as encouraging membership renewal and organising members' local meetings.

- Change to members' privacy policy requires members to be provided notice of change. There does not seem to be any practical alternative for members who do not want to accept the change. This raises the question whether members should be provided an opt-out option?

Change to Councillor Role Description

The Councillor Role Description is at http://internetnz.net.nz/content/councillor-role-description.

Council members are already obliged to observe a Code of Ethics and Proper Practice that requires them to:

"observe the confidentiality of non-public information acquired by them in their role as Council members, and not disclose confidential information that might be harmful to InternetNZ or any of its business units."

This is sufficient to oblige Council members to not disclose members' personal information provided to them under the changed members' privacy policy.

However, Council may wish to add a specific bullet point to the Code of Ethics and Proper Practice along the following lines:

"ensure that members' personal information provided to them is kept confidential and used only for the purposes stated in the members' privacy policy. Specifically, and without diluting the scope of this provision, Councillors are not to use members' personal information for personal gain including for business or electoral purposes."

Recommendations

1. That Council **discusses** the changes to members' privacy policy and Councillor role description.

2. That Council **discusses** the options for members who do not wish to accept the changed members' privacy policy.

3. That Council **approves** changes as appropriate to members' privacy policy and Councillor role description and the process to be followed to inform members (and obtain informed consent if appropriate).

INTERNETNZ MEMBERSHIP REPORT

Status: Final

Author: Susi Cosimo

	May 2012	February 2012	November 2011	Current Grace Members
Fellows:	21	21	21	
Individual:	164	193	187	47
Professional Individual:	51	61	58	19
Small Organisation:	16	27	27	13
Large Organisation:	6	8	8	3
Total Membership:	**258**	**310**	**301**	**82**

Also to note:

NetHui:
People are invited to show their interest in becoming an InternetNZ when registering for NetHui. So far, 72 sought information and 13 people have joined.

Grace Members:
If the overdue subscription of a Grace Member is paid by 1 July 2011, the Member shall be deemed to have maintained continuous membership. If the subscription remains unpaid after 1 July 2011, the membership terminates and a new application for membership will have to be made if the Member wishes to rejoin the Society.

Recommendation: THAT the new members be approved.

COUNCIL MINUTE TERMINOLOGY

Agree "That Council agree…" this is usually followed with a specific decision, policy position or course of action.

Adopt "That the report be adopted." When Council adopts a report or paper, it is accepting that the contents of the document, including any recommendations, are agreed with and become the InternetNZ position and action plan.

Amend "That Council amend ……." This term is for a resolution that seeks to amend a proposed resolution, and should set out clearly what is to be deleted and what is to be added.

Receive "That Council receive…" This is a neutral term which captures for the record that a report, document, proposal etc has been noted by the Council. It does not imply that any recommendations in the proposal are to be acted on: that would require "adoption" as well.