

Agenda for a meeting of the InternetNZ Council

9.00am, Friday 4 April 2014

InternetNZ Office, Level 7, 62 Victoria West, Auckland

Start	Item	Person	Page number
9.00	Council and Council-CE alone time	Frank March	-
9.20	Apologies	Frank March	-
	Declaration of Councillor/Candidate interests (discussion)		5
	Agenda consideration - in committee items		-
9.25	Code of conduct / Election Declarations for Councillors	Frank March	-
9.30	Guidance on declaration of interest	Jordan Carter	-
9.35	Institute of Directors "Finance Essentials" and "Chairing the Board"	Brenda Wallace, Lance Wiggs	-
10.00	International update	Jordan Carter	-
10.15	Business Development	Frank March	-
10.25	Financial Flows in the InternetNZ Group	Jordan Carter	10
10.45	Subsidiaries – DNCL and NZRS	Dave Moskovitz, Debbie Monahan, Jay Daley & Richard Currey	-
	- Alone time (Chairs, CE and Council - confidential)		
	- Any general items		
11.00	Statement of Directions and Goals: DNCL	Dave Moskovitz, Debbie Monahan	14
11.15	Coffee		-
11.30	Business Plan & Budget 2014/15	Jordan Carter	23
12.15	Lunch		-
12.45	Chief Executive's Report	Jordan Carter	
	- CE's report and priorities for the quarter		31
	- Operations Update		36
	- Travel Reports		48
	- Branding		-
1.20	Treaty of Waitangi and InternetNZ	Frank March, Di Das	-
2.10	Coffee		-
2.25	Community Funding	Jordan Carter, Ellen Strickland	
	- Partnerships Report		56
	- Grants Report		63
2.35	Investment Committee	Lance Wiggs	66
2.45	Consent agenda items	Frank March	
	a. Ratification of minutes: 12 February 2014		69
	b. Outstanding action points		76
	c. E-votes ratification		78
	d. Membership update		83
2.50	Other business	Frank March	-
	Meeting feedback		
3.00	Meeting ends		-

Annotated Agenda for a meeting of the InternetNZ Council

9.00am, Friday 4 April 2014

InternetNZ Office, Level 7, 62 Victoria West, Auckland

Start	Item	Person	Page number
9.00	Council and Council-CE alone time	Frank March	-
9.20	Apologies	Frank March	-
	Declaration of Councillor/Candidate interests (discussion)		5
	Agenda consideration - in committee items		-
9.25	Code of conduct / Election Declarations for Councillors	Frank March	-
9.30	Guidance on declaration of interest	Jordan Carter	-
9.35	Institute of Directors "Finance Essentials" and "Chairing the Board"	Brenda Wallace, Lance Wiggs	-
10.00	International update	Jordan Carter	-
10.15	Business Development	Frank March	-
10.25	Financial Flows in the InternetNZ Group <i>THAT Council approve the terms of reference for a review of InternetNZ group financial flows [as amended], and ask the Chief Executive to progress it with a view to seeing an initial report at the June meeting of Council.</i>	Jordan Carter	10
10.45	Subsidiaries – DNCL and NZRS - Alone time (Chairs, CE and Council - confidential) - Any general items	Dave Moskovitz, Debbie Monahan, Jay Daley & Richard Currey	-
11.00	Statement of Directions and Goals: DNCL <i>THAT DNCL Statement of Directions and Goals be received.</i>	Dave Moskovitz, Debbie Monahan	14
11.15	Coffee		-
11.30	Business Plan & Budget 2014/15 <i>THAT Council approves for 2014/15 an operational budget limit of \$3.601 million and a capital budget limit of \$120,000.</i> <i>THAT Council note the advice in this paper regarding the downside risks to income in 2014/15, and agree in principle that should income turn out to be lower than expected, the operational and capital budget limits will be maintained, with funding to come from retained earnings.</i> <i>THAT Council approve the recommendation to rollover the balance of \$72,000; from the Christchurch re-build funding (RN81/11) to the financial year 2014/2015.</i>	Jordan Carter	23
12.15	Lunch		-
12.45	Chief Executive's Report - CE's report and priorities for the quarter - Operations Update - Travel Reports - Branding <i>THAT Council receives the CE's Report.</i>	Jordan Carter	31 36 48 -
1.20	Treaty of Waitangi and InternetNZ	Frank March, Di Das	-
2.10	Coffee		-

2.25	Community Funding - Partnerships Report - Grants Report <i>THAT Council approve that the remaining \$7,000 from the 2013/14 Community Funding budget be rolled over to the 2014/15 Community Funding.</i>	Jordan Carter, Ellen Strickland	56 63
2.35	Investment Committee <i>THAT Council approve an increase of the investment in fund managers from \$1m to \$2m, maintaining the same mix between the two managers.</i>	Lance Wiggs	66
2.45	Consent agenda items <i>THAT the minutes of the meeting held on 12 February 2014 be received and adopted as a true and correct record, and THAT the following reports be received:</i> a. Ratification of minutes: 12 February 2014 b. Outstanding action points c. E-votes ratification d. Membership update <i>THAT the new members be approved.</i>	Frank March	69 76 78 83
2.50	Other business Meeting feedback	Frank March	-
3.00	Meeting ends		-

Declaration of Interest

(For Information)

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 - \$30,000

Vice President - \$18,750

Councillor - \$15,000

Name: Frank March

Position: President, InternetNZ

Term: AGM 2012 - AGM 2015

Declaration Date: 21 March 2007, updated 27 January 2014

Interests:

- Holds two .nz domain name registrations
- Member of NZ Association of Scientists
- Employed by the NZ Government (Ministry of Business, Innovation and Employment), consequently:
- NZ representative on the Governmental Advisory Committee of ICANN
- Technical advisor to the Trans Pacific Partnership negotiators for the Telecommunications and Ecommerce Chapters
- Officer's Honorarium for InternetNZ

Name: Jamie Baddeley

Position: Vice President, InternetNZ

Term: AGM 2012 - AGM 2015

Declaration Date: 28 August 2007, updated 3 November 2012

Interests:

- 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 20 May 2013

Interests:

- Holds several .nz domain name registrations
- Employee of Google
- Councillor's Honorarium for InternetNZ

Name: Neil James

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 28 August 2008, updated 20 November 2013

Interests:

- Fellow of IITP
- Member of the Dunedin Computers in Homes Steering Group
- Councillor's Honorarium for InternetNZ

Name: Hamish MacEwan

Position: Councillor, InternetNZ

Term: AGM 2012 - AGM 2015

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: Brenda Wallace

Position: Councillor, InternetNZ

Term: AGM 2012 - AGM 2015; updated 25 September 2013

Interests:

- Full time contractor at Weta Digital
- Member of Green Party of Aotearoa New Zealand
- A gazillion .nz domain names
- Organiser of Girl Geek Dinners Wellington
- Member and volunteer for Tech Liberty
- Councillor's Honorarium for InternetNZ

Name: Michael Wallmannsberger

Position: Councillor, InternetNZ

Term: AGM 2011 - AGM 2014

Declaration Date: 31 July 2006, updated 24 June 2013

Interests:

- Employee of ASB Bank Limited
- Member of the New Zealand Labour Party.
- .nz domain name registrant
- Member of the Standards Council
- Shareholder/Director, Wallmannsberger Ltd
- Director of .nz Registry Services
- Board Chair at OUTLine New Zealand Incorporated

- Member of the Board of the New Zealand Chapter of the Cloud Security Alliance (Cloud Security Alliance New Zealand Chapter Incorporated)
- Councillor's Honorarium for InternetNZ

Name: Lance Wiggs

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 9 August 2010, updated 23 July 2013

Interests:

- Director and shareholder in several NZ companies, generally operating online
- Direct and indirect owner of various .nz domain names (<40)
- Director of Lance Wiggs Capital Management
- Director, and, through LWCM, Manager of Punakaiki Fund Limited
- Member of two Return on Science Investment Committees
- Better By Capital provider for NZTE
- Member of the Institute of Directors
- Member of NZCS / Institute of IT Professionals
- Councillor's Honorarium for InternetNZ

Name: Dave Moskovitz

Position: Councillor, InternetNZ

Term: AGM 2011 - AGM 2014

Declaration Date: 9 August 2010, updated 20 November 2013

Interests:

- Registrant of .nz, .com, .org, .pe domains
- Director, Domain Name Commission Limited
- **Board memberships:**
- Think Tank Consulting Limited
- WebFund Limited
- Hyperstart Limited
- Golden Ticket Limited
- MusicHype Inc.
- Publons Limited
- Expander Limited
- SWNZ Limited
- Open Polytechnic
- **Shareholdings (all of the above except for SWNZ Limited and Open Polytechnic, plus):**
- Lightning Lab 2013
- WIP APP Limited
- Learn Coach Limited
- Ponoko Limited
- Celsias Limited
- 8interactive Limited
- Admin Innovations Limited
- DIY Father Limited
- Smaratshow Limited
- Small holdings in numerous publicly listed companies
- **Non-profit Activity:**
- Global Facilitator
- Startup Weekend (Trustee)
- Pacific Internet Partners (Trustee)
- Think Tank Charitable Trust (Co-Chair)
- Wellington Council of Christians and Jews
- **Other memberships:**

- NZ Open Source Society
- NZ Rise
- Royal Society
- Registered marriage celebrant
- Councillor's Honorarium for InternetNZ

Name: Richard Wood

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 15 July 2013, updated 31 January 2014

Interests:

- Holds .nz and .net domain name registrations
- Member of ISOC, PICISOC and Pacific Internet Partnership Inc.
- Advisor to Rabid Technologies
- Employee of Morphoss Ltd
- Councillor's Honorarium for InternetNZ

Name: Amber Craig

Position: Councillor, InternetNZ

Term: AGM 2013 - AGM 2016

Declaration Date: 18 July 2013, updated 21 November 2013

Interests:

- Organiser of Girl Geek Dinners Wellington
- Consultant and organiser of some corporate unconferences
- Holds .nz domain name registrations
- Employee of Westpac NZ
- Creator & Director of Beyond the Achievements
- Councillor's Honorarium for InternetNZ

Name: Rochelle Furneaux

Position: Councillor, InternetNZ

Term: until AGM 2014

Declaration Date: 13 February 2014

Interests:

- Shareholder of Enspiral Foundation Ltd
- Director and Shareholder of Enspiral Legal Ltd
- Director of Enspiral Spaces Ltd
- Member of New Zealand Law Society
- Councillor's Honorarium for InternetNZ

Review of financial flows in the InternetNZ Group

Review of financial flows in the InternetNZ Group

Author: Jordan Carter

Purpose of paper: To seek Council decision on a review of financial flows in the InternetNZ Group.

InternetNZ has in the past considered different ways to organise financial flows in the group. Previous discussions have focused on flows between InternetNZ and NZRS, with a license fee model discussed by Council in 2009-2010. There is a wider question of how to ensure all the flows in the group are set up in ways that best meet InternetNZ's needs.

The attached is a proposed Terms of Reference for such a review. It would best be conducted by an external reviewer, who can talk to all business units about their needs without fear or favour, and provide an independent analysis and consideration for Council and the subsidiaries to consider.

Murray Bain, who assisted with our strategic and business planning processes over the past year, would be available for this work. The advantage of using him is that he has some familiarity with personnel and with the overall InternetNZ structure, and so would require less time to come up to speed.

In terms of timing, it would be ideal to have an initial report ready to discuss at the June Council meeting and associated meetings of Subsidiary boards.

Recommendation:

THAT Council approve the terms of reference for a review of InternetNZ group financial flows [as amended], and ask the Chief Executive to progress it with a view to seeing an initial report at the June meeting of Council.

Jordan Carter
27 March 2014

Attached: Draft Terms of Reference

Proposed Terms of Reference: Review of Financial Flows

InternetNZ Group wishes to conduct a strategic review of aspects of its financial arrangements, to ascertain the appropriateness of current arrangements and seek input as to any potential improvements that might be available.

The financial arrangements of the Group should be structured so as to meet the following principles:

- **Transparency and clarity** – so people can see where resources come from and are applied.
- **Efficiency** – appropriate administration and effort consistent with an effective system.
- **Consistent with broader system** – the financial arrangements need to respect the frameworks in place for the group's governance and the operation of .nz
- **Best practice** – align with nationally recognised best practices in financial management.

The three entities in the InternetNZ group are:

- InternetNZ – the parent Incorporated Society
- DNCL – Domain Name Commission Ltd, the regulator and policy authority for the .nz domain name market.
- NZRS – New Zealand Registry Services, the operator of the .nz domain name system.

Scope

In conducting the review, the following particular matters should be considered:

1. InternetNZ would like to understand the appropriateness of various levers that could set how much profit it can extract from NZRS and, by implication, control NZRS costs.
2. NZRS would like to consider a move to a license fee to provide some stability and predictability to the funding of INZ.
3. InternetNZ would like to understand the appropriateness of various levers that could control DNCL costs.
4. NZRS would like DNCL costs separated out and charged direct to INZ (so as to achieve 2 and 3).
5. InternetNZ would like to consider options for greater group level coordination of funds investment.
6. InternetNZ would like an optimal structure for its finances whether or not it has charitable tax-free status.

There is another issue which, while not directly related, does have an impact on the group financials:

7. How does a subsidiary go about getting formal approval for an increased role and the resources behind that (examples include NZRS marketing, NZRS technical research)?

Constraints and Opportunities

The viable options are broad, but must be considered in light of the following constraints:

- a) The subsidiaries are legally separate companies and there must be no risk that InternetNZ or any councillors are deemed directors.
- b) Each subsidiary has its own strategy and governance policies.

- c) DNCL is the regulator and policy authority of the .nz domain name market, and so its funding arrangements must protect its independence in that role.
- d) NZRS has a contractual and statutory obligation to retain prepayments from registrars for services yet to be delivered, which may be for up to ten years into the future.

There are some existing mechanisms in place or under development that should be borne in mind:

- a) There is a contractual agreement in place with each subsidiary as to its activities (the OAs).
- b) There is an annual Statement of Expectations for each subsidiary from the parent, to which each responds with a Statement of Directions and Goals, which includes a budget (3 years for NZRS, 1 year for DNCL).

Process

If this were to be a brief for an external advisor then that advisor would be expected to:

- a) Interview all those concerned
- b) Examine the relevant legal frameworks
- c) Look at options in other organisations
- d) Produce an interim report that sets out quick wins; areas where a decision is required; options for change.
- e) After this has been discussed and decisions made, produce a final report.

Timeframe

InternetNZ would like to receive an initial report setting out analysis and options as above no later than Wednesday 28 May, and expects to make decisions in response to it on Friday 6 June. A final report would be expected by the end of June 2014.

Statement of Directions and Goals (DNCL)



Statement of Directions and Goals

March 2014

Contents

Introduction and Background	2
Strategic Goals	2
New and Emerging Environmental Factors	3
DNCL Strategy	6
Key Priorities and Performance Indicators	7
Three year budget	8

Introduction

This DNCL Statement of Direction and Goals responds to the InternetNZ Statement of Expectations and sets out the key areas that DNCL will be focusing on in the 2014-2015 financial year.

Background

InternetNZ holds the delegation for the .nz ccTLD. Under the terms of the Operating Agreement between DNCL and InternetNZ, DNCL manages this delegation and has been appointed to manage and administer the .nz domain name space on behalf of InternetNZ. DNCL operates as the regulator of the .nz domain name space and, as such, oversees the operation of the DNS. In doing so, DNCL ensures the operation of a competitive market for the provision of registration services to the local Internet community, including .nz registrants. DNCL's functions and responsibilities include approving operational policies, authorising registrars, reviewing the performance of the shared registry service to ensure a competitive market, approving technical changes and providing information to the public about the operation of .nz.

The DNCL policy framework operates through private contractual arrangements between the DNCL and Registrars, NZRS and Registrars and between Registrars and Registrants. That DNCL policy framework sets out the requirements for those wishing to operate registration businesses in the .nz domain name space. These policies are the foundation of formal agreements, such as the Authorisation Agreement between DNCL and authorised Registrars. All .nz policies are subject to regular, public reviews with each policy having been reviewed at least twice since the current system was implemented. A critical component of this policy framework is oversight of the shared registry service that Authorised Registrars may access in order to provide services to .nz registrants.

Oversight of the shared registry services, operated by NZRS, is maintained through a Service Level Agreement that sets out the standards the shared registry service must meet, and the requirement for it to report to DNCL. The registry reports separately to Council as the shareholder on its company performance. This SLA was last reviewed in August 2011, with the next review now due.

All DNCL policies and related agreements reflect the principles for operating .nz as defined by InternetNZ and the requirements of a ccTLD manager. These include protecting the rights of registrants, operating fairly to ensure a competitive market in which the registry does not, for example, offer registrations to the public or discriminate between Registrars, and respecting the rights of all those associated with the .nz domain name space. It is within this overall regulatory framework that DNCL has developed strategic goals for the management and administration of the .nz domain name space.

Strategic Goals

Management and Administration of the .nz Domain Name Space

To ensure effective long term management of the .nz domain name space a set of strategic goals for .nz has been developed and adopted by DNCL. These strategic goals are:

1. Ensure .nz is operated as a respected registry that meets the needs of the Local Internet Community
2. Maintain confidence in .nz by operating DNCL as a 'good' regulator of the market

3. Promote the reputation and value proposition of .nz to encourage .nz as the choice of registration
4. Secure and maintain high levels of registrant trust and satisfaction in .nz
5. Promote .nz objectives internationally to position .nz as a credible ccTLD and leader in its field
6. As part of the InternetNZ Group share our skills to advance the Internet experience of New Zealanders

Within this overall framework, Council has noted in its Statement of Expectations that DNCL is expected to meet the following strategic goals:

- Manage the operation of the .nz domain name space and the agreements and policies that underpin it
- Monitor activity in the .nz domain name space and, where necessary, regulate its use
- Represent the .nz domain name space at international fora
- Make a tangible contribution to the achievement of InternetNZ's vision, mission and strategic goals.

In particular, InternetNZ expects DNCL will:

- Prioritise implementation of the changes that will allow registrants to directly register domain names at the .nz second level;
- Proactively develop and implement steps to strengthen the public perception and value proposition of .nz, in particular in relation to generic Top Level Domains;
- Work with the New Zealand Domain Name Registry Limited (NZRS) to develop a comprehensive, rolling three year strategy for .nz and present this to InternetNZ annually in time for the Strategic Retreat;
- Contribute to the group shared risks register and to the agreed mitigation of the identified risks.

The SoE also sets out that in order to ensure the InternetNZ Group functions effectively overall, it is essential for the three Chief Executives to understand each other's thinking, concerns and priorities. The DNCL Chief Executive is therefore expected to attend meetings convened to discuss common group interests and to work collaboratively and effectively on strategic as well as operational matters.

New and Emerging Environmental Factors

ccTLDs operate as a niche within the broader market of Top Level Domains. But changes are occurring in the TLD space that could have significant impacts on ccTLDs such as .nz, and the DNCL strategy must respond accordingly.

Views of .nz registrants and changes to the .nz structure

.nz has always considered the views of the local Internet community and the DNCL continues to monitor community views of how .nz functions and consider whether change may be beneficial. Over the last year two further consultations were undertaken with the Local Internet Community on our proposal to allow registrations at the second level. This was in line with the 2013-2014 Statement of Expectations.

There was an unprecedented level of interest in the first consultation undertaken on this subject (with more than 100 submissions the highest ever received by DNCL for a

consultation) and the interest continued with around fifty submissions received for the second consultation. Following that second consultation, the DNCL Board considered a range of matters in making their recommendation to the InternetNZ Council that .nz registrations at the second level should proceed. The paper (http://dnc.org.nz/content/second_level.pdf) was considered at the October Council meeting with DNCL's recommendations being accepted. A third consultation has since taken place seeking comment on the final format of the process to be implemented.

Feedback on the proposed changes has generally been positive and even those who are opposed to second level registrations support the planned approach to implement them. Measures such as prioritising existing registrants, setting clear dates as to who is eligible for preferential registration, allowing a free reservation period and managing conflicts by requiring consent of all parties to register a name at the second level have all been well received. Some of these measures came about from the submissions received demonstrating that the views of the Local Internet Community and .nz registrants is important to DNCL.

DNCL believes it is important to ensure that .nz remains relevant into the future and considers these changes to how we operate is part of that. How .nz fits in the international landscape is key if we are to be an ongoing option for domain name registrations. Allowing registrations at the second level is more consistent with this intent than our current structure, even though the current system is also well known and working well. DNCL will now work to implement the policy and it is desirable that any change to .nz has as close to consensus agreement as possible and DNCL will strive to achieve that in line with our strategic goals for .nz DNS management and administration.

New gTLDs

The largest unknown factor in 2014-15 in the domain name environment will be the impact of new gTLDs on existing TLD managers and registries, particularly ccTLDs. Dot Kiwi is in the root and the process of registering in the space has started with 'first come, first served' registrations expected around May 2014. The impact on .nz is not clear and there are many differing views.

There are some who believe that the creation of new gTLDs will put pressure on the current TLD options, including ccTLDs, and may result in decreased registrations in those registries. Another view is that the promotion of gTLDs will raise awareness of domain names and that this will help to increase the overall penetration and registration of domain names with ccTLDs and other registries benefiting from that. A third view is that ccTLDs are generally seen as belonging to that country and that all those wishing to identify with that country will continue to register in that ccTLD despite other options being available. For .nz, we have a country code that relates to a recognised abbreviation of our country so the association with New Zealand is strong and may assist. We continue to keep this under active review and are monitoring developments closely.

As one measure to ensure .nz remains competitive, InternetNZ have given responsibility to NZRS to actively market .nz domain names. DNCL will ensure we assist NZRS as appropriate for them to meet their obligation to the InternetNZ Council while still maintaining the integrity of the .nz model.

Security

With the recent government surveillance activities revealed by Snowden, local interest in security related legislation remains high. Retaining, and extending confidence in .nz continues to be very important. We see there will be a continued focus on security matters

given this remains an area of concern for many as the reliance on the Internet for business and trade increases.

Over the last year, there has been a significant increase in DNCL's engagement with Law Enforcement, Regulators and teams involved in investigations (both in the public and private sectors). This engagement has primarily involved DNCL briefing and training them about Domain Names and sources of information to support their work. However, this also promotes confidence in .nz and has numerous other positive outcomes. This work will continue and is also something DNCL is sharing and promoting across the AP region.

Work has also commenced on promoting the benefits of DNSSEC to Registrars, Registrants and DNS Operators. The rollout of DNSSEC is continually being reviewed and its ongoing implementation closely monitored as part of an ongoing project. In the future, DNSSEC will also be supplemented by security related policies and compliance to ensure defined standards are met.

Opportunities and Challenges

The changing environment provides opportunities and challenges. Promoting and marketing the benefits of .nz is seen to be important as the range of registration options increases with the arrival of a greater range of open gTLDs. Promoting the benefits of .nz and raising general awareness of why .nz is a sensible and safe choice for Registrants is an ongoing task for DNCL. Registrants, and potential Registrants, should be informed about domain names and what having a domain name can do for them, their business or organisations.

In this dynamic environment of expanding choice for registrants, a key challenge is to ensure that the benefits of .nz registrations remain strong, clear and up to date. We have reviewed the strategic goals for .nz and consider these remain appropriate for the .nz ccTLD manager, and are critical to ensure a fair and competitive market for .nz registrations and uphold core InternetNZ principles. DNCL will ensure that the fundamental policy framework that governs .nz remains and that .nz registrants continue to be supported within existing strategic objectives and regulatory oversight. In this way DNCL will ensure that the .nz domain name space continues to meet the needs of Registrants and Registrars, and is respected and trusted.

However, it is also vital that we continue to improve the domain name experience of .nz domain name Registrants where possible and appropriate. DNCL has carried out a number of improvements including policies for gradual reduction of domain name fees, oversight of the roll out of DNSSEC, expanded search functionality for registrants, developing an interface with the Companies Office and the introduction of internationalised domain names. DNCL has also written a series of 'thought pieces' explaining different aspects of .nz, including the dispute resolution service, and these have been published in a range of publications including trade journals. But more work is needed in 2014-2015, in conjunction with NZRS, to develop and implement steps to strengthen the public perception and value add proposition of .nz.

We have the opportunity to expand the range of choices within the .nz domain name spaces and, in doing so, DNCL can strengthen the .nz experience and open competition and choice for registrants. Reviewing and considering change to the .nz space, in order to keep it current and relevant, is part of the environment we now find ourselves in.

Managing legal risks

The holder of any TLD delegation is exposed to serious and significant risks, including litigation from third parties and action by law enforcement and other government authorities. InternetNZ insulated itself from this risk by delegating management of the ccTLD space to

DNCL. DNCL manages this risk through principled, fair and impartial administration of .nz in the public good, as outlined in RFC 1591. Management of this legal risk remains a high priority for DNCL.

In the court of public opinion, the credibility of the .nz domain name space also rests on strong dispute resolution policies and fair, competitive contractual arrangements that ensure properly authorised and competent Registrars, and our policy and technical oversight of NZRS. Changes in gTLD policy as well as new and emerging security issues mean that DNCL must be extremely vigilant in managing legal risks to .nz and continuing to maintain high levels of regulatory standard setting and oversight.

Contribution to INZ group

DNCL is committed to supporting InternetNZ Group strategies and awareness of issues affecting the wider strategic focus. This area, however, generally has only a minor impact on DNCL day to day activities with our “business as usual” functions around policy and compliance remaining the clear priority and major work requirement as the registrations at the second level project is considered part of our core activities.

DNCL Strategy

The DNCL Statement of Expectations and Goals responds to this environment and to Council’s Directions, through a strategy of:

- Effective management and administration of the .nz ccTLD domain name space
- Promoting the benefits of .nz registration
- Expanding the choices available to .nz registrants
- Improving the .nz registration experience

Working with NZRS on a Joint .nz Business Strategy

The .nz “advantage” is multi-faceted, with DNCL ensuring a safe, secure and fair environment governed by New Zealand law and the registry providing a robust and reliable service under DNCL oversight. DNCL has worked with NZRS to develop a shared .nz business strategy. NZRS has affirmed the six broad strategic goals of DNCL for management and administration of the .nz space. The .nz business strategy responds to the current environment and provides an avenue for each, in their respective roles, to promote .nz objectives. In the coming year, we will work with NZRS to develop a three year strategy document.

As we have noted, promoting the .nz benefits, and why .nz offers services and support that may not be available with another choice of TLD, will be a greater requirement and focus in a market with expanding options. Work in this area has been identified and initiatives developed in conjunction with NZRS. The .nz strategy recognises the respective roles of the two organisations in the area of promoting, raising awareness and marketing .nz.

DNCL’s regulatory oversight role of NZRS inevitably gives rise to tensions in the management and administration of the .nz domain name space, particularly where views differ about the options for promoting, marketing, or selling .nz domain names. The new gTLD environment has heightened aspects of this and also provided new opportunities for creativity within existing roles and responsibilities. DNCL’s approach is to be constructive and to encourage and promote innovation within agreed regulatory parameters. We will continue to work with NZRS and encourage them to consider ways to improve the .nz registry experience and services they may contractually offer to Registrars. We will also continue to clearly monitor the boundaries of our respective roles and report to Council accordingly.

An indication of the enhanced cooperation between DNCL and NZRS can be seen in the development of a joint quarterly .nz report to Council, rather than only the individual reporting done in previous years.

It is expected that work on the .nz Framework which has recently started, will assist in clarifying the roles and responsibilities of each of InternetNZ, NZRS and DNCL in respect of .nz matters.

Key Priorities and Performance Indicators

1. DNCL's main focus remains the effective oversight and administration of the .nz domain name space on behalf of InternetNZ. This involves, in part, managing the operation of the .nz domain name space, including monitoring activity and regulating the use of the space as necessary. It also includes overseeing the performance of NZRS in line with the standards set out in the Service Level Agreement between DNCL and the registry.
 - DNCL will report quarterly to InternetNZ Council regarding core activities so that Council can monitor DNCL performance.
 - No upheld complaints or successful court action against DNCL should result from DNCL's operations.
2. A key project will be implementing registrations at the second level within the .nz domain name space. This will continue to be undertaken in a manner that is as open as practicable while not creating an unfair environment that would make good policy development and implementation difficult or problematic.
 - DNCL will finalise the policy changes required to enable .nz registrations at the second level and will, in conjunction with NZRS, complete the implementation of the additional .nz registration option in this 2014-15 year.
3. Proactively develop and implement steps to strengthen the public perception and value proposition of .nz, in particular in relation to generic Top Level Domains. We will focus on two areas:
 - Promoting DNNSEC as a valuable security tool; and
 - Implementing, with NZRS, joint initiatives for promotions and marketing of .nz.
4. DNCL will promote .nz objectives internationally. We will support international developments that align with .nz objectives and share the .nz experience and success at an international level, in conjunction with NZRS.
 - Reports relating to international meeting attendance, presentations and assistance to other ccTLDs will be provided as part of DNCL's reporting to Council. These will demonstrate the contribution .nz is making internationally.
5. DNCL will focus on a greater contribution to wider industry DNS trust and security matters. We will strengthen .nz policies to include greater security measures.
 - Contribution to Internet security matters will be demonstrated in reports to Council and Council will be advised of policy developments in respect of security matters.
6. As part of the InternetNZ Group, DNCL will contribute to initiatives undertaken in respect of group strategic priorities, including advising InternetNZ where such initiatives

have implications for the policy and compliance framework of the .nz domain name space. Key activities will include the ongoing development of a rolling three year .nz business strategy in conjunction with NZRS

- Rolling .nz strategy developed and presented to the InternetNZ Council

Draft Three Year Budget

Under the terms of the Operating Agreement between DNCL and InternetNZ, the company operates on a “break even” basis and sets the management fee to ensure the current contingency fund of around \$700,000 does not increase significantly, and also does not breach the requirement that it not exceed 60% of the annual operating budget.

	2014/15 Draft Budget	2015/16 Draft Budget	2016/17 Draft Budget
INCOME			
Management Fee	1,869,840	1,869,840	1,869,840
Authorisation Fees	9,000	9,000	9,000
DRS Complaint Fees	36,000	36,000	36,000
Interest	16,000	16,000	16,000
Total	1,930,840	1,930,840	1,930,840
EXPENSES			
Staff and Office Costs	1,100,900	1,132,991	1,124,575
Professional Services and Communications	317,050	208,004	174,237
Dispute Resolution Service	117,100	117,100	117,100
DNCL and DNC activities	300,250	250,250	214,638
International	267,000	267,000	272,100
Total	2,102,300	1,975,345	1,902,649
Capital	95,345	96,000	40,000
Gross profit/loss	(266,805)	(140,505)	(11,809)

Note: Decrease in expenses over years two and three reflect that additional costs are being incurred this year due to the project to implement registrations at the second level.

David Farrar
Chair, DNCL

2014/15 Budget

2014/15 Budget

Author: Jordan Carter

Purpose of Paper: Discussion and Approval of the final 2014/15 Budget

Budget 2014/15

This paper reprises the background to the preparation of InternetNZ's 2014/15 Budget, the strategy for that budget, and proposes for Council's agreement the budget along with associated notes.

Income will be lower than anticipated

The vast bulk of InternetNZ operating income is derived from domain name fee income, through dividends from NZRS.

As indicated in the draft 2014/2015 paper presented to Council in Dec 2013, Council was advised to prepare for a significantly lower dividend being forecast for 2014/15 when the next SoD&G is presented – perhaps as low as \$2.0m.

A letter from Richard Currey dated 29 November to Frank March, advised of a revised budget for the two years 2014-15 and 2015-16, identifying a reduction in dividends of \$704,173 for 2014/15, and a reduction of \$445,896 for 2015/16. These new figures have been used to prepare this budget, and will stand until the next SoD&G is received. We will prepare a budget update for Council when those numbers are available.

Resource requirements have not reduced

The expenditure budget proposed in this document takes into account InternetNZ's strategic environment, overall approach, and current expenditure trends.

Compared with last year, costs are rising in the following key areas:

- **Rent:** the establishment of an Auckland office and the need for additional space in Wellington across the Group expands the net rent figure, and is net of re-charge for rent to NZRS. (+\$20k)
- **Depreciation:** the decision to look for shared premises that can fit the Group in November 2015 means that the expense of the fit-out in Grand Arcade Tower needs to be written down this year and next, leading to much higher depreciation charges in this year's Budget. (+\$65k)

- **International:** 2014/15 will be a year when the future of Internet governance is settled, with multi-stakeholder leadership strengthened and improved, or governments taking a leading role through institutions like the ITU. InternetNZ's participation, and support of New Zealand's participation, is critical. (+\$89k)

In contrast, there are few areas where costs can be cut:

- Remuneration and general office expenses have been reduced in the 2014/15 budget. (-\$51k)
- Community Funding is maintained at current levels (\$450k, less the \$50k for Sponsorship now accounted for separately)
- Workstream/NetHui funding is maintained in real terms (\$700k)

The general approach taken to cost control is to be as careful as possible with InternetNZ funds. There are no large pockets of existing expenditure which can easily be cancelled or saved.

Strategy for 2014/15

InternetNZ enjoys a healthy balance sheet due to past surpluses, with forecast funds at 31 March 2014 of approx. \$5.0m. This takes into account Council's decision last year to end the hypothetical distinction between InternetNZ reserves and Group cash in excess of reserves.

The revenue negatives identified above are time limited in some cases. The costs of implementing .nz changes are a one-off and will reverse out in 2015/16 and 2016/17, and business development costs for NZRS should be met by commercial returns in the end.

There is considerable uncertainty regarding the future growth of registration numbers in .nz, due to the effects a (non-exhaustive) range of factors will have on registrant behaviour:

- the opening of registrations at the second level in .nz
- large numbers of new TLDs opening for registration, including .kiwi
- .nz marketing and promotions

NZRS and DNCL will provide clearer analysis of all these questions as they work through their budget process and prepare their Statements of Direction and Goals.

Some expenditure pressures also ease off after 2014/15. It is unlikely international commitments will remain as intense as they are next year, and as new staff learn their jobs and contribute to achieving InternetNZ goals it is my expectation that the resources we devote to a range of consultants will decline over time.

Given all the above, my recommended strategy is still "hang tough": that this draft Budget showing expenditure around \$3.6m be approved. The recommendations at the end of this paper, as was the case in December, include a statement to the effect that Council will draw on retained earnings to finance this expenditure budget, as NZRS dividend forecasts for 2014/15 have materially changed compared with those presented in 2013.

2014/15 Budget Summary

The draft budget shows an operational budget limit of \$3.601 million for 2014/15.

This is an increase of 2.01% or \$71,000 compared with the 2013/14 operating limit of \$3.530m, which increased from the March 2012 reported limit of \$3.402m, by approved increases to budget for the RN 47/13 identity review project, RN 56/13 Auckland office rent and AGM 06/13, increase to honoraria.

The 2014/15 increase is due to factors noted below the summary table, presented overleaf.

	2013/14	2014/15	Change over last year budget	
	Approved	Proposed	Amount	Percentage
Community funding	500	450	-50	-10%
Sponsorship	0	50	50	0%
Work Programme/NetHui				
- NetHui	120	120	0	0%
- Internet Governance	55	65	10	18%
- Internet Connectivity	258	190	-68	-26%
- Internet Use	110	130	20	18%
- Internet Technology	90	105	15	17%
- Internet Law & Rights	74	90	16	22%
Council/Members	304	327	23	7.57%
International transition	180	95	-85	-47%
Major event hosting	200	200	0	0%
INZ Operations				
- Remuneration	1,096	1,061	-35	-3.2%
- Operating exp's	352	441	89	25.3%
- Overheads	141	162	21	14.9%
- Depreciation	50	115	65	130%
Total \$000s	3,530	3,601	71	2.01%

Notes regarding the proposed operational budget:

- The proposed operational budget for financial year 2014/15 is \$3.601 million, an increase of \$71,000 or 2.01% compared with the 2013/14 year.
- The increase is driven by a substantial increase in depreciation costs, to write off the book value of the current fit-out over the remaining life of the lease. The balance of the increase is driven by rent and travel.
- Council/Members' budget is net of interest earned on reserves. The increase of \$23k is attributed to a growth of meetings costs, printing and stationery, international and national travel.
- The INZ operations expenditure is net of re-charge for common services to NZRS and DNCL.
- The "Major event hosting" line is not anticipated to be drawn on in cash during 2014/15, but the provision is required as part of underwriting the hosting of APRICOT in early 2016 in Auckland.
- All amounts are exclusive of GST.

The limit to operational expenditure and the major categories shown above will also remain stable and is treated as hard limits, but as the year proceeds, specific lines within these may vary over and under expected expenditure.

Community Funding

Additional funds will be available for the financial year 2014/2015 for Community funding, over and above the 450k 2014/15 budget. The additional funds total \$96,000. This is made up of \$24,000 from the unspent Community Funding approved budget of 2013/2014, and the balance of \$72,000 from the Christchurch re-build as detailed below:

It was recommended and approved on EVOTE 24032014 by Council that the remaining \$17,000 of unused funds from the Internet Research funding round is rolled over to the next funding round.

The next round is scheduled for the financial year 2014/2015.

It has also been recommended in the Community funding paper being presented at this Council meeting, that the remaining \$7,000 from the Community funding budget for 2013/2014 be rolled over to the financial year 2014/2015.

It is also recommended to Council that the balance of \$72,000 from the Christchurch re-build (RN 81/11 October 2011) be reallocated to the financial year 2014/2015.

The preceding amounts are not included in the itemised budget above, as they have already been approved in previous years, and only have an impact on the 2014/15 cash-flow.

They are accounted for in the cash-flow figures presented in the appended updated three year profit and loss projection.

Funding Operational Expenditure

The major source of funding operational expenditure is the dividend from NZRS. A payment of \$2,639 million is currently projected for 2014/15, as forecast in the letter from NZRS dated 29 November 2013.

As noted in a previous section, this figure is subject to change, given the NZRS Statement of Directions and Goals has not been finalised due to delays in settling business development matters. Any dividend impact arising from the SoD&G should be clearly understood and agreed before that document is finalised, due to the flow-on effects on InternetNZ's cash position.

Councillors should also note that solely for planning purposes, the same dividend as forecast for 2015/16 has been included for 2016/17. This is not an NZRS forecast but simply a number to allow for cashflow forecasting – and will be replaced with what NZRS forecasts in the 2014 SoD&G.

Capital Expenditure

The proposed capital budget is \$120,000 (c.f. current year \$66,000), made up of the following items:

Item	Amount
Website redevelopment	\$75k
Video conference equipment (AKL)	\$25k
Misc capex (computers etc)	\$20k

Reserves

Based on projected operational expenditure limits the financial reserves for 2014/15 as required by the Reserves Policy are to be maintained at a level of \$1,149,000 (current year: \$831,000).

Three year profit & loss projection

Appended is an updated three year profit and loss projection. The critical underlying assumption is that dividends from NZRS are broadly in line with the amounts forecast in the letter dated 29 November 2013.

Recommendations

1. That Council **approves** for 2014/15 an operational budget limit of \$3.601 million and a capital budget limit of \$120,000.
2. That Council **note** the advice in this paper regarding the downside risks to income in 2014/15, and **agree in principle** that should income turn out to be lower than expected, the operational and capital budget limits will be maintained, with funding to come from retained earnings.
3. That Council **approve** the recommendation to rollover the balance of \$72,000; from the Christchurch re-build funding (RN81/11) to the financial year 2014/2015.

Jordan Carter
Chief Executive

27 March 2014

InternetNZ: 3 year Profit & Loss Forecast

Financial Year	2014/15	2015/16	2016/17	Total
	\$	\$	\$	\$
OPERATING INCOME				
Memberships	9,225	9,686	10,171	29,082
Reimbursement of Shared Services	282,210	296,321	311,137	889,667
	291,435	306,007	321,307	918,749
INVESTMENT INCOME				
Dividends	2,638,775	3,280,403	3,280,403	9,199,581
Interest Received	39,500	41,475	43,549	124,524
	2,969,710	3,627,885	3,645,259	10,242,854
TOTAL INCOME				
REMUNERATION				
ACC Levies	3,707	3,892	4,087	11,687
Miscellaneous Staff Costs	4,326	4,542	4,769	13,638
Recruitment	26,815	28,156	29,564	84,534
Staff Training	17,325	18,191	19,101	54,617
Kiwisaver Employer Contribution	24,564	25,792	27,082	77,437
Casuals/Temps	16,223	17,034	17,885	51,141
Contractors	203,586	185,000	150,000	538,586
Contracted Technical Services	42,850	44,993	47,242	135,085
Salary & Wages	788,750	828,188	869,597	2,486,534
	1,128,145	1,155,787	1,169,327	3,453,259
OPERATING EXPENSES				
Accountancy Fees	30,900	32,445	34,067	97,412
Sponsorship & Marketing	64,060	67,262	70,626	201,948
Audit Fees	8,000	8,400	8,820	25,220
Bank Charges	1,622	1,703	1,789	5,114
Conferences	11,059	11,612	12,192	34,862
Consultants	17,304	18,169	19,078	54,551
Domain Names	735	772	810	2,317
General Office Expenses	30,000	31,500	33,075	94,575
Governance Training	12,978	13,627	14,308	40,913
Honoraria	185,256	185,256	185,256	555,768
Legal Fees	24,223	25,434	26,705	76,361
Meeting Costs	74,372	78,090	81,995	234,456
Postage & Couriers	4,326	4,542	4,769	13,638
Repairs & Maintenance	8,652	9,085	9,539	27,275
Repairs & Maintenance - Software	3,890	4,085	4,289	12,263
Printing & Stationery	20,700	21,735	22,822	65,257
Subscriptions	25,750	27,038	28,389	81,177
Telecommunications	72,150	75,758	79,545	227,453
Travel/Accom - International	210,223	192,223	207,223	609,668
Travel/Accom - National	112,505	118,130	124,037	354,673
Web Site Updates & Hosting	8,652	9,085	9,539	27,275
	927,355	935,949	978,872	2,842,176
OVERHEADS				

Cleaning	23,635	24,817	26,058	74,509
Electricity	28,509	29,934	31,431	89,875
Insurance	10,475	10,999	11,548	33,022
Rent Paid	250,452	250,452	262,975	763,879
Security	3,323	3,489	3,663	10,475
	316,394	319,691	335,675	971,759
OTHER COSTS				
Depreciation				
Computer Hardware	11,548	11,548	11,048	34,144
Furniture & Fittings	82,800	82,800	-17,200	148,400
Software	18,888	18,888	8,888	46,664
Office Equipment	1,764	1,764	1,299	4,827
	115,000	115,000	4,035	234,035
OPERATING COSTS	2,486,894	2,526,427	2,487,909	7,501,230
SUB-TOTAL PROFIT	482,816	1,101,458	1,157,350	2,741,623
Workstream Budget	580,000	609,000	639,450	1,828,450
NetHui National/Regional	120,000	120,000	120,000	360,000
International Transitions	95,000	0	0	95,000
ANZIA/ANZIGF (Int'l Event Holding)	200,000	200,000	200,000	600,000
	995,000	929,000	959,450	2,883,450
Community Funding	450,000	475,000	500,000	1,425,000
Possible expansion Sponsorship	0	0	0	0
	450,000	475,000	500,000	1,425,000
TOTAL EXPENSES	3,931,894	3,930,427	3,947,359	11,809,680
PROFIT	-962,184	-302,542	-302,100	-1,566,827
Special Dividend Interest	109,000	114,450	120,173	343,623
NET PROFIT	-853,184	-188,092	-181,928	-1,223,204
CUMULATIVE NET PROFIT	4,805,243	4,617,151	4,435,223	4,435,223
CASHFLOW Opening	5,006,486	4,217,931	4,224,316	5,006,486
Closing	4,217,931	4,224,316	4,039,490	4,039,490
RESERVES Requirement	1,149,000	1,206,450	1,266,773	

**** 2016/17 dividend not available, so based on previous year.**

Chief Executive's Report

Chief Executive's Report

Author: Jordan Carter, Chief Executive

Purpose of paper: Report for the two months to 31 March 2014

Introduction

This report from the Chief Executive conveys critical risks or other risks Council should be aware of, my priorities in the period since the February Council meeting, planned priorities for the period from now until the end of May 2014, staffing and contractor issues, premises matters, and other matters.

Separate papers, which are “For Information” papers, are attached:

- Operations Update to 31 March 2014
- Travel Reports (from APRICOT 2014)

As always, feedback from Councillors or members on the content of this report is very welcome.

1: Critical / Other / Potential Risks

There are no critical risks to advise the Council of at the reporting date.

Other current or potential risks for Councillors to consider:

- Ongoing description of InternetNZ as a lobbying organisation is misleading. Our charitable purpose is clearly set out in the objects and all the work we do is aimed at achieving it. Lobbying is incidental and trivial, but the perception is sometimes otherwise. We manage this as best we can.
- There are still capacity constraints on the Internet issues side of our work programme. Now the Work Programme Director has been appointed, these should ease over coming months.
- The United States Government's decision to work towards a transition of the DNS responsibilities to the global multistakeholder community presents potential risks if the transition discussion goes awry.
- The launch of the Internet Party continues to see ICT issues in the spotlight, with associated challenges as mentioned in my last report.

2: Recent Priorities

Operating team

The work that has been done by the operating team is summarised in the Operations Update, with progress over the whole year summarised with the traffic-light style indicators. I draw Council's attention in particular to the following:

- Participation in APRICOT 2014, including prep for our hosting of APRICOT 2016 in Auckland.
- Ongoing brand development work and associated kick off of website rebuild.
- Successful re-forming of the Wellington premises following NZRS's move to the fourteenth floor at Grand Arcade Tower.
- Prep for and attendance at ICANN49 in Singapore.
- Conducting the Internet Research Funding round.
- Membership engagement meetings around the country.
- Strategic partnerships framework negotiated.
- Membership renewals for InternetNZ membership.

Chief Executive

Since the February meeting of the Council, and aside from general work, I have been focused on the following issues, generally in descending priority order:

- Attendance at the OECD ITAC meetings (worthwhile but not as a stand-alone attendance)
- Business plan development and refinement following member engagement
- Completing recruitment of the new Work Programme Director
- Internet Governance matters in preparation for NetMundial, including at ICANN 49 in Singapore
- Further progress on internal staff policies – and broader work on governance policies.

It feels like it has been a very busy start to the year.

Planned priorities identified by me for focus in the previous report that have not progressed as expected are as follows:

Area not progressed	Explanation
Induction of Work Programme Director	WPD comes on board 14 April.
Identity and Brand	Progressed but not completed.
Governance policies	CEs availability and focus on more immediate issues has deferred this further.

3: Priorities for the next three months

For the period April to June 2014, the following focus areas are planned:

Operating Team

- Complete development of, and implement, the new Community Funding system.
- Work planning and progression of the new Business Plan.
- NetHui progression and NetHuiSouth planning (now likely in October).
- Policy engagement and PDP refresh commenced and completed.
- Conducting the 2013/14 year financial audit.
- Participation in a range of other IG events (ICANN 50 in London).
- Brand work hopefully brought to a conclusion.
- New website should be developed, including content.
- Assisting government with next steps in the telco policy review.
- Preparing for the 2014 Council elections and AGM.

Chief Executive

The following are my planned broad areas of focus in the April-June period.

- **Induction of Work Programme Director:** making this role work is critical to my ability to perform my role. As such I intend to spend the time and effort required to build the right relationship with and structures for the WPD as they come on board.
- **Work Plan 2014/15:** I will be working with all team members to develop individual work plans that deliver the Business Plan's priorities, and that help people work to their potential.
- **Staff Annual Reviews:** I will be working through Annual Reviews with all staff during April and May.
- **International:** Ellen and I are focused on building the international plan that sits under the international strategy, to clearly set out what we do and why in each international forum. I will also attend NetMundial in São Paulo as INZ's rep, and ICANN 50 in London in combination with OECD meetings the week prior.
- **Team resources:** as part of business planning & induction of the WPD, we'll assess any ongoing gaps in the team and ways to resource these.
- **Governance and internal policy:** there is a period of time in May and June with few travel commitments, that will give me the space to do the writing required to complete this work.

I particularly welcome Council feedback on my priorities, and on any other matters that need to be picked up and advanced.

4: Staffing and Contractor matters

Andrew Cushen has been appointed to the position of Work Programme Director and starts work on 14 April.

Mary Tovey is back at work following her absence for surgery in February.

Susan Chalmers has been in New Zealand for parts of March and April, progressing InternetNZ work for some of her time here. She and David represented us well at the select committee hearings on the Harmful Digital Communications Bill.

Colin Jackson has been engaged on a short term basis providing policy support on a range of topics, including the TPP.

Councillors should consider a process to review my Key Performance Areas as CE, in light of the completion of the 2013/14 year.

5: Premises

Level 14 is now occupied by NZRS and the adjustment to internal walls on Level 9 is completed. So the Wellington premises are fine, and the next challenge will be finding a single premises for the whole group to move to when the lease expires in November 2015.

Auckland's lease has been resolved to our satisfaction, and Council has e-voted its adoption. A welcome function for members and some stakeholders is planned for 3 April.

6: Other matters

- I will attend a telco policy conference in Sydney the week after this Council meeting. In future I expect the WPD will attend conferences on this sort of topic.
- Relationships between the three CEs are cordial and satisfactory from my point of view.
- There are tensions between NZRS and DNCL that are being managed through the .nz framework review process. Clarity in particular regarding branding and marketing will be important in mitigating these.
- The CEs will do the regular review of the Risk Register for the group and bring it to the June meeting of Council for discussion.
- David Cormack and I met with Hon Amy Adams and her officials in March. I will provide a verbal update on that meeting to Councillors on 4 April.

I welcome questions, comments and feedback on the content of this report or on any other matter.

Jordan Carter
Chief Executive






27 March 2014

Operating Report to Council: to 31 March 2014

Introduction

This paper sets out the Goals in the Business Plan, and notes the transformations under each goal. Then a table sets out the key Business Plan activities that apply for each goal, with a column at the end showing progress year-to-date. A final table for each goal notes progress that the team has been making in this goal area in the period 1 February to 31 March 2014.

Status of current activity is marked as follows:




-  In progress (Good)
-  In progress (Satisfactory/Issues)
-  In progress (Problems)
-  Finished
-  Yet to start







Feedback on this layout is very welcome.

Goal 2: Protect and promote the Internet through multistakeholder Internet Governance

2.1	Debate on Internet Governance is largely framed by governments and the ITU	→	Debate on Internet Governance is largely framed by Internet stakeholders.
2.2	NZ Government is an ally of the open Internet	→	NZ Government is a principled ally of the open Internet
2.3	Shallow multistakeholderism is evident in the Internet Governance world	→	Multistakeholderism is firmly embedded in the Internet Governance world

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
2A	Gain and maintain representation on the Internet Governance Forum Multistakeholder Advisory Group and participate in global, regional and trans-Tasman Internet Governance Fora.	2.1, 2.3	A	
2B	Maintain appropriate involvement within the ICANN At Large constituency	2.1, 2.3	B	
2C	Promote best practice across all Internet Governance institutions InternetNZ participates in	2.1-2.3	A	

2D	Map the Internet Governance ecosystem and understand clearly InternetNZ's role in it	2.3	B	 Understanding developed
2E	Complete review of International Strategy and develop principles for international engagement	2.1-2.3	B	 Principles to do
2F	Develop relationships across NZ Govt to impart the importance of the Open Internet and thereby contribute to NZ's official position on Internet Governance issues in international fora, such as the World Telecommunication Policy Forum and other International Telecommunication Union meetings.	2.2	B	
2G	Assess InternetNZ's own use of "multistakeholder" approaches and develop these further	2.3	B	+ Discuss
3H	Parliamentary Internet Forum – continue to develop and grow this new institution	2.1, 2.2, 3.3	A	
2I	Consider joining W3C to participate in web standards debates e.g. DRM in HTML5	2.3	C	
2J	Create a New Zealand working group to contribute to the Internet and Jurisdiction project.	2.1, 2.3	C	+ Not progressing
2K	Develop an easily understood explanation of what "multistakeholderism" means	2.1-2.3	A	

Goal 2 Matters to report 1 Feb to 31 Mar 2014:





- PCO company Orange Productions have been engaged to assist with logistics of NetHui (KW)
- NetHui 2014 Programme work and engagement process started (ES)
- NetHui website put up and announced via media release and continual social media campaign (DC,ES)
- Community engagement on NetHui South in Canterbury, decision on Oct/Nov event (ES)
- Looking into alternative venues for NetHui South (KW)
- Registration system for NetHui being drafted (KW)
- On-going participation in MBIE's Radio Sector workgroup - which feeds into ITU (RH).
- Engage with ongoing Internet Governance discussions through APNIC meetings (DP)
- 'Multistakeholderism' definition drafted (CJ,ES)
- Serving on ICANN At Large Capacity Building Working Group for ATLASII (ES)
- Engagement within ICANN and other IG spaces on IANA transition to promote best practice and multistakeholderism (JC,ES)

- Meeting with Clare Curran and Gareth Hughes to discuss policy for the upcoming election, arranged meeting with Peter Dunne (DC)

Goal 3: Drive universal access to the Internet

3.1	Growing take-up of Internet access across New Zealand	→	Complete take-up of Internet access across New Zealand
3.2	Patches of digital exclusion	→	Complete digital inclusion
3.3	Policy sometimes understands the Internet	→	Policy generally understands the Internet
3.4	Access regulation is telco-focused	→	Access regulation is Internet-focused
3.5	NZ mainly dependent on one trans-Pacific cable	→	NZ international connectivity is resilient

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
3A	Contribute to solving any barriers to UFB and RBI uptake	3.1, 3.2	A	
3B	Use the review of the TSO to generate debate on what level of broadband Universal Service might be needed	3.1, 3.2	A	 Govt side delays
3C	Develop a map or analysis of drivers of / evidence of digital exclusion and options for solving this, perhaps in partnership with the 20/20 Trust	3.2	B	20/20
3D	Develop working groups and input as needed to help respond to new legislative proposals	3.3, 3.4	A	
3E	Shape the review of the Telecommunications Act so it supports the spread of affordable high speed broadband	3.3, 3.4	A	

	Activity	Transformation/s	Priority	Status
3F	Working with partners, assess network resilience options for NZ's international connectivity.	3.5	C	+ 2014/15

Goal 3 Matters to report 1 Feb to 31 Mar 2014:

- Submissions to Commerce Commission in respect of the UCLL/UBA Final Pricing Principle Determination (RH)
- Development of "solutions" to Copper Tax issue for input into anticipated future Telco Act Review Discussions (RH, JC)
- Follow up on submission to the Productivity Commission review of regulatory institutions and practices (RH)
- Continued discussion with Commerce Commission / MBIE on competition issues in regard to second allocation of the 700 MHz spectrum (RH)
- Discussion of options for future TSO -may well be minimum change before election.(RH)
- 2020 digital exclusion report work being finalised (ES)
- Keeping a watching brief on the "copper tax" campaign, in relation to the Government's review of the Telecommunications Act in conjunction with other affected parties. (RH, JC, DC, MW - others)
- Meeting with Hon Amy Adams to discuss a range of issues (JC, DC)

Goal 4: Catalyse gains from the Internet

4.1	NZ is missing out on prospective gains from widespread Internet use	→	NZ is benefiting from more gains from widespread Internet use
4.2	Public services: use of the Internet is variable	→	Public services: use of the Internet is high and rising
4.3	Economic benefits of Internet use are unclear	→	Economic benefits of Internet use are widely understood
4.4	No particular sectoral focus in benefits analysis	→	Choose some relevant sectors for focus of benefits analysis

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
4A	Complete review of Community Investment to include some focus on shared gains of the Internet.	4.1-4.3	A	😊

4B	Seek to understand and share emblematic stories of gains available	4.1	B	😊
4C	Work with central Government agencies to create an Unconference focused on helping the public sector develop better use of the Internet (could focus on best practice sharing, or IPv6 diffusion)	4.2	B	+ Not done.
4D	Develop the 2012 studies on the economic impact of the Internet and follow up with further research	4.3	C	😊
4E	Partner with other interested organisations to share stories and conduct analysis	4.1, 4.3, 4.4	C	😊






Goal 4 Matters to report 1 Feb to 31 Mar 2014:

- On-going contribution towards Productivity Commission investigation into economic benefits of the Internet/ICT sector - initial report released 28 January. (RH)
- Joint contract with Google to review of the economic impact of the internet in four key sectors - draft report reviewed (JC, RH)
- Liaised with SenateSHJ to co-ordinate launch of Google Research (DC)

Goal 5: Better adoption of new Internet technologies & best practice

5.1	IPv6 adoption satisfactory in New Zealand	→	IPv6 adoption good in New Zealand
5.2	Best practices shared in a patchy way	→	Best practices widely shared
5.3	UFB / RBI architecture telecommunications-led	→	UFB / RBI architecture Internet-led
5.4	Technical ecosystem partly developed	→	Technical ecosystem well-supported

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
5A	Continue supporting the IPv6 Task Force	5.1	B	
5B	Explore possibility of a new whole-of-government policy re IPv6 use	5.1	A	 Under way
5C	Conduct an assessment of operator-focused best practice use and diffusion in the New Zealand Internet	5.2	A	+ 2014/15
5D	Continue supporting NZNOG as a community, and expand relationships with other technical bodies as appropriate	5.2	B	
5E	Run INTAC (Internet Technical Architecture Conference)	5.2, 5.3	A	
5F	Identify and resolve any gaps in Internet focused architecture or standards in RBI/UFB environment	5.3	A	+ 2014/15
5G	Continue developing InternetNZ's understanding of the technical ecosystem in New Zealand and how it can contribute to supporting its growth and depth.	5.4	B	 Under way

Goal 5 Matters to report 1 Feb to 31 Mar 2014:

- Broad attendance and participation at APRICOT 2014 in Kuala Lumpur (JC, DP, KW, KD)
- Intiate contact with ISOC BCOP team to determine how New Zealand can contribute and benefit from their work around technical Best Current Operational Practice documentation (DP)
- Supported the NZNOG conference and presented InternetNZ's draft technical strategy (DP)

Goal 6: Greater sharing of information about the Internet

6.1	Information about the NZ Internet is dispersed and hard to find	→	Information about the NZ Internet is available through InternetNZ
6.2	InternetNZ stances on issues internally available	→	InternetNZ stances on issues publicly available and easily accessible
6.3	Information we provide is sometimes audience-specific	→	Information we provide is often audience-specific

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
6A	Develop and seek sector support for an annual "State of the Internet" report	6.1	A	+ 2014/15
6B	Prepare an FAQ for the InternetNZ website that answers common queries and points to commonly requested sources of information, and additional info on our views and on the sector.	6.1, 6.3	A	😊
6C	Use the opportunity provided by the website information architecture review to develop new content that helps achieve the transformation	6.1-6.3	B	+ Apr-Jun 14
6D	Develop a new Policy Development Process that includes how we share and advance information and ideas as part of the broader work we do	6.2, 6.3	A	😊
6E	Broaden the general communications effort to include more audience-specific or audience-friendly versions of, for example, policy submissions	6.3	B	😊

Goal 6 Matters to report 1 Feb to 31 Mar 2014:

- Internet Research Funding Round decision with Assessment Committee and Council supported (ES,MR)
- Communications work on Policy and Legal Research Funding Round (DC, ES)
- Blog posts written setting out new way of proving InternetNZ's value to members (JC, DC)

Goal 7: A recognised high-performing organisation

7.1	Focus of operation is sometimes internal, detail-centric	→	Focus of operation is mostly external, big picture-centric
7.2	Tends towards reacting to others' imperatives	→	Tends towards proactive leadership based on the Objects
7.3	Stakeholders not clear on purpose, variable views of performance	→	Stakeholders clear on purpose, see organisation as high-performing
7.4	Brand and identity is not clear	→	Brand and identity is clear
7.5	Charitable status is not clearly understood internally	→	Charitable status is clearly understood internally
7.6	Systems, processes and policies poorly defined and shared	→	Systems, processes and policies clearly defined and shared
7.7	Respective roles of governance and operations unclear	→	Respective roles of governance and operations clear

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
7A	Improved internal organisation & culture to deliver outward focus	7.1, 7.2	A	😊
7B	Review InternetNZ's identity, purpose and brand to bring clarity	7.3-7.5	A	😊
7C	Develop internal systems and processes, implement these and review mid 2014	7.6	B	😊
7D	Stakeholder analysis and research to improve understanding of perceptions	7.3	A	😊
7E	Proactive outreach to key stakeholders about InternetNZ role	7.3	B	😊
7F	Operations team training & discussion on respective roles of operations and governance	7.7	A	+ Apr-Jun 14
7G	Ongoing governance training for Council and relevant staff	7.7	B	😊

Goal 7 Matters to report 1 Feb to 31 Mar 2014:

- Continued work with design company on new look and feel (DC)
- Liaison with web company and beginning of process to migrate copy from old website to new (DC)
- Began implementation of communications strategy (DC)
- Worked with entire InternetNZ team on what InternetNZ's core story is (DC)

Goal 8: Members

8.1	Unclear reasons to join	→	Clear reasons to join
8.2	Some understanding of member needs	→	Good understanding of member needs
8.3	Limited involvement with work	→	Wide involvement with work

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
8A	Initiate discussion with Council about membership model into the future	8.1-8.3	A	+ Apr 14
8B	Clarify and improve explanation of what people want to join InternetNZ for	8.1	B	+ Apr-Jun 14
8C	Conduct revised version of annual Membership survey	8.2	B	✓
8D	Develop and implement a new Policy Development Process, which will include setting out involvement of members in policy work	8.3	B	😊

Goal 8 Matters to report 1 Feb to 31 Mar 2014:






- Members engagement meetings conducted in Dunedin, Christchurch, Auckland and Wellington to discuss strategy. Fair attendance at most of meetings

- and good discussions were held. (KW,JC,ES, DP)
- Membership renewals are in progress (MR)

Goal 9: Stronger relationships with key partners

9.1	Stakeholder engagement unstructured	→	Stakeholder engagement comprehensive & strategic
9.2	Individually owned	→	Organisationally owned
9.3	Partly managed	→	Fully managed

To help bring these transformations about, the following main activities are planned:

	Activity	Transformation/s	Priority	Status
9A	Map InternetNZ stakeholders and develop a strategic framework for our relationships with them	9.1	A	 Under way
9B	Develop better systems to maintain information about stakeholders and contacts	9.2	A	 Under way
9C	Ensure all key stakeholder relationships are with multiple people in each organisation	9.2	B	
9D	Effective management of all key relationships – more planning, more reflection	9.3	B	
9E	Make individuals responsible for management of relationships with named key stakeholders	9.3	B	

Goal 9 Matters to report 1 Feb to 31 Mar 2014:

- Strategic Partnerships for 2014/15/16 proposals finalised for Council (ES)
- Sponsorship opportunities for 2014-15 being explored (ES)

- New CRM system testing expanded (ES,MR,CJ)

Other Matters not covered by the Business Plan

Matters to report 1 Feb to 31 Mar 2014:

- NZNOG planning underway for 2015 (KW)
- Monthly Financial reports for DNCL (MT)
- Provide secretariat support for NZNOG, IPv6, NZITF (MT)
- Liaise with lawyers lease for Auckland office (MT)
- Recast budget for presentation to Council (MT)
- Prepare paper for Council from Investment Committee (MT)
- Attend Investment Committee meeting (MT)
- Provide support monthly support to DNCL, payment, invoices etc (MT)
- Provide Fund Managers reports to Investment Committee (MT)
- Follow-up NZITF's Annual review, and re-produce report (MT).
- Liaise with Peter Shand from Curtis McLean whilst on sick leave for end of Feb, and beg of March (MT)
- Follow-up with Curtis Mclean on the quarterly reviews (MT)
- Liaise with Crombie Lockwood, regarding insurance renewal, for INZ and DNCL (MT)
- Balance Sheet rec's and financial accounts for INZ Jan & Feb WIP (MT)
- Start preparing accounts for year-end WIP (MT)
- Re-calculate all wages, and redo AP's for reduction in ACC levies, for INZ and DNCL (MT)
- Working with NZ operators to understand and deploy RPKI (DP)
- Maintaining and enhancing relationship with APNIC (DP)
- Conducting 'Awareness' phase of work around enhancing Internet Authentication (DP)
- Grants Committee's recommendations for the Internet Research Funding Round have been approved by Council. INZ staff to contact applicants to provide feedback (ES, MR)

Jordan Carter

March 2014

To: InternetNZ Council, Staff & Contractors
From: Jordan Carter, Dean Pemberton, Krystal Waine and Keith Davidson
Re: 2014 APRICOT Summit
Date: 29 February 2014



TRIP REPORT: 2014 Asia Pacific Regional Internet Conference on Operational Technologies Summit

The purpose of this document is to provide a report on InternetNZ activities at the 2014 Asia Pacific Regional Internet Conference on Operational Technologies (APRICOT) summit.

Executive Summary

- InternetNZ resources made a welcomed and meaningful contribution to the organisation and smooth running of the APRICOT 2014 Summit. This level of commitment was appropriate to raise the level of experience in the run up to hosting the APRICOT 2016 Summit in Auckland.
- The APIA Board has voiced their pleasure with the level of planning InternetNZ has undertaken thus far for the APRICOT 2016 Summit in Auckland
- Dean Pemberton was elected to a position on the APIA board for directors.
- prop-110: Designate 1.2.3.0/24 as Anycast to support DNS Infrastructure, did not retain community consensus at the APNIC members meeting and was returned to the mailing list for further discussion.
- InternetNZ should assess the level of historical resource holders within New Zealand in order to understand the exposure of the decision by the APNIC EC to disallow this class of member access to APNIC RPKI services.
- InternetNZ should keep a watching brief on the Internet Governance discussions within the APNIC community.

Background Information

Throughout Asia Pacific Region, Internet service providers, backbone and regional networks, web hosting facilities, firewalls, and Intranets are being created, deployed, and installed at a staggering pace. The technicians, managers, entrepreneurs and decision-makers responsible are under tremendous pressure to master the skills necessary to build and operate these increasingly complex systems.

The mission of the Asia Pacific Regional Internet Conference on Operational Technologies (APRICOT) is to provide a forum for those key Internet builders in the region to learn from their peers and other leaders in the Internet community from around the world.

Held annually, the ten day long summit consists of seminars, workshops, tutorials, conference sessions, birds-of-a-feather (BOFs), and other forums all with the goal of spreading and sharing the knowledge required to operate the Internet within the Asia Pacific region.

In an attempt to ease the travel burden on attendees, APRICOT is held in conjunction with one of the Asia Pacific Network Information Centre's (APNIC) two annual meetings, and meetings of other Asia Pacific Internet organisations.

- APRICOT's mission is to develop and advance the skills and understanding necessary to grow a robust Internet infrastructure in the Asia-Pacific region. APRICOT is about bringing the world's top Internet experts together with those who can most benefit from their knowledge.
- APRICOT attendees are the key builders of Asia's Internet. Many of the world's best Internet engineers attend APRICOT either to teach, present or do their own human networking.
- APRICOT provides its sponsors the chance to participate in a quality, content-rich event with excellent opportunities to target their products and services at the decision-makers in the Asia Pacific Internet community.
- APRICOT's primary goal is to provide a vehicle for the transfer of technology and techniques to the Asia Pacific Region. As such, our attendance fees are set well below those of the more promotionally orientated conferences.
- APRICOT is an activity supported by various Asia Pacific Internet organisations as well as numerous individuals who give freely of their time and talent, and is not a commercial profit making venture. Any surplus funds are used to support outreach activities in the less developed areas of the Asia Pacific region.

APRICOT 2014 Summit Statistics

APNIC Conference Statistics

Total number of on-site delegates:	466
Economies represented:	53
APNIC Member organizations represented	95
AMM delegates	102
Total Remote Participants:	262

Note: APTLD, AP*, APCERT attendees are not included in these figure. A final number for the Summit will be made available at a later date.

Activities Undertaken

- Assisting APRICOT Summit Team [KW, DP]
- APTLD [DP – Speaker; JC – speaker, KD attended, provided ccNSO update, Framework of Interpretation update and Chaired the special Internet Governance panel discussion];
- Meeting with APIA Board re APRICOT 2016 [JC, KD, DP, KW]
- APIA AGM [DP, JC, KD]
- APNIC Policy SIG [DP]
- APNIC Members Meeting [DP]
- APStar Meeting [KD]
- APrIGF Meeting [KD]
- ISOC Advisory Council informal meeting [KD]
- ISOC Chapter meeting [KD]

Besides the formal programme, the usual range of informal contacts were made and maintained. Jordan and Keith had discussions as part of the preparation for NetMundial.

Assisting APRICOT team.

As part of the preparations for hosting APRICOT 2016, Dean Pemberton and Krystal Waine played different roles in assisting the onsite APRICOT team to run the summit.

Dean's duties were:

- Member of the APRICOT Management Committee
 - Contribute to managerial decisions regarding the conference
- Member of the APRICOT Technical Committee
 - Deploying and maintaining the conference network
- Co-Chair of the APRICOT Programme Committee
 - Assistance in selection of programme material

Krystal's duties were:

- Manage registrations and enquiries during the workshop week
- Manage daily attendance list
- Co-ordinate certificates for workshop close
- Main point of contact for tutors, attendees and venue staff during workshop
- Emcee for the opening and closing plenaries for APRICOT

- Assist Molly with reconciliations and general duties during workshop week
- Observe the work and communication styles of APNIC staff

APTLD

Dean Pemberton presented on Software Defined Networking for ccTLDs to the APTLD attendees. Jordan Carter presented on InternetNZ's new vision and mission.

Meeting with APIA Board re APRICOT 2016.

Jordan Carter, Keith Davidson, Dean Pemberton and Krystal Waine met with the APIA board to discuss the progress for APRICOT 2016. The APIA board was pleased with the progress made thus far and with the suggested future direction.

APIA AGM

APIA has decided to move its parent company from the Seychelles to Australia. The new company will be called Asia Pacific Internet Association Pty Ltd.

The terms of four board members came to an end at the AGM. Two of these members (Gaurab Raj Upadhaya and Paul Wilson) choose not to re-stand and as such two new board members were elected.

The current APIA Board of Directors, as from the February 2014 AGM, are:

- Philip Smith - Chair
- Matsuzaki Yoshinobu - Vice-Chair
- Ole Jacobsen - Secretary
- Jian Zhang - Treasurer
- Mark Tinka
- Dean Pemberton
- Raphael Ho

APNIC EC Election

Three positions on the APNIC EC were up for election. The three nominations received were:

- Ma Yan
- Che-Hoo Cheng
- Maemura Akinori

As there were only three nominations, there was no need for the election to be held. The three nominees will assume their places on the APNIC EC, which they previously held.

Policy SIG

- **prop-109: Allocate 1.0.0.0/24 and 1.1.1.0/24 to APNIC Labs as Research Prefixes**

This proposal reached consensus at the APNIC 37 Policy SIG and again at the APNIC Member Meeting. It will be sent to the APNIC Policy SIG mailing list for a four-week comment period.

- **prop-110: Designate 1.2.3.0/24 as Anycast to support DNS Infrastructure**

This proposal reached consensus at the APNIC 37 Policy SIG. It then failed to reach consensus at the APNIC Member Meeting. It was returned to the APNIC Policy SIG mailing list for further consideration.

- **prop-111: Request-based expansion of IPv6 default allocation size**

This proposal did not reach consensus at the APNIC 37 Policy SIG and was returned to the author for further development.

APNIC Members Meeting (AMM)

There were two areas of interest in the AMM. First was that after an earlier approach (made by Dean Pemberton) the APNIC EC has decided not to offer RPKI services to non-members of APNIC. This effectively means that those members who hold historical IP address allocations (of which New Zealand has a number) are unable to access the benefits of the RPKI system without paying (in some cases a substantial amount of money) to become full APNIC members.

This is in contrast to the RIPE NCC (Europe RIR) who has decided to offer RPKI services to all classes of entities who have entries in their database.

Andy Linton gave the example of Victoria University of Wellington who are currently considering moving their legacy IP address resources to the RIPE NCC region for this very reason.

There are a number of New Zealand based RIPE NCC members at present, of which NZRS is one.

The second point of interest came after a presentation by Paul Wilson, APNIC Director General (DG), talking about the extensive work that APNIC has done in the Internet Governance sphere in the past year.

While a transcript of this session is not yet available, some twitter posts from APNIC HR staff member Louise Tromp (https://twitter.com/louise_tromp) include:

DG: everything we are doing is Internet Governance - outreach and communications have always been critical.

Paul Wilson: ITU is an expensive process to follow but is an important part of the environment

Paul Wilson: there has been less Asia Pac participation in the IGF than there should be.

DG: APNIC's community owns the registry - who is there to protect it against potential threats? Question is of risk.

DG: the tech community are increasingly trying to understand what the wider community needs - "Internet co-operation"

This caused Masato Yaminishi, APNIC Policy-SIG Co-Chair and SoftBank employee, to give a spirited response from the floor highlighting that in his opinion, and the opinion of others he had spoken with that the level of resource in this area was unbalanced and disproportionate to the benefits for the APNIC community. He also claimed he had examples where the IG work undertaken by APNIC resources was to the material detriment of APNIC's core functions.

Yamanishi: many operators have no interest in governance discussions

Yamanishi-san claimed that the IG work was not being performed with the full support of the technical APNIC community.

Other community members including Andy Linton supported this position:

Linton: Is there an aristocracy who are flying the governance flag and not hearing those they serve?

Contributions by other community members included those who thought that Internet Governance issues were badly communicated to those outside (and at times within) the IG community. It was felt that some better communication might help to solve some but not all of the issues being expressed

There were also a number of other community members who felt that a re-balancing of resource in this area was required. James Spencley, APNIC EC member, offered to place a question in the June/July members survey to assess if this feeling was wide spread. This caused a level of consternation that it would result in months of unnecessary expenditure. Dean Pemberton suggested that in light of the negative feedback from membership, a possible middle-ground solution might be to place a moratorium on any new IG related resources until the results of the membership survey could be assessed. This was rejected,

Community Funding

Strategic Partnerships Update

Author: Ellen Strickland, Collaboration and Community Lead

Purpose of paper: Strategic Partnerships End of Year Update

This paper contains the final update for the 2013-14 financial year on Strategic Partnerships, with activity update reports from each Strategic Partnership organisation included/attached.

Partnerships 2013-14

The Strategic Partnerships between InternetNZ and 2020 Communications Trust (2020), Creative Commons Aotearoa New Zealand (CCANZ), the Institute of Culture, Discourse and Communication, Auckland University of Technology (ICDC AUT) and NetSafe end on 31 March 2014. This first year of Strategic Partnerships has provided a range of opportunities for collaboration which has achieved successful outcomes aligned to InternetNZ’s objects and our own work. The relationships with partners have been strengthened and developed through this collaborative work. Strategic Partnerships have worked as a Community Funding mechanism to both increase InternetNZ’s impact in serving the New Zealand Internet community and deepen our relationships with it.

Below are the final updates for this financial year from partners. Decisions around proposed partnerships for 2014 onwards are on the table for Council consideration.

2020 Communications Trust

Progress against Partnership Goals and Measures

	Goal	Measures	Progress (during the last 2 months)
1	2020 Computers in Homes (CiH) coordinators understand key Internet issues and are able to discuss these confidently in their communities.	Number of Internet issue professional development sessions held at National Computers in Homes Coordinator Group (NCCG) hui. Number of briefs provided by CiH coordinators to relevant stakeholder groups	Ellen attended the meeting of CiH Coordinators, held in Auckland on 5-6 March and provided a briefing on InternetNZ’s new strategic direction and priorities. Laurence Zwimpfer and Di Daniels participated in the Wellington INZ members’ meeting to provide feedback on the new direction. David Cormack has provided media advice to 2020 Trustee David Barrow, who is developing a communications and media strategy for the Trust.
2	InternetNZ policy and	Barriers to the uptake and use of the	The 2020 Trust published its mid-term Computers in Homes report

	other work is strengthened with practical examples of community internet challenges.	internet are identified and catalogued. Number of examples of community internet challenges that are included in InternetNZ policy work.	in February. Copies will be available at the Council Meeting. The report includes practical examples and case studies of programme participants from each region as well as comprehensive survey data (based on surveys carried out 12 months after families get access to a computer and the internet in their homes).
3	2020 stakeholder communities engage in InternetNZ events and platforms	Number of community participants in NetHui Number of community entrants in ANZIA Awards	2020 Trustees and CiH coordinators are planning to participate in NetHui 2014 in July and NetHui South, if the latter proceeds. The 2020 Trust has expressed an interest in hosting a digital inclusion side event similar to the one held in Wellington last year.
4	Identify measures of digital inclusion and available data sources for regularly monitoring the extent of the digital/Internet divide in New Zealand	Robust indicators are identified for measuring digital inclusion. Assess existing data and identify gaps. Research programme prepared and mechanisms for obtaining reliable data reviewed Engage with Statistics New Zealand and other relevant researchers.	Barbara Craig and Ellen Strickland met on 26 February to progress the digital inclusion research initiative. Barbara has consulted with researchers with an interest in digital inclusion and expects to complete her report with recommendations on possible indicators by the end of March.

Other 2020 Communications Trust Updates

The Trust's BYOD equity pilot is underway with a strong interest from schools. Up to 250 families will be participating in the pilot initiative in collaboration with Dick Smith to assist families in Computers in Homes schools get access to BYOD computers and tablets. The Trust is leveraging its Internet automatic payment scheme to help families fund digital devices for their children. Dunedin is leading the way with 60 families signing up from just two schools.

The Trust is planning to strengthen its involvement in Auckland and has held initial meetings with Council policy advisers. Cr Arthur Anae, who is responsible for economic development, joined the recent meeting of Computers in Homes coordinators in Auckland and expressed his interest in a more digitally connected and engaged city.

The Trust is also planning to build on the successful Stepping UP pilots in libraries. Programmes are now running in three centres (Lower Hutt, Palmerston North and Whangarei) on a business-as-usual basis. We expect the programme to expand to at least another 10 council areas during the year.

The Trust is continuing to promote the ICDL certification programme as a solution for foundation literacy skills. In a recent policy announcement the Tertiary Education Commission (TEC) explicitly recognised digital literacy as part of its foundation skills programmes (Student Achievement Component for NCEA Level 1-2). This is a significant milestone as it will encourage private training providers and others offering Level 1-2 training to include a digital literacy element.

The Trust will be participating in the Whangarei ICT Hub initiative (30 April to 8 May) that is being promoted by Crown Fibre Holdings, Northpower and the Whangarei District Council.

A draft of the report on Schools as Digital Community Hubs has been completed and submitted to InternetNZ for review and comment before public release. This project, which was jointly funded by InternetNZ and the 2020 Trust started towards the end of 2012. Interim results were discussed at NetHui in July 2013 as part of session chaired by Reg Hammond. The final draft includes a review of eight projects and makes recommendations for future initiatives. The project received a boost when Associate Education Minister Nikki Kaye announced that the Government would support the concept of schools sharing their UFB/RBI backhaul fibre connections with their communities. She instructed the Ministry of Education to prepare guidelines and template agreements for schools and these have now been published.

The Trust has continued to support the 2020 Far North Trust implement the Umawera project that received partial funding from InternetNZ. The project has attracted matching financial support from ASB Community Trust and Transpower. The project is a practical digital community hub implementation in the rural Far North using satellite backhaul as an interim step until RBI fibre reaches the local school.

The Trust presented to the Education and Science Select Committee considering the engagement of parents in the education of their children. School Principal, Chris Worsley, from Pomare School in Taita, Lower Hutt joined representatives from the Trust to present Computers in Homes as a successful model for engaging parents.

Creative Commons Aotearoa NZ

Over summer, CCANZ has been working to clarify its funding and relationships for 2014-15. CCANZ has also begun planning and work on an Open Access website platform, to support the requests for information and ongoing support on Open Access for workshop attendees and others in the education and research sectors.

The partnership with CCANZ was the lowest funding level and had an agreed low governance and operational reporting threshold. After Council feedback that it would like more detailed reporting on what CCANZ has delivered from this funding, an end of year report is attached as an Appendix.

Institute of Culture, Discourse and Communication, AUT

Professor Allan Bell has concluded work as a member of the InternetNZ Internet Research Funding Round Assessment Committee, as a further way of supporting Internet Research through our partnership.

The first few months of 2014 have been busy for the WIPNZ team. The writing up of the longitudinal report is underway. This provides a comparison of our survey data from the four waves of research about Internet use from 2007 to 2013. The true value of this project will be seen with evidence of interesting trends and transformations that have emerged over time. The completion of the report which will be uploaded to our ICDC website is anticipated early in the new financial year. Academic papers and presentations will also result from this research this year.

Meetings are planned in late March between WIPNZ researchers and the National Library, and with staff from MBIE, in particular Communications and Information Technology policy

advisors. The objective is to brief them on our findings and discuss opportunities for the next WIPNZ survey in 2015.

Philippa Smith spoke at the first Geek Girl Dinner event for 2015 in Auckland on Tuesday 25th March where she presented highlights from the WIPNZ surveys to 120 attendees at the Montechristo Room of Toto's Restaurant.

NetSafe

NetSafe presented to the Justice and Electoral Select Committee on the Harmful Digital Communications Bill. Their submission can be summarised as generally supportive, but recognising a need to improve the safe harbour provision. To that end, they supported the joint submission led by TradeMe (which was also supported by InternetNZ).

The first trial secondee, towards a full secondee/visiting guest programme next year, has completed her time with NetSafe. She wrote an article for Interface Magazine about her stay (http://www.interfaceonline.co.nz/articles.cfm?c_id=58&id=1920) and NetSafe will get more formal feedback once she returns to Yahoo. Her main contribution during her four week stay was on the NZ HDC and Australian Cybersafety Whitepaper submissions. Delight Roberts (Senior Online Safety Strategist, Child Protection Specialist at Microsoft) will begin her seven week secondment on March 31.

NetSafe has signed a Memorandum of Understanding with CORE Education, and the Australian Communications and Media Authority (ACMA) CyberSmart unit. The ACMA MoU replaces the former MoU which expired after its three year term. They are negotiating MoUs with the Tongan Cyber challenges Task Force and the NZ Network For Learning Ltd.

Last week, NetSafe met with Minister Adams to discuss the progression of the Digital Challenges Coordination Centre (DC3). The proposal and options for moving it forward are being considered by the Ministers officials.

NetSafe has changed the format of the monthly reporting to government stakeholders. The new format combines multiple sources of information across the three Digital Challenges (Safety, Security, and Crime) and has been well received. It represents a first step towards producing an ongoing report on the national Digital Challenges situation.

InternetNZ Strategic Partnership:
Update from Creative Commons Aotearoa New Zealand
Year End Update

1. Outputs from the Partnership Agreement

Workshops

CCANZ provided forty-three open licensing workshops in these open education and open research, including thirty-two open education workshops and eleven open research workshops. CCANZ has made sixteen regional trips and presented at eight conferences. Total attendance at CCANZ sessions and workshops funded by InternetNZ totals approximately 1533, excluding two all-school assemblies.

Resources

CCANZ has printed 4000 'Open Access in Aotearoa' booklets, which have been distributed to every university library and several polytechnic libraries. 5000 'Creative Commons Policies in Schools' brochures have also been printed.

Events

CCANZ held three open education events in Auckland, Wellington and Christchurch, with between fifty and sixty attendees at each of the three events.

2. Outcomes from the Partnership Agreement

Open Education Outcomes

When this partnership agreement began, there were approximately four New Zealand schools with Creative Commons policies. There are now between forty and fifty, with that number set to rise dramatically in the next twelve months. There are no other international jurisdictions with this degree of policy uptake.

Open Research Outcomes

When this partnership began, there were no universities and only one tertiary education institution with an open access policy. There are now two universities – the Universities of Lincoln and Waikato – with other institutions in the process of developing policies. New Zealand is now on par with Australia, with 25% of universities with OA policies against Australia's 28% (11/39).

3. Reflections on Current Work Programme

Open Education

Is CCANZ's work effective?

Our busy grass-roots campaign has been effective in spreading the word about the benefits of open licensing and open policy, and CCANZ should continue to offer as much professional development in this areas as it can manage. CCANZ will need to continue to offer PD as schools implement these policies and encourage greater amounts of sharing and collaboration.

Is there ongoing demand for workshops?

There is increasing demand for professional development in this area. For example, after our recent Creative Commons events in March, CCANZ received sixteen separate invitations to speak to schools, cluster groups and subject associations. While the content of these workshops will continue to be improved, unsolicited participant feedback has been consistently positive. In sum, the current programme of workshops should continue.

What next?

CCANZ will need to support schools adopting licensing policies in advance of the rollout of the Network for Learning portal (recently named Pond). CCANZ will also need to support recent moves by the Ministry of Education to pilot the development of open educational resources.

Open Research

Is CCANZ's work effective?

While our resource production and workshops have succeeded in raising awareness about open research in New Zealand, the movement towards open access is more complicated and contentious than that of the compulsory education sector. Clear mandates from tertiary institutions and research funders are required; these will require, in turn, a broad movement of supporters. CCANZ is well positioned to help generate such support.

What else can CCANZ do?

The next step for CCANZ is to produce an informational and organisational hub, with the primary aim of substantially increasing the network of advocates for open access to scholarly publishing. Working with university libraries, law schools, digital humanities programmes and the existing networks of advocates, CCANZ will build an online home for information, commentary and discussion about OA and copyright. CCANZ will use this site to build a core team of open access advocates who can support the project in their respective institutions.

ENDS

Community Funding

Author: Maria Reyes on behalf of Grants Committee

Purpose of Paper: Information on community funding decisions

Budget update

Budget for 2013/14 financial year: \$ 500,000

Balance of budget left: \$ 7,000

With the remaining \$7,000 from the 2013/14 Community Funding budget, we would like to recommend to Council that this amount be rolled over to the 2014/15 Community Funding as additional funds.

On-demand Grants

At the December Council meeting, it was noted that the on-demand grants had reached the limit set in the Budget. Council agreed that on-demand grants be suspended until the next financial year, when a new budget has been allocated (RN 126/13).

Internet Research Funding Round

InternetNZ's Internet Research Funding Round was launched in December 2013. \$60,000 in funding was made available to fund individuals or organisations conducting research projects focused on the Internet. Each application was eligible for up to \$20,000. Subsequently InternetNZ rolled over another \$20,000 from a previous grant round to also be available in this round, if committee has applications which it wishes to fund.

There were two stages in assessing all applications and 10 strong shortlisted applicants were considered for the Stage 2 assessment where the applicants were asked to provide a detailed proposal and reference letters from their nominated referees. Out of these 10 shortlisted applicants, the Committee recommended to Council to award funding to the following:

- Auckland University of Technology – Awinder Kaur (\$5,000)
- Auckland University of Technology – Professor Richard Siegert, Dr Deborah Snell, Dr Martin Sullivan, and Dr Duncan Babbage (\$10,000)
- [To be advised] (\$5,000)
- University of Auckland – Etuate Cocker/Dave Saunders (\$20,000)
- University of Canterbury – Shao Wei (\$3,000)
- Victoria University – Qiang Fu (\$20,000)

In total, \$63,000 will be awarded to the successful grantees (as per above) - with the additional \$3,000 funding from the rolled over funds from a previous grant round. It was recommended that the remaining \$17,000 from the rolled over funds be allocated to the 2014/15 funding rounds.

On 27 March 2014, Council approved the above recommendations as per EVOTE 24032014.

Recommendation:

That Council approve that the remaining \$7,000 from the 2013/14 Community Funding budget be rolled over to the 2014/15 Community Funding.

Investment Committee updates

Managed Investment Funds Recommendation

Author: Investment Committee

Purpose of paper: Recommend an increase in the amount invested in managed funds.

This paper is a recommendation to Council, that InternetNZ increase the amount under managed invested funds from \$1m to \$2m, and maintain the same mix between the two managers, Milford Asset Management (MAM) and Gareth Morgan Investments (GMI).

Review Mandate

Raising the \$1m investment to \$2m as per Councils Resolution RN 30/12, 17 August 2012.

Review Report

The Investment Committee reviewed the fund manager's performance over the period of investment July 2013 – Dec 2013, and was very happy with the returns to date.

As at the end of Dec 2013 the result from MAM was an average return of 12.43%, and from GMI 9.71%, as opposed to the weighted average return on bank assets of 4.19%.

The most recent returns to the end of Feb 2014 were MAM 9.85% and GMI 7.58%.

As expected the returns are both higher and exhibit more short term volatility than bank returns.

The investment committee has reviewed the performance of the two funds and remains confident in their controls and investment processes.

Recommendations

THAT Council **approve** an increase of the investment in fund managers from \$1m to \$2m, maintaining the same mix between the two managers.

Investment Committee

27 March 2014

Consent Agenda items:

Minutes of the last meeting:

12 February 2014

(For Information)

MINUTES OF COUNCIL MEETING

Status:	Draft
Present:	Frank March (President), Jamie Baddeley (Vice President), Donald Clark (<i>video</i>), Michael Wallmannsberger (<i>video</i>), Neil James, Hamish MacEwan, Dave Moskovitz, Rochelle Furneaux, Brenda Wallace, Lance Wiggs, Richard Wood
In Attendance:	Jordan Carter (Chief Executive), Maria Reyes (minute taker), Debbie Monahan (Domain Name Commissioner), David Farrar (DNCL Chair), Richard Currey (NZRS Chair), Jay Daley (NZRS CE), Kay Jones (InternetNZ Member)
Meeting Opened:	The President formally opened the meeting at 10.44am

1. Apologies

Council received apologies from Amber Craig.

2. Declaration of Councillors interests

Councillors were reminded to provide written confirmation of any changes to the register to office@internetnz.net.nz.

Rochelle Furneaux advised that she is a shareholder of Enspiral Foundation Ltd, Director and shareholder of Enspiral Legal Ltd, and Director of Enspiral Spaces Ltd.

The President formally welcomed Rochelle to Council and congratulated her on being elected as Councillor.

3. In-Committee Agenda Items

The agenda item on Business Development will be held in-committee.

4. 2014/15 Business Plan – First Draft

The President invited the Chief Executive to speak to his report. Jordan gave a summary of the paper and highlighted the core key points. He advised that for the 2014/15 Business Plan, the team will have fewer goals compared to the current one so that the team can focus and work on the goals better. Reactive work will still be done if needed but the operational team would like to be, and plans to be, more proactive next year. The budget will also be updated, depending on the Business Plan and a final draft of both plans will be tabled at the April Council meeting for discussion and approval.

Council discussed the 5 high-level goals, and one of the Councillors proposed to amend the goal around technology and suggested to add the statement “to promote open, neutral, fair and efficient

Internetworking". A point was also raised around NetHui that there is a lack of presence/participation from the business sector and that this should be improved. The President suggested that the After 5s meetings that TUANZ organises could be an opportunity for InternetNZ to engage with the business community.

Overall the Council had no major issues on the Business Plan. Jordan will revise and circulate the plan for Council approval based on the feedback, and he advised that the revised plan will be discussed with members at the Members Engagement sessions which will be held in March – i.e. 5-6 March for the South Island, and 12-13 for Auckland and Wellington. The President encouraged Councillors to attend these meetings so they can engage with members.

5. Business Development Policy

Jordan spoke to his paper and emphasized that it is Council's role to make decisions on Business Development. Council discussed the Business Development Policy and raised questions and concerns around this.

Council went into committee at 11.31am to discuss the Business Development.

Kay Jones left the meeting at 11.31am

Donald Clark reclused himself from the discussion and left the meeting at 12.20pm

Michael Wallmannsberger left the meeting at 12.31pm

Richard Curry left the meeting at 12.34pm and returned to join the group during lunch break.

Donald returned to the meeting at 12.45pm

Council took a lunch break at 12.46pm and reconvened at 1.20pm

Council were out of committee at 1.52pm

Resolutions arising from the in-committee sessions were:

RN 01/14: That Council approve in principle the draft group policy on business development, up to but excluding the assessment process and subsequent sections, for consultation with members and for further development by interested Councillors and the group Chief Executives.

(President/Cr Wiggs)

CARRIED U

RN 02/14: That Council ask the Chief Executive to prepare letters for NZRS and DNCL setting out the Council's framework for business development, with the letters to be prepared in conjunction with the subsidiaries and interested Councillors, and the subjects to include:

- Authorisations for businesses development

- consultation and information requirements for proposed business development opportunities
- overall financial exposure limits for business development
- any specific obligations arising where business development interacts with the management or operation of .nz

Noting that at least two options will be presented - one with Council being the primary decision point, the other with the NZRS Board being the primary decision point.

(President/Vice President)
CARRIED U

AP 01/14: Chief Executive to prepare letters for NZRS and DNCL setting out the Council's framework for business development, with the letters to be prepared in conjunction with the subsidiaries and interested Councillors.

6. Subsidiaries Report

DNCL 3rd Quarter Report

David gave a summary of their report and asked Council if there were any questions or concerns.

There was a brief discussion around the progress/update on the process around the second level domain registrations.

.nz Joint 3rd Quarter Report

Council had no other questions or issues on this.

RN 03/14: That the DNCL 3rd quarter report be received.

RN 04/14: That the .nz Joint 3rd quarter report be received.

(President/Cr Wallace)
CARRIED U

7. Statement of Expectations (SoE)

The President advised that the Statement of Expectations for NZRS and DNCL will be on status quo but advised that between now and next year, there might be changes in the SoE.

Council had a short discussion around the expectations on the dividends received from NZRS.

RN 05/14: That Council agree the attached Statement of Expectations for the financial year 2014/15 for DNCL and NZRS, and direct the President to write to the boards of each with this information.

(President/Cr Moskovitz)
CARRIED U

8. Appointments Panel for Subsidiaries

The President proposed that InternetNZ approach Ron Hamilton to be part of the Appointments Panel. The Panel will also include one Council member and Rochelle had volunteered to fill in this role.

RN 06/14: That Council establish the 2014 Appointments Panel and for the purposes of a brief review of InternetNZ's appointments framework, its membership as follows:
InternetNZ President Frank March, Cr Rochelle Furneaux, NZRS Chair Richard Currey and DNCL Chair David Farrar.

(President/Cr MacEwan)

CARRIED U

AP 02/14: Jay and Debbie to conduct an induction for Rochelle for NZRS and DNCL respectively.

RN 07/14: That Council task this Appointments Panel to review the framework for InternetNZ board appointments, and propose a consolidated policy for this purpose to the Council by Friday 21 March 2014.

(President/Cr Wallace)

CARRIED U

RN 08/14: That Council further task this Appointments Panel with commencing the appointments processes for DNCL and NZRS such that there will be appointments ready to be made by the Council at its meeting on 6 June 2014, noting that for this work it may need to split into appropriately separate Panels including the governance member.

(President/Vice President)

CARRIED U

RN 09/14: That the President approach Ron Hamilton as a suitable independent governance practitioner to function as part of the Appointments Panel.

(President/Vice President)

CARRIED U

AP 03/14: The President to approach Ron Hamilton re Appointments Panel.

9. International Update

Jordan gave a brief update around the international strategy and mentioned that for any future updates around this topic, he will be including it in the Chief Executive's report.

Subsidiary Chairs and CEs left the meeting at 2.32pm.

Council took a short break at 2.33pm and reconvened at 2.50pm.

Ellen joined the meeting at 2.55pm.

10. Chief Executive's Report

Jordan spoke to his report and gave a brief summary on the issues/topics he highlighted on his report.

He also gave an update on the NZNOG conference that was held last week and advised that overall the conference received good feedback. Both Trustees and attendees were happy and the logistics and relationships went smoothly.

The proposed new vision and mission statement has been sent to members for comments and so far, the feedbacks received were mostly positive.

Jordan also gave a brief update on NetHui South which is likely going to be held around May; an update on the launch for the Auckland premises as well as update on the Wellington premises; and progress on the website project.

For the next three months, his priorities are around the Induction for the Work Programme Director, Business Planning, Identity and brand; and Governance Policy. The recruitment for Work Programme Director is still in progress and interviews will be done in the next day or so.

Councillors had a brief discussion on the issue around the lack of presence of the Treaty of Waitangi on InternetNZ and the Chief Executive was asked to look into this.

No issues or concerns were raised around the financial report.

A suggestion was raised that for any future international conferences where a member of Council is also attending on behalf of InternetNZ, a report must be provided after the travel and includes it in the travel report for Council.

RN 10/14: That Council receives the Chief Executive's report.

(President/Cr MacEwan)
CARRIED U

RN 11/14: That Council receive the December 2013 financial report from the Chief Executive.

(President/Cr Furneaux)
CARRIED U

Michael Wallmannsberger left the meeting at 3.48pm.

11. Community Funding

Ellen Strickland gave an update on the current Strategic Partnerships and presented to Council the proposed new approach for the partnerships. She advised that she has also arranged meetings with the current partners to talk to them about the new approach and let them know about the criteria for the partnerships.

The President requested to break off the discussion for a few minutes around the Community Funding and proposed to have it continued after the Audit and Risk Committee update, so Neil James can provide some update on this topic before he leaves the meeting early.

12. Audit and Risk Committee

Neil James gave a brief summary on the issue around the loan that was provided by InternetNZ to Hector's World Limited. The Audit and Risk Committee recommends that InternetNZ forgives the repayment of this loan.

Questions were raised whether there are any tax obligations that could incur by forgiving the repayments and whether we need to seek lawyer's advice on this.

AP 04/14: InternetNZ staff to check whether there are any tax obligations that could incurred by this and whether we need to seek lawyers advise.

RN 12/14: That InternetNZ forgives the repayment of the loan of \$200,000 to Hector's World Limited.

(President/Cr James)

CARRIED U

Neil James left the meeting at 4.09pm

13. Community Funding (continued)

Dave Moskovitz raised some questions around the CCANZ partnership report as it doesn't seem to include the outcomes from the workshops. Ellen advised that they could ask CCANZ to increase the reporting to address this.

AP 05/14: Ellen and Jordan to have discussion with Dave Moskovitz re CCANZ partnership report.

Overall, the Council agreed with the slate of partnerships presented and gave the staff permission to negotiate along the lines set out with prospective Partners on the basis of the info given.

Ellen left the meeting at 4.14pm.

Rochelle Furneaux left the meeting at 4.16pm.

14. Investment Committee

Lance Wiggs gave a brief update on what was discussed at the Investments Committee meeting that was held the day before Council, and advised that the committee are currently working with Mary Tovey (InternetNZ Accounting Technician) on having a consolidated report on InternetNZ's investments.

It was noted that the Investments Committee will conduct a quarterly meeting and copy of the minutes will be circulated (via email) to Council after the meetings.

15. Consent Agenda

RN 13/14: That the minutes of the meeting held on 6 December 2013 be received and adopted as a true and correct record, and that the following reports be received:

- a. Ratification of minutes: 6 December 2013

- b. Outstanding action points
- c. E-vote ratification
- d. Membership update

(President/Vice President)

CARRIED U

RN 14/14: That the new members be approved.

(President/Cr Wallace)

CARRIED U

AP 06/14: InternetNZ staff to do a follow-up on why members have not renewed their membership especially the organisational memberships.

16. Other Business

Council did a round table and gave feedback on how the meeting went. Most of the Councillors felt that some of the discussions at times, particularly regarding business development, were going around in circles and there was a degree of frustration with the long discussion. It was proposed that for successful meetings, a list of major topic/issues that Councillors have issues with and would like to focus discussion on should be sent to the Council list prior to the meeting so it can be opened for discussion.

The morning session of the meeting was a bit frustrating for some but were happy with the outcomes.

Having more time allotted to discuss the Chief Executive reports was good and the presentation from Ellen around the partnerships was appreciated.

An issue was raised that there is more talking done with people that are in the room but there's a lack of involvement with people joining in remotely. This issue needs to be addressed and overcome.

Next Meeting: The next scheduled Council meeting is 4 April 2014, likely in Auckland.

Meeting Closed: The meeting closed at 4.43pm.

Signed as a true and correct record:

Frank March, CHAIR

Action Point Register

	Action	Who	Status	Due by	Comment
December 2011					
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	In progress	May 2014 Council meeting	The Action Point is to be marked as 'for review in one year (May 2013)' - August Council Meeting: Deferred to May 2014
February 2013					
AP 08/13	Jordan to develop a policy regarding the use of the major events budget line, have it checked by the Investment Committee, and submitted to Council for discussion at the March Council meeting.	CE	In progress	April 2014 Council meeting	
May 2013					
AP 12/13	Subsidiaries and CE to prepare a paper, in the interest of transparency, outlining future strategy in respect to reporting of executive salaries and other relevant issues that meet InternetNZ's legal requirements under the Companies Act, and responsibilities as a good employer – for discussion at the Council meeting.	INZ NZRS DNCL	In progress	June 2014 Council meeting	
AP 13/13	The President to circulate the self-evaluation form to Council for completion.	President	In progress	April 2014 Council meeting	
AP 16/13	InternetNZ Staff to find other alternative software for video conferencing.	InternetNZ Staff	In progress	April 2014 Council meeting	InternetNZ staff is still looking into other options for the remote participation.
August 2013					
AP 17/13	Jordan to draft basic guidance on what Councillors needs to declare as part of their register of interest.	CE	In progress	April 2014 Council meeting	
AP 18/13	Investments Committee to develop a modification in the investment policy in light of the discussion at the Council regarding risks of systemic bank problems.	Investment Committee	In progress	April 2014 Council meeting	
AP 22/13	Jordan to draft a code of conduct for the Community Funding/Strategic Partnership agreement and send it to Council for review.	CE	In progress	April 2014 Council meeting	Will be covered in the Community Funding Review Implementation Plan
AP 24/13	Grants Committee to provide a short description as to why an application is being declined, for any future applications.	Grants Committee	Ongoing	April 2014 Council meeting	
October 2013					
AP 28/13	InternetNZ staff to provide a proposal at the December Council meeting re plan for the funding rounds, including whether these will be done on a quarterly cycle or twice a year.	InternetNZ Staff	In progress	April 2014 Council meeting	Cannot be decided at this stage as this will depend on the Work Plan
December 2013					
AP 36/13	InternetNZ Staff to add in the Membership Report the names of members who has left and reason for leaving, for Council's information.	InternetNZ Staff	Ongoing	April 2014 Council meeting	
February 2014					
AP 01/14	Chief Executive to prepare letters for NZRS and DNCL setting out the Council's framework for business development, with the letters to be prepared in conjunction with the subsidiaries and interested Councillors.	InternetNZ CE	Complete	April 2014 Council meeting	
AP 02/14	Jay and Debbie to conduct an induction for Rochelle for NZRS and DNCL respectively.	NZRS DNCL	Complete	April 2014 Council meeting	Rochelle met with Debbie and Jay on 11 March
AP 03/14	The President to approach Ron Hamilton re Appointments Panel.	President	Complete	April 2014 Council meeting	
AP 04/14	InternetNZ staff to check whether there are any tax obligations that could incurred by this and whether we need to seek lawyers advise.	InternetNZ Staff	Complete	April 2014 Council meeting	
AP 05/14	Ellen and Jordan to have discussion with Dave Moskowitz re CCANZ partnership report.	Jordan Ellen	In progress	April 2014 Council meeting	
AP 06/14	InternetNZ staff to do a follow-up on why members have not renewed their membership especially the organisational memberships.	InternetNZ Staff	In progress	April 2014 Council meeting	

Evotes ratification

EVOTE RATIFICATION

Author: Maria Reyes

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

Evote:		For:	Against:	Abstain:
180220141	THAT Council approve the transfer of the \$20,000 unused funds from the Policy & Legal Research Round to the Internet Research Funding Round.	Lance Wiggs Hamish MacEwan Dave Moskovitz Frank March Richard Wood Neil James Jamie Baddeley Amber Craig Brenda Wallace Rochelle Furneaux		
140220142	THAT the Grants Committee Terms of Reference be approved.	Lance Wiggs Hamish MacEwan Dave Moskovitz Frank March Richard Wood Neil James Jamie Baddeley Amber Craig Brenda Wallace Rochelle Furneaux		
180220143	THAT the third quarter ended 31 December 2013 consolidated group financial statements be received.	Lance Wiggs Hamish MacEwan Dave Moskovitz Frank March Richard Wood Neil James Jamie Baddeley Amber Craig Brenda Wallace Rochelle Furneaux		
250220141	THAT Council approve the five high-level goals for the 2014/15 Business Plan and the work areas material included at Appendix I [with agreed changes] for discussion with	Neil James Frank March Dave Moskovitz Jamie Baddeley Donald Clark		

	members and stakeholders in February and March, and as the basis for a final Business Plan and Budget for Council to consider at its April 2014 meeting	Hamish MacEwan Richard Wood Brenda Wallace Rochelle Furneaux		
250220142	THAT the process set out in the paper to Council for finalising the Business Plan be agreed.	Neil James Frank March Dave Moskovitz Jamie Baddeley Donald Clark Hamish MacEwan Richard Wood Brenda Wallace Rochelle Furneaux		
18032014	THAT Council authorise the common seal to be attached to, and for the President and Vice President to sign, the lease for Level 7, 62 Victoria St West, Auckland, noting that the lease is for a term of three years from 1 Dec 2013 (with rights to one three-year renewal), and that the annual rent is \$45,590.90 plus GST.	Dave Moskovitz Neil James Lance Wiggs Frank March Richard Wood Michael Wallmannsberger Rochelle Furneaux Jamie Baddeley Amber Craig Hamish MacEwan Donald Clark Brenda Wallace		
21032014	THAT Council ask the President to sign the attached letter to the subsidiaries setting out the framework for Business Development across the InternetNZ group.	Brenda Wallace Rochelle Furneaux Frank March Dave Moskovitz Hamish MacEwan Lance Wiggs Richard Wood Jamie Baddeley Michael Wallmannsberger Neil James Donald Clark Amber Craig		
240320141	THAT the caveats for the CC-licensing be changed to: <i>Ownership of research arising from the Funding Round will lie with the researchers. The report and any data collected will need to be published by the researcher under a <u>Creative Commons BY license</u>, or similar license by agreement.</i>	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		
240320142	THAT the remainder of \$17,000 from the unused funds added to the	Dave Moskovitz Hamish MacEwan		

	Internet Funding Round (agreed as per EVOTE 180220141) be rolled over to the next funding round.	Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		
240320143	THAT Auckland University of Technology (Awinder Kaur) be awarded funding of \$5,000 from the Internet Research Funding Round.	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		
240320144	THAT Auckland University of Technology (Professor Richard Siegert, Dr Deborah Snell, Dr Martin Sullivan, and Dr Duncan Babbage) be awarded funding of \$10,000 from the Internet Research Funding Round.	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		
240320145	THAT <i>[to be advised]</i> be awarded funding of \$5,000 from the Internet Research Funding Round.	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		
240320146	THAT University of Auckland (Etuate Cocker and Dave Saunders) be awarded funding of \$20,000 from the Internet Research Funding Round.	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood		

		Brenda Wallace		
240320147	THAT University of Canterbury (Shao Wei) be awarded funding of \$3,000 from the Internet Research Funding Round.	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		
240320148	THAT Victoria University of Wellington (Qiang Fu) be awarded funding of \$20,000 from the Internet Research Funding Round.	Dave Moskovitz Hamish MacEwan Neil James Jamie Baddeley Rochelle Furneaux Amber Craig Frank March Lance Wiggs Michael Wallmannsberger Richard Wood Brenda Wallace		

Recommendation: THAT the e-votes be ratified.

Membership Report

INTERNETNZ MEMBERSHIP REPORT

Status: Final

Author: Maria Reyes

2013-14

	April 2014	February 2014	October 2013	August 2013
Fellows:	24	24	24	24
Individual:	290	281	252	239
Professional Individual:	83	82	76	72
Small Organisation:	30	30	23	22
Large Organisation:	6	5	5	5
Total Membership:	433	422	380	362

2012-13

	May 2013	February 2013	October 2012	August 2012
Fellows:	23	23	23	23
Individual:	257	242	218	212
Professional Individual:	80	71	68	65
Small Organisation:	25	27	26	25
Large Organisation:	8	7	7	6
Total Membership:	393	370	342	331

Membership renewals are currently in progress. Members whose membership is expiring on 31 March 2014 have until 1 July 2014 to renew their membership so they can maintain a continuous membership. If the subscription remains unpaid after 1 July 2013, the membership terminates and a new application for this will have to be made if the Member wishes to rejoin the Society.

Recommendation: THAT the new members be approved.



ADMIN PAPER

FOR INFORMATION

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.

Glossary of Terminology

2020	2020 Communications Trust
2TLD	Second Level Domain
3TLD	Third Level Domain
ACCC	Australian Competition & Consumer Commission
ACTA	Anti-Counterfeiting Trade Agreement
ADA	Australian Digital Alliance
ANZIAs	Australia New Zealand Internet Awards
APEC	Asia-Pacific Economic Cooperation
APNIC	Asia Pacific Network Information Center (<i>RIR for the Asia Pacific region</i>)
APRICOT	Asia Pacific Regional Internet Conference on Operational Technologies
APTLD	Asia Pacific Top Level Domains Associations (<i>organisation for ccTLD registries in Asia Pacific region</i>)
auDA	.au Domain Administration Ltd (<i>Australian equivalent of DNCL</i>)
BCOP	Best Current Operational Practices
BIM	Brief to Incoming Minister
ccTLD	Country Code Top Level Domain (<i>such as .nz for New Zealand, .uk for United Kingdom</i>)
CDMA	Code Division Multiple Access (<i>server</i>) (<i>a means to transmit bits of information</i>)
CFH	Crown Fibre Holdings
CIRA	Canadian Internet Registry Authority (<i>operators of the .ca ccTLD</i>)
DHB	District Health Boards
DIDO	Distributed-Input Distributed-Output (<i>wireless protocol system</i>)
DNCL	Domain Name Commission Limited
DNS	Domain Name System
DNSSEC	DNS Security (<i>adds security to the Domain Name System</i>)
DSLAM	Digital Subscriber Line Access Multiplier
DRS	Dispute Resolution Service
FTTH	Fibre To The Home
GAC	Government Advisory Committee
GCSN	Greater Christchurch Schools Network Trust
GNSO	Generic Name Supporting Organisation (<i>makes recommendations re gTLD to ICANN</i>)
gTLD	Generic Top Level Domain (<i>such as .com / .edu</i>)
HDC	Harmful Digital Communications
IANA	Internet Assigned Numbers Authority

Glossary of Terminology

ICANN	Internet Corporation for Assigned Names and Numbers
ICT	Information and Communications Technologies
IGF	Internet Governance Forum
ISOC	Internet Society
ISPANZ	Internet Service Provider Association of New Zealand
ITAC	Internet Technical Advisory Committee
ITU	International Telecommunications Union
ITR	International Telecommunications Regulations
LFC	Local Fibre Company
MAG	Multistakeholder Advisory Group
MBIE	Ministry of Business, Innovation and Employment
MTR	Mobile Termination Rates
NCSG	Non-Commercial Stakeholders Group (<i>committee under ICANN's GNSO</i>)
NZITF	New Zealand Internet Task Force
NZNOG	New Zealand Network Operators Group
OECD	Organisation for Economic Co-operation and Development
OFDM	Optical Frequency Division Multiplexing
PAG	Policy Advisory Group
PIP	Pacific Internet Partners (<i>group revived by Keith to help IGF</i>)
RBI	Rural Broadband Initiative
RIR	Regional Internet Registry
STD	Standard Terms Determination
TCF	Telecommunications Carriers' Forum
TLD	Top Level Domain
TPP	Trans-Pacific Partnership
TPPA	Trans-Pacific Partnership Agreement
TSO	Telecommunications Services Obligation
UBA	Unbundled Bitstream Access
UCLL	Unbundled Copper Local Loop
UFB	Ultra Fast Broadband
WSA	Wholesale Services Agreement
W3C	World Wide Web Consortium