InternetNZ

MINUTES OF COUNCIL MEETING

Status:	FINAL
Present:	Jamie Baddeley (President), Kate Pearce, Don Stokes, Keith Davidson, Kelly Buehler, Sarah Lee, Joy Liddicoat, Richard Hulse and Dave Moskovitz and Richard Wood *(video)*
In Attendance:	Jordan Carter (Chief Executive), Catherine Fenwick, Andrew Cushen, David Morrison, Ellen Strickland and Diane Robinson (minute taker)
Apologies:	Amber Craig
Meeting Opened:	9:00am

1.1 Formal Opening (Karakia), Apologies

Staff joined the meeting at 9:17am.

Sarah Lee opened the meeting with a beautiful Karakia.

David Moskovitz recited a Jewish prayer that was very heartfelt and kindly received by Council and staff.

2.1 Christchurch Mosques Terrorist Attacks: Council Discussion

The President thanked staff for managing the situation in the past few weeks in very challenging and emotional circumstances that are being experienced by all New Zealanders. The Council reinforced their full and heartfelt support to Jordan and staff in response to the Christchurch mosques terrorist attacks.

Letter from Domain Name Commission

Jordan Carter, Chair of the Domain Name Commission (DNC) tabled a [letter](#) from the company outlining the emergency response and approach taken by the Commissioner and Board of DNC in regards to the unprecedented and

exceptional circumstances relating to the Christchurch Terrorist Attacks on the 15 March 2019.

The Council read through and discussed the [letter](). Brent spoke to a need for an emergency response to attacks on Christchurch in relation to how the attacks may impact on the .nz domain space and that unfortunately this was no longer a hypothetical situation. Currently, there is a Memorandum of Understanding in place with the Department of Internal Affairs and this is providing the framework within which he is managing the situation.

The Commission suggested in the letter that InternetNZ consider creating a limited, interim .nz policy to deal with exceptional situations that demand an exceptional response.

InternetNZ affirms its own policy process is responding to the issues raised by the situation.

The .nz Policy Committee is meeting on the 2 April 2019 and Council noted that the committee may make a recommendation on an interim policy approach by sending an Evote to Council.

The President thanked the Chair and the Commissioner for their work in writing the letter.

RN25/19 THAT Council received the letter and endorse the approach taken by the Commission.

AP11/19   Recommendation from .nz Policy Committee on the interim change to policy to be sent after the .nz policy committee meeting on 2 April 2019 for Evote from Council.

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(Cr Davidson / Vice President)
CARRIED U

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.nz Policy discussion - temporary policy

Council and staff discussed whether there is a need to develop a temporary .nz policy, whilst the .nz policy framework is under a comprehensive review. Staff feel that that there needs to be a mechanism in place to allow for the Commissioner to seek the ability to respond to exceptional circumstances under the policy.

Jordan advised that Danny Aerts is visiting NZ in May at the same time as the .nz annual conference and potentially INZ could ask Danny to share Sweden's approach to the evolving issues around security and objectionable material in the .nz domain space, among other topics.

RN 26/19   THAT the Council ask the .nz policy committee review the .nz policy and take into account the possible need for provisions for the Domain Name Commissioner to act in exceptional circumstances.

(President/Vice President)
CARRIED U

NOTE that the .nz policy committee will be considering an interim change to the policy at the next .nz Policy Committee meeting and will report back to Council.

RN 27/19   THAT Council noted the paper and future updates will be forthcoming.

(President/Vice President)
CARRIED U

The Council observed The National Memorial Service from 10:00am to 11:15am.

The Council went into Committee Alone Time with the Jordan Carter to discuss re-prioritisation of the Agenda and to ask Jordan on his perspective re section 4.1 DNCL Strategy, Plan and Budget and some further discussion relating to section 2.1. This took place at approximately 11:15am.

3.1 2019/20 Plan

Jordan spoke to the 2019/20 Plan and noted that staff had recently worked through prioritisation of projects across the organisation and the impact of these projects on the Goals. Noted that the plan presented is not the full work plan for the organisation. The staff are committed to deliver on the key projects against the Goals that are outlined in the plan and will report back at each Council meeting progress against the measures.

Goal 5 is now promoted to Goal 4: *Support community safety, inclusion and wellbeing in NZ while ensuring that the essential openness of the Internet's governance, technology and architecture is taken into account.*

Further engagement and research with Members regarding this goal will need to be considered before confirming the projects underlying the Goal.

Council commented:

● Goal 4: an amendment to the paragraph that No other organisation in NZ understands what Internet openness means as well as us. Include words in NZ.

- Goal 3: the measurements were discussed, and it was commented that there needed to be a sharper measurement for this goal than currently stated '*each new service has reached net profit within 24 months of first sale'.* Jordan agreed to review the measurements and discuss further with Council at the May meeting.

- Goal 5: one Council member expressed disappointment with the goal - not with what's in the goal, but more around what is not there around progressing access. They suggested that there was further work needed to identify opportunities to improve access e.g. direct investment or grants funding.

  In response: Jordan commented that the goal focused on digital inclusion and not on access, and that is why the plan did not respond to access specifically, as it was focused on the four digital divides (motivation, access, trust, skills). This goal was also about influencing others with more resources to act, rather than investing directly on a small scale ourselves.

- Community Funding Changes - Council asked for the breakdown of the $900k funding and Andrew provided the following information:

  - $400k Strategy Partnership
  - $400k Grants pool
  - $100k Sponsorship
    TOTAL: $900k

RN28/19 THAT Council receive this 2019/20 Plan and authorises the Chief Executive to proceed to implementation.

(Cr Hulse / Cr Davidson)
CARRIED U

RN29/19 THAT Council note the proposal to consult members and stakeholders further on the goal, measures and projects for Goal 4, with a view to receiving an updated final version for agreement at the May 2019 meeting.

(Cr Pearce / Cr Lee)
CARRIED U

3.2 2019/20 Budget Paper

Jordan advised that the budget is similar to the draft sent to Council in February 2019. David Morrison provided update on the domain growth:

- That domain name registration growth is low this year, probably just over 1%, compared with 3+% in recent years. The difference lies in registrar consolidation and policy-related cancellations, rather than a plunge in growth, built this is a reality of flattening growth that has been on the cards for some years.

- Included in the budget is targeted cost efficiencies. This amount of ($300k) represents realistic savings that can be made through evolution of the operating model in various parts of the organisation.

Councillors commented:

- That the overall deficit envelope should not go below -$800k and that Council should be kept up to date.

- That Council are accepting the budget as it stands for the financial year 2019/20 and Council has made this decision based on the budget aligning in the latter years - Year 2 2020/21 and Year 3 2021/22.

- For future Council meetings in Year 2 and 3 the 2019/20 budget should be shown against this year's Y2/Y3 budget proposal, to assist to track back on progress.

- Potential impacts on the plan that may flow from the .nz policy framework review.

The Council thanked Catherine Fenwick and Mary Tovey for their preparation of the budget.

RN30/19   THAT Council receive this paper and agree the strategy and high-level composition of expenditure for the 2019/20 Budget.

(President / Vice President)

CARRIED U

RN31/19   THAT Council approves for 2019/20 an operational expenditure limit of $12.8m and capital expenditure limit of $1.73m.

(Cr Lee / Cr Buehler)

CARRIED U

RN32/19   THAT Council note the Revenue target of $12m, incorporating new product revenue of $275k in 2019/20.

(Cr Davidson / Cr Lee)
CARRIED U

4.1 DNCL

The plan from DNCL for the forthcoming year and the financial aspects of the budget paper were discussed.

The Council went into Committee and the Commissioner provided a confidential update on the US Litigation.

RN 33/19 THAT Council **receive** this paper and agrees the Management fee of $1,340,000.

RN 34/19 THAT Council **approves** for the request for $500,000 to restore DNCL reserves.

(Block – Vice President / Cr Moskovitz)
CARRIED U

AP12/19   To email the Pickens Review to the Council.

5.1 Any Other Business

5.1.1 Product Decision (late paper)

Jordan apologised for the late paper explaining the proposed approach to Product Investment Decision-Making.

Council requested more time to read and digest the information. The Council will discuss under the Council Discussion email list.

RN35/19   THAT Council discussed and received this paper and agrees the communication approach.

DEFERRED, not voted on.

AP13/19   Defer the discussion on the Product Decision Making paper to Council meeting in May 2019.

5.1.2 .nz Policy Review Panel Chair Appointment

Ellen spoke to the recommendation to appoint Sue Chetwin as Chair of the .nz Policy Review Panel. Sue is well respected and was INZ's first choice for the Chair role. As an advocate for consumer, she brings a perspective that focuses on people and people need from .nz to ensure it delivers the maximum benefit for Aotearoa-New Zealand. Sue is currently finishing the Electricity Authority Review around policy. Bringing together diverse stakeholders and very technical expertise.

The approach of the panel should be holistic and a Vice Chair will be selected from the Panel Members.

Council commented:

- A most inspired choice of Chair, other members from Council have worked with Sue over her extensive career and enjoyed working with her.

- A positive reaction from the Council members was received.

- That the Panel should include a mix of age groups.

RN 36/19 THAT Council agree the appointment of Sue Chetwin as the Chair of the .nz Policy Review Panel.

(Cr Stokes / Cr Hulse)

CARRIED U

RN 37/19 THAT Council receive the information on the approach being taken for panel member recommendations, which will be based on a holistic approach to ensure balance and different perspectives.

(Cr Lee / Cr Stokes)

CARRIED U

5.1.3 Removal of NZRS Limited from NZ Companies Register

Council discussed the removal of the NZRS Limited from the NZ companies.

There were a few questions about whether the name was a Trade Mark and not relinquishing the name at this time. Staff to investigate and report back to Council.

Don advised the two anniversaries coming up:

- 1 April 1989 - Telecommunications Amendment Act 1988 came into force - was the end of telecommunications monopoly.
- 16 April 1989 - John Houlker plugged in the internet.

AP14/19   Staff to recommend removal of the NZRS Limited after checking criterion ensuring that the name is secured for the meantime, even when removed from the companies register.

With no other business raised the President declared the meeting closed at 12:00pm

Signed as a true and correct record:

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Jamie Baddeley, President

Next meeting: Friday 17 May 2019, in Wellington