

6 December 2023

Hon Brooke van Velden
Minister of Internal Affairs

Hon Judith Collins
Minister of Science, Innovation and Technology

Hon Melissa Lee
Minister for Economic Development
Minister for Media and Communications

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Re: InternetNZ briefing to incoming digital Ministers

Dear Ministers,

1. Congratulations on your recent appointment to your portfolios. In this letter, we share our thoughts on key Internet issues for the parliamentary term ahead and how we can support your work.
2. We have provided separate letters to ministers on infrastructure and international issues.

InternetNZ manages the .nz domain space

3. InternetNZ | Ipurangi Aotearoa is the country code top-level domain (ccTLD) manager for New Zealand. We are essential to the functioning of the Internet in New Zealand, operating the domain name system that underpins the operation of the more than 750,000 domain names ending in .nz.
4. We ensure that all domain names ending with .nz are available for use and are subject to fit-for-purpose domain name regulation. We are also an active participant in the international technical Internet community that agrees policies and protocols for the operation of the Internet.

5. We are an incorporated society and a portion of the money we receive from .nz domain names goes back into the community. We provide grants, help fund other organisations, and advocate for an accessible and safe Internet that benefits everyone in Aotearoa New Zealand.
6. InternetNZ has a long-standing Memorandum of Understanding with MBIE regarding the management of the .nz country code top-level domain. We also work with other government agencies including DIA, DPMC and MFAT.
7. We can support you as Ministers by providing expertise, an independent perspective on Internet issues and the ability to engage across the digital ecosystem nationally and internationally.

The Internet is critical to New Zealand's society and economy

8. The Internet and digital technologies have transformed our lives. We now live in a digital society shaped by our interactions in a digital economy that encompasses both our work and personal lives. The Internet is a critical enabler for participation in modern society, enabling New Zealanders to engage with government services, work, learn, navigate, shop and socialise. As a geographically isolated country, the Internet is also critical to our connectivity with the rest of the world and the global economy.
9. The Internet has created significant opportunities for economic development and enabled the emergence of a thriving tech sector in New Zealand. New Zealand's tech exports totalled \$9.8 billion in 2022, making digital technologies our second largest export category behind dairy. NZTech puts the total value of our digital economy at \$20 billion. The NetBlocks Cost of Shutdown Tool estimates that the financial impact to New Zealand of the Internet going offline for a day would be \$158 million.
10. New Zealand is now home to global leaders in digital technologies, including in finance, gaming and more. Weightless digital exports present opportunities to overcome our geographic distance and reduce our environmental impact as we look to diversify our economy. Over the next three years and beyond, digital technologies will continue to underpin New Zealand's economic development and trade, and the ongoing development of this sector will depend on a reliable Internet.

We want to work with you in three key areas

11. We are ready to work with you over this term of government. We can support you and your officials in a number of ways, including by:
 - providing insight and expertise on issues relating to Internet infrastructure or governance
 - providing read outs and insights from our domestic and international engagements with the Internet community
 - collaborating with government agencies in areas where our capabilities, expertise or relationships are complementary.
12. We have identified the following three issues requiring action in this term of government where we can offer you insight and expertise:
 - a) New Zealand needs to maintain a free, open and secure Internet.
 - b) We need to develop our approach to emerging technologies, including artificial intelligence and extended reality.
 - c) There is still work to do on digital inclusion and equity so everyone can participate in the digital society that now defines our ability to learn, work and participate in society.
13. We have provided further detail below on our work in each of these areas and how we can support you and your officials.

New Zealand needs to maintain a free, open and secure Internet

Blocking and filtering must be approached extremely cautiously

14. InternetNZ has historically taken a firm stance against blocking or filtering content online because we believe in a free and open Internet. Content blocking is a blunt tool that threatens user privacy and often results in the disproportionate censorship and surveillance of minority, marginalised, and at-risk members of society.
15. We have publicly expressed our concern about recent proposals to block people in New Zealand from accessing overseas gambling websites or block offshore operators if they do not pay taxes.
16. In most cases, blocking and filtering has limited effectiveness. It can easily be circumvented using a consumer-grade virtual private network (VPN) and it often has unintended consequences in suppressing non-targeted content. Government-mandated content blocking also undermines New Zealanders' trust in the Internet and the Government.

17. We acknowledge that there may be cases where alternative measures are not appropriate or sufficient to respond to harmful content. If the government is going to consider blocking or filtering of the Internet, there needs to be very thorough community consultation to understand the risks and unintended consequences.
18. InternetNZ maintains a strong interest in this area. We can draw on our expertise and networks throughout the global Internet community and civil society to support you and your officials to navigate the range of available options in this space. We ask that you approach blocking and filtering extremely cautiously and urge officials to consider other available options in the first instance. We would be happy to meet with your officials to discuss this further.

Ongoing work to address online harm needs to continue

19. Online harm covers a range of content and activity on the Internet that can cause harm to individuals and society. This includes violent extremist content, child sexual abuse material, mis- and disinformation, dangerous speech (including hate speech and online harassment), encouragement of self harm, image-based abuse and cyber bullying.
20. Online harm is increasing with rapidly changing uses of the Internet. Some communities, particularly minority, marginalised and at risk groups, are particularly exposed to hate, hurt and threats of violence online. These threats discourage or prevent some people and communities from participating freely online and may lead to harm offline.
21. New Zealand needs to develop its approach to managing online harm, as our laws are currently designed for an offline reality. This work should include responding to mis- and disinformation and continuing work on the Christchurch Call. InternetNZ is a member of the Christchurch Call Advisory Network and is also currently administering a one-off fund to build resilience to disinformation on behalf of DPMC.
22. Our role as InternetNZ is to support regulators inside and outside government to work together and apply New Zealand's legal frameworks to the online environment to reduce harm online. In 2024, we are planning to convene a group of government officials to improve clarity on the roles different organisations play in the space of online harm reduction within current regulatory settings.

23. We look forward to working with the Government to make progress on online harm. In particular, we urge you to continue work on the Safer Online Services and Media Platforms proposals, which we go into further detail on below.

The Safer Online Services and Media Platforms (SOSMP) work programme needs support and resourcing

24. In June 2023, the Department of Internal Affairs' released the Safer Online Services and Media Platforms (SOSMP) discussion document, which aims to design and implement a new approach to content regulation that minimises the risk of harms caused to New Zealanders by content. We have engaged closely in this process to date and made a submission on the discussion document.
25. At a high level, we support the proposal to create a regulatory framework in this space. We support requiring transparency reporting from platforms and the potential for a more prescriptive approach to regulation. We also support the expansion of takedown powers to include other illegal digital communications.
26. We have concerns about the scope of engagement in the process to date and believe more targeted engagement with groups most affected by harmful content is needed. Our engagement with communities has highlighted a need for closer involvement of Māori and groups such as LGBTQIA+ people who are disproportionately affected by online harm. We also have concerns that the proposed structure of the regulator does not include the necessary range of experience to support well-informed decision-making.
27. We support the proposal in the document to establish an independent regulator. In our submission, we proposed establishing an Aotearoa Media Commission, which includes this regulatory function, and suggested introducing a permanent advisory board including academics, civil society groups, marginalised groups and technical experts. We also recommended a recourse council through which commission decisions could be appealed.
28. A structure that includes embedded input from the communities most affected by harmful content and legal, technical, and subject matter experts will ensure that decisions made by a regulator will be based on critical context and expertise.

29. We look forward to engaging further with the incoming Government on this process to ensure New Zealand has a fit-for-purpose regulatory framework in this space. Ensuring adequate resourcing for the Department of Internal Affairs to progress this work will be critical to develop fit-for-purpose proposals.

We need to develop our approach to emerging technologies, including artificial intelligence and extended reality

30. As well as responding to existing issues in the Internet space, the next three years will also require responses to the rapid development of emerging digital technologies such as artificial intelligence (AI) and extended reality (XR). As a country, we need to consider how to manage these tools appropriately at different levels of risk and determine if or where regulation is required.
31. AI is transforming the Internet and how users interact with it. Generative AI has made it easy for anyone with basic web skills to generate text or images based on a short prompt. Predictive AI models are enabling more advanced algorithms to analyse data and predict the behaviour of users. The proliferation of AI presents significant opportunities and risks for those engaging with AI systems, either knowingly or unknowingly. AI can enable more efficient and creative ways of working but it may also produce misleading or biased results, and in the wrong hands it can be used to generate harmful content.
32. XR is an umbrella term which encompasses virtual reality and other immersive technologies. XR offers alternatives for experiences that are dangerous, impossible, counterproductive or expensive in the real world, which could include training firefighters or surgeons. More people are also using XR technologies to connect with others, including for gaming. As more people spend more time in these immersive environments, it will be important to consider how the human brain processes what happens in these environments and how we can minimise any potential harms.
33. Given the global nature of these advancements, international cooperation will be critical to influence change in the emerging technology space and keep pace with technological development. New Zealand has the opportunity to model international best practice while also considering new approaches suited to the New Zealand context. The New Zealand Government recently attended the AI Safety Summit in the United Kingdom as an observer, and we encourage the Government to maintain a strong ongoing presence in international dialogue on these issues.

34. InternetNZ is ready to work with you and your officials, and to share insights from our international Internet governance work, so you are able to respond to the opportunities and challenges presented by these emerging technologies.

There is work to do on digital inclusion and equity

35. While New Zealand has made great progress in digital inclusion and equity, there is still work to do to ensure everyone has affordable access to the Internet and the confidence to use the Internet to meet their needs and achieve their goals. Improving access remains an ongoing challenge for some communities, while for others the focus is shifting to building confidence with digital technologies. The vulnerability of the infrastructure underlying the Internet, especially in natural disasters, remains a priority for further work.
36. InternetNZ financially supports and is a member of Digital Equity Coalition Aotearoa (DECA) to ensure that all New Zealanders, including Māori, disabled people, those with lower socio-economic status and older people have access to and the ability to use the Internet. DECA is providing Ministers with a separate briefing that outlines the state of play and provides a series of recommendations. We endorse DECA's briefing and we look forward to working with you in partnership with DECA to work for an Internet that benefits all of Aotearoa New Zealand.
37. We encourage you to work across portfolios to build on the success of other initiatives such as the rollout of Ultra-Fast Broadband to close the digital divide and ensure all New Zealanders can benefit from access to and the ability to use the Internet.

Next steps

38. We look forward to working with you over the term ahead and will be in contact with your offices to seek a time to meet. As a provider of critical Internet domain name services in New Zealand, we are available to respond to questions or provide advice at any time.

Ngā mihi nui,



Vivien Maidaborn
Tumu Whakarae | Chief Executive