InternetNZ
2013-2014

Annual report

InternetNZ overview

A better world through a better Internet

InternetNZ is a voice, a helping hand and a guide to the Internet for all New Zealanders. It provides a voice for the Internet, to the government and the public; it gives a helping hand to the Internet community; and it provides a guide to those who seek knowledge, support or any other method of benefiting the Internet and its users.

InternetNZ's vision is for a better world through a better Internet. To achieve that, we promote the Internet's benefits and uses and protect its potential. We are founded on the principle of advancing an open and uncaptureable Internet.

The growing importance of the Internet in people's everyday lives means that over the last twelve months we have significantly reoriented our strategic direction. The Internet is everywhere. We are a voice for the Internet's users and its potential to make life better.

InternetNZ helps foster an Internet where New Zealanders can freely express themselves online – where they can feel secure in their use of the Internet. We foster an Internet where a start-up can use the web to develop a presence and customer base for a new product, and we foster an Internet where gamers can get online and battle it out.

We work to ensure this Internet is safe, accessible and open.

The work we do is as varied as what you can find on the Internet. We enable partner organisations to work in line with our objects – for example, supporting Internet access for groups who may miss out. We provide community funding to promote research and the discovery of ways to improve the Internet. We inform people about the Internet and explain it, to ensure it is well understood by those making decisions that help shape it.

We provide technical knowledge that you may not find in many places, and every year we bring the Internet community together at NetHui to share wisdom, talk about ideas and have discussions on the state of the Internet.

InternetNZ is the delegated manager for the .nz country code top-level domain and represents New Zealand at a global level through that role.

InternetNZ is a non-profit open membership incorporated society, overseen by a council elected by members. We have two wholly owned subsidiaries that ensure that .nz is run effectively and fairly – the Domain Name Commission (DNC) develops and enforces policies for the .nz domain name space, and .nz Registry Services (NZRS) maintains and publishes the register of .nz names and operates the Domain Name System for .nz.

President's report

It is with mixed feelings that I write my last annual report as President. It has been an interesting and challenging five years – a period over which InternetNZ has achieved much. It is a good time to hand over the chairmanship of the council to someone with a fresh perspective and their own sense of direction for the organisation.

When I was first elected, I noted that InternetNZ does not exist to serve its members; I pointed out that effectively we provide no services for our membership at all. What InternetNZ does do, though, is provide a platform for anyone with an interest in an open and 'uncaptureable' Internet to assist in furthering that objective. Five years later, I believe we are stronger and more able to provide that opportunity, with a highly professional team to deliver on our objectives.

In my report last year I noted that we have an increasingly diverse membership, many of whom are attracted to InternetNZ as a result of NetHui. Many of our new members expect InternetNZ to address the wide range of policy issues that arise through NetHui discussions – often these extend well beyond what a small organisation can be expected to manage. I commented that we need to look carefully at our priorities and our policy development processes to ensure that we more effectively involve our membership. We also need to continue to foster 'ecology' of organisations with aligned objectives so that we are effective in influencing the work that others are doing, where they have greater relevant expertise and capacity.

The council and staff have spent some time this year looking carefully at our objectives as an organisation. Indeed, the outcome of this work was discussed with members at a series of consultations in March. We have not yet taken the plunge to change our Objects. But it is clear from the work we did that the focus of InternetNZ has moved over the years, from a close focus on the 'mechanisms' of the Internet itself to looking more at the needs of those who use the Internet.

This year has also seen intense activity internationally on 'governance' of the Internet. For most New Zealanders, even those with a close interest in the Internet, international Internet governance is not a great priority – our focus tends to be on more immediate domestic issues such as broadband access and intellectual property law. But the announcement by the US Government that it intends to pass stewardship of the IANA functions over to an international multi-stakeholder-based organisation has raised the intensity of IG discussions to new levels. InternetNZ has not just contributed to those discussions, but has taken a leading role in shaping their direction, based very much on our own experience in the responsible management of the .nz top level domain name. It is critically important that we continue to maintain a balance between our global and domestic activities.

In conclusion, I would like to pay tribute to everyone who has contributed to another highly successful year for InternetNZ. It is hard to believe that it is just on a year since we appointed Jordan Carter as chief executive. I thank Jordan and his team for the great work they are doing. My thanks also go to all of InternetNZ's council and the board members of our subsidiaries, DNCL and NZRS, for another year of effective work.

Finally I would like to again take this opportunity to thank you, the InternetNZ members, for your support and commitment to InternetNZ during another busy year and to me as president over the past five years.

Frank March
President

Chief Executive's report

What a difference a year makes! In the twenty-fifth year since the World Wide Web was invented, and since New Zealand's first direct connection to the Internet began, we can celebrate a year of success at InternetNZ.

I'm pleased and proud to be able to present my first Annual Report as permanent chief executive of an organisation that's all about making a difference to the future New Zealanders can enjoy – all thanks to the Internet.

It has been a busy year. There are always more issues to deal with than time to do the dealing. The challenge we always face is to focus our efforts to make the biggest difference. A sharp clarity of purpose makes that job much easier.

We've made significant strides on that front. In the course of the year, the council signed off a fresh vision and mission for InternetNZ. We seek to bring about a better world through a better Internet, and our mission is to accomplish that through promoting the Internet's benefits and uses while protecting its potential.

At the core of a better Internet is the language of the previous vision: an open and uncaptureable Internet. This allows the rise of new innovations and is a fundamental contributor to human freedom and development in the digital era.

The new branding you see embodied in this report is our adjustment in visual presentation: it's a little more upbeat, a little more focused on people and just a bit fresher.

There was a good mix of both promotion and protection in the work highlighted in this report. From a successful NetHui 2013 – at which Quinn Norton challenged us to grasp a world in which everyone can publish and in which the power of existing institutions and their control on various spheres of public life is being whittled away – we soon found ourselves considering policy proposals from the government which would have seen broadband users paying more for no gains in service or speed. The Coalition for Fair Internet Pricing worked to put a stop to that, and succeeded, as set out elsewhere in this report.

During that imbroglio, proposals to update New Zealand's communications interception regime and to expand the powers of the GCSB into domestic matters passed into law. In passing this legislation, the Government missed an opportunity to develop New Zealand as a trusted and neutral centre for economic development of Internet services.

Prior to both pieces of legislation – and kicking off a debate that will roll on for years – were the revelations by Edward Snowden of the extent of mass surveillance of the Internet, led by the United States. If the Internet is to be a force for good in the world, people need to be able to trust its security and to be confident their privacy isn't being undermined by their own governments. Work to reinforce and strengthen the Internet's capacity to resist mass surveillance, to develop new privacy tools and to argue for the importance of privacy as a human right is more important than ever, in an era in which huge amounts of information flow across the border and around the world.

Across our work, besides dealing with the whole range of Internet issues, our other activity continues. We evolve and build on our ability to work with and for the whole Internet community; we continue to provide a significant package of community funding, helping develop understanding of and new applications for the Internet (with a reviewed, clearer and more rigorous approach now in place for community funding and strategic partnerships); and we celebrate our subsidiaries' work in managing the .nz domain name space, with a historic decision during the year to allow registrations direct at the second level in .nz.

So, what comes next? Many of the issues I've mentioned continue to shape the environment we face in 2014-2015. We've made our business plan clearer and more transparent, with clear goals to focus on. The incoming council will be doing strategic planning in September to lift thinking across the whole group into what we need to do over the coming years. We will start planning for an important celebration due next November: the twenty-year anniversary of InternetNZ's founding in 1995.

In leading these issues and doing this work, I would like to pay tribute to the outgoing InternetNZ council – in particular Frank March. As president and across a host of earlier roles, Frank has been a leading light in the New Zealand Internet community since before this organisation was founded. A new president will have very big shoes to fill. The council has worked together coherently and diligently, and without their vital work we would not be able to look back on a successful year. I look forward to the year ahead with a fresh council team.

Finally, my colleagues. An incredible amount of work has been done over the course of this year by a talented and hard-working mix of staff and contractors. We farewelled Susi Cosimo from the disestablished role of project and society lead; Campbell Gardiner as communications lead; and Susan Chalmers from her role as policy lead, as she journeyed back to America. We welcomed

David Cormack as communications lead and Aimee Watson as receptionist. Andrew Cushen signed on the dotted line to join in the new role of work programme director just before the end of the financial year. To all of those I have the huge privilege of working with at InternetNZ, I say thank you so much for sharing your talent and your hard work with us.

It has been a great year. Here's to a sparkling 2014/15.

Jordan Carter
Chief Executive

Work highlights

2013-2014

Community support and grants

In 2013-2014, we continued our association with long-term partners such as NetSafe and the IPv6 Task Force, and we forged stronger partnerships with Creative Commons Aotearoa NZ, the 2020 Communications Trust and AUT University.

Our work with AUT University culminated in the launch of the World Internet Project's 2013 report – a study into Internet use and habits of New Zealanders, which highlighted the digital divide, being the gap between those who can – and do – use the Internet regularly and easily, and those who do not. Our other strategic partners work in a range of areas: 2020 focusing on closing the digital divide and developing a stronger understanding of its drivers; Creative Commons being supported to share their licensing approach more widely; and NetSafe continuing with its essential work on Internet safety.

The 2013-2014 period also saw the launch of a new funding round – the Internet Research Funding Grants Round. A total of $60,000 was available for applicants who were conducting research into the Internet.
Following the award of the money, the funding process was refined, with a view to launching a new programme of distributing the nearly half million dollars that InternetNZ contributes every year to the New Zealand Internet community.

InternetNZ also awarded fellowships to the UN's Internet Governance Forum held in Bali in September last year. Applicants were asked to demonstrate how and why they would benefit most from representing New Zealand on the global stage. A total of four individuals were awarded the fellowships, and they helped make New Zealand's presence at this key event that much stronger.

The Coalition for Fair Internet Pricing

In August, the Government issued a discussion document proposing three options for setting the price of broadband access on Chorus' copper network. All three options would have boosted costs for RSPs (and, in the end, for retail consumers), compared with prices the Commerce Commission was proposing.

As a firm believer in the sanctity of the Commerce Commission's process, and as an organisation that wants the best deal for New Zealand Internet users, InternetNZ formed a coalition led by us, Consumer NZ, and TUANZ. We were joined by diverse groups such as Unite Union, the Maori Internet Society and David Farrar's KiwiBlog.

Through a successful programme of media engagement and government relations, the Coalition was able to deny the Government the option of legislating over the top of the Commerce Commission when the Government's support parties all issued releases saying they would never support the move. Since then, InternetNZ has played an important role, working with the Commerce Commission, Chorus and RSPs on a solution that is satisfactory to all parties.

Work highlights

2013-2014

Snowden revelations

In June 2013, a then-unknown NSA analyst released a trove of documents that sent shockwaves throughout the whole world as it became apparent that nation states were spying on each other, on citizens and on world leaders.

New Zealand's place in all this is unclear. There was a stoush between the technical and the local intelligence communities last year when the controversial GCSB and TICSA Bills were passed despite widespread opposition from groups such as InternetNZ, Tech Liberty and the Auckland District Law Society. That legislation opened up the capacity of the Government Communications Security Bureau to work on domestic intelligence matters and, among other things, also required local providers to be able to unlock encryption services. The treatment of metadata in the new regime is also unclear and a further review is pending.

Most New Zealanders accept there's a role for surveillance in a free and democratic society. Tightly targeted interception and surveillance – authorised by warrants from courts independent of the intelligence community – are an inevitable part of modern life. Mass indiscriminate data collection and surveillance operations are not, and they should not become so.

InternetNZ is working out how to reflect the importance of standing up for an open and free Internet in our ongoing work. There are a wide range of views on the table. What unites us all is a simple argument: that the Internet's benefits and uses should not be compromised by mass surveillance. We can't have a better world without a better Internet. It's time to stop making the Internet worse for everyone, which is the only outcome mass surveillance achieves.

Submissions

InternetNZ continued to have a prolific voice through filing submissions. We were particularly active in the Commerce Commission's review into UBA and UBCLL pricing of Copper Broadband services. InternetNZ was also part of a coalition that was instrumental in proposing successful amendments to the Harmful Digital Communications Bill that is currently before Parliament. In addition, we were a vocal contributor to the NetMundial process.

A permanent record of all our submissions is available on the website.

Workshops & public events

Member and public participation is a vital part of our policy and advocacy work. A number of workshops and events were held in 2013-2014, designed to harness and record the views and opinions of the wider community.

Technical folk gathered at the InTAC meet-up and those who fancy number attended our Internet Statistics presentation. A meeting of ICT industry NGOs was held, as were workshops on the New Media and Cyberbullying Bills, and the Parliamentary Internet Forum – a seminar series for MPs where they can learn more about the Internet – was continued, with improving turn-out.

ANZIAs 2013

InternetNZ and auDA co-hosted the fifth annual Australia and New Zealand Internet Awards in September 2013, recognising excellence in both countries' development and use of the Internet. The event was held in New Zealand for the first time, with InternetNZ playing host to the glittering affair.

MC Ben Hurley kept the crowd entertained as both sides of the Tasman enjoyed success and took home prizes.

Work highlights

2013-2014

NetHui – platform for discussion

NetHui was held in Wellington for the first time in July 2013. Over 500 members of the Internet community came together at the Wellington Town Hall to discuss how important an 'Open Internet' is.

Keynote speaker Quinn Norton challenged attendees to grasp a world in which everyone can publish, and in which the power of existing institutions and their control on various spheres of public life – from governments to schools – is being whittled away. Former Intelligence Chief Sir Bruce Ferguson enthralled the crowd with a first-hand account of the nature of surveillance in New Zealand – including an anecdote that on Friday evenings the best place to capture intelligence in New Zealand is the nearest Koru Club.

Dozens of sessions featured discussions on many of the issues faced by the Internet and those who use it, with huge amounts of discussion on security and intelligence issues, the demise of network TV and the Internet's power to change everything, from politics to music and more.

NetHui as an event is going from strength to strength. It is unquestionably the platform for discussion and continues to grow with each successive year surpassing the previous.

www.nethui.org.nz

Financial Statements 2013-2014

As an appendix to this report, there is a separate document setting out the audited Financial Statements of the InternetNZ group for the year ending 31 March 2014.

Technical assistance

The period 2013-2014 saw a number of highly publicised attacks on websites and databases. InternetNZ was at the forefront of assisting Internet users in making sure they were a) not infected and b) remained secure.

During the HeartBleed attack, InternetNZ (alongside the ITF) were the leaders in promulgating information to the media and the public on how individuals could stay safe. This is a role that InternetNZ is looking to develop further in the upcoming year.

The upcoming year

In 2014/15, InternetNZ will be utilising a new programme structure for our work in Internet issues, under the leadership of the work programme director, Andrew Cushen.

Our Internet Issues Programme has us focusing on five key areas: Internet Law & Rights; Internet Use; Internet Connectivity; Internet Governance; and Internet Technology. In doing so, we will apply a range of public and technical policy analysis techniques, develop collaborations with other likeminded organisations and assist the development of the capacity of the Internet community in New Zealand to tackle a wide range of Internet issues – from copyright, to mass surveillance, to Internet governance and IPv6 adoption.

Our purpose in doing this work is to share information and analysis with the Internet community and all New Zealanders that assists them in maximising access to the Internet and what it offers, and therefore making the most of the opportunities it provides.

InternetNZ councillors

as at 30 June 2014

President Frank March

Michael Wallmannsberger

Vice President Jamie Baddeley

Donald Clark

Hamish MacEwan

Rochelle Furneaux

InternetNZ councillors

as at 30 June 2014

Neil James

Richard Wood

Brenda Wallace

Lance Wiggs

Amber Craig

Dave Moskovitz

Level 9, Grand Arcade Tower
16 Willis Street
Wellington 6011
P.O. Box 11-881
Wellington 6142
New Zealand
Free phone: 0800 101 151
Phone: +64 4 472 1600
Fax: +64 4 495 2115
www.internetnz.net.nz

InternetNZ (Internet New Zealand Inc) is the open membership incorporated society, established to promote the Internet's benefits and uses, and protect its potential.

InternetNZ has overall responsibility for the .nz domain name space, and is an advocate for the interests of Internet users and domain name registrants in New Zealand and overseas.

This report can be found on InternetNZ's website.