

A blue-tinted photograph of a suspension bridge over a valley. The bridge has a corrugated metal deck and is supported by cables. Three people are walking across the bridge. In the background, a coastline with a road and buildings is visible under a clear sky.

September 2020

Re-imagining the future of .nz: Recommendations Report of the .nz Advisory Panel.

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Foreword

It would be an understatement to say this has been quite the journey. When our panel of 10 (now nine) set out on this review in the middle of last year, none of us truly understood what lay ahead – in terms of the workload. Then there was, and remains, the spectre of COVID-19. But the determination by the panel not to let the pandemic stand in the way of taking as wide a soundings as possible from local communities and experienced stakeholders has seen the development of recommendations, which should lead to improvements for all involved in the .nz domain name space.

The panel's task was to consider whether the .nz policy framework was still fit-for-purpose, after little amendment over two decades. In undertaking the work, we were mindful of how significantly online activity had increased since the last review. Its ubiquity has turned it from a fun activity to an essential service (which is still fun a lot of the time!) But, importantly, most of us simply cannot live without access to it. So, the panel's view was the principles guiding the custodian of the .nz Top Level Domain, InternetNZ, needed to reflect its importance to New Zealand-Aotearoa and its peoples.

In making the recommendations the panel recognised our vastly changed demographics since the early 2000s. That puts pressure on InternetNZ and .nz to offer a service reflective of that change. In particular, there has been a strong revival in the use and learning of te reo Māori – again the principles need to reflect that growth and encourage greater participation in .nz by Māori.

The panel wants .nz to be in a position to encourage people to participate and innovate online. The recommendations reflect the idea that anyone wanting to access a .nz domain name and gain the skills to do so, should be able to easily achieve that. Of course that needs to be balanced against .nz's use in a secure way. So, .nz needs to have the tools and developed networks to address harmful content expeditiously – as it did with its emergency measures during the Christchurch mosque mass murders and more recently with COVID-19 to stop the dissemination of harmful content.



The panel is recommending the .nz domain name space should be governed by five overarching principles. They are: being secure, trusted and safe; being open and accessible; benefiting New Zealand and responsive to our diverse social, cultural and ethnic environment; supporting te reo Māori and Māori participation in .nz; and enabling growth and innovation. Under the principle about supporting te reo Māori and Māori participation in .nz, it is particularly recommending InternetNZ needs to consult more with Māori to develop meaningful partnership relationships.

The panel was appointed to this work because of its different but important expertise in the various aspects of internet domain name use. It's a broad church. All have worked tirelessly to bring this recommendations report together. The debates have been vigorous but respectful. On behalf of the panel, I would like to thank everyone who has given their time and experience to talk to us and provide us with a better understanding of the bit parts that make up the whole of this extraordinary system. Those consultations have been both domestic and international. We are also extremely thankful to the secretariat from InternetNZ, who have led us through what has been a tricky project to manage. Particularly, they are Kim Connolly-Stone, Nicola Brown and Dominic Kebbell. We could not have got here without your commonsense and steadiness.

Finally, the recommendations we propose InternetNZ adopt, we think will make for a better .nz domain name space. They address issues of openness, security, access, benefit, cultural recognition, innovation and growth – hopefully in plain English and accessible to anyone who wants to read them. They provide the springboard for InternetNZ's next step in developing the .nz domain name space. On behalf of the panel, it has been a privilege to be involved in such a significant project.



Sue Chetwin

Chair

.nz Policy Advisory Panel

September 2020

About this review

The .nz domain name space is the country code top level domain (ccTLD) assigned to New Zealand.¹ It represents New Zealand on the Internet and is managed for the benefit of New Zealand.

InternetNZ is responsible for managing the .nz domain name space. It is the home and guardian of .nz - providing the infrastructure, security and support to keep it humming.

InternetNZ directs the funding from the registration of .nz domain names to support the development of New Zealand's Internet through policy, community grants, research and events. Its mission is to help New Zealanders harness the power of the Internet.²

Review of the .nz policies

In late 2018, InternetNZ decided to review the policies that shape and regulate the .nz domain name space (.nz policies). The purpose of the review was to ensure they were robust and reflected the wider needs and expectations of the .nz Internet community and New Zealand society.

The policies, which have been reviewed and amended from time to time since 2002,³ include the:⁴

- .nz Framework Policy⁵
- .nz Policy development process⁶
- .nz Principles and responsibilities⁷
- .nz Operations and procedures⁸

¹ Examples of ccTLDs of other countries include .uk for the United Kingdom, .jp for Japan and .fj for Fiji.

² InternetNZ, *InternetNZ: An Internet for all and an Internet for good*, <https://internetnz.nz/blog/internet-for-all>

³ In 2015 the framework was consolidated from 14 policies to the listed 5 policies currently in use.

⁴ The Panel confirmed with InternetNZ the TLD principles (<https://internetnz.nz/about-internetnz/tld-principles>) were outside the scope of the review.

⁵ InternetNZ, '.nz Framework Policy', <https://internetnz.nz/nz-domains/nz-policies/nz-frame/>

⁶ InternetNZ, '.nz Policy Development Process', <https://internetnz.nz/nz-domains/nz-policies/policy-development-process/>

⁷ InternetNZ, 'Principles and Responsibilities', <https://internetnz.nz/nz-domains/nz-policies/principles-and-responsibilities/>

⁸ InternetNZ, '.nz Operations and Procedures', <https://internetnz.nz/nz-domains/nz-policies/operations-and-procedures/>

- .nz Dispute resolution service.⁹

The policies cover registration and management for .nz domain names, second level domain (2LD) structure, conduct of .nz registrars, and resellers¹⁰ with sanctions for misuse or harm, handling of complaints and disputes and how the policies are amended.

The last comprehensive .nz policy review was undertaken in 2002.

The .nz advisory Panel

In June 2019, InternetNZ appointed an external advisory panel to reflect the diverse stakeholders of New Zealand's Internet community. The Panellists appointed to help champion this work and bring experience and fresh perspectives were:

- Sue Chetwin (Chair)
- Alma Hong (Vice Chair)
- Mark Boddington
- Matt Brown
- Charlie Gavey
- Tim Johnson
- Ty Kahu
- Robert Rolls
- Mark Thomas
- Nita Wirepa.¹¹

InternetNZ asked the Panel to provide it with independent advice on the .nz policies. More specifically, our remit was to provide policy, technical and operational input as well as seek wider stakeholder views and advice to help identify issues, develop options and recommendations, and lead community engagement.

⁹ InternetNZ, '.nz Dispute Resolution Service Policy', <https://internetnz.nz/nz-domains/nz-policies/dispute-resolution-service-policy/>

¹⁰ For more information on domain names, 2LD structure and the role of registrars and resellers in the See InternetNZ's Briefing for the .nz Panel - Part 1, https://internetnz.nz/assets/Archives/Briefing_for_the_.nz_panel_part_one.pdf

¹¹ Nita Wirepa was part of the .nz Advisory Panel until February 2020 (maternity leave).

A new vision for .nz

Introduction

In considering whether the .nz policy framework was still fit for purpose the panel was mindful of how significantly online activity had increased since the policies were implemented in early 2000s. Today many commercial, government, social and cultural activities are offered either digital only or digital first. The COVID-19 pandemic has also highlighted the importance of ensuring .nz is secure, trusted, safe and accessible everywhere to everyone. It has also highlighted growth opportunities .nz can provide New Zealand.

Responding to a changing New Zealand/Aotearoa

New Zealand's demographics have vastly changed in the past 10 years. A more diverse culture puts pressure on .nz to better reflect New Zealand's make-up and the languages in use. In particular, there has been a strong revival in the use and learning of te reo Māori. It is one of New Zealand's two official languages and .nz policies should encourage the use of te reo Māori and greater participation in .nz by Māori.

Optimising openness and increasing access

The desire for people to participate, innovate and observe online will only increase. Anyone wanting to access a .nz domain name and gain the skills necessary to do so, should be able to. .nz should remain open for any user, at the same time ensuring it is used in a secure way.

Addressing harm and security

Harmful content (as classified by the Chief Censor), harmful activities such as phishing and malware (as identified by Computer Emergency Response Team, CERT NZ) are on the rise. The Commerce Commission reported a growth in issues concerning misleading or deceptive websites.¹² Shocking video posted by the Christchurch mosques mass murderer showed how the internet can be used to disseminate harmful content, but more importantly the different responses needed to counter that. The COVID-19 pandemic raised and continues to raise questions about the ability of agencies such as the courts to address online threats.

¹² Commerce Commission, May 2020, <https://comcom.govt.nz/news-and-media/media-releases/2020/commission-reminds-retailers-of-their-obligations-when-selling-online>

Proposals for change

The proposed new guiding principles reflect an online world that has changed significantly in the past 20 years. They bring together the views of the expert panel and the feedback received on the earlier Options Report.

New principles for .nz

The proposed new guiding principles seek to reflect our aspirations for .nz. The approach is consistent with the feedback received on the Options Report. People generally support a move to visionary, holistic and inclusive guiding principles.

1. InternetNZ should introduce five guiding principles for the management of .nz

We recommend five new guiding principles that reflect the new vision for .nz. The principles are largely the same as they appeared in the Options Report. We have responded to submitter feedback and made some editing changes for clarity.

1.1 .nz should be secure, trusted and safe: .nz infrastructure must be dependable and secure, and .nz be trusted and safe

The .nz infrastructure must be dependable and secure. This is the technological and tangible aspect of the principle.

.nz must be a domain space people trust and feel safe using. In this way, InternetNZ's 'Internet for Good' aspirations can be shaped by the policies.

1.2 .nz should be open and accessible: everybody should be able to observe, participate, innovate and enjoy the benefits of .nz

"Open" means people can observe and participate in the development of .nz, create new uses of .nz and have the ability to innovate.

"Access" in this context means people who want a .nz domain name understand how the .nz space operates, can readily gain the know-how and skills to set up a domain name and can afford to do so.

We consider access and openness in the .nz domain space should be applied widely: to registrars, resellers, registrants and all others in or interacting with the system.

1.3 .nz should serve and benefit New Zealand and reflect and be responsive to our diverse social, cultural and ethnic environment

The .nz domain space is a critical resource that provides enormous benefit for New Zealanders. It should therefore be operated in a way that both serves and benefits New Zealand. Its management should recognise, be responsive to, and seek to realise the value of the country's social, cultural and ethnic diversity.

1.4 .nz should support te reo Māori and participation in .nz by Māori

A guiding principle is needed that reflects te reo is a national language to which the .nz domain space should contribute. That includes contributing to the use of te reo, its protection, and encouraging participation by Māori in .nz. We recommend this principle and other policy issues be discussed with Māori. This therefore is an in-principle recommendation, subject to further engagement that InternetNZ will need to have with Māori.

1.5 .nz should enable New Zealand to grow and develop: it should help people, businesses and organisations connect, create, innovate and grow

Embracing a growth and development mindset represents an important principle opportunity for the .nz domain space in a time of digital acceleration.

There are opportunities to further develop the business tools InternetNZ uses, improve market participants' obligations and provide further development and innovation focus.

Principles and Policy framework

In this section, we make recommendations intended to make .nz policies easier to understand and more user-friendly.

- 2. InternetNZ should restructure the .nz policies into a new policy framework consisting of four categories: principles, policies, rules and procedures, with a guidelines appendix**
- 3. InternetNZ should rewrite the .nz policies so they are easier to understand and navigate**

In our Options Report, we proposed InternetNZ restructure and simplify the .nz policy documents.¹³

¹³ InternetNZ, *Re-imagining the future of .nz: Options Report of the .nz Advisory Panel*, pg. 20, <https://internetnz.nz/assets/Archives/dotnz-Policy-Options-Report-July-2020.pdf>

The panel has reflected on the submissions and conversations with various organisations. It confirms the recommendation for InternetNZ to rewrite the .nz policies so they are simpler and easier to navigate. The different ‘sets’ of principles and policies in the five existing policy documents should be combined into a more coherent policy framework and linked in a user-friendly way.

Rather than using the terms guiding principles and operational guidelines, the panel recommend InternetNZ organise the .nz policies into these categories:

- 1. Principles: These are the GOALS, InternetNZ’s aims or aspirations
- 2. Policies: These are the WHY, InternetNZ’s intention in support of the principles
- 3. Rules: These are the WHAT, InternetNZ’s rules to deliver on the policies
- 4. Procedures: These are the HOW, InternetNZ’s instructions for implementing the rules
- Appendix: Guidelines: These are the HOW, the best practice advice

Below is a one graphical example of the approach we recommend InternetNZ adopt.

<p style="text-align: center;">Principle</p> <p style="text-align: center;">.nz should be secure, trusted and safe</p>	<p style="text-align: center;">These are the GOALS, InternetNZ’s aims or aspirations</p>
<p style="text-align: center;">Policy</p> <p style="text-align: center;">Process of the management of domain names</p>	<p style="text-align: center;">These are the WHY, InternetNZ’s intention in support of the principles</p>
<p style="text-align: center;">Rule</p> <p style="text-align: center;">In an emergency or exception circumstances... the DNC may take action...</p>	<p style="text-align: center;">These are the WHAT, InternetNZ’s rules to deliver on the policies</p>
<p style="text-align: center;">Procedure</p> <p style="text-align: center;">The steps DNC takes</p>	<p style="text-align: center;">These are the HOW, InternetNZ’s instructions for implementing the rules</p>
<p style="text-align: center;">Guideline*</p> <p style="text-align: center;">The DNC will act openly and transparently</p>	<p style="text-align: center;">These are the HOW, the best practice advice</p>

The categories should be part of an integrated system similar to the way legislative provisions and regulations are the implementation tools for legislation. InternetNZ

should group each policy and subsequent rule and procedure in a hierarchy under a governing principle. This will create greater clarity and aid understanding of the overall policy environment.

The four categories would form part of the mandatory policy environment in which .nz community participants are obliged to work. The guidelines appendix would be optional advice on how best to implement the rules and procedures.

The proposed new 'policies' category would appear to be the appropriate level for current principles to occupy such as Rule of Law, First Come First Served.

We believe an integrated system would be a more effective way of enabling InternetNZ to achieve its aspirations and deliver its organisational intentions, and make the policies and standards more accessible. It would enable InternetNZ to simplify how and where the principles appear in the policy documents, and to distinguish more clearly between the different types of rules at play in the .nz policy framework, including principles, policies, business rules, procedures and guidelines.

4. InternetNZ should explain how the policy framework functions, including definitions, the relationship between principles, policies, rules and procedures

The .nz policies should be supported by an explanatory document, clearly describing each category and the inter-relationship between them. This and the policy framework should be published online in an intuitive and user-friendly way. InternetNZ should also be transparent about any tension between principles and policies, and how they will be resolved.

5. InternetNZ should amend the Policy Development Process to detail how principles, policies, rules and procedures can be changed

The .nz policies should be periodically reviewed. Frequency should depend on which part of the .nz policies is being reviewed. For example, the high-level nature of the principles means they should be reviewed less frequently, maybe every five years, at which time a full policy review may be warranted.¹⁴ Policies could be updated on a rolling three-year basis. Rules should be reviewed more frequently as needed and procedures should be adjusted as necessary.

The level of engagement should depend on which part of the .nz policies are being reviewed. Amendments to the guiding principles and policies would usually require

¹⁴ An example of a periodic review is the Banking Ombudsman Scheme, which is reviewed every 5 years.

public consultation but the rules or procedures might need consultation only with affected groups and minor changes to procedures might merely require notification.

Recommendations on existing .nz principles

We make various recommendations on the existing .nz Principles listed in the .nz Framework Policy.¹⁵ As discussed, we no longer consider they should be called operational guidelines but instead incorporated into the new framework at the appropriate level. This also takes into account valuable Options Report feedback.

6. The "rule of law" principle should be retained in the .nz policies

In the Options Report we proposed the “rule of law” principle not be retained. After considering feedback we now propose it be incorporated into the policies. Although following the rule of law is implicit because any New Zealand based entity must comply with New Zealand law, its declaration provides predictability and stability.

7. The "first come first served" principle should be modified and retained in the .nz policies

Our approach to the “first come first served” principle is largely unchanged from the Options Report. We recommend the core rule be maintained: for the vast majority of cases, the “first come first served” principle will determine who is entitled to a domain name.

However, the application of the rule needs to be modified to recognise there may be some words that are not freely available for registration. For example, certain Māori words or names may be restricted as a result of conversations between Māori and InternetNZ (see discussion on .nz and Māori). We also recognise there are policy provisions for some character strings that will not be available for registration.¹⁶

8. The "no concern for use" principle should be modified and retained in the .nz policies

We consider this principle should be modified and retained as a policy. This approach was widely supported in submissions to the Options Report. The panel recommends the interim provision be retained, but rewritten to more accurately describe the recommended approach.¹⁷

Internet openness remains a paramount principle, but a legitimate constraint is that illegal activity requires intervention. However, any legitimate restrictions on use must

¹⁵ .nz Framework Policy, <https://internetnz.nz/nz-domains/nz-policies/nz-frame/>

¹⁶ Clause 9.1, Operations and Procedures, <https://internetnz.nz/nz-domains/nz-policies/operations-and-procedures/>

¹⁷ See recommendation 20 on the emergency circumstances provision

be limited. The panel's international research highlighted international ccTLDs had principles and policies addressing openness, but did not articulate a "no concern for use" policy.

The panel recommends an important updated version of this principle address the following:

- **No concern for legitimate use:** See recommendations 20 and 21 about where we recommend concern for illegitimate use.
- **Restrictions on use must be minimised:** The ccTLD manager should keep restrictions on the way domain names can be used to the minimum necessary to enable the .nz domain to be trusted and safe.
- **Any restrictions should be transparent:** The basis for restrictions and the process for restrictions, should be transparent and subject to a fair process.

9. The "low barriers to entry" principle should be modified and retained in the .nz policies

As written, this principle is too narrow because it focuses solely on competition between registrars. We also consider low barriers must not risk impeding the development of a more secure, trusted and safe .nz.

The modified policy should focus on supporting openness in, and encouraging access to, the .nz domain space for registrars, for resellers, for registrants and all others in or interacting with the system. A new policy in this area should not prevent the implementation of necessary security standards and tools.

InternetNZ should monitor how costs may impact registrant and registrar access to .nz. This could include evaluating how .nz participants rank on a cost to access basis as part of the reporting recommendation we make in the *Shaping the Future of .nz* section.

10. The "Registrant rights come first" principle should be removed

This principle should be removed. It is not clear why registrants' rights should be prioritised over the rights of the New Zealand public or at least balanced with them. The .nz policies should take a more holistic approach to actors in the domain name space. This principle focuses primarily on the relationships between the registry, registrars and registrants.

In this new vision for .nz, specific registrants' rights are strengthened throughout our recommendations. In particular, we have made recommendations to enhance the privacy of registrants.

11. The "structural separation" principle should be retained in the .nz policies

We consider the “structural separation” principle should be retained but not as one of the guiding principles.

12. The "clear chain of relationships " principle should be retained in the .nz policies

We support the ‘clear chain of relationships’ principle. It should be retained but not as a guiding principle.

Māori and .nz

13. The .nz Policy Development Process policy should be amended to require InternetNZ to take reasonable steps to engage with Māori in the policy-making process

Over the course of the panel’s work, it became clear much more could be done to involve Māori in the .nz policy-making process. Our recommendations are intended to pave the way for consideration of whether te reo Māori and other taonga Māori in the .nz domain space need to be better protected and if so, how.

The Panel considers taking reasonable steps should include InternetNZ identifying whether any Māori interests are affected by any proposed change to the policies and then deciding on an engagement process in accordance with the nature and strength of those interests, balanced against other relevant interests.

The ‘sliding scale’ of interests used in the Wai 262 report¹⁸ and Te Arawhiti’s *Guidelines for Engaging with Māori*¹⁹ is an appropriate place to start. Reasonable steps to engage with Māori would mean knowing what issues were likely to be of greater significance to Māori (and therefore required more involved engagement) and tailoring the engagement accordingly.²⁰

For example, a proposed technical change to the .nz policies that affected all .nz users equally would be unlikely to require engagement with Māori different to that of other .nz users. On the other hand, any consideration of a potential change to the .nz

¹⁸ See *Ko Aotearoa Tēnei: A Report into Claims Concerning New Zealand Law and Policy Affecting Māori Culture and Identity*, Volume 2, 8.5.1, page 682, <https://www.waitangitribunal.govt.nz/news/ko-aotearoa-tenei-report-on-the-wai-262-claim-released/>

¹⁹ See Guidelines for Engaging with Māori, <https://tearawhiti.govt.nz/assets/MaoriCrown-Relations-Roopu/6b46d994f8/Engagement-Guidelines-1-Oct-18.pdf> and their Engagement Framework, <https://tearawhiti.govt.nz/assets/Maori-Crown-RelationsRoopu/451100e49c/Engagement-Framework-1-Oct-18.pdf>

²⁰ What this requires in practice will differ depending on the issues and interests involved. As the Waitangi Tribunal observed, “[a] one-size-fits all prescription is not possible.” Wai 262 Report, 8.5.3, page 683, <https://www.waitangitribunal.govt.nz/news/ko-aotearoa-tenei-report-on-the-wai-262-claim-released/>

policies to restrict how macrons could be utilised in domain names would require engagement with Māori as the kaitiaki of te reo Māori from the outset.

To engage well, we agree with the Pickens review²¹ that InternetNZ needs to develop ongoing and trusting relationships with Māori - in particular with Māori who can help InternetNZ determine the nature and strength of issues likely to emerge in the domain name system (for example, reo Māori experts, people knowledgeable about te ao Māori, technology experts and people involved in the domain name system). This will have implications for InternetNZ's ongoing policy development process which should see Māori engaged in an ongoing way.

14. InternetNZ should ensure it has the capability needed to engage with Māori

For InternetNZ to engage effectively with Māori in policy-making, including building ongoing and trusted relationships with Māori, it will need to ensure it has the appropriate capability. The panel recommends InternetNZ ensure it has this capability. This would involve having people with the skills, networks and knowledge needed and ensuring a good integration within the wider organisation for any new policy making to be effective.

15. InternetNZ should engage with Māori on specific issues identified by the panel and any other issues that arise in the engagement process

We recommend InternetNZ engage with Māori on the issues set out in the **Appendix**. We provide them merely to stimulate thought about the types of questions Māori and InternetNZ might want to ask themselves and seek solutions to. It will be up to Māori and InternetNZ where they take this conversation.

We offer the following observations:

- Doing this properly and building the necessary relationships to do it properly, will take time. The panel notes there were no responses to the Options Report from iwi/hapū or regional Māori organisations. There are likely to be many reasons for this, including the lack of historical engagement on .nz issues, a potentially low profile of .nz issues among Māori, the lack of relationships between InternetNZ and iwi/hapū and many Māori organisations.²²
- The lack of Māori engagement on the Options Report reinforces the panel's view that it is critical for InternetNZ to develop the sorts of relationships with

²¹ For the full discussion, see pages 83-84 of *Domain Name Commission: Regulatory Review by David Pickens*, August 2019 at <https://dnc.org.nz/sites/default/files/2019-08/Pickens%20Report%20-%20Independent%20Regulatory%20Review%202019v0.1.pdf>.

²² Other issues might include the lack of kanohi ki te kanohi hui and the general disruptions from Covid 19 and engagement fatigue caused by the Crown engaging on many Covid 19-delayed engagements before the General Election.

interested Māori that it will need if it chooses to facilitate greater participation of Māori.

- There might be benefit in considering the issues related to .nz and Māori on a slower time frame from the rest of the .nz review. This will be a decision for InternetNZ when planning the next phase of the .nz policy review, which will include its response to our recommendations and its engagement on proposed policy changes.
- InternetNZ will need to determine, following conversations with interested Māori, the appropriate level of engagement (i.e., from inform to empower). The Panel considers that some of the issues we have identified - particularly those that affect te reo Māori - are somewhere towards the end of the sliding scale where Māori interests are strongest.²³ However, also relevant is the public nature of the .nz domain space and the other important interests involved like freedom of expression.
- InternetNZ will need to be open to considering other issues that arise through the engagement and how these might be addressed. Identifying the nature and extent of any new issues and potential solutions is something that must of course be done alongside Māori.

²³ We note in particular the principles in Te Ture mo Te Reo Māori 2011 that iwi and Māori are kaitiaki of te reo Māori, which is a taonga of theirs.

Who is .nz for?

As set out in the proposed principle ‘.nz should serve and be operated for the benefit of New Zealand’, the .nz domain name is to be managed for the benefit of all New Zealand. New Zealand is a multicultural, diasporic society with a commitment to tangata whenua. It has two official languages, te reo Māori and New Zealand Sign Languages (NZSL).

The panel believes these unique characteristics should be reflected in the management of .nz.

16. The .nz policies should be translated into te reo Māori, with a long term vision to provide policy information in other languages used by New Zealanders

17. InternetNZ and DNCL should produce policy documents in an accessible format that meets web accessibility standards

If required, the policies should be translated into other widely used languages as a recognition of the multicultural community that .nz serves. InternetNZ should be responsive to the needs of the community.

We recognise the needs of the accessibility community and recommend InternetNZ produce policy documents in accessible formats that meet people’s needs. At a minimum any product must meet web content accessibility guidelines, and InternetNZ should do ongoing work to respond to the needs of people with disabilities.²⁴

Several submitters did not believe releasing multilingual policies would make .nz more accessible, as many registrants would not search for the policies in any case. InternetNZ should consider releasing a brief summary of the .nz policies that meets accessibility requirements, is accessible in several languages and is tailored towards a registrant audience.

18. InternetNZ should continue to monitor the utility of IDNs as a way to support all New Zealanders’ use of .nz

We asked New Zealanders whether more IDNs should be available for .nz, to enable more non-latin characters. The feedback reflected opportunities and risks of IDNs.

We recognise there are significant security risks resulting from a broadened character set, and Universal Acceptance issues with non-latin characters in domain names. These are challenges to be overcome by the wider TLD community, not just .nz.

²⁴ Web Accessibility Content Guidelines 2.0, <https://www.w3.org/WAI/standards-guidelines/wcag/>

We have stopped short of recommending InternetNZ introduce new character sets for .nz in the short term. There is insufficient evidence that community demand for other characters outweighs the significant security and technical challenges that a broadened character set would introduce. However, In the long term we consider InternetNZ should be responsive to community demand for character sets.

19. InternetNZ should undertake a work programme to minimise the risk, or perception or risk, associated with the assumption that .nz is limited to New Zealand

There is a general misunderstanding that .nz domains need a local presence to be registered. This is perhaps because .nz is explicit to the New Zealand market unlike say .com, which has a global focus and has no mention of a country in the extension.

Many of the principles need to be considered when considering local presence, some of which are conflicting when considering this challenge including:

- Open and Accessible
- Secure, Trusted and Safe
- Safeguarding and operated for the benefit of New Zealanders
- Growth and development

We believe this topic needs to balance growth, development, open and accessibility with the .nz domain space being secure, trusted, safe and operated for the benefit of New Zealanders. We are also mindful .nz was launched in 2014 with no geographic limitations and has grown to 145k registrations making up 20% of total .nz domain names.²⁵

Under the circumstances, retrospectively applying geographic limits to .nz domain extensions is not considered feasible and is likely to cause more of an educational challenge than the status quo. We therefore recommend steps to address the concerns of the submissions but which stop short of recommending retrospective changes regarding geographic limits. See section on ‘Registrant details’ for how we recommend responding to concerns about overseas registrations.

Security and trust: responding to online harms

Security and trust are vital to the success of the .nz domain name space. Today’s Internet is very different from the Internet in the early 2000s when the last comprehensive policy review was undertaken. Threats have evolved and the current policies need to do more to promote a secure and trusted infrastructure, and to maintain public confidence in the reliability of .nz domain names.

²⁵ .nz Statistics and Service Reports, <https://docs.internetnz.nz/reports/>

Submissions as well as feedback from our wider public engagement indicate a clear preference for policies that aim to make .nz more secure and effectively address online harm. Submitters' assessment of the options we presented were consistent. However, opinions differed on what changes needed to be made to make .nz more trusted and secure with a range of ideas about how .nz should be managed, such as the extent to which the DNCL should regulate activity associated with a domain name. We took these perspectives into account when coming to our recommendations.

We do not consider the DNCL or InternetNZ should become content regulators, but the policies need to enhance the toolkit for New Zealand agencies to respond to harmful uses of .nz. The recommendations reflect this and are intended to enable connected, rapid and accountable responses from government agencies and the DNCL.

20. The interim provision should be modified and made permanent

In March 2019, InternetNZ amended the .nz Operations and Procedures policy to permit the Domain Name Commissioner to temporarily transfer, suspend, or lock a domain name registration in emergency or exceptional circumstances.²⁶ Clause 11.8 of the Operations and Procedures policy (the “Interim Provision”) is considered to be an effective tool to manage risk and prevent harm in the .nz space.

Feedback from the public consultation clearly favoured modifying the Interim Provision and making it permanent. The rationale for modification was concern about the language and whether it was sufficiently clear. Key terms such as “irreparable harm” are complicated and difficult to understand as well as being context specific and problematic to define. The policy was written to respond to one type of emergency. New exceptional challenges, like dealing with a Covid-19 constrained court system, have not been considered. The panel recommends exceptional circumstances provision becomes a permanent part of the InternetNZ policy framework and supports redrafting the text to clarify the threshold to be met before the provision may be invoked.

The panel recommendation on the permanency of the Interim Provision is made with a caveat. If another form of self-regulatory intervention to address domain name abuse is introduced by InternetNZ, such as a trusted notifier regime, the status of the emergency and exceptional circumstances policy should be reviewed. The policy development process should include a determination by InternetNZ as to whether the objective of reducing harm is better served by the newly introduced policy, and whether the emergency and exceptional circumstances clause is made redundant by the new policy.

²⁶ InternetNZ Council Minutes, March 2019, <https://internetnz.nz/assets/Archives/Council-minutes-29-March-2019.pdf>

There is no power to suspend domain names unless maintaining the registration would put DNCL in conflict with any law, including the terms of an order of a court or tribunal of competent jurisdiction.²⁷ InternetNZ should amend the .nz policies to enable DNCL to temporarily suspend a domain name in an emergency circumstance.

21. InternetNZ and the DNCL should undertake a work programme to develop a trusted notifier regime

Trust in .nz domain names would be enhanced by expanding DNCL's cooperation with trusted notifiers and by permitting the Domain Name Commissioner to suspend a .nz domain name when notified that it is being used for illegal activity.

Under the current policy the DNCL has taken the initiative to reduce illegal content associated with .nz domain names by cancelling or suspending domains with incorrect or invalid registration details. This often occurs when domain names are flagged by trusted notifiers or the public. The panel considers that since illegality is the basis for this activity, provision should be made to address such matters directly. The current use of trusted notifiers should continue but InternetNZ should also expand their use in the interests of expediency and harm reduction.

Trusted notifiers schemes have significant challenges; they are not a panacea to the problem of illegal website content. The nature of the scheme and its success is heavily dependent on availability and willingness to participate by third party subject matter experts. There are also questions about the potential for these relationships to adversely impact registrants' rights to due process where enforcement agencies' expertise serves as the basis for suspending a domain name. More needs to be done to fully understand viability as well as regulatory implications of developing a trusted notifier scheme. The panel recommends InternetNZ establish a work programme to answer these key questions:

- What is the nature and extent of harm occurring in the .nz space?
- Which harmful or illegal activities require response mechanisms, and what are those mechanisms?
- How could an expanded trusted notifier scheme be implemented to permit suspension of a domain name on advice by a trusted notifier?
- Who should be considered a trusted notifier?
- What transparency and accountability mechanisms must be integrated to instill community trust in a trusted notifier scheme?
- What does a more interventionist approach mean for the DNCL as a market regulator?

²⁷ Clause 11.7 of the Operations and Procedures policy, <https://internetnz.nz/nz-domains/nz-policies/operations-and-procedures/>

22. InternetNZ should build necessary protections into the policy to include accountability and transparency

An emergency and exceptional circumstances provision and the use of trusted notifiers, or any other form of self-regulatory intervention to remove illegal content go beyond what is strictly required by law. They restrict freedom of expression and access to information, and therefore require some accountability to balance the negative human rights impacts, as well as to foster support for the measures to be taken. DNCL has already implemented a system of transparency reporting under which it discloses the number of domain name cancellations and suspensions. The panel recommends mandating comprehensive transparency reporting through the policy as well as establishing guidelines to ensure ongoing transparency reporting occurs in a way that is supportive of freedom of expression and does not incentivise cancellation or suspension of domain names.

23. InternetNZ should introduce a requirement for registrars to meet minimum security standards

Cybersecurity threats grow more complex and sophisticated, and core infrastructure like the domain name system is increasingly vulnerable. The .nz domain name system needs to be equipped to prevent and respond to security incidents.

The current policies do not permit InternetNZ or DNCL to specify minimum security standards on registrars, nor can InternetNZ provide its own security features directly to registrants. However, registrars lack incentives to prioritise security and security features provided by the registry such as DNSSEC have not been made widely available by registrars due to technical complexities and lack of demand from registrants.

We recommend InternetNZ work with registrars to develop a set of minimum security standards for registrars.

Resolving the conflicted names process

24. InternetNZ should set a deadline for registrants to resolve self-conflicted domain names

25. InternetNZ should set a deadline for parties to come to an agreement on resolving conflicted domain names

26. Following deadline expiration, names should be released for general registration

Almost all submitters favoured bringing the conflicted names process to an end. The panel recommends InternetNZ sets a deadline for all conflicted names to bring an end to this situation and remove complexity from the system. The panel agrees with the

DNCL submission that allowing parties to pilot an online version of the existing dispute resolution process to facilitate resolution would provide effective support to this process prior to the deadline.

In cases where resolution cannot be reached between the parties, there was no consensus between submitters or obviously appropriate criteria for how to resolve the situation, despite submitters' and the panel's desire for conflicted names to be brought to an end. Given these constraints, the panel recommends the best approach is the simplest one - release the conflicted name so it is available for general registration to any party on standard terms.

Managing registrant information

We agree with feedback from submitters regarding the relationship between many of the issues raised and solutions presented. We make the following recommendations regarding the details collected when a domain is registered, which address the following issues:

- Level of registrant data collected and stored
- Registrant data made public by default
- Implementation of the Individual Registrant Privacy Options (**IRPO**) and access to registrant information when required.

In addition, the panel intends these recommendations to provide an alternative option to address the desire for geographical limitations that was strongly expressed by many submitters but was not deemed viable by the panel. Finally, we intend these recommendations will improve trust in .nz by further enhancing registrant privacy while retaining transparency as to whom a domain is registered and their means of contact.

27. InternetNZ should work with registrars to strengthen registrant validation practices

Most submitters supported maintaining accurate registration data in the registry. This is seen as a strong indicator of trust in the .nz space, through the direct transparency and accountability it offers, and by providing the ability for many issues between registrants and the public to be addressed peer to peer..

We recognise invalid data is not a major problem given registry processes and agreements with registrants and registrars. However, given the importance of this data to the overall trust in the registry, the panel considers InternetNZ should strengthen its validation practices to ensure this state is maintained.

Registrars should be contractually required to ensure registrant data is valid (see below explanation of this term). This recommendation is driven by the underlying structure of the .nz domain space, where the registrar is best placed to assess the validity of data because of their direct relationship with the registrant.

We recommend data should be considered valid if it:

- passes structural checks appropriate to the type of data being collected
- is not known to be incorrect based on information already known to the registrar (e.g. bouncing email address; mismatch between claimed country and country of payment instrument, etc).

We also suggest InternetNZ consider the feasibility of further proactive processes in this space, such as:

- Regular audit and validation of registrant contact data held by the registry, with notification to registrars of invalid data discovered.
- When invalid registrant contact data is discovered, it may be appropriate to provide time (e.g. 14 days) for a correction to be made. If the data remains invalid, the domain could be suspended, in the interests of gaining the registrant's attention to correct the violation of the agreement. The domain could be automatically reinstated on any update, then further re-validated after the fact.
- The registry could modify the registrar agreement to provide for penalties to apply to registrars with regular and repeated notification of invalid details, or high rates of suspended domains.

Collection of information about registrants

28. InternetNZ should clarify the purpose of collection of each field in the registrant, administrative and technical fields

The panel accepts the Privacy Commission's feedback that understanding the purpose of collection is crucial to evaluating any other questions regarding how registration data is used. It therefore recommends InternetNZ publish updated guidance on the rationale for collection. For the remainder of this document, the panel has adopted the following purposes as our working set, which we suggest InternetNZ use as a starting point.

Overall Purposes

- a. There is a public interest in providing transparency and accuracy as to whom a domain is registered, to support accountability of use
- b. DNCL's submission shows there is also high demand from individuals and statutory agencies in being able to easily contact registrants of domains either
 - i. For commercial purposes (e.g. offer to buy) OR
 - ii. Regulatory functions (e.g. complain about content, serve take down notice)
- c. Three sets of information are collected to support disambiguation between the registrant and service providers who may be assisting them

Purposes vs Registrant Contact Details:

- Name is collected to support purpose (a) above.
- Physical address is collected to provide disambiguation and validation of the Name, supporting purpose (a).
- Email address and phone number are collected to support purpose (b).

Purposes vs admin & technical contact details

- Allow additional entities to be identified and contacted for admin/technical purposes to support purpose (c) above

Disclosure of information about registrants

We now focus on when information InternetNZ has collected for the above purposes (name, physical address, email address and phone number) should be released.

Our intention is the following recommendations would replace the IRPO.

29. Registrant details other than name should be protected by default

Registrants' names should always be available to the public. This supports the purpose for which it was collected: to provide transparency and accuracy about to whom a domain is registered and to support accountability of use.

However, the panel does not consider releasing the physical address, email address or phone number of a registrant by default are necessary to serve the above purposes for which this information is collected. Although a registrant's email address may be a natural contact point for purpose, and is made available under IRPO today, we consider this purpose can be sufficiently met by providing a contact form (see recommendation 31).

Similarly, we do not consider registrants' phone numbers and physical addresses should be made publicly available by default. Registrants' phone numbers and physical address are collected primarily to support purpose and internal registry processes. We do not see the justification for them to be made available by default.

We anticipate registrants may want to make some of this information available. This should be facilitated (see recommendation 30). Our recommendation is therefore to invert the operation of the IRPO from opt-in to privacy to opt-out, and treat all registrants equally.

The recommendation to extend the privacy by default approach to all registrants is based on the desire for simplicity. A system that is easy to understand promotes accessibility.

30. Providing admin and technical contacts should be optional but made publicly available if chosen

The admin and technical contact fields are often populated with identical details to the registrant, particularly if the registrant is an individual. We recommend the registry delete any admin or tech contacts from the registry if these contact details

are identical to the registrant details. This could be done as part of the transition recommended below.

We recommend providing admin and tech contacts be made optional. In addition to simplifying the register in support of the accessibility principle, making these fields optional would enable their purpose and privacy standing to be further clarified.

We recommend that once providing admin and technical contacts have optional, admin and technical contact information provided by registrants should have to be made publicly available registrants would therefore only provide that information facilitate contact between the public and the administrative and technical entities associated with the domain.

31. InternetNZ should provide an email communication function to enable registrants to be contacted without revealing their email address (e.g. web form)

We recommend InternetNZ enable the public to contact registrants by email without revealing their email address. This is a technically feasible method by which the .nz policy can ensure the functionality of being able to contact a registrant remains widely available while improving the default privacy position.

Attempts to contact the registrant using this form which fail (e.g. email bounceback) will also provide a strong signal of invalid details which can be fed back into the suggested actions in the recommendation above (e.g. trigger registrar activity to correct the invalid details).

32. InternetNZ should offer an optional NZ Legal Person Verification process which would result in a marker being added to the domain name registration data

We recommend the registry offer an optional verification service to enable registrants to have their domain marked as registered to a New Zealand legal person. This verification should be performed by the registry rather than registrars to ensure trust in the verification, and how the verification is performed be centrally held.

This would further support trust in the .nz space, particularly given the strongly expressed desire from many submitters for a geographical restriction.

The *verification* provided by this option is distinct from the mandatory *validation* that registrars are expected to do by default. The verification we are proposing here must be based on an authenticated link between the registrant and some external source of truth that validates the registrant as a NZ legal entity (which would include an individual, company, other body corporate, etc).

The methods of verification should not be specified in the .nz policies. They should instead be determined by the registry procedures based on commonly available

registers or technologies at the time (e.g. NZBN via Companies Office for a business; verified RealME for an individual, etc).

We recommend InternetNZ also provide a “badge” which verified registrants can display on their webpages (with a supporting click-through link to promote trust/validation of status) to increase the profile of these New Zealand-verified domains. The rollout and adoption of this badge should be supported by a marketing campaign, which may also assist InternetNZ to raise the level of public awareness and trust in .nz. Any .nz website found displaying this badge without the corresponding domain holding a validation would be liable for immediate suspension of the associated domain until the issue was rectified. Any registrant with a history of repeatedly displaying the badge on unverified domains would be liable to have any such domains cancelled.

We consider given the additional time and effort required for verification, it would be appropriate for this domain verification to be charged as a value-added service to registrants, but the level of such additional charge should not be so high as to impede accessibility for registrants such as small businesses which would most benefit from it.

We recommend verification be renewed every year, regardless of the registration period of the underlying domain. The registry would also be encouraged to investigate the feasibility of periodically reverifying domains more regularly to further enhance the accuracy of and trust in this verification.

There may also be justification for requiring “high risk” or high-profile domains to be verified. We do not make a recommendation on this matter, as we have not received any submissions or input on what criteria would constitute a high-risk or high-profile domain, but would be supportive of a verification scheme being extended along these lines, were clear criteria able to be articulated by InternetNZ.

Shaping the future of .nz: growth and the .nz market

We have identified additional growth opportunities for the .nz space and for improved market operation.

Submitters support the options presented to provide additional pricing, rebate and incentive tools. They also support increasing the focus on registrants and providing them greater information. The panel proposes improving regulation of resellers. Further highlighting registrar obligations and providing greater market information were also all endorsed.

We therefore recommend the .nz policies should include the following policies to better support registrars, registrants and the growth of .nz, and to assist the .nz market to become more creative and innovative.

These will improve the way the market and its participants operate, increase information and build greater awareness, and assist growth in the .nz domain name space.

33. Enable variable wholesale pricing to Registrars

The .nz policies currently require the registry to charge registrars a flat wholesale fee for their domain name registration and renewals. The panel believes this limits the registry's ability to vary the wholesale fee price and use it to offer discounts to encourage more domain name registrations or encourage uptake from any target groups i.e, small to medium businesses, or underserved communities.

As a result, registrars are not encouraged to differentiate their pricing, marketing and sales activity to provide additional benefit to registrants.

A variable pricing approach could assist InternetNZ's growth approach and in reaching a wider range of communities.

Variable pricing must be offered on the same terms to all registrars.

34. Allow Registry to offer rebates to the registrant via the wholesale fee

The panel recommends the registry use a wholesale fee rebate to target registrant groups, with the registrar obliged to pass the rebate to the registrant. This could support the feedback the panel received about the importance of .nz policies in supporting business, te reo Māori and other priorities.

A flexible registry pricing approach like this could increase the capacity to deliver this and help boost more innovative solutions for registrants. Safeguards would likely be

required to ensure Registry pricing practices and incentive programmes are fair and reasonable.

35. Allow registrar incentives to drive specific initiatives

Pre-COVID-19, .nz domain growth was flat. This impacts the ability of registrars to make features/services available to registrants and potentially restricts investment into supporting technology and security standards etc that might benefit all market participants, including registrants.

The panel believes there is also an opportunity for the registry to incentivise registrars to be more innovative through initiatives to drive .nz market growth outside of wholesale pricing.

Incentives are different to rebates or flexible wholesale fee charges and might include one-off incentive payments or ongoing incentive programmes, which may or may not be linked to domain name transaction volumes of each registrar.

36. All pricing mechanisms (variable wholesale price / rebate / incentive) should have to be designed to promote .nz policy goals

The Panel agrees with submitters that a mixture of both permitting new pricing tools and linking these to .nz policy goals will give InternetNZ the most effective bundle of new tools to address growth and market targeting objectives.

Our objective is to give InternetNZ a range of new pricing options which, in consultation with registrars, and conscious of registrant feedback it can utilise in the .nz domain space to the benefit of market participants.

37. InternetNZ should work with registrars to establish a statement of registrant rights which the DNCL should monitor and registrars be accountable for by annual monitoring

The panel agrees with the David Pickens review that registrants do not have the incentive, capability or capacity to engage in a way that drives better performance (best practice) from registrars or the operators of TLDs. We agree more can be done to enhance the relationship between registrants and registrars and that a greater understanding of registrants would improve DNCL performance.

Healthy, competitive markets typically see customers (registrants) more engaged and with stronger relationships with their suppliers (registrars). Yet the extent to which registrars are actively responding to registrants' choices and demands varies. A key barrier the panel found, the lack of awareness among registrants about key aspects of .nz.

The panel believes there is an opportunity to adopt best practice approaches from other industries by establishing in one place a statement of registrants' rights which DNCL monitors and for which registrars are accountable.

38. DNCL should publish expanded objective market information to better inform registrant choice e.g. market share and renewal rates, but consults with registrars further on the specific material

A considerable amount of data is produced by the registry about the .nz domain system, but much of this is difficult to access, particularly for registrants or lay people. The panel struggled to access the kind of industry information and market trends data that is common in other industries.

A key barrier, the panel found, was the lack of awareness among registrants about key aspects of .nz.

The panel believes making objective market information and other relevant data more available and accessible would help address registrant engagement, and drive better market performance.

Improving regulation of resellers could enhance market operation

Although InternetNZ records there are 73 registrars, it does not know how many resellers there are or who they are. The DNCL encourages resellers to hold a formal agreement with their Authorised Registrar but this is not enforced.

The panel believes the overall lack of regulation of resellers creates an inability to hold them to account for inappropriate or harmful activities. This situation creates frustration for registrars, registrants and the registry.

The panel believes resellers need to be more effectively regulated and, following submitter feedback, proposes establishing a new reseller ID as is done in Australia.

Resellers would be officially registered with the .nz registry and issued a unique reseller ID. A new public Reseller Search Tool would be available for people to determine the name of the reseller and their associated registrar.

The Reseller ID purposes are:

- associating the Reseller ID with domain names under management, for display in the WHOIS record; and
- bulk transferring Reseller ID associated domain names from one registrar to another registrar.

Resellers would operate under an agreement with their registrar. This agreement must include minimum terms and conditions to ensure the reseller complies with .nz Published Policies. It remains the registrar responsibility to regulate reseller activity and monitoring of this will be enhanced by the proposed new Registrar Service Level Agreement System which the DNCL would audit.

39. The registry should define minimum service/feature set all registrars must provide

40. The registry should not be permitted to selling or marketing commercial services provided by InternetNZ directly to registrants via registry data

41. The registry should incentivise registrars to provide services it provides under agreed rules

Under this option, the registry would define a set of core services/features (e.g. those necessary to directly support a .nz policy goal) all registrars must offer.

The panel believes the registry should not directly sell or market commercial services which InternetNZ provides to registrants.

Where the registry wants to implement a feature from which it believes registrants would benefit, e.g. DNSSEC or the registry lock, but which registrars think is not commercially viable to provide, the panel believes the registry should be able to either mandate (via the minimum service set) or incentivise registrars under agreed rules.

Practical application of an incentive scheme may involve considering tiering of registrars to account for size, but transparency of the incentive system is essential.

42. Establish a Registrar Service Level Agreement System to enhance market operation

A new issue raised with the panel during its Options Report consultation related to registrar eligibility criteria and whether there needs to be new conditions or requirements that should be monitored or reported on.

The Pickens' Report commented that entry and ongoing requirements for registrars operating in the .nz space were generally considered appropriate. However, suggestions for improvement included better training and guidance, and revisiting the experience requirements for registrars entering the .nz space.

The panel agrees a more visible method for monitoring and reporting on agreed Registrar Service Levels could improve market operation and recommends a Registrar Service Level Agreement System be developed in consultation with registrars, compliance with which is audited on a regular basis by DNCL.

43. The registry should collect and communicate market information including customer segments, activity/utilisation and product use for industry to better understand and develop the .nz market

The current data about the .nz domain name system is shared for a technical audience on the Internet Data Portal. The registry publishes technical information from a 'zone scan' online, but this is not published in a plain English format that could be used by domain name holders or registrars to inform their decisions.

The panel struggled to get access to comprehensive industry data showing domain name utilisation, product usage and registrant analysis. The presence of good quality, comprehensible market information is common in other regulated industries. Its absence makes it more challenging for InternetNZ to understand how to best facilitate the growth and development of the .nz domain system for the benefit of New Zealanders.

A requirement to regularly produce this material could also benefit registrars, registrants and other market participants. Registrars would likely value greater shared intra-market reporting including on such matters as trends and churn rates.

44. InternetNZ should change the policies to enable credible new second level names to be considered

The panel considers there is a case for credible new second level domain names to be created and the existing policy banning 2LDs should be revised.

The threshold for any new second level name should be high. A new second level name advocate would need credibility, broad prospective 2LD community support, and the resources to effectively manage a 2LD. The advocate must also be the registrant of the proposed 2LD at the time of application.

The key criteria InternetNZ should consider are:

- Rationale: there should be a compelling reason for establishing the new 2LD including demonstrable support from the industry/organisation/group
- Assessment: the applicant should meet cost hurdles (fees) to apply and be assessed. These represent the potential value in the proposition but also the costs to InternetNZ involved in assessing, establishing and monitoring a new 2LD. There should be a transparent process for approving or declining.
- Management: The 2LD should not be financially burdensome upon the registry. There should be a periodic review of the 2LD to confirm it is meeting its obligations, and if not, sanctions and potential decommissioning as options in the toolkit.

- Specific 2LD rules to be considered:
 - Moderated/closed 2LDs:
 - Annual fee paid by moderator/sponsor regardless domains registered annually) to cover InternetNZ operating costs
 - Substantial support demonstrated from community/group that the 2LD will be representing to guard against possibility of intentionally excluding a party
 - An appropriate public awareness campaign around the creation of the 2LD should be undertaken
 - Open 2LDs:
 - Total registered domains should not drop below a threshold (i.e. 1,000) after first year of operation, or 2LD should be decommissioned.
 - A compelling case explaining the rationale for the 2LD should be stated.

Appendix: Additional recommended work areas

During the review, the panel identified issues that were beyond the scope of the .nz policy review, but which the panel wished to draw to InternetNZ’s attention. We would encourage InternetNZ and DNCL to consider these nine recommendations.

Education and Awareness about .nz

45. InternetNZ should embark on an education campaign with the registrar community to ensure registrants and the public are aware of the .nz domain space and its key benefits to New Zealanders.

A compelling feature from the panel’s early research with the public was the low awareness of what .nz is and how it contributes to New Zealand and the issues the panel wished to consider. Subsequently, this greatly limited the extent to which the panel was able to effectively engage with wider New Zealand and build their views into our recommendations.

46. InternetNZ should develop an anti-abuse statement to be used as a non statutory tool to make it clear what actions will not be tolerated on .nz

The abusive use of the .nz domain space for illegal activity cannot be tolerated. Apart from being unlawful, it is inconsistent with the proposed new Secure, Trusted and Safe principle and InternetNZ’s Internet for Good aspirations.

In addition to the policy recommendations outlined above, the panel recommends InternetNZ consider developing a more visible tool to promote the objective of achieving a trusted, safe .nz domain space.

The Public Interest Registry in the USA, which manages the .org domain, has developed an [Anti-Abuse Policy](#) which details in one place the illegal harm that will not be tolerated on the .org domain.

The panel does not consider a “policy” such as this is appropriate for .nz, but it believes InternetNZ could use a New Zealand version of this as a promotional statement of actions that will not be tolerated on .nz to further support its Internet for Good aspirations.

Valuing .nz

47. Establish a value measure for .nz: Develop a measure for the value .nz creates in New Zealand, tied to the Wellbeing framework

48. Set specific sector growth targets: Set targets for .nz growth in key target and underrepresented areas eg. SMEs, Māori

- 49. Support SME connectivity:** Collaborate with government digital forums referred to in the Small Business Council report to boost SME connectivity
- 50. Establish a registrar/registry marketing panel:** Establish a .nz marketing panel comprising the registry, registrar, reseller and registrant representatives to provide .nz marketing and pricing guidance to InternetNZ
- 51. Make it easier for SMEs to get online:** Work with the Registrar Advisory Group to develop bundled small business products including a domain and landing page - to make it easier for SMEs to get online
- 52. Review .nz registrant switching behaviour :** Examine the existing domain switching/transfer activity by registrants between registrars to see if this can be made easier or more visible.
- 53. Explore domain-drop mechanisms:** A reasonable volume of domain names regularly “drop” or are not renewed by registrants. InternetNZ should explore a domain-drop mechanism such as auctions to capture potential value in reacquired domain names.

During the review, the panel recognised the potential for InternetNZ to actively promote and support the use of .nz for the benefit of all New Zealanders. In a post COVID-19 environment, many New Zealanders may be looking to build a web presence for the first time, or are relying on the Internet for their livelihoods. But as the Pickens’ Report comments, .nz domain names are inexpensive and are perhaps not highly valued as a result.²⁸

The panel's research shows significant opportunities to grow the understanding of what .nz means, what its impact on New Zealand is and to discreetly target new growth sectors (such as Māori and SMEs).

These recommendations are designed to assist InternetNZ address these opportunities.

²⁸ Domain Name Commission: Regulatory Review by David Pickens, August 2019, <https://dnc.org.nz/sites/default/files/2019-08/Pickens%20Report%20-%20Independent%20Regulatory%20Review%202019v0.1.pdf>

Appendix 1: How did the panel approach the review?

There were three broad stages to the panel's approach:

- Stage 1 Identifying the issues and preparing an Issues Report for InternetNZ. The Issues Report (details below) was released in February 2020
- Stage 2 Analysing potential approaches to matters identified in the Issues Report and publicly releasing an Options Report (details below) to seek feedback on our analysis
- Stage 3 Analysing feedback on the Options Report²⁹ and preparing this Recommendations Report.

Stage 1 - identifying the issues

The panel undertook a range of engagement activities to produce the Issues Report in February 2020.

During August and September 2019, InternetNZ provided the panel with briefings³⁰ and presentations³¹ on key background information to assist our understanding of the domain name space.

From September to November 2019, the panel identified issues in the .nz domain name space. Analysis was framed around InternetNZ's strategic objectives (access, openness, security) and through five particular lenses (privacy, human rights and cultural diversity, interests of Māori, and market operation and growth).

We also engaged with New Zealanders to understand their views on the issues. This helped supplement the considerable lack of relevant data on the New Zealand Internet and issues of interest. We relied on three inputs and noted a fourth from industry:

- a session at NetHui on 3 October ('Re-imagining the future of .nz')³²

²⁹ See *Re-imagining the future of .nz: Options Report of the .nz Policy Review*, <https://internetnz.nz/assets/Archives/dotnz-Policy-Options-Report-July-2020.pdf>

³⁰ See *Initial briefing for the .nz Policy Advisory Panel (Part One)* https://internetnz.nz/assets/Archives/Briefing_for_the_.nz_panel_part_one.pdf and *An Initial briefing for .nz Panel from InternetNZ (Part Two)* https://internetnz.nz/assets/Archives/Briefing_for_the_.nz_panel_part_2.pdf

³¹ The presentations were on the registry, technical research function, regulator (DNCL), commercial function, security function and strategic pillars (openness and access).

³² NetHui 2019, 'The future of .nz - discussion session', <https://livestream.com/accounts/4547920/events/8835617/videos/197289272>

- public submissions on a survey (276 responses received)³³
- further insights from “hard to reach” stakeholders through focus groups and telephone interviews run by research agency, UMR^{34 35}
- report from the Registrars Advisory Group in response to InternetNZ’s initial briefing on the .nz policies.

From October to December 2019, we analysed the issues and drafted the Issues Report for InternetNZ. To help with the analysis, we received international insights from:

- a briefing prepared by InternetNZ on how the international domain name space was governed and important international organisations
- meetings with three similar jurisdictions (Canada, Australia and the United Kingdom) about how their domain name space was managed.

On 14 February 2020, the Panel provided its report, *Re-imagining the future of .nz: Issues Report of the .nz Policy Advisory Panel* to InternetNZ (Issues Report). It set out the issues the panel identified with the current .nz policies.³⁶

Stage 2 - analysing potential approaches to the issues

After the Issues Report was released, the panel began deliberating on options to respond to the identified issues. This included targeted engagement with industry stakeholders. However, the COVID-19 pandemic limited the extent to which this could occur.

On Friday 17 July, the panel released *Re-imagining the future of .nz: Options Report of the .nz Policy Review* (the Options Report). This report analysed options on 23 issues identified by the panel in the Issues Report and engagement with New Zealanders. It included new ‘guiding principles’ for the .nz domain name space and questions about how InternetNZ should engage with Māori. Consultation ran from 17 July 2020 to 14 August 2020, with extensions of up to two weeks for some submitters. In addition to receiving formal submissions, the panel ran two webinars

³³ InternetNZ Secretariat, ‘.nz survey: summary and analysis’, <https://internetnz.nz/assets/Archives/2.1-dotnz-survey-results-analysis-and-insights.pdf>

³⁴ UMR, ‘Public perceptions of policy review for .nz: a qualitative study-focus groups’, <https://internetnz.nz/assets/Archives/2.2-Final-Rpt-Focus-Groups-Internet-NZ-.nz-Policy-Research-Nov-2019.pdf>

³⁵ UMR, ‘Public perceptions of policy review for .nz: a qualitative study-in depth telephone interviews’, p. 8 & 14, <https://internetnz.nz/assets/Archives/2.3-Final-Rpt-Internet-NZ-.nz-Policy-Research-Depth-interviews-Nov-2019.pdf>

³⁶ See the *Issues Report*, <https://internetnz.nz/publications/nz-policy-review-issuesreport>

and produced plain English accessible videos, and other content for New Zealanders to engage with to better understand the options presented.

As part of the engagement on the Options Report, the panel:

- Held two webinars, engaging with over 20 participants
- Received 11 submissions from individuals on the consultation paper
- Received 9 submissions from organisations and government agencies on the consultation paper
- Received 40 submissions on single issues from New Zealanders engaging with online content.³⁷

Stage 3 - analysing the feedback on the Options Report

After the consultation period for responding to the Options Report closed, the Panel studied the submissions, aided by an analysis of the submissions prepared by InternetNZ. The panel also met a number of submitters.³⁸

We then prepared this Recommendations Report.

³⁷ The Panel released easy to understand content to reach everyday New Zealanders, in the form of online videos. The videos covered a few issues that represented some of the big themes of the .nz Options Report and were promoted through InternetNZ's channels and advertised on social media.

³⁸ See *Overview of Submissions*

Appendix 2: Potential questions for engagement with Māori

In this section the panel offers questions that might help facilitate conversations between Māori and InternetNZ on these issues discussed in the *.nz and Māori* section.

Engagement with Māori on changes to .nz policies

InternetNZ and interested Māori might ask themselves questions of the following nature:

- How should InternetNZ be required to engage with Māori on proposed changes to .nz policies? Is the sliding scale proposed in the *Wai 262* report and by Te Arawhiti appropriate?
- Should InternetNZ develop relationships with Māori to enable it to make initial judgements on the nature and strength of any relevant Māori interests? How should it do this?
- How should Māori interests be balanced against other important interests? Who should decide how these should be balanced?
- Should any InternetNZ communications be in te reo Māori? How should this be done?
- Should ideas and practices from te ao Māori play a role in resolving domain name disputes? If so, what role and should they have a role in all or only part of the .nz domain space?

Protecting te reo Māori in the .nz domain space

InternetNZ and interested Māori might ask themselves questions of the following nature:

- Does te reo Māori need protecting in the domain name system? What form should that protection take?
- Should te reo Māori be protected from offensive and derogatory treatment, incorrect use and/or something else? Who should decide whether the treatment or use constitutes a breach? How should breaches be prevented?
- Should there be restrictions on how te reo Māori can be used in .nz domain names? Should these restrictions apply to all users equally?
- Is the Māori Advisory Committee in the Trade Marks Act a good model or should some other approach be taken?
- How should regional variations in te reo Māori be addressed?³⁹ Should there be rules on the use of macrons?
- How can InternetNZ help normalise the use of te reo Māori in Aotearoa through the domain name system?

³⁹ For example, not all iwi use macrons.

.iwi.nz and .maori.nz

InternetNZ and interested Māori might ask themselves questions of the following nature:

- Are the existing .iwi.nz and .maori.nz 2LDs, and the differing moderation status of each, meeting the needs of Māori, or are changes needed to improve the way they operate?
- Should .maori.nz domain names be restricted so only Māori can register them? If so:
 - what should happen to domains not held by Māori?
 - how should registration be moderated?
- Should all registrars be obligated to sell all .nz domain extensions, including .iwi.nz and .maori.nz?
- Should there be any additional domains related to or for the exclusive use of Māori?
- Should Māori domains (whether .iwi.nz, .maori.nz, or any additional domain) have different wholesale prices so as to encourage more registrations? Should registrar 'retail prices' be capped for these domains?
- Should registrars be obligated / incentivised to have te reo Māori on their websites promoting Māori domains?
- Should InternetNZ or registrars be obligated to provide a percentage of their revenue to Māori community groups?
- Should Māori have a greater role in the governance of .iwi.nz or .maori.nz (i.e., over and above moderation in the case of .iwi.nz)?

Appendix 3: recommendations as responses to identified issues

The table below shows how each recommendation relates to an identified issue in Re-imagining the future of .nz: Options paper of the .nz Advisory Panel.⁴⁰

Corresponding issue	Recommendation
Introduction of guiding principles for .nz	1. InternetNZ should introduce five guiding principles for the management of .nz
Introduction of guiding principles for .nz	1.1 .nz should be secure, trusted and safe: .nz infrastructure must be dependable and secure, and .nz be trusted and safe
Introduction of guiding principles for .nz	1.2 .nz should be open and accessible: everybody should be able to observe, participate, innovate and enjoy the benefits of .nz
Introduction of guiding principles for .nz	1.3 .nz should serve and benefit New Zealand and reflect and be responsive to our diverse social, cultural and ethnic environment
Introduction of guiding principles for .nz	1.4 .nz should support te reo Māori and participation in .nz by Māori
Introduction of guiding principles for .nz	1.5 .nz should enable New Zealand to grow and develop: it should help people, businesses and organisations connect, create, innovate and grow
Rewriting and simplifying the policy framework	2. InternetNZ should restructure the .nz policies into a new policy framework consisting of four categories: principles, policies, rules and procedures, with a guidelines appendix
Rewriting and simplifying the policy framework	3. InternetNZ should rewrite the .nz policies so they are easier to understand and navigate
Rewriting and simplifying the policy framework	4. InternetNZ should explain how the policy framework functions, including definitions, the relationship between principles, policies, rules and procedures

⁴⁰InternetNZ, *Re-imagining the future of .nz: Options paper of the .nz Advisory Panel*, <https://internetnz.nz/nz-domains/nz-policies/nz-policy-review/nz-have-your-say>

Rewriting and simplifying the policy framework	5. InternetNZ should amend the Policy Development Process to detail how principles, policies, rules and procedures can be changed
Transferring existing principles into operational guidelines	6. The "rule of law" principle should be retained in the .nz policies
Transferring existing principles into operational guidelines	7. The "first come first served" principle should be modified and retained in the .nz policies
Transferring existing principles into operational guidelines	8. The "no concern for use " principle should be modified and retained in the .nz policies
Transferring existing principles into operational guidelines	9. The "low barriers to entry" principle should be modified and retained in the .nz policies
Transferring existing principles into operational guidelines	10. The "Registrant rights come first" principle should be removed
Transferring existing principles into operational guidelines	11. The "structural separation" principle should be retained in the .nz policies
Transferring existing principles into operational guidelines	12. The "clear chain of relationships " principle should be retained in the .nz policies
The .nz domain space and Māori	13. The .nz Policy Development Process policy should be amended to require InternetNZ to take reasonable steps to engage with Māori in the policy-making process
The .nz domain space and Māori	14. InternetNZ should ensure it has the capability needed to engage with Māori
The .nz domain space and Māori	15. InternetNZ should engage with Māori on specific issues identified by the panel and any other issues that arise in the engagement process
The .nz domain space and Māori	16. The .nz policies should be translated into teo Māori, with a long term vision to provide policy information in other languages used by New Zealanders
The .nz policies are written only in English	17. InternetNZ and DNCL should produce policy documents in an accessible format that meets web accessibility standards
Lack of availability of characters other than English and reo Māori alphabets in .nz domain names	18. InternetNZ should continue to monitor the utility of IDNs as a way to support all New Zealanders' use of .nz

No geographical limits on registrants	19. InternetNZ should undertake a work programme to minimise the risk, or perception of risk, associated with the assumption that .nz is limited to New Zealand
The interim emergency circumstances clause	20. The interim provision should be modified and made permanent
Domain and website content abuse	21. InternetNZ and the DNCL should undertake a work programme to develop a trusted notifier regime
Domain and website content abuse	22. InternetNZ should build necessary protections into the policy to include accountability and transparency
Ensuring security best practice across the .nz domain name system	23. InternetNZ should introduce a requirement for registrars to meet minimum security standards
Conflicted domain names	24. InternetNZ should set a deadline for registrants to resolve self-conflicted domain names
Conflicted domain names	25. InternetNZ should set a deadline for parties to come to an agreement on resolving conflicted domain names
Conflicted domain names	26. Following deadline expiration, names should be released for general registration
No geographical limits on registrants/domain and website content abuse	27. InternetNZ should work with registrars to strengthen registrant validation practices
Level of registrant data collected and stored	28. InternetNZ should clarify the purpose of collection of each field in the registrant, administrative and technical fields
Registrant data is made public by default	29. Registrant details other than name should be protected by default
Implementation of the IRPO and access to registrant information when required	30. Providing admin and technical contacts should be optional but made publicly available if chosen
Implementation of the IRPO and access to registrant information when required	31. InternetNZ should provide an email communication function to enable registrants to be contacted without revealing their email address (e.g. web form)

No geographical limits on registrants/domain and website content abuse	32. InternetNZ should offer an optional NZ Legal Person Verification process which would result in a marker being added to the domain name registration data
The current flat wholesale fee structure limits innovation	33. Enable variable wholesale pricing to Registrars
The current flat wholesale fee structure limits innovation	34. Allow Registry to offer rebates to the registrant via the wholesale fee
Other Registrar incentives could enhance market operation	35. Allow registrar incentives to drive specific initiatives
Other Registrar incentives could enhance market operation	36. Require all pricing mechanisms (variable wholesale price / rebate / incentive) to be designed to promote .nz policy goals
Empowering registrants could improve market performance	37. InternetNZ should work with registrars to establish a statement of registrant rights which the DNCL should monitor and registrars be accountable for by annual monitoring
Greater industry data collection and publication could improve growth opportunities	38. DNCL should publish expanded objective market information to better inform registrant choice e.g. market share and renewal rates, but consults with registrars further on the specific material
Improving Registrar monitoring may enhance market operation	39. The registry should define minimum service/feature set all registrars must provide
The Registry's role in market activity	40. The registry should not be permitted to selling or marketing commercial services provided by InternetNZ directly to registrants via registry data
The Registry's role in market activity	41. The registry should incentivise registrars to provide services it provides under agreed rules
Improving Registrar monitoring may enhance market operation	42. Establish a Registrar Service Level Agreement System to enhance market operation
Greater industry data collection and publication could improve growth opportunities	43. The registry should collect and communicate market information including customer segments, activity/utilisation and product use for industry to better understand and develop the .nz market

Second level (2LD) market opportunities	44. InternetNZ should change the policies to enable credible new second level names to be considered
Other areas of work	45. InternetNZ should embark on an education campaign with the registrar community to ensure registrants and the public are aware of the .nz domain space and its key benefits to New Zealanders.
Other areas of work	46. InternetNZ should develop an anti-abuse statement to be used as a non statutory tool to make it clear what actions will not be tolerated on .nz
Other areas of work	47. Establish a value measure for .nz
Other areas of work	48. Set specific sector growth targets
Other areas of work	49. Support SME connectivity
Other areas of work	50. Establish a registrar/registry marketing panel
Other areas of work	51. Make it easier for SMEs to get online
Other areas of work	52. Review .nz registrant switching behaviour
Other areas of work	53. Explore domain-drop mechanisms