

**E-commerce:  
Building the Strategy for New Zealand  
Progress Report, One Year On  
November 2001**

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November 2001  
ISBN 0-478-24272-7

## **Contents**

Foreword.....	3
Introduction.....	4
E-commerce: A Key to Economic Transformation.....	5
Continuing Importance of E-commerce.....	6
ECAT: Partnership in Action.....	7
Telecommunications and Broadband.....	7
Update on Research.....	8
E-commerce Strategy Implementation Highlights.....	10

### **E-commerce Strategy: Progress Report Table**

Introduction.....	14
Leadership and Communication.....	14
Building Capability.....	19
An Enabling Regulatory Environment.....	23

## Foreword

In November 2000 on the occasion of the E-commerce Summit in Auckland, the Government launched its E-commerce Strategy for New Zealand. The Strategy set out the Government's vision:

*New Zealand will be world class in embracing e-commerce for competitive advantage.*

It detailed the Government's commitment to provide leadership and work in partnership with business and the broader community to build the e-commerce capability of New Zealanders. In addition it set out the role for Government. It identified how and where Government would focus its efforts to ensure that all citizens have access to new technology and it outlined initiatives to support an enabling regulatory environment in which e-commerce can flourish.

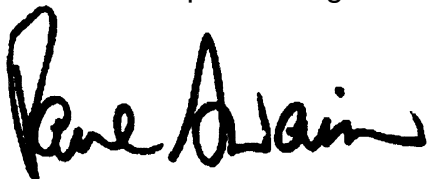
One year on I am pleased to be able to report progress in implementing the Strategy. I am particularly encouraged that through the E-commerce Action Team (ECAT) and the Regional E-commerce Events the Government's vision of a partnership model is being realised.

The E-commerce Strategy is one of a growing number of initiatives designed to drive the economic transformation of New Zealand. The release of the E-government Strategy in April 2001, the work of the Science and Innovation Council to develop an innovation framework and the Government's Venture Capital Fund are just some of the many examples of the Government's concerted efforts to build a knowledge economy infrastructure in New Zealand.

We have made good progress but more remains to be done.

I would re-emphasise that this work is not only the responsibility of the Government, but also the responsibility of business and the wider community. A number of regions have shown admirable leadership in promoting e-commerce initiatives and in formulating plans to enable high speed Internet access and I appreciate and thank them for their farsightedness and commitment.

I encourage others who may still be at the talking stage to take action - our future prosperity depends on your concerted efforts and on the participation of us all in implementing the e-commerce vision.



**Hon Paul Swain**

*Minister for Information Technology*

*Minister of Commerce*

*Minister of Communications*

## Introduction

The Government, with key sponsorship support from business, organised a major E-commerce Summit in Auckland on 1-2 November 2000. The Summit provided the occasion for the Government to launch its E-commerce Strategy and vision:

*New Zealand will be world class in embracing e-commerce for competitive advantage.*

The Strategy recognised the opportunities and risks associated with the e-commerce and information technology revolution and set out the goals and principles to guide the Government's response.

The Strategy identified three broad roles for government:

- leadership and communication, including in particular e-government;
- helping to build capability in business and the broader community; and
- ensuring an enabling regulatory environment for e-commerce.

The Strategy identified a significant number of broad and specific commitments and actions for government under this framework.

The purpose of this document is to provide a report on implementation of the Strategy one year on. The first part of the document places the Strategy in the context of the Government's initiatives to build New Zealand's knowledge economy. The key themes of partnership and the importance of e-commerce are addressed and the broadband initiative and recent research are highlighted. Other highlights from the past year are also summarised.

The second part of the document is a table listing all the actions and commitments contained in the Strategy together with a progress report on each one.

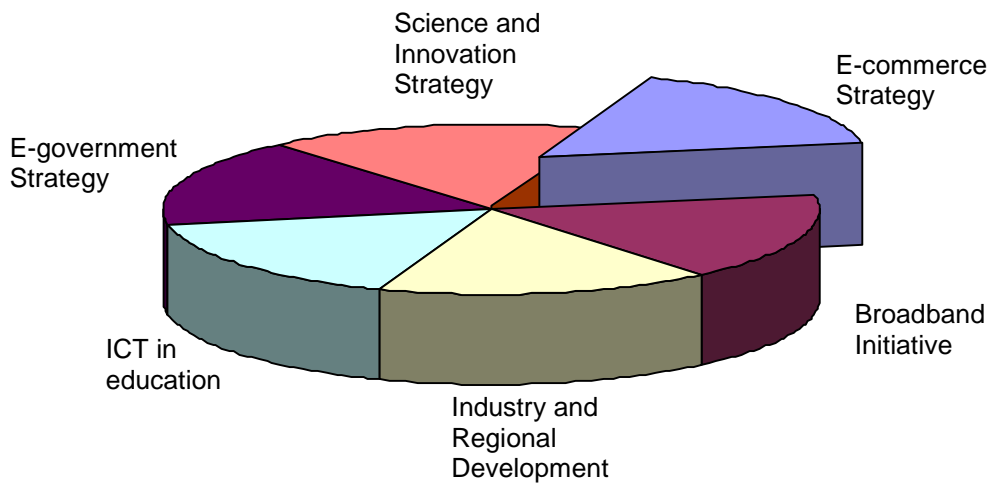
## **E-commerce: A Key to Economic Transformation**

The August 2001 Knowledge Wave Conference, which the Government co-sponsored with the University of Auckland, stimulated widespread debate about the need to build a knowledge-based economy and how we might go about achieving this.

Implementing the E-commerce Strategy is a priority in this drive for economic transformation. It is one of a number of significant government initiatives directed at this goal. Collectively these initiatives underscore the Government's commitment and determination to extensively enhance New Zealand's future growth and prosperity. They include:

- the E-government Strategy released in April 2001, and the associated work by the State Services Commission E-government Unit;
- work by the Science and Innovation Council to build New Zealand's innovation framework;
- a number of programmes, run under the auspices of Industry New Zealand, to support businesses and industry and regional development, including the availability of e-commerce training through the BIZ programme;
- a major e-business initiative by Trade New Zealand to jumpstart New Zealand exporters' access to online trading in the global economy;
- support for business incubators through the Business Incubator Support Programme;
- establishment of the New Zealand Venture Investment Fund, with capital of \$100 million, as a vehicle for co-investing with the private sector in seed-stage and start-up New Zealand businesses based on technology or high value-added goods and services;
- work by the Tertiary Education Advisory Commission to identify how New Zealand can develop a more co-operative and collaborative tertiary education sector that will better support the goal of becoming a world-leading knowledge society;
- initiatives in the education sector to ensure schools have adequate computers, good connections to the Internet and to enhance the role of information and communication technologies (ICTs) in the classroom;
- plans announced by the Immigration Minister to increase the annual number of skilled and business migrants to New Zealand;
- the Telecommunications Bill, designed to encourage greater competition and more investment in the telecommunications market and a better deal for consumers; and

- an initiative designed to facilitate the rollout of high speed (broadband) Internet access to all New Zealand communities by 2003 (see below).



## Continuing Importance of E-commerce

The impact of e-commerce, particularly in business to business (B2B) transactions, continues to grow. Customers increasingly expect to be able to deal with suppliers electronically as a matter of course. Growing numbers of businesses are looking at ways to enhance their operations through the use of electronic technology. This is despite the dot.com crash, which has had the positive effect of allaying the hype surrounding e-commerce, particularly online retailing (or e-tailing).

It is important to recognise that the Internet, e-commerce and the demands of a knowledge economy are raising the bar of economic participation for everyone across the economy. New Zealand businesses operate in an increasingly complex and interconnected global environment requiring a whole new level of sophistication. This includes the need for goods and services to have a higher "knowledge" component, rapid development of new products, smarter marketing methods and improved management skills.

The demand therefore for all New Zealanders to build their awareness and capability to participate in the electronic world remains as strong as ever.

## **ECAT: Partnership in Action**

The Strategy emphasised the importance of partnership between government, business and the wider community. Leadership is identified as being the shared responsibility of government and business.

To advance this partnership the Government set up the E-commerce Action Team (ECAT) and the ECAT Network. Members of ECAT are drawn from key sector organisations. Their mandate collectively and individually is to promote and identify initiatives to advance the uptake of e-commerce in all sectors. To this end, each sector representative has prepared a Six-Quarter Action Plan identifying the issues for that sector and a programme for action.

The E-commerce Regional Events in particular have been successful partnership initiatives. These have all been organised by local groups, with support from the Ministry of Economic Development.

The six regional broadband pilots recently announced by the Government are also being advanced in partnership with the regions. These are designed to support initiatives driven by the communities themselves and by the suppliers.

## **Telecommunications and Broadband**

The telecommunications industry is the lifeblood of the new economy. In response to last year's Ministerial Inquiry into Telecommunications, legislation was introduced into Parliament. The Telecommunications Bill is designed to create a more efficient and competitive telecommunications market in New Zealand for the benefit of both business and domestic consumers.

In addition, the availability of high-speed two-way (broadband) Internet connectivity has been widely identified as fundamental to the uptake of e-commerce and to building the knowledge economy. In recognition of this the Government has set itself the goal of ensuring that all New Zealand communities can access two-way high-speed Internet services by the end of 2003.

The Government has identified a number of levers available to it that will assist in achieving this goal. In the first instance up to six regional pilot schemes are being funded. The pilots will test the potential for bringing together demand for broadband services in a particular region in a way that is commercially attractive for suppliers to invest in improved infrastructure.

In applying the principle of partnership the pilots will support initiatives driven by the communities themselves and by the suppliers. Information from the pilots will be made available for other communities to use.

## Update on Research

A key part of the E-commerce Strategy is the development of a research programme to improve understanding of the constraints on the adoption of e-commerce by businesses, inform policy responses and benchmark New Zealand against the rest of the world.

The research programme is now well advanced. Research has been undertaken in a number of areas related to e-commerce and ICT capability, including an investigation into the value of e-commerce to businesses, an assessment of the "net readiness" of selected industry groups and a survey of the broadband infrastructure in rural areas.

Recent studies have shown that business use of the Internet is growing rapidly. A survey conducted on behalf of the Ministry of Economic Development in July 2000 indicated that about 33% of all businesses had their own website. The recent "net readiness" survey of selected industry groups (see below) indicates that this has now almost doubled to 61%.

The following studies have been completed:

### **Net Readiness in New Zealand Industries: Empirical Results, 2001**

<http://www.ecommerce.govt.nz/ecat/knowledge/resources/resources-03.html>

This survey of over 1000 New Zealand firms was commissioned by the Ministry of Economic Development and undertaken by Waikato University.

It was designed to establish the "net readiness" of firms in eight sectors. Net readiness is defined as the ability of New Zealand firms to perform and compete in an Internet based economy. Levels of website activity varied considerably across these sectors from 91% in Tourism to 24% in Transportation and the mean was 60.9%. The tourism sector came out ahead of other sectors despite the fact that firms involved with tourism are generally smaller than those in other sectors. This indicates that, for this group at least, firm size is not a precondition of success in the digital economy. Transport, which has a similar composition to the tourism sector, scored lowest in terms of "net readiness". This indicates that industry type is a significant factor in levels of "net readiness".

### **Electronic Commerce in New Zealand: a Survey of Electronic Traders**

<http://www.ecommerce.govt.nz/ecat/knowledge/resources/resources-03.html>

A survey was jointly commissioned from AC Nielsen by the Inland Revenue Department and the Ministry of Economic Development to provide insight into the level, value, growth and extent of e-commerce conducted by New Zealand businesses. It was targeted at businesses with commercial websites and included 800 respondents. Although commercially oriented sites were targeted, 50% of those surveyed currently are selling less than \$10,000 per annum over the Internet. Overall, Internet sales are a small proportion of total

sales volume for most e-traders. Despite the relatively small volumes for most e-traders, Internet trading is relatively profitable (50% expect to make a profit in the next 12 months from Internet trading) and expected to grow significantly.

### **Review of Telecommunications Infrastructure to Provide Access to Data Services in Small Communities and Towns**

<http://www.med.govt.nz/pbt/infotech/ruralaccess/index.html>

<http://www.ecommerce.govt.nz/ecat/knowledge/resources/resources-04.html>

A report was commissioned by the Ministry of Economic Development from Amos Aked Swift (NZ) Ltd on the existing telecommunications infrastructure base that serves the rural and small urban towns and the potential to provide "broadband" access to these areas in the near future. It found that approximately half of these towns could have broadband access with little capital investment. Another 25% of the communities are estimated to be within reasonable reach of the backbone network infrastructure and would need additional expenditure of the order of \$1,000 per town to derive broadband access. The remaining 25% of the towns are judged to be beyond the existing backbone network infrastructure and would require specific network capital expenditure of \$10,000 or more.

(Note: these are costs of upgrading or building the backbone link into the town and do not include the capital cost required to make broadband access available to customers, eg through ADSL.)

### **Scoping Study: E-Commerce Performance Measurement Research for New Zealand**

<http://www.ecommerce.govt.nz/ecat/knowledge/resources/resources-03.html>

A scoping study was commissioned by the Ministry of Economic Development from the Institute for the Study of Competition and Regulation. This study analyses the state of e-commerce performance measurement throughout the world. It identifies areas where investment in research on e-commerce performance measurement research can be made, in order to provide a sound foundation on which to base future policy development and infrastructure investment.

The measurement issues raised in the study are complex and difficult and are challenging researchers all over the world. Resolving these issues is not something that will be done in the short term but will require investment over time.

## E-commerce Strategy Implementation Highlights

The Strategy contained over 60 commitments and actions. The following are some of the highlights of the year's work to November 1, 2001.

### Leadership and communication:

- The E-commerce Action Team (ECAT), made up of industry and business leaders and experienced e-commerce individuals, was set up in March 2001. It has worked on raising awareness of e-commerce issues across the broader community represented by its members and identifying ways of meeting specific sector needs.
- A key objective of ECAT is to promote the establishment of additional regional or sector based E-commerce Action Teams and to support existing groups. Several "mini-ECATs" have formed, including a research ECAT; an Education ECAT (EduCAT); a rural ECAT lead by Federated Farmers; the Waikato ECAT (WECAT) and the Hawkes Bay E-commerce Development Committee. See [www.ecat.govt.nz](http://www.ecat.govt.nz) for details.
- Six Regional E-commerce Events have been held in Waikato, Hawkes Bay, Wairarapa, Taranaki, Manawatu and the West Coast collectively attracting around 1100 participants. These have been very successful in building awareness of the opportunities afforded by e-commerce and helping businesses learn from each other. Most importantly they have acted as catalysts for the establishment of local groups and e-commerce initiatives. Further events are planned.
- The ECAT website ([www.ecat.govt.nz](http://www.ecat.govt.nz)) is being developed as a key instrument to support business and the wider community to build their e-commerce capability and develop support networks. It contains links to a wide variety of information including the E-commerce Guide, case studies, current research and statistics, ECAT Network member pages, a calendar of e-commerce events and training and e-commerce news.
- The ECAT Network was launched in June 2001 and provides a channel for businesses, non-profit organisations and individuals to share their experience and interest in e-commerce. Members contribute to the resources on the ECAT website through their member pages. Anyone may join the Network, which currently has over one hundred members. In addition anyone may join the e-commerce-contacts mailing list, which currently has over 750 subscribers. This list is used to notify updates to the ECAT website, publicise events and stimulate feedback on practical e-commerce questions and issues.
- The E-government Strategy was released in April 2001 with the mission that by 2004 the Internet will be the dominant means of enabling ready access to government information, services and processes. Work continues on a comprehensive range of projects including implementation of secure email, development of a new government portal, the e-

procurement pilot and work on establishing interoperability and standards. See [www.e-government.govt.nz](http://www.e-government.govt.nz) for details.

### **Building Capability**

- The E-commerce Guide was published in November 2000 and has been well received. Over 8000 copies have been distributed. Copies are available from BIZ offices, from the Ministry of Economic Development or online at [www.ecommerce.govt.nz/guide/index.html](http://www.ecommerce.govt.nz/guide/index.html)
- In addition to the Guide, additional information has been made available through the [www.ecat.govt.nz](http://www.ecat.govt.nz) website. An example is the Multi-Currency Credit Card Services FAQ that provides information about the multi-currency credit card services available in New Zealand. These services are often important for selling goods and services via the Internet. The need for such information has been a recurrent theme at the E-commerce Regional Events.
- Industry New Zealand through the BIZ programme has developed an eight module e-commerce training programme aimed at small and medium businesses. This programme is now available through the BIZ provider network. See [www.bizinfo.co.nz](http://www.bizinfo.co.nz) for details.
- E-commerce and e-business strategies have been included as a qualifying category in the Enterprise Award Scheme administered by Industry New Zealand. See [www.industrynz.govt.nz/sme/sec03\\_overview.shtml](http://www.industrynz.govt.nz/sme/sec03_overview.shtml) for details.
- Trade New Zealand is well advanced in implementing its e-commerce strategy including a revamped website, a client e-business education programme, an online database to profile all New Zealand exporters (NZ Exporters Online) and advice on digital marketplaces. See [www.tradenz.govt.nz](http://www.tradenz.govt.nz) for details.

### **Enabling Regulatory Environment**

- The Electronic Transactions Bill will enable statutory requirements for writing, signature and the retention and production of information to be met using electronic methods. It has been reported back from Select Committee the second reading is pending.
- The Crimes Amendment Bill (No.6) will address computer-related crime. It has been reported back from Select Committee and is awaiting Parliament's consideration of the Committee's report.
- The Telecommunications Bill is designed to create a more efficient and competitive telecommunications market in New Zealand for the benefit of both business and domestic consumers. It has been reported back from Select Committee and is currently awaiting a second reading.

- Work on reform of evidence law, including electronic evidence, is at the policy approval stage.
- Government has issued the New Zealand Model Code for Consumer Protection in Electronic Commerce to assist business to develop self-regulatory mechanisms. It has supported the development of the e-Marketing Standards Authority (eMSA) and provided advice to business associations considering their own codes of practice.
- A National Infrastructure Protection Strategy report was prepared and Government has approved the establishment of a Centre for Critical Infrastructure Protection.

**E-commerce:  
Building the Strategy for New Zealand  
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## Introduction

The E-commerce Strategy contained over 60 actions and commitments under three headings; Leadership and Communication; Building Capability; and An Enabling Regulatory Environment.

These actions and commitments are listed in the left-hand column in the table below and a report on progress is provided in the right-hand column. The original strategy document is available online at [www.med.govt.nz/irdev/elcom/strategy/index.html](http://www.med.govt.nz/irdev/elcom/strategy/index.html)

## Leadership and Communication

"Together with business, the Government will play a leadership role in communicating the importance of the changes that are taking place and their implications."

- *E-commerce: Building the Strategy for New Zealand*, p. 10

**The Government will, in partnership with the private sector, raise awareness and champion e-commerce through leadership in communication.**

Actions and Commitments	Progress
Publish, disseminate, and discuss the E-commerce Strategy across the community. This will include in the short term:	
<ul style="list-style-type: none"> <li>Taking the key messages from the E-commerce Summit to the regions through workshops in the next year.</li> </ul>	Six regional E-commerce Events have been held in Waikato, Hawkes Bay, Wairarapa, Taranaki, Manawatu, and Greymouth with more to be held in 2002.
<ul style="list-style-type: none"> <li>The continued development of an e-commerce website by the Ministry of Economic Development.</li> </ul>	The ECAT website ( <a href="http://www.ecat.govt.nz">www.ecat.govt.nz</a> ) has been developed in 2001 and new content is being added continually. The site is rapidly outgrowing its structure and will be revamped for 2002.
<ul style="list-style-type: none"> <li>Working in partnership with Industry Associations and Regional Economic Development Agencies to develop and publicise quality information relevant to different sectors and regions.</li> </ul>	Development of quality information is a key part of the work of the E-commerce Action Team, supported by the Ministry of Economic Development. Examples are the Multi-Currency Credit Card FAQ, the Sources of Government Funding FAQ and the Stocktake of Community Digital Initiatives, which are all published on the <a href="http://www.ecat.govt.nz">www.ecat.govt.nz</a> website. Further information papers are in development.
Champion New Zealand e-commerce business success through national business awards programmes	Consistent with Trade New Zealand's policy of mainstreaming e-business, it has incorporated e-business into its criteria for the export awards.
Support, through Industry New Zealand, Trade New Zealand, and Technology New Zealand, the development of key networks between businesses, professional service providers, and the financial community.	Work on this proposal by The Foundation for Research Science and Technology (FRST) and Industry New Zealand is continuing. FRST helps networking by using the TechNZ website to provide information to assist businesses to identify appropriate partnerships within the broader innovation system (ie. links to research/technology providers, lists of consultants, technology companies, links to other forms of business assistance, venture capital etc).
Champion New Zealand's e-commerce, technology, and innovation capability overseas through Trade New Zealand and Ministry of Foreign Affairs and Trade networks.	The Ministry of Foreign Affairs and Trade and Trade New Zealand continue to work through New Zealand's overseas posts and offices to enhance market access opportunities using e-commerce for NZ exporters and promote NZ companies as innovative users of leading edge technology.  <a href="http://www.mfat.govt.nz">www.mfat.govt.nz</a> <a href="http://www.tradenz.govt.nz">www.tradenz.govt.nz</a>

**The Government will be informed about New Zealand's e-commerce capability through quality information and research.**

Actions and Commitments	Progress
<p>Identify a research and development programme, co-ordinated by the Ministry of Economic Development with the input of other departments and tertiary institutions, to:</p> <ul style="list-style-type: none"> <li>• Provide better statistics on the penetration of ICT and ICT skills in business and throughout the community; and</li> <li>• Improve our understanding of the constraints on the adoption of e-commerce by businesses, to inform policy responses; and benchmark New Zealand against the rest of the world.</li> </ul>	<p>The following research studies, commissioned by the Ministry of Economic Development are available on the ECAT website.</p> <ul style="list-style-type: none"> <li>• A report by the Institute for the Study of Competition and Regulation identifying issues underpinning New Zealand's ability to measure and assess its performance, both absolute and comparative with other countries, in the field of e-commerce. This work will be further developed in discussion with the research community and in co-operation with Australian and possibly other overseas groups with similar needs and interests.</li> <li>• A report by Waikato University on a survey of "Net Readiness" in eight industry groups. The results will be used to measure the effectiveness of Government initiatives in developing e-commerce in New Zealand, and to provide baseline information for extending the study to other industry groups.</li> <li>• A report by Amos Aked Swift (NZ) Limited on the existing telecommunications infrastructure base servicing the rural and small urban towns and the potential to provide "broadband" access to these areas in the near future.</li> <li>• A critical annotated bibliography of relevant research in New Zealand and from overseas, which will be maintained and updated regularly (forthcoming).</li> <li>• Annual IT statistics published by the Ministry of Economic Development, which include information from an annual survey of the IT industry carried out by Statistics New Zealand.</li> <li>• A report on electronic business in New Zealand by the Ministry of Economic Development based on a survey of 500 businesses conducted in August 2000 by BRC Marketing and Social Research.</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>• The Inland Revenue Department, in conjunction with the Ministry of Economic Development, has commissioned a study of e-traders, which assesses the volume of Internet Web-based transactions in New Zealand (forthcoming).</li> <li>• Te Puni Kokiri has published a study commissioned from ACNielsen on Maori use of the Internet.</li> <li>• Other work is being planned and will be co-ordinated through the ECAT Research Subgroup which now includes a wide range of university, private sector and government agencies.</li> </ul> <p><a href="http://www.ecommerce.govt.nz/ecat/knowledge/resources/resources-03.html">www.ecommerce.govt.nz/ecat/knowledge/resources/resources-03.html</a></p>

**The Government will deliver better quality, cheaper, and faster services to its customers through the introduction of on-line services, and lead by example through e-government and e-procurement.**

Actions and Commitments	Progress
<p>Improve citizens' and businesses' access to government including:</p> <ul style="list-style-type: none"> <li>• Developing New Zealand Government On-line (NZGO) as the primary Internet portal into government agencies and services, and Web-based access to forms, with 40% of all public service forms available on-line by 30 June 2001. Information and on-line payments systems will be in</li> </ul>	<p>An enhanced NZGO website will be implemented by January 2002. It will include:</p> <ul style="list-style-type: none"> <li>• service level agreements between NZGO, agencies and users;</li> <li>• improvement in the quality of data;</li> <li>• new hosting arrangements;</li> <li>• enhancement of search capability; and</li> <li>• a prototype of a new portal as a "parallel" site.</li> </ul> <p>Phase 1 of the Portal will be implemented by June 2002 and will enable customers to locate online and offline government services</p>

<p>place by 30 June 2001; and</p> <ul style="list-style-type: none"> <li>Identifying activities where New Zealanders will be encouraged to interact with government agencies on-line, and providing incentives for them to do so.</li> </ul>	<p>and information.</p> <p>The new government portal will make government services and information more accessible to New Zealanders. In addition savings in time and cost are significant incentives to deal with government electronically, eg company incorporation.</p>
<p>Ensure departments actively consider e-commerce solutions when developing policy, management, and operational initiatives.</p>	<p>The Minister of State Services has advised public service chief executives that departments must explicitly incorporate e-government into their strategic business planning from 2001/02 onwards. This requirement was identified in the 2001/02 SSC Letter of Expectation to Chief Executives. It will be monitored as part of the annual performance appraisal system by SSC.</p>
<p>Introduce electronic procurement by government agencies for purchasing goods and services. Advice on issues and options, including preferred all-of-government strategic approach, will be put to the Government by the end of 2000.</p>	<p>An e-procurement strategy and report has been provided to the Cabinet Economic Development Committee. E-procurement pilots have been undertaken by various agencies, and agencies' experience reviewed. Lessons learned were fed into an RFP (for the whole-of-government e-procurement solution) and sent out. The e-procurement pilot phase with 5 agencies will be undertaken in Jan-June 2002. It will then be evaluated to make a decision whether to proceed to full rollout of the system.</p>
<p>Develop a government-wide approach for electronic billing systems to ensure a consistent approach. A Government strategy for use of e-billing will be in place by 30 June 2001.</p>	<p>An e-billing strategy report was prepared in early 2001 for the E-government Advisory Board. It concluded that products in the marketplace are not developed enough to recommend any particular approach. An independent assessment of the report supported this conclusion. The strategy will be reviewed again in March 2002.</p> <p><a href="http://www.egovernment.govt.nz">www.egovernment.govt.nz</a></p>
<p>Embrace best practice in the delivery of government services using electronic means, including:</p>	
<ul style="list-style-type: none"> <li>advancement by the New Zealand Customs Service of its on-line strategy to provide a better service to importers and exporters and to promote the use of a single electronic platform which will support a single interaction between border and government agencies;</li> </ul>	<p>Exports:</p> <p>A strategy was developed to enhance quality, timeliness and completeness of export information and the Internet has been developed as a delivery channel.</p> <p>Imports:</p> <p>Approximately 95% of import entries are now lodged electronically, and the Internet is being developed as a delivery channel for one off imports and small importers.</p> <p>Customs is working with the Ministry of Agriculture and Forestry (MAF) to determine whether there is value in integrating electronic services. A project has been agreed to review the compatibility between MAF's "Quantum" and Custom's "Cusmod" computer systems (the terms of reference of the project are currently being negotiated). A project is underway to identify possible economies of scale to be achieved by shared use of MAF's and Custom's wide area networks and infrastructure.</p> <p><a href="http://www.customs.govt.nz">www.customs.govt.nz</a> <a href="http://www.maf.govt.nz">www.maf.govt.nz</a></p>
<ul style="list-style-type: none"> <li>the continued improvement in the ability to register companies electronically with the New Zealand Companies Office;</li> </ul>	<p>New Zealand has a world class companies register supported by sophisticated on-line search capabilities. Company searching is supported online. The vast majority of search enquiries are already conducted online. It is anticipated that ongoing client education and the implementation of the Personal Property Securities Register will move almost all of the residual 5% paper searches online by the end of 2002.</p> <p>Presently the Companies Office Internet service supports specific registrations. Collectively, all those services mean that nearly three quarters by volume of all registrations are online capable. The Companies Office will introduce a user authentication process, to be known as "Company Keys" in the first quarter of 2002. This will mean that online company address and director maintenance software currently waiting for release can be enabled. When company charge</p>

	<p>and satisfaction registrations are excluded (this legislation is to be repealed on commencement of the Personal Property Securities Register on 1 May 2002) over 97% of all registrations by volume received by the Companies Office will be supported online.</p> <p>The Companies Office continues to support paper processes in parallel with its online services for searching and each registration type. At this time the uptake of online services ranges between 50% and 92% depending on the registration type.</p> <p><a href="http://www.companies.govt.nz">www.companies.govt.nz</a></p>
<ul style="list-style-type: none"> <li>• further improvements in the on-line Maori Land Information Base;</li> </ul>	<p>The Maori Land Information Base (MLIB) was updated in 2000 to increase the accuracy of data. In 2001, the MLIB was incorporated into the redeveloped Te Puni Kokiri website. It's functionality was also enhanced. The data is currently being updated to increase accuracy and to enable ownership data from the Maori Land Court to be incorporated.</p> <p><a href="http://www.tpk.govt.nz/business/mlidb/default.htm">www.tpk.govt.nz/business/mlidb/default.htm</a></p>
<ul style="list-style-type: none"> <li>• continued development of the Ministry of Agriculture and Forestry's ability to provide services such as electronic certification of goods and electronic management of dairy quota;</li> </ul>	<p>E-certification has been mandatory in the NZ meat sector since April 2000. It certifies consignments internally from origin through processing and storage. Full e-certification has been live with Canada since June 2001, is likely with the US by the end of 2001, and negotiations are continuing with other markets (e.g. Iran).</p> <p>Seafood: e-cert is currently voluntary, use is increasing and negotiations are in progress with the sector to determine when e-certification will become compulsory.</p> <p>Dairy: e-cert went live in August 2001 for EU certification. MAF is currently scoping automated verification of certificates (ie, validating that the information on the certificates is correct). The electronic dairy quota management system is continuing to operate successfully.</p> <p>Plant-based products: MAF is developing with this sector an e-cert regime for plant-based products export certification. This is expected to be live by February 2002.</p> <p><a href="http://www.maf.govt.nz/ecert/index.htm">www.maf.govt.nz/ecert/index.htm</a></p>
<ul style="list-style-type: none"> <li>• continued development by the Inland Revenue Department of initiatives such as electronic filing, interactive voice response, and Internet-based applications;</li> </ul>	<p>Inland Revenue is continuing to develop and deploy a range of electronic services that provide customers with alternative service delivery methods. These products have reduced the cost of compliance for customers while providing operational efficiencies for Inland Revenue.</p> <p>Inland Revenue already engages in an array of electronic interactions with taxpayers. During 2000/01 it received and processed 930,000 E-file (electronic) income tax returns (49% of all income tax returns received).</p> <p>Recently IRD has:</p> <ul style="list-style-type: none"> <li>• reviewed and made improvements to electronic return filing for employers (ir-File);</li> <li>• set up a project team to explore opportunities for improving electronic service; the team is working on improving Inland Revenue's Internet website, which will form the first building block for a range of other services;</li> <li>• updated and revised the tax agents CD-ROM – a product designed specifically for tax agents that contains electronic copies of key Inland Revenue forms, booklets and information relevant to tax agents;</li> <li>• provided fax back capability for tax agents – this allows them to receive limited and secure account transaction information on their clients accounts by accessing IRD's automated telephone response (INFOexpress), keying in the relevant client information, and receiving an automated fax with the client account transaction information; and</li> </ul>

	<ul style="list-style-type: none"> <li>actively contributed to e-government initiatives sponsored by the State Services Commission.</li> </ul> <p><a href="http://www.ird.govt.nz">www.ird.govt.nz</a></p>
<ul style="list-style-type: none"> <li>reduction of compliance costs for SMEs by rationalising information flows;</li> </ul>	<p>The Report of the Ministerial Panel on Business Compliance Costs made a number of recommendations on ways that electronic technology can be used to improve the flow of information between business and government. The Government is currently analysing these recommendations, and a final response will be released in December. At this stage the Government's consideration is focussed on exploring the possibility of a government business portal to improve the access to information for business.</p> <p><a href="http://www.businesscompliance.govt.nz">www.businesscompliance.govt.nz</a></p>
<ul style="list-style-type: none"> <li>the development of a comprehensive e-strategy by the Department of Work and Income (DWI) to provide for better delivery of services.</li> </ul>	<p>The strategy has been developed. A vendor has been selected and Ministry of Social Development will begin developing additional Internet services from 1 November 2001.</p> <p><a href="http://winz.govt.nz">winz.govt.nz</a></p>
<p>Develop a secure means of exchanging and managing government information over public networks. A secure inter-agency e-mail pilot between The Treasury, the State Services Commission and the Department of the Prime Minister and Cabinet will be in place by 30 November 2000. The system will be rapidly scaled up to accommodate other agencies once proven in operation. This will include putting in place the minimum necessary elements of a government public key infrastructure (PKI) which may be adopted for private sector purposes. The heads of the three central agencies will sign off a PKI policy by 28 February 2001. A final Government PKI policy will be published by 30 June 2001.</p>	<p>Secure Electronic Environment (S.E.E.) email is now operational between the State Services Commission, the Treasury, the parliamentary complex (including Parliamentary Services, Department of the Prime Minister and Cabinet, Parliamentary Counsel Office, Office of the Clerk and Ministerial Services) and the Office of the Controller and Auditor General.</p> <p>Several agencies are negotiating with accredited suppliers, and there will be ongoing rollout of S.E.E. email to other government agencies.</p> <p>S.E.E. PKI – 9 policy papers have been published.</p> <p>S.E.E. Directory – The directory is for cross-government use. High level administration policies and data schema have been published. Introduction of a public key infrastructure (PKI) to ensure only authorised people have access to internal information will be completed in November 2001.</p> <p>Provision of a secure area on the Internet where government departments can work together on projects will be completed in Dec 2001.</p> <p><a href="http://www.e-government.govt.nz/projects/see/index.html">www.e-government.govt.nz/projects/see/index.html</a></p>

**The Government will ensure the continuing supply of skilled resources.**

<b>Actions and Commitments</b>	<b>Progress</b>
<p>Develop a co-ordinated international marketing approach to attract people with e-commerce and ICT skills to New Zealand.</p>	<p>The New Zealand Immigration Service (NZIS) has undertaken a migrant recruitment drive aimed at Indian ICT professionals. The current promotional activity is likely to be a pilot for a broader, global promotional campaign.</p>
<p>Monitor and review on an on-going basis immigration policies to ensure the continued supply of people with e-commerce and ICT skills.</p>	<p>The NZIS is currently undertaking first principles review of work visa and permit policy. As part of this, ways to further facilitate the entry of talented migrants are being examined. Current policy initiatives to address skills shortages in the e-commerce and ICT areas are as follows:</p> <ul style="list-style-type: none"> <li>The New Zealand Immigration Service has ICT occupations on its skills shortages lists so that a labour market test is not required for employers wishing to recruit ICT specialists from overseas.</li> <li>Since 1 July 2001, national representative organisations of occupations or industries in NZ experiencing significant difficulty recruiting highly skilled specialist employees from overseas under standard work visa and permit policy, have been able to make submissions to the NZIS requesting special provisions allowing the employment of such specialists.</li> <li>ICT specialists, holding a letter of support from the Information Technology Association of New Zealand (ITANZ) confirming their</li> </ul>

	skills are in short supply in NZ, and may be awarded 10 points for qualifications to be counted towards the passmark for residence under the General Skills category, providing certain work experience and training criteria are met.
Develop an "Access from Anywhere" facility to provide a fast, convenient, on-line service for immigration, visa, and permit applications.	The Government has approved an initial pilot on-line service for immigration, visa and permit applications. New Regulations have been promulgated. Detailed design work has been completed with systems to be built, tested and implemented during 2001/02.  <a href="http://www.immigration.govt.nz">www.immigration.govt.nz</a>
Promote the training of New Zealanders in e-commerce and ICT.	See items under Building Capability below.

## Building Capability

"Lifelong learning is the key to wealth creation and improved economic and social performance. Building business skills in e-commerce and ICT in SMEs is an immediate priority. The private sector has a vital role to play alongside government and the tertiary sector in developing these skills. "

- *E-commerce: Building the Strategy for New Zealand*, p. 12

### The Government will facilitate building business e-commerce skills.

Actions and Commitments	Progress
Work with business to build strategic, management, and technology skills under Industry NZ to improve business competitiveness through exploiting the advantage and opportunities of e-commerce in a global economy.	Advice on e-commerce issues is part of the package of services delivered by Industry New Zealand. See below:
Ensure that its regional and industry development programmes foster e-commerce capability through:	
<ul style="list-style-type: none"> <li>the industry specialist support programme; and</li> </ul>	The industry specialist support programme was not initiated but the business Growth Fund and the Regional Initiatives Fund both support e-commerce initiatives. Industry New Zealand is also working on an ICT Strategy.
<ul style="list-style-type: none"> <li>recognition under the Enterprise Awards Scheme.</li> </ul>	E-commerce and e-business strategies have been included as a qualifying category in Industry New Zealand's Enterprise Award Scheme.  <a href="http://www.industry.govt.nz/sme/sec03_overview.shtml">www.industry.govt.nz/sme/sec03_overview.shtml</a>
Ensure that BIZ programmes foster e-commerce capability in future tender rounds, beginning November 2000, by:	
<ul style="list-style-type: none"> <li>the provision of the highest quality information and training material;</li> </ul>	A training package consisting of 8 e-commerce modules has been developed and given to the 17 BIZ lead providers to be delivered as part of the suite of business development programmes on offer to SMEs.
<ul style="list-style-type: none"> <li>enhancing the quality of advice by building the capability of service providers and trainers;</li> </ul>	A train the trainers package has been delivered to all lead providers to ensure consistent delivery of the e commerce modules.  <a href="http://www.bizinfo.co.nz">www.bizinfo.co.nz</a>
<ul style="list-style-type: none"> <li>building local networks of business e-commerce mentors; and</li> </ul>	This initiative has not yet been actioned, but the User Adoption Subgroup of ECAT has singled out as a priority area for attention the identification, appraisal and potential upskilling of business advisors and trusted sources of business advice.

<ul style="list-style-type: none"> <li>supporting initiatives to enable SMEs to exploit collective opportunities to extract economies of scale with respect to technology and e-commerce applications.</li> </ul>	<p>In addition to the training provided by BIZ, Industry New Zealand:</p> <ul style="list-style-type: none"> <li>is assisting dissemination of key e-commerce and ECAT messages through its publications and website;</li> <li>has funded regional studies of ICT needs in Northland and Southland and is contributing to the Broadband pilots; and</li> <li>through the Industrial Supplies Office (ISO) will continue to provide information to NZ business and will extend this to provide coverage of e-procurement opportunities.</li> </ul> <p><a href="http://www.industry.govt.nz">www.industry.govt.nz</a>  <a href="http://www.ecommerce.govt.nz/ecat/knowledge/resources/resources-04.html">www.ecommerce.govt.nz/ecat/knowledge/resources/resources-04.html</a></p>
<p>Foster e-commerce capability in exporters through Trade New Zealand's Business Programme, which will commence before the end of 2000, by:</p>	
<ul style="list-style-type: none"> <li>an education programme aimed at lifting exporter awareness of global e-commerce opportunities;</li> </ul>	<p>Trade New Zealand has:</p> <ul style="list-style-type: none"> <li>commenced e-business education of its staff through three online learning modules and staff briefings;</li> <li>commenced client e-business education. This includes three training modules as well as awareness building seminars around the country; and</li> <li>worked with their e-business partner consortium members to develop affordable e-business products/services for exporters, following the development of an e-business education "Road Map".</li> </ul>
<ul style="list-style-type: none"> <li>delivery of an increasing range of Trade NZ services on-line through the utilisation of a new information management strategy;</li> <li>on-line matching of international business and investment opportunities; and</li> </ul>	<p>Trade New Zealand has:</p> <ul style="list-style-type: none"> <li>developed and implemented an online database to profile all NZ exporters (NZ Exporters Online);</li> <li>redeveloped the Corporate Website, including implementation of an online content management system;</li> <li>begun developing a system to manage trade enquiries online, using the NZ Exporters Online system profiles;</li> <li>begun developing an online Newsroom to provide exporters with news and analysis on topical trade and investment issues; and</li> <li>worked on development and delivery of "off the shelf" services online.</li> </ul>
<ul style="list-style-type: none"> <li>facilitating exporters' marketing to overseas buyers through digital marketplaces.</li> </ul>	<p>Trade New Zealand has entered into partnership with Emarketservices.com to provide a research database of digital marketplaces to TNZ staff and clients and is developing a service line to advise exporters on selection and integration of digital marketplaces.</p> <p><a href="http://www.tradenz.co.nz">www.tradenz.co.nz</a></p>
<p>Foster e-commerce capability in rural businesses through the Rural Education Activities Programme (REAP).</p>	<p>The Ministry of Education's contracts with REAPs encourage brokerage and consultancy to meet local needs. Te Tairāwhiti REAP is involved in the facilitation of Project Rorohiko. Wairarapa REAP is involved in the Smart Wairarapa Project. Other REAPs have less clearly specified their projects in current reporting.</p>
<p>Further develop the Maori Business Facilitation Service under Te Puni Kōkiri's Capacity Building Programme to build e-commerce capability.</p>	<p>Maori Business Facilitation Service Account Managers refer Maori businesspeople to the e-commerce training courses being run by Industry New Zealand's BIZ programme.</p> <p><a href="http://www.tpk.govt.nz/business/links/default.htm">www.tpk.govt.nz/business/links/default.htm</a></p>
<p>Publish and maintain an E-commerce Guide for SMEs by November 2000.</p>	<p>E-commerce; a Guide for New Zealand Business was published in November 2000. The Guide has been well received and over 8000 copies have been distributed.</p> <p><a href="http://www.ecommerce.govt.nz/guide/index.html">www.ecommerce.govt.nz/guide/index.html</a></p>
<p>Facilitate innovative e-commerce and IT companies' access to finance in order to grow their business through Industry New Zealand's Investment Readiness Scheme.</p>	<p>This scheme is operating and the vcapital.co.nz website has been created.</p> <p><a href="http://www.vcapital.co.nz">www.vcapital.co.nz</a></p>

**The Government will work to ensure that all New Zealanders have access to life-long learning opportunities to develop ICT skills for the 21st century.**

Actions and Commitments	Progress
<p>Show leadership in the education sector, through, for example, extending the capabilities of the bi-lingual on-line learning centre for schools (Te Kete Ipurangi), and increasing the use of ICT as the communication and information tool of choice through initiatives such as the Tertiary Information Project and Single Data Return.</p>	<p>The Ministry of Education has been consulting on a revision of the ICT Strategy for Schools that will provide the next stage in leadership for the sector.</p> <p>Existing initiatives, including Te Kete Ipurangi (TKI), the Tertiary Information Project (TIP), and Single Data Return (SDR) are well established.</p> <p>Current work is being undertaken in developing a Management Information Project that will enable electronic information management and reporting for the schools sector.</p> <p>TKI has developed an expanded relationship with Learning Media Ltd that will enable electronic access to catalogues and ordering. A proof of concept trial is underway to integrate resources from local Teachers Centres.</p> <p>Ministry of Education: <a href="http://www.minedu.govt.nz/">www.minedu.govt.nz/</a>  Tertiary Education: <a href="http://www2.minedu.govt.nz/Step">www2.minedu.govt.nz/Step</a>  Te Kete Ipurangi: <a href="http://www.tki.org.nz">www.tki.org.nz</a></p>
<p>Ensure that all teachers are equipped with the skills to use ICT in the learning situation, through the provision of on-the-job training and qualifications.</p>	<p>Fifty-one ICT professional development clusters operate, covering over 600 schools. Resource materials developed through these clusters are made available through Te Kete Ipurangi. ICT advisers are available throughout the country. Most tertiary institutions offering post graduate qualifications for teachers include ICT courses within their programmes.</p>
<p>Promote the integration of ICTs across the curriculum as integral to teaching and learning practices.</p>	<p>This work is ongoing through all materials development, referencing all articles in the Education Gazette and the development of new digitised resources.</p> <p>New kete on Te Kete Ipurangi include curriculum stocktake and a 'one-stop-shop' for assessment information. The Curriculum Stocktake provides an opportunity for this to be highlighted.</p> <p><a href="http://www.tki.org.nz">www.tki.org.nz</a></p>
<p>Work with the private sector and communities to extend the ICT capability of schools, libraries, and other sites of learning for individual and business use.</p>	<p>The Ministry has agreed a national licensing agreement with Microsoft, to cover all state and integrated schools, and to extend to the home computers of all teachers in those schools. Under this agreement schools will be provided with the latest versions of popular Microsoft software.</p> <p>Four collaborative digital opportunity initiatives are currently underway.</p> <p><b>West Auckland and Gisborne</b></p> <p>The ICT Technology Training pilot will provide students in five low decile secondary schools in West Auckland and Gisborne with access to:</p> <ul style="list-style-type: none"> <li>• technology qualifications from Microsoft and other technology qualification providers (access to Microsoft qualifications will be the focus of the first year of the pilot);</li> <li>• recognition for these qualifications on the NZQA framework;</li> <li>• good quality connections to the Internet (minimum 128k two way connection); and</li> <li>• computers, software, and professional development.</li> </ul> <p><b>Learning Communities in the Far North</b></p> <p>This project is led by Microsoft, in partnership with Clear Communications, IBM, TVNZ, and The Learning Centre Trust (which manages the Te Kete Ipurangi website).</p> <p>The Learning Communities pilot project will provide 10 schools in the Far North with access to:</p> <ul style="list-style-type: none"> <li>• computer based bilingual learning resources, including interactive and tailored materials targeted at the mathematics, science, and technology curriculum.</li> </ul>

	<p>This includes creating resources and using existing resources from TVNZ and INL archives;</p> <ul style="list-style-type: none"> <li>• good quality connections to the Internet (minimum 128k two way connection); and</li> <li>• computers, software, and professional development.</li> </ul> <p><b>ICT Boosted Study Support Centres in Southland and Canterbury</b> The study support centre pilot project involves providing three study support centres in Southland and Canterbury with an ICT boost. They will have access to:</p> <ul style="list-style-type: none"> <li>• good quality connections to the Internet;</li> <li>• computers, software, and professional development;</li> <li>• training, technical and student support; and</li> <li>• facilitated study support using ICT.</li> </ul> <p>This project is led by Telecom, in partnership with Compaq, NZ Post, Microsoft, Vodafone, Renaissance, and the Learning Centre Trust.</p> <p><b>Laptops for Teachers and Senior Students – Hutt Valley</b> The Laptops for Teachers and Senior Students pilot project provides teachers and some year 12 and 13 (6<sup>th</sup> and 7<sup>th</sup> form) maths, science and technology students in four low decile Hutt Valley schools with access to:</p> <ul style="list-style-type: none"> <li>• laptop computers and software;</li> <li>• computers, software, and professional development;</li> <li>• professional development and student training; and</li> <li>• back-up support and networking opportunities.</li> </ul> <p>The project will also explore providing Internet access to the homes of participating students, thereby engaging their families. This project is led by Compaq, in partnership with Telstra Saturn, Renaissance, Microsoft, and The Learning Centre Trust.</p>
Encourage tertiary education institutions to meet the technology and managerial needs of New Zealanders in a rapidly changing work, technology, and communications environment.	An E-learning working party has been established, and is due to report to the Associate Minister of Education by 1 December 2001 on the establishment of an E-learning portal and collegial approaches to E-learning.
Work with the telecommunications industry to ensure that every school has sufficient Internet access to enable its use as an everyday learning tool.	Ongoing discussions are being held with various telecommunications providers.
Ensure that career information advice and guidance recognises the opportunities for careers in IT and new economy industries, and the value of ICT skills in the wider employment market.	The current contract with Careers Services includes provision for this.
Give priority in programmes to those disadvantaged in the labour market to gain relevant ICT skills, either to participate in further training or to gain sustainable employment.	Access to training in ICT skills is available through Ministry of Social Development's Work and Income offices and the Training Opportunities programme. The Ministry of Social Development's Regional Commissioners have considerable flexibility to purchase and design courses to meet the specific needs of disadvantaged job seekers in their regions, including ICT skill requirements.
Promote opportunities for distance learning through the Internet, recognising its potential for community or work-place learning programmes and for life-long learning.	Digital opportunities initiatives (for example clusters such as Casatec, Kaupapa Ara Whakawhiti Mātauranga (KAWM), and Project Rorohiko) provide opportunities for this. Casatec provides for online learning, KAWM provides for IP video-conferencing across wharekura and Maori boarding schools.

## The Government will build broader ICT literacy and capability in the community.

Actions and Commitments	Progress
Exploit the potential embodied in the infrastructure and skills in schools and tertiary institutions throughout the country to build community capability, by investigating the benefits of computers in homes for teaching and learning under two pilot projects with Decile 1 schools and a pilot project to provide computers to Te Tairāwhiti schools.	Two pilot projects for Computers in Homes projects are underway, with concurrent evaluation programmes.  Project Rorohiko has now provided 2000 computers for Te Tairāwhiti schools.  <a href="http://www.computersinhomes.org.nz">www.computersinhomes.org.nz</a>
Work with rural and other communities to identify their e-commerce and ICT skill needs, and working with the private sector to offer training programmes for those disadvantaged in the labour market.	A stocktake of initiatives aimed at increasing digital opportunities was completed in early 2001.  Stakeholder consultation was undertaken to further understand where and on whom the digital divide is impacting, what is already being done and what more can be done. This was completed in April 2001 and a Stakeholder Consultation document was published on the Department of Labour website in May.  Work on formulating a Digital Opportunities Strategy is underway and being developed as part of a broader communication strategy.  Stocktake: <a href="http://www.executive.govt.nz/minister/maharey/divide/01-01.htm">www.executive.govt.nz/minister/maharey/divide/01-01.htm</a> Stakeholder consultation: <a href="http://www.lmpg.govt.nz/opapers.htm">www.lmpg.govt.nz/opapers.htm</a>
Explore innovative ways to facilitate private-sector provision of better access to electronic communication services for rural communities.	The Broadband Initiative includes pilot projects in up to six regions to test the potential for bringing together demand for broadband services in a particular region in a way that is commercially attractive for suppliers.

## An Enabling Regulatory Environment

"The regulatory environment in part determines the incentives that support the early adoption of electronic commerce by business. It is more than the legal framework. It embraces trade policy, tax policy, industry specific regulation, and consumer policy."

- *E-commerce: Building the Strategy for New Zealand*, p. 14

### The Government is committed to:

Actions and Commitments	Progress
Ensuring an open and competitive economic environment that supports e-commerce.	Work on reducing compliance costs, the Telecommunications Bill and negotiations to ensure competitive opportunities for e-commerce and closer economic partnership agreements with Hong Kong and Singapore are just some of the examples of work in support of this objective.
Ensuring an equivalent legal framework for electronic transactions and paper-based transactions.	This is the objective of the Electronic Transactions Bill, which is currently before Parliament.
Developing consumer confidence by addressing security, privacy, and consumer protection concerns.	The Government has: <ul style="list-style-type: none"> <li>• worked in the OECD to develop consumer protection guidelines that will form a basis for internationally consistent consumer protection of a standard expected by New Zealand consumers;</li> <li>• implemented those consumer protection guidelines in New Zealand by issuing the New Zealand Model Code for Consumer Protection in Electronic Commerce, which can be adopted by businesses or used in self-regulatory codes of practice;</li> <li>• conducted regular Internet sweeps to identify the level of compliance by New Zealand businesses with consumer</li> </ul>

	<p>protection and privacy laws and with the Model Code. The results of these sweeps have been widely published, and non-compliant or poorly complying businesses have been followed up;</p> <ul style="list-style-type: none"> <li>• worked in international forums to explore ways to ensure New Zealand consumers have access to low cost and effective redress mechanisms for resolving cross-border disputes;</li> <li>• entered into an international consumer protection enforcement initiative, to better protect New Zealand consumers against fraudulent traders and scams originating offshore; and</li> <li>• worked to raise the profile of consumer protection within the Asia-Pacific region to achieve a more regionally consistent approach to consumer protection, so that New Zealand consumers can transact with businesses in the region with greater confidence of the level of protection they are afforded.</li> </ul> <p><a href="http://www.consumer-ministry.govt.nz">www.consumer-ministry.govt.nz</a>  <a href="http://www.econsumer.gov">www.econsumer.gov</a></p>
Facilitating the development and protection of infrastructure.	Cabinet has approved the establishment of a Centre for Critical Infrastructure Protection, which will be implemented by the Government Communications Security Bureau, and which will separately choose IT standards to be implemented by government departments.
Encouraging continued innovation through our intellectual property laws. Reviewing as appropriate the rules that will govern the ownership and management of information.	<p>Two Discussion papers have been released by the Ministry of Economic Development that look at issues arising from the use of digital technology in relation to the Copyright Act and performer's rights.</p> <p>The first discussion paper reviews the impact of digital technology on the Copyright Act 1994 and discusses some of the key copyright issues that arise from the use of digital technology and the Internet. The second paper reviews performers' rights under the Copyright Act and looks at whether changes may be needed to meet the challenges posed by digital technology and new practices.</p> <p><a href="http://www.med.govt.nz/buslt/int_prop.html">www.med.govt.nz/buslt/int_prop.html</a></p>
Monitoring and addressing emerging issues around the governance of the Internet.	<p>The Ministry of Economic Development provides a representative to the Government Advisory Committee (GAC) which forms part of the Internet Corporation for Assigned Names and Numbers (ICANN). Over the past 12 months, the GAC has discussed and advised ICANN on a wide range of issues such as best practices for country code top level domain (ccTLD) managers and the need for a universal WHOIS database. It has also co-ordinated an approach to WIPO asking for investigation of issues surrounding the use of personal names and geographical indicators and country names in domain names.</p> <p>The Ministry of Economic Development is also active in the APEC Telecommunications and Information Working Group, which has looked at international Internet charging and security issues, and in Study Group 3 of the ITU which has also discussed international Internet charging.</p>
Supporting the development of enabling international norms and principles that maximise the cost-effective opportunities for New Zealand businesses to use the Internet to exploit e-commerce.	New Zealand continues to participate in international fora on these issues, including the United Nations Commission on International Trade Law (UNCITRAL), the Organisation for Economic Cooperation and Development (OECD), the Hague Convention on International Private Law, the APEC Telecommunications and Information Working Group, the World Trade Organisation (WTO) and the World Intellectual Property Organisation (WIPO).

**The Government will ensure flexible and timely legislative responses.**

<b>Actions and Commitments</b>	<b>Progress</b>
Pass the Electronic Transactions Bill by June 2001 to support an equivalent legal environment for both electronic transactions and paper-based transactions.	The Bill has been considered by Select Committee and was reported back to the House on 19 June 2001. The second reading is pending.
Pass the Crimes Amendment Bill No 6 by June 2001 to deal with cyber crime.	The Bill has been considered by Select Committee and was reported back to the House on 20 July 2001. Consideration of the report is pending.
Amend the Privacy Act 1993 to ensure that New Zealand's privacy laws are regarded as adequate in terms of the EU Directive on Data Protection.	The Associate Minister of Justice has agreed to the inclusion of these amendments in a suitable legislative vehicle.
Progress the development of the Evidence Code, which will define how electronic communications can be used in evidence.	Policy work is well advanced and Cabinet Papers are in preparation.
Review other legislation including intellectual property legislation to ensure that there are no significant impediments to the application of e-commerce.	The Trade Marks Bill was introduced into Parliament in June 2001. The Bill is consistent with the Electronic Transactions Bill.
The Ministry of Economic Development will report to Ministers by 30 June 2001 on the implications for New Zealand of acceding to WIPO Internet Treaties.	Two discussion papers "Digital Technology and the Copyright Act 1994" and "Performers Rights" were released in July 2001.  The report to Ministers on acceding to the WIPO treaties has been deferred, with Ministerial agreement, until the end of November to allow for further consultation on the basis of the above discussion papers, given the complexity of the issues.

**The Government will facilitate the development and protection of infrastructure**

<b>Actions and Commitments</b>	<b>Progress</b>
Pursue policy responses to the Ministerial Inquiry into Telecommunications that will ensure cost-effective, timely, and innovative telecommunications services on an on-going fair and equitable basis.	The Telecommunications Bill was introduced into Parliament. It was reported back from Select Committee on 18 September 2001.
Actively facilitate the development of a national infrastructure protection strategy in partnership with the private sector to enhance the security of essential networks from attack by hackers, criminals, and cyber-terrorists. Initial advice on a National Infrastructure Protection Strategy will be provided to Ministers by 11 December 2000.	The National Infrastructure Protection Strategy report was submitted to Cabinet, and Cabinet has approved the establishment of a Centre for Critical Infrastructure Protection.

**The Government will encourage appropriate self-regulation by industry**

<b>Actions and Commitments</b>	<b>Progress</b>
Work with business to promote appropriate self-regulation through, for example, the development of industry codes of practice in areas such as consumer protection and Internet services.	The Government has issued the New Zealand Model Code for Consumer Protection in Electronic Commerce to assist business to develop self-regulatory mechanisms, and it has supported the development of the e-Marketing Standards Authority (eMSA) and provided advice to business associations considering their own codes of practice.  <a href="http://www.emsa.co.nz">www.emsa.co.nz</a>

**The Government will ensure an appropriate tax environment that takes into account the growth of e-commerce.**

<b>Actions and Commitments</b>	<b>Progress</b>
Review the GST treatment on imported services, including those that are provided electronically.	A discussion document, "GST & Imported Services" was released in June 2001 containing proposals for reform in this area. Officials are considering submissions received on the document and will report to Ministers.  <a href="http://www.taxpolicy.ird.govt.nz/publications/index.php?catid=2">www.taxpolicy.ird.govt.nz/publications/index.php?catid=2</a>

**The Government will promote New Zealand's interests internationally.**

<b>Actions and Commitments</b>	<b>Progress</b>
<p>Ensure that New Zealand's interests are protected in international forums by working with like-minded countries to achieve:</p> <ul style="list-style-type: none"> <li>• international alignment of law;</li> <li>• minimisation of transaction costs for business;</li> <li>• maintenance of an open trading environment for the free flow of information and services; and</li> <li>• the interoperability of infrastructures, secure electronic authentication, and payments.</li> </ul>	<p>The Ministry of Economic Development together with the Ministry of Foreign Affairs and Trade ensures NZ's e-commerce interests are protected and promoted in international forums, through ongoing work in the WTO, OECD, APEC and other forums.</p> <p>The focus is on securing positive outcomes from the e-commerce strategy, notably; an internationally agreed legal framework, minimal business transaction costs, an open trading environment with minimal impediments, and a robust and secure international infrastructure.</p>