FOREWORD

E-Commerce: Building the Strategy for New Zealand sets out a vision which I urge all New Zealanders to take up:

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

Five years ago people were talking cautiously about the potential of the Internet. Today few would question that the rapid advance of information technology, the growth of global networks, and the application of e-commerce are opening up the scope of opportunities for business beyond anything predicted.

A revolution is happening that we are only just beginning to understand.

Its implications for all New Zealand businesses, large and small, are profound.

Information technology is fundamentally changing the way we communicate and do business, and changing the consumer choices we enjoy.

Knowledge, information, imagination, ideas, and innovation are emerging as our greatest assets.

E-commerce opens up vast new opportunities to develop new products and services, exploit new markets, create new networks and relationships, and to reduce the cost of doing business.

At the same time, the revolution also represents substantial new risks. The pace of technology change, the scope and speed with which information can flow, the globalisation of consumer tastes, and the aggressive competition for highly-skilled people are putting new pressures on business.

Businesses should give urgent priority to understanding how to exploit the full potential of e-commerce. We cannot afford to be left behind. We have the opportunity to be in front.

This Strategy sets out the Government's commitment to provide leadership through example, and to help build the capability of New Zealanders. We want to ensure that all citizens have access to the new technology, and to provide an enabling regulatory environment in which e-commerce can flourish.

It is the beginning of a process of partnership between government, business, and the broader community to ensure that all New Zealanders are able to benefit and participate in a rapidly growing e-commerce environment.

It is fitting that New Zealand, the first to see the dawn of the new millennium, should strive to be at the forefront in exploiting cyberspace to enhance our economic prosperity and links with the world.

Hon Paul Swain
Minister for Information Technology
Minister of Commerce
Minister of Communications

THE E-COMMERCE STRATEGY AT A GLANCE

VISION

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

Goals
- To capitalise fully on our competitive advantages in a networked world
- To support enterprise by providing an environment that rewards innovation and entrepreneurship
- To foster the highest quality e-commerce skills to build innovation, technical and management capability
- To provide an environment that supports ICT infrastructure development, business performance and increased economic well-being for individuals.

Principles
- Leadership is a shared responsibility between government, business, and the broader community
- Human capability is the key area for investment
- There should be an open domestic and international regulatory approach that facilitates the development of infrastructure and interoperability with our key trading partners, and avoids undue restrictions and costs on e-commerce
- Choices about new technology and the exploitation of opportunities must be led by the private sector. The development of electronic commerce will be market-driven, and led by individuals and business innovators
- There should be a predictable, simple, and consistent legal environment for e-commerce. Where the Government intervenes it will do so in a transparent way
- Policy responses should be flexible and responsive to developments in a rapidly changing technology environment
- Building consumer confidence is essential for the fullest economic and social benefits to flow from e-commerce
- The Government should be a model user of e-commerce in implementing its e-government programme.

Leadership
In partnership with the private sector, the Government will:
- raise awareness and champion e-commerce
- be informed about New Zealand's e-commerce capability through quality information and research
- 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
- ensure the continuing supply of skilled resources.

Building capability

The Government will:

- facilitate building business e-commerce skills
- work to ensure that all New Zealanders have access to life-long learning opportunities to develop ICT skills for the 21st century
- build broader ICT literacy and capability in the community.

An enabling regulatory environment

The Government will:

- ensure flexible and timely legislative responses
- facilitate the development and protection of infrastructure
- encourage appropriate self-regulation by industry
- ensure an appropriate tax environment that takes into account the growth of e-commerce
- promote New Zealand's interests internationally.

INTRODUCTION

An information revolution is taking place.

It demands the critical attention of all businesses.

The revolution is driving the integration of the global economy. The speed, convenience and ease of reproduction, transformation, and movement of information are profoundly reshaping the scope and distribution of economic activity as well as informing consumer tastes.

This revolution is fostering an increased mobility of people and firms in a global setting. Geography and jurisdictions matter today much less than they have in the past.

The technological and innovative capability of New Zealand's businesses and citizens will be the keys to ensuring our ability to compete in world markets, as will be our enthusiasm and capacity to exploit the opportunities offered by the 24-hour a day 7-day a week global economy.

Information technology is generating new products, driving new production processes, new forms of business organisation, new scope for consumers, and new market opportunities. Not only is information an input in the production of high-value products, but it has also become a high-value product in its own right.

Our performance at the national, business, and individual level will increasingly be determined by our ability to collect, apply, create, and transmit information. Advanced technologies have lowered the cost of these processes and now enable them to take place at much greater speed. More importantly, they have made information more easily available and in a form that is highly adaptable for multiple and innovative use. These developments are shaping the way we do business and the choices we make about managing our lives.

We need to recognise the strategic implications of these developments. We must build our capability to respond and to maintain a safe electronic commerce environment if we are to ensure New Zealand's competitiveness and support our sustained economic development in a networked world.

Building our awareness and capability to participate in an electronic world is a matter for immediate attention by all New Zealanders.

ELECTRONIC COMMERCE

Electronic commerce is about undertaking business processes in a networked electronic environment.

E-commerce is more than businesses advertising or consumers buying on the Internet. While these activities are driving changes in the nature of retailing and distribution, greater gains from e-commerce lie in the area of business-to-business dealings, and in communication within businesses.

E-commerce is expanding the scope for businesses and individuals to acquire and use information as an input, and as a tool for more efficient management. It is changing the means of interaction between business and customer, business and business, individual and individual, and between government, the private sector and individuals.

Access to information and to the new ways of managing it have encouraged many businesses to identify and exploit new opportunities. They are embracing e-commerce to reduce costs, significantly increase efficiency, and ensure better customer and supplier management. More importantly, they are recognising its potential for maximising both opportunities and revenue from new and currrent products and services. The effective use of e-commerce can assist New Zealand business, particularly small and medium-sized enterprises (SMEs), to offer niche products and services to a global market. It allows us to overcome some of the problems associated with distance from markets and the small size of our economy.

In short, e-commerce is inspiring and forcing businesses to take a new look at how they do business, to reassess their competition, to collaborate in new ways, and to identify new customer bases.

NEW ZEALAND'S STRENGTHS AND WEAKNESSES

Strengths

Today, New Zealand has a strong platform on which to build.

We have an advanced technology and low cost-base that are attractive to foreign investors. By any international yardstick, we are near the forefront in adopting the new technologies that underpin e-commerce.

We have been in the top ten countries in the world for Internet access on a per capita basis since 1993. We have been the highest spenders in the world on IT equipment per capita for the past two to three years. We have quality and price-competitive infrastructure services – energy, transport, telecommunications and professional services – by world standards.

We have the highest level of penetration of EFTPOS and ATM technologies in the world. New Zealand consumers and small businesses are already comfortable with performing electronic transactions. We have some well-established e-government services, including on-line customs services to importers and exporters and on-line company registration.

Our multicultural, English speaking, population is well educated. Our regulatory environment is open and transparent. Our climate, lifestyle, and political stability are attractions. We have a high concentration of small and medium-sized enterprises (SMEs) that can offer advantages of flexibility that offset disadvantages of small scale and 'market muscle'.

Although we are distant from the rest of the world, we have a natural resourcefulness and a desire to exploit the advantages offered by the Internet. New Zealanders are already recognising the value of marketing intellectual capital over the Internet in the form of digital products ('content').

History and the small size of our country have given us an ability to respond quickly to calls for change. Our 'can do' attitude allows us to co-ordinate our efforts at the national and business level in the search for solutions to problems. This was seen in our successful collective response as a nation to Y2K.

Opportunities

The Internet offers new avenues for New Zealanders to exploit the rapidly developing market for creative content. Already, successes in fashion, boat design, film, music, software, and wine have placed New Zealand and its people on the world stage in ways that were previously unimaginable. The Internet also provides opportunities for Māori to pursue unique business ventures. Māori and Pacific cultures give New Zealand creative products a distinctive and fresh marketing edge, which their businesses are beginning to exploit.

The Internet allows for real-time participation in global economic activity. This has opened up opportunities for New Zealand businesses to create new services and information products, particularly as time-zone differences give us advantages in meeting the demands of the 24-hour global economy. We are at work while others are asleep. We can build new export trade by being the overnight information-processing partners for other parts of the world.

The flexibility provided by our large base of SMEs can be capitalised on by greater use of electronic linkages. Our SMEs have the potential to work with others in New Zealand and elsewhere to gain critical mass in order to meet customer needs in global markets. Clusters of SMEs can now compete against larger well-established businesses.

Weaknesses

Offsetting these strengths, however, are some weaknesses that must be addressed to ensure that all New Zealanders, including rural communities, can participate effectively. These include:

- a shortage of management, leadership, and entrepreneurial e-commerce skills
- a relatively low level of understanding of the opportunities afforded by e-commerce and the information and communications technology (ICT) revolution
- varying ICT-literacy in the community as a whole
- an uneven distribution of infrastructure capability at reasonable cost, particularly in rural communities
- a lack of integration or connectivity to global business networks
- the short supply of technical graduates from tertiary institutions
- the emigration of skilled New Zealanders, in particular IT personnel with a high degree of technical skill who are attracted by the pay and opportunities overseas
- the need to develop an innovation culture, and
- a lack of good quality information to support policy formation and inform how we are portrayed in the wider world.

While New Zealand displays widespread adoption of the technologies that enable e-commerce, such as the Internet, there is doubt about the depth of penetration to support fully integrated electronic business systems. Evidence suggests that many New Zealand businesses have yet to recognise the advantages of electronically integrating all their business systems from the front end (an advertising Web site), through integrated management and planning systems, to their supply and distribution chains. This requires a fundamental rethinking of processes and internal systems.

The domestic market provides a small economic base for businesses. While technology uptake is high, the benefits are not necessarily reflected in business profits and growth. This points to weaknesses in business innovation. R&D investment may be low. While competition in many markets is intense, a strong go-it-alone attitude prevails, and many SMEs prefer debt- rather than equity-financing, to avoid sharing ownership control.

There is a tendency for businesses and financial institutions to be risk averse. Their focus on costs is often matched by ignoring critical intangible factors and a failure to appreciate the changing strategic environment and the opportunities it offers.

Threats

New Zealand has been relatively slow to appreciate the globalisation of the market for skilled labour. We have seen the departure of many talented New Zealanders in pursuit of their own interests overseas. The competition for skilled labour, particularly for people with ICT skills, is becoming fierce, as evidenced by the recent decision by the United States to remove certain immigration restrictions for people with ICT skills. Such developments pose significant policy challenges, accentuated in developed countries such as New Zealand by an ageing population.

E-commerce also poses new risks to incumbents in a range of industries, as nimble competitors harness the power of the Internet

and e-commerce to drive prices down and undermine competitive positions.

Others, including those whom we have not formerly seen as competitors, are addressing these challenges and exploiting new opportunities faster than we are.

Summary

New Zealand has a strong foundation that will enable us to reap the full benefits of e-commerce. That we have done so well in the first stages of the e-commerce revolution is a testament to our ability to adapt to and adopt new technologies.

The full strategic implications of the information revolution, of which e-commerce is a part, are only now beginning to emerge.

New Zealand needs to build on this promising base if we are to keep pace and to exploit the opportunities that are being opened up. At the same time, we must manage the significant risks of this revolution if others move ahead at greater speed. We need to turn our attention to building our capability by addressing our weaknesses.

The more people who participate in the networked environment, the more value the network delivers. The greatest benefit of electronic commerce will be realised through the widest participation. We need to ensure that all businesses and citizens are able to participate, including Māori and Pacific people, the less well-off, and those in remote areas.

BUILDING THE STRATEGY FOR NEW ZEALAND

This Strategy is about New Zealand as a nation maximising its ability to exploit e-commerce and information technology for the benefit of all New Zealanders.

The Strategy is an integral part of the Government's broader policy initiatives to promote economic, innovation, and social development.

It recognises that people – and the knowledge, skills, creativity, and imagination they embody – together with the quality of our regulatory environment and our services infrastructure, are the principal drivers of the modern economy.

Implementing the Strategy is a shared responsibility. It requires a partnership between government, business, and the broader community and will require continuing close consultation between all parties, including with Māori.

> ### VISION
>
> New Zealand will be world class in embracing e-commerce for competitive advantage

Goals

The Goals of the Strategy are to:
- Capitalise fully on our competitive advantages in a networked world
- Support enterprise by providing an environment that rewards innovation and entrepreneurship
- Foster the highest quality e-commerce skills to build innovation, technical and management capability

- Provide an environment that supports ICT infrastructure development, business performance and increased economic well-being for individuals.

Principles

In implementing this Strategy, the Government will be guided by the following Principles:
- Leadership is a shared responsibility between government, business, and the broader community
- Human capability is the key area for investment
- There should be an open domestic and international regulatory approach that facilitates the development of infrastructure and interoperability with our key trading partners, and avoids undue restrictions and costs on e-commerce
- Choices about new technologies and the exploitation of opportunities must be led by the private sector. The development of e-commerce will be market-driven and led by individuals and business innovators
- There should be a predictable, simple, and consistent legal environment for e-commerce. Where the Government intervenes it should do so in a transparent way
- Policy responses should be flexible and responsive to developments in a rapidly changing technology environment
- Building consumer confidence is essential for the fullest economic and social benefits to flow from e-commerce
- The Government should be a model user of e-commerce in implementing its e-government programme.

THE WAY FORWARD

The Government recognises its key role, alongside the private sector, in:

providing leadership: in communication, research and the Government leading by example

building capability: in business, individuals and communities

providing an enabling regulatory environment: through timely legislative responses, development and protection of infrastructure; and promotion of New Zealand's interests internationally

Leadership

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

Technology is opening up new opportunities for the way governments operate. The Government will lead by example. A central agency – the e-Government Unit in the State Services Commission – has been established to drive the development of e-Government initiatives, including the delivery of services on-line.

The Government in turn is committed to reviewing its processes and organisation to take advantage of new technologies to improve access to government services and to deliver them cost-effectively. Electronic technologies offer the scope for re-engineering government.

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

- Publish, disseminate, and discuss this Strategy across the community. This will include in the short term:

  – taking the key messages from the E-Commerce Summit to the regions through workshops in the next year. It will do this in partnership with business and local government;
  – the continued development of an e-commerce Web site by the Ministry of Economic Development that will be linked to other sources of information; and
  – working in partnership with Industry Associations and regional Economic Development Agencies to develop and publicise quality information relevant to different sectors and regions.
- Champion New Zealand e-commerce business success through national business awards programmes
- Support, through Industry New Zealand, Trade NZ, and Technology New Zealand, the development of key networks between businesses, professional service providers, and the financial community
- Champion New Zealand's e-commerce, technology, and innovation capability overseas through Trade NZ and Ministry of Foreign Affairs and Trade networks.

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

- Identify a research and development programme, co-ordinated by the Ministry of Economic Development with the input of other departments and tertiary institutions, to:
  - provide better statistics on the penetration of ICT and ICT skills in business and throughout the community;
  - 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.

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

- Improve citizens' and businesses' access to government including:
  - 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 per cent of all public service forms available on-line by 30 June 2001. Information and on-line payments systems will be in place by 30 June 2001; and
  - identifying activities where New Zealanders will be encouraged to interact with government agencies on-line, and providing incentives for them to do so.

- Ensure departments actively consider e-commerce solutions when developing policy, management, and operational initiatives
- 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 the year
- 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
- Embrace best practice in the delivery of government services using electronic means, including:
  - 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;
  - the continued improvement in the ability to register companies electronically with the New Zealand Companies Office;
  - further improvements in the on-line Maori Land Information Base;
  - 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;
  - continued development by the Inland Revenue Department of initiatives such as electronic filing, interactive voice response, and Internet-based applications;

- reduction of compliance costs for SMEs by rationalising information flows; and
- the development of a comprehensive e-strategy by the Department of Work and Income to provide for better delivery of services.
- 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.

The Government will ensure the continuing supply of skilled resources
- Develop a co-ordinated international marketing approach to attract people with e-commerce and ICT skills to New Zealand
- Monitor and review on an on-going basis immigration policies to ensure the continued supply of people with e-commerce and ICT skills
- Develop an 'Access from Anywhere' facility to provide a fast, convenient, on-line service for immigration, visa, and permit applications
- Promote the training of New Zealanders in e-commerce and ICT.

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.

The Government will facilitate building business e-commerce skills
- 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
- Ensure that its regional and industry development programmes foster e-commerce capability through:
  - the industry specialist support programme; and
  - recognition under the enterprise awards scheme.
- Ensure that BIZ programmes foster e-commerce capability in future tender rounds, beginning November 2000, by:
  - the provision of the highest quality information and training material;
  - enhancing the quality of advice by building the capability of service providers and trainers;
  - building local networks of business e-commerce mentors; and
  - supporting initiatives to enable SMEs to exploit collective opportunities to extract economies of scale with respect to technology and e-commerce applications.

- Foster e-commerce capability in exporters through Trade NZ's Business Programme, which will commence before the end of 2000, by:
    - an education programme aimed at lifting exporter awareness of global e-commerce opportunities;
    - delivery of an increasing range of Trade NZ services on-line through the utilisation of a new information management strategy;
    - on-line matching of international business and investment opportunities; and
    - facilitating exporters' marketing to overseas buyers through digital marketplaces.
- Foster e-commerce capability in rural businesses through the Rural Education Activities Programme (REAP)
- Further develop the Māori Business Facilitation Service under Te Puni Kōkiri's Capacity Building Programme to build e-commerce capability
- Publish and maintain an e-Commerce Guide for SMEs by November 2000
- Facilitate innovative e-commerce and IT companies' access to finance in order to grow their business through Industry New Zealand's investment readiness scheme.

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

- 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
- 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
- Promote the integration of ICTs across the curriculum as integral to teaching and learning practices
- 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
- Encourage tertiary education institutions to meet the technology and managerial needs of New Zealanders in a rapidly changing work, technology, and communications environment
- Work with the telecommunications industry to ensure that every school has sufficient Internet access to enable its use as an everyday learning learning tool
- 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
- 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
- Promote opportunities for distance learning through the Internet, recognising its potential for community or work-place learning programmes and for life-long learning.

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

- 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 Tai Rāwhiti schools
- 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
- Explore innovative ways to facilitate private-sector provision of better access to electronic communication services for rural communities.

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.

To date, our open trade and investment environment, quality urban telecommunications, and the banking sector have all been significant influences on the uptake of new technologies and e-commerce. The Ministerial Inquiry into Telecommunications focussed on promoting cost-effective, timely, and innovative telecommunication services on a continuing fair and equitable basis to all existing and future users.

New Zealanders must be able to feel confident about using e-commerce.

Businesses and consumers need to operate in an environment that is backed by adequate domestic and international legislation and self regulation, to protect them from vandalism, fraud, theft, and misleading or deceptive trade practices. Concerns about security are a significant factor influencing New Zealanders' willingness to embrace e-commerce.

New Zealand's Privacy Act is technology neutral and principle-based, and applies to the handling of all personal information collected or held by agencies, whether in the public or private sector. But our privacy laws recognise that there are legitimate reasons for collecting information and are flexible in accommodating different needs. The privacy laws constitute a marketing advantage to New Zealand, as they provide best practice in protecting consumer and business information.

The Government is committed to:
- Ensuring an open and competitive economic environment that supports e-commerce
- Ensuring an equivalent legal framework for electronic transactions and paper-based transactions
- Developing consumer confidence by addressing security, privacy, and consumer protection concerns
- Facilitating the development and protection of infrastructure
- Encouraging continued innovation through our intellectual property laws
- Monitoring and addressing emerging issues around the governance of the Internet
- Reviewing as appropriate the rules that will govern the ownership and management of information

- 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.

The Government will ensure flexible and timely legislative responses
- Pass the Electronic Transactions Bill by June 2001 to support an equivalent legal environment for both electronic transactions and paper-based transactions
- Pass the Crimes Amendment Bill No 6 by June 2001 to deal with cyber crime
- 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
- Progress the development of the Evidence Code, which will define how electronic communications can be used in evidence
- Review other legislation including Intellectual Property legislation to ensure that there are no significant impediments to the application of e-commerce. The Ministry of Economic Development will report to Ministers by 30 June 2001 on the implications for New Zealand of acceding to WIPO Copyright Internet Treaties.

The Government will facilitate the development and protection of infrastructure
- 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

- 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 Government will encourage appropriate self-regulation by industry
- 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 will ensure an appropriate tax environment that takes into account the growth of e-commerce
- Review the GST treatment on imported services, including those that are provided electronically.

The Government will promote New Zealand's interests internationally
- Ensure that New Zealand's interests are protected in international forums by working with like-minded countries to achieve:
  - international alignment of law;
  - minimisation of transaction costs for business;
  - maintenance of an open trading environment for the free flow of information and services; and
  - the interoperability of infrastructures, secure electronic authentication, and payments.

A PARTNERSHIP TO TAKE THE STRATEGY FORWARD

E-Commerce Action Team

E-commerce: Building the strategy for New Zealand is the beginning of a process of charting a course in a rapidly changing environment. No strategy can afford to be engraved in stone. It must continue to take account of new developments and demands.

The Government wants to ensure that it forms effective partnerships with the private sector and other communities to take the Strategy forward, revising it as required.

An **E-Commerce Action Team** will be established to support the implementation of the Strategy. The Team will be drawn broadly, from central and local government, business, the education sector, Māori, and community organisations. It will have a private-sector chair and a secretariat located in the Ministry of Economic Development.

The Action Team will have a key role in identifying targets for e-commerce uptake, and monitoring and measuring their achievement. It will co-ordinate government and private sector efforts to facilitate the uptake of e-commerce, identify a core research programme, and provide advice to government. It will develop strong linkages with industry sector organisations and professional associations.

The Team will report to Government every six months on progress towards implementing the Strategy.

The Action Team will be operative from March 2001. A small establishment group comprising government officials and members of the private sector will report to Government by December 2000 on the recommended membership and terms of reference of the Team.