

# **New Zealand Cloud Computing Code of Practice**

## **Structure and Approach Survey Summary**

Version 1.0 December 2011

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## Introduction and Background

A group of representatives from significant cloud computing players met in Wellington early in 2011 to discuss the requirement for a Code of Practice. What became clear from this workshop was the specific need for a voluntary Code of Practice for Cloud Computing to help protect the reputation of those providing professional services to acceptable standards as well as help define what good practice should look like in New Zealand.

The group agreed to support the implementation of the NZ Cloud Computing Code of Practice to establish an agreed set of clear minimum and recommended practice guidelines for those operating in the space.

NZCS was asked to independently facilitate the first part of this process, being the creation of the Code, funded by industry and on behalf of the ICT community in New Zealand. NZCS is a fully independent organisation without allegiance to any particular vendor or vendors and has experience in creating code of practice and other related documents.

The initial phase of the exercise is to determine, in detail what the code of practice will look like, specifically what level of complexity and detail should be incorporated into the code.

To achieve this, wide consultation with stakeholders such as cloud suppliers, consultants and cloud customers was undertaken, via 6 workshops held in Auckland, Wellington and Christchurch, along with one vide conference. The workshops were attended by over 150 people from all types of businesses, from small NZ businesses through to large multi national organisations.

After the workshops were held a survey was sent to the attendees of the workshops, this document surmises the responses to that survey in which 78 people responded.

While the response rate has a reasonable margin of error it is sufficient to steer the approach being proposed, subject to consultation.

## Survey Responses

The following pages contain the survey responses and a brief analysis.

### *Structure of the code*

We asked the question

*“Which of the following do you think is the most appropriate for the Structure of the NZ Cloud Computing Code of Practice?”*

**70%** of the respondents preferred a set of disclosures outlining the minimum acceptable standards for various types of cloud providers and providing definitions of these. Of these **36%** felt additional modules would be beneficial with the remaining **30%** opted for a multi-tiered approach whereby service providers can access different levels of compliance based on the service the offer

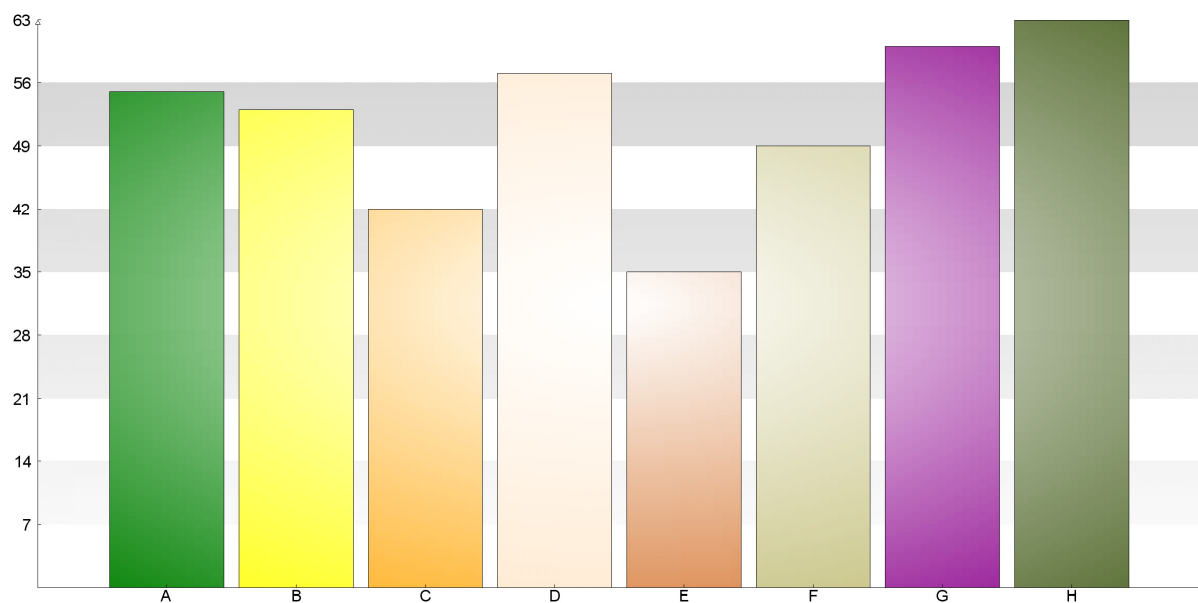
While the majority prefer a simple set of disclosures there is also a very heavy weighting to there being some extra levels of compliance available. This is in line with the general feeling of the workshops. The workshop participants favoured heavily an approach of starting easy, and redefining the code as it matures. With this in mind starting with simple set of disclosures with optional modules of compliance is a logical starting point to which we can grow into a multi-teired approach with maturity as the code is implemented and tested.

## Disclosures

We gave respondents a list of 8 disclosure points that they felt should be included in the NZ code of practice. This was a multi choice question, ie they could choose as many options as they liked.

The Choices were:

- a) Data Location      b) The use of offshore providers      c) Details of 3<sup>rd</sup> party providers
- d) Back up Policy      e) maintenance procedures      f) Business continuity Practices
- g) Access rights and methods to customer data      h) Ownership of data

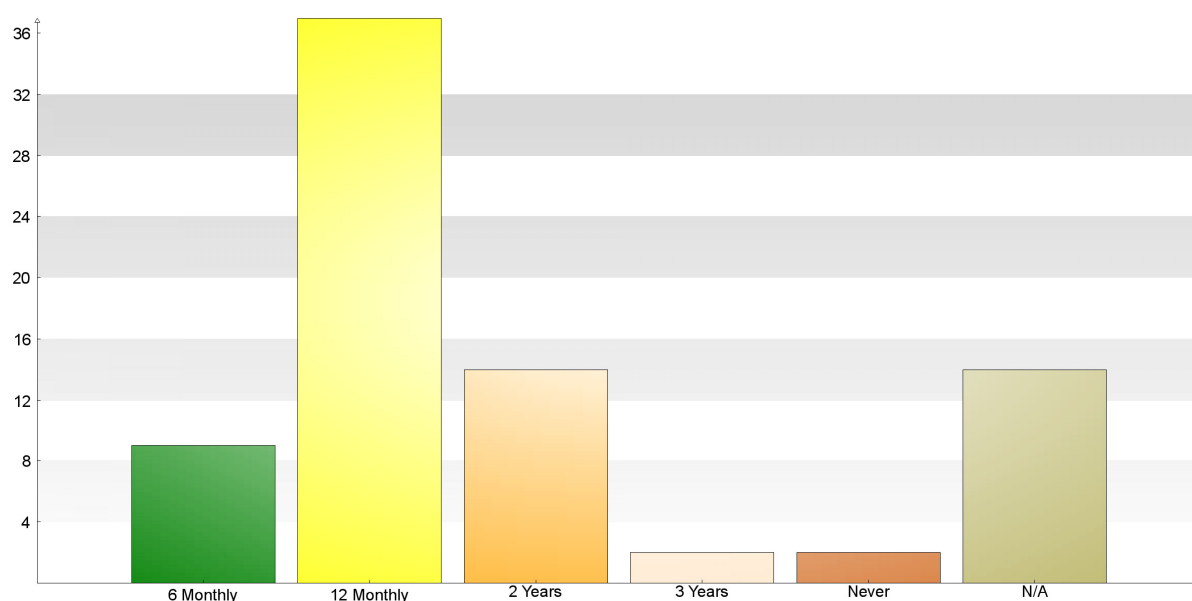


Respondents were also given the opportunity to enter their own suggestions of what else should be disclosed under the code, of those that did (24) 38% specifically mentioned security and 30% mentioned Data portability

## ***Assessment and Governance***

44 % of respondents favour self assessment, while 29% were in favour of self assessment with random independent audits being held of a small proportion. Therefore it is safe to say that 73% of respondents were in favour of self assessment in one form or another. The remaining 23% of respondents signalled 3<sup>rd</sup> party assessment of compliance as being their preferred option.

We also asked at what frequency compliance should be re-assessed with the following results.

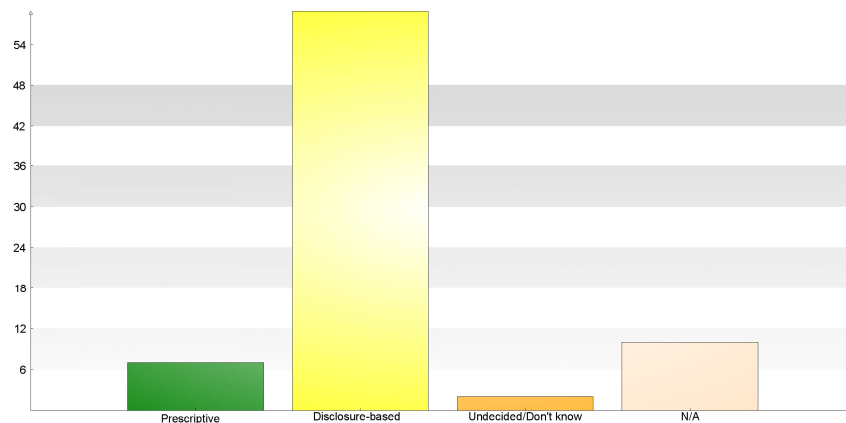


When asked who should oversee the assessment and ongoing governance of 60% of respondents favoured an existing organisation that is focused on standards and practice. Comments were also asked for with regards to this question. Out of the 8 respondents, 4 said there should be no organisation to oversee the code as it should be self assessed and self managed, 3 mentioned specifically CSA, NZICT and NZCS as their favoured organisation to oversee the code.

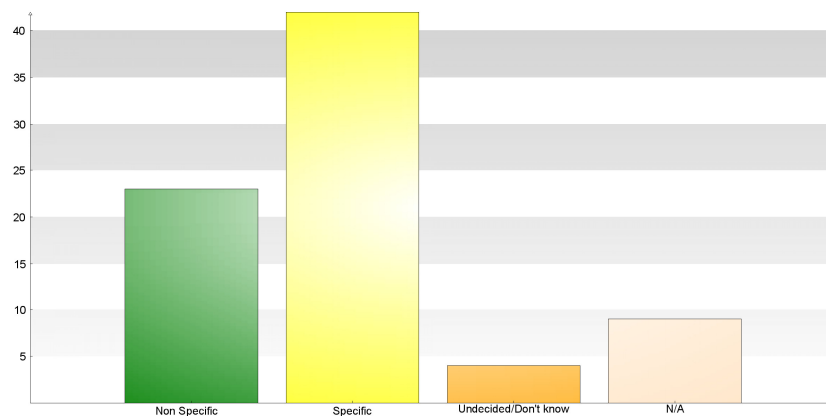
## ***The Approach of the code***

The majority of respondents want the code to be disclosure based (87%), with specific disclosures in place ( 61%) and they want the code to be proactive (78%) , the below 3 graphs show the split of answers with regards to these 3 points.

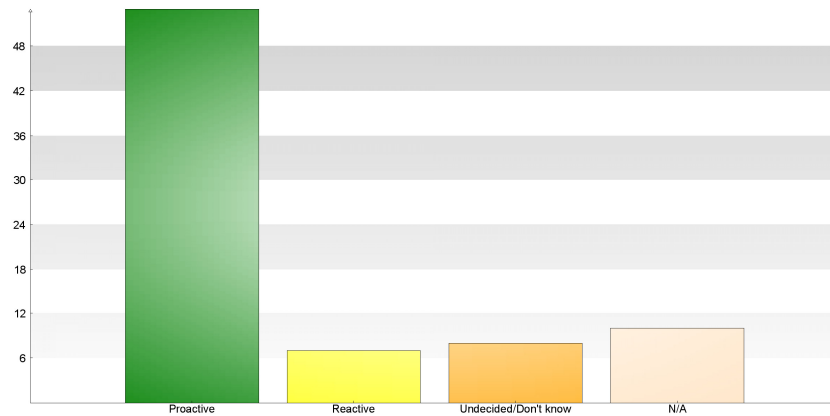
**Approach of the code**



**Disclosures should be**



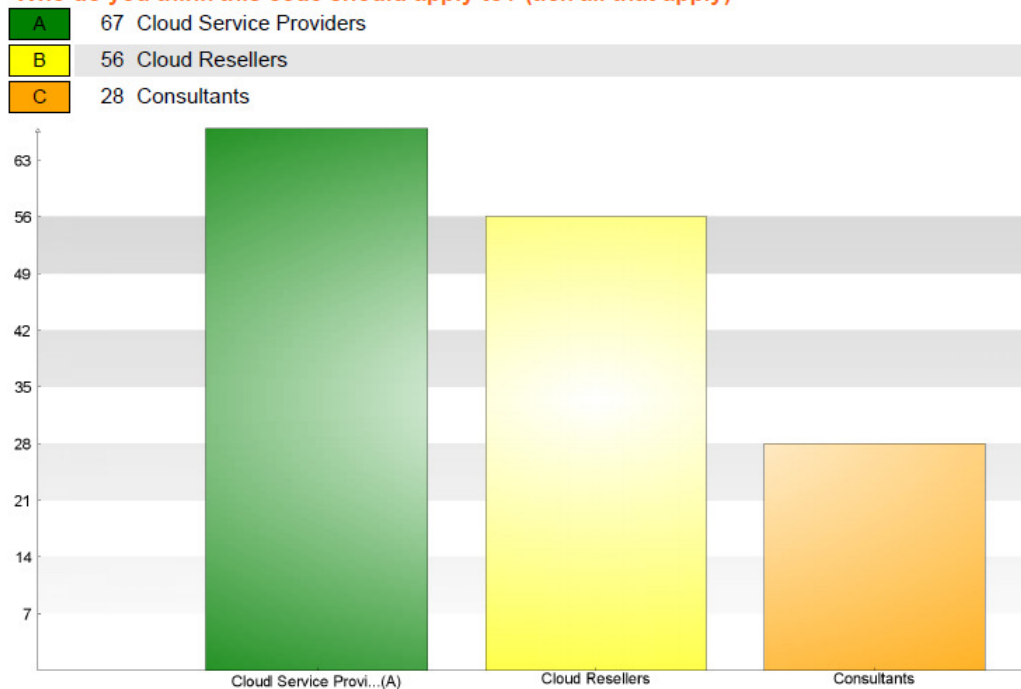
*and*



### ***Service providers and services***

The following graphs provide an indication of what respondent's thing with regards to who the code would apply to and what services they should apply to. Respondents were given the ability to choose as many options as they wanted to with these questions

Who do you think this code should apply to? (tick all that apply)

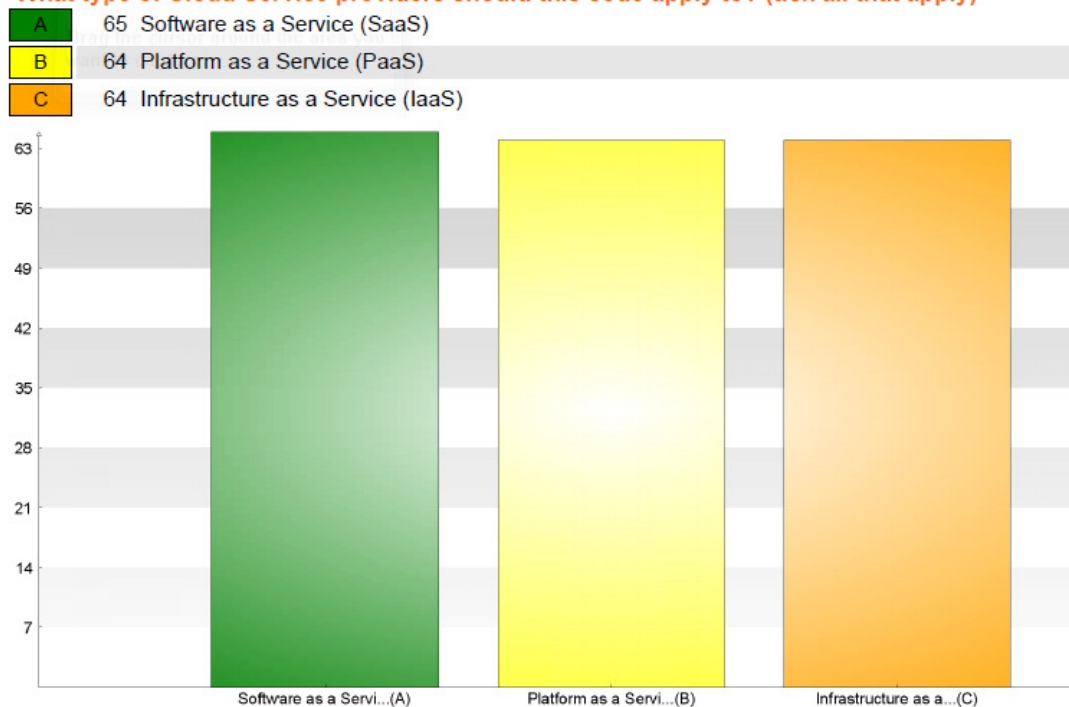


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What type of Cloud Service providers should this code apply to? (tick all that apply)



## Definition

Defining Cloud computing for the purpose of creating a code of practice is one of the requirements set out in the Terms of Reference for this project. This subject was discussed in all workshops, and the feeling from those meetings were mixed and varied as to how to define cloud computing.

We gave respondents two definitions to consider one is the short version of the Standard NIST definition, and the other a variation on the NIST definition. **55%** of respondents preferred the variation on the standard NIST Definition

We asked respondents to reword their preferred definition, we received 23 reworded definitions.

Based on the comments and reworded definitions we received, We recommend an approach where a simplified variation of the NIST Definition is commonly used but with reference to the full definition and accompanying supporting material.

***Cloud Computing is on-demand scalable resources which are provided as a service, such as networks, servers and applications that are accessible via the internet by the end user and can be rapidly provisioned and released with minimal effort or service provider interaction***

The full NIST Definition: <http://csrc.nist.gov/publications/nistpubs/800-145/SP800-145.pdf>

## Conclusion

After wide consultation it is clear that the majority of participants support a New Zealand Cloud Computing Code of Practice that is based on a simple set of disclosures with a preference to additional modules or teired system that provides some added assurance to the code, while allowing the code to be flexible in its infancy, and future proofed in the sense that the code can be easily adapted in the future as required.

Participants want the code to be proactive in specific areas from Data location, transparency and backup, through to Business continuity and system maintenance. The code should continue to be developed over time. It should apply to all those who consider themselves as a Cloud provider, reseller or consultant, whether they are providing SaaS, Paas or IaaS services.

The code should be governed or monitored by an organisation that can be focused on the standards and practice of the code, and be able to monitor it and the market place and be able to made amendments as necessary, along with handling complaints.

It is with these principles that the proposed Draft Structure has been created.