

**ANNUAL GENERAL MEETING  
21 NOVEMBER 2012  
CHAIRMAN'S REPORT**

I am pleased to report on the Council's activities for the past year. This is my ninth report as Chairman of the Council. This year the Council is celebrating its tenth anniversary. The Council was established in January 2002 and a formal launch took place in Auckland on 24 April 2002. This followed the holding of a conference in December the previous year: the conference met under the theme "*Creating Coalitions of Interest*" and developed the momentum sufficient to bring the Council into being. That momentum continues today and is evidenced by the achievements of the Council, particularly in helping transform the relationship between the two countries and by the strong advocacy now being given to the conclusion of the Trans Pacific Partnership (TPP) which will bring into effect the rules-bound framework for the economic relationship we have been seeking for so long.

**State of the relationship**

It is no exaggeration to say that New Zealand and the United States are now co-operating across a wider field of endeavour than ever before. That has been assisted by the Obama Administration's clear focus on the Asia Pacific region. Highlights in the past year have included the visits to New Zealand by the Secretaries of Homeland Security and Defence, by regular New Zealand Ministerial visits to the United States and by the signing in June of the Washington Declaration, a companion piece to the Wellington Declaration. These developments are warmly welcomed by Council members who have worked over the last decade to strengthen the relationship between the two countries.

**TPP Negotiations**

Good progress continues to be made in the TPP negotiations despite the complexity of the issues involved and the growing number of participants. Canada and Mexico have now joined the negotiation, to make 11 negotiating partners. Other economies

are watching developments closely. TPP is about more than New Zealand and the United States but the Council has in the past year consolidated its role as the lead advocate for the negotiation in New Zealand and has worked to co-ordinate business support for the Government's negotiating efforts. The Council has kept in regular contact with New Zealand's Lead Negotiator, made information about the negotiation available to members in advance of each negotiating round and to the public through our website, regular media articles and public addresses, and participated in an organised stakeholder activities during the negotiations held in Melbourne and at APEC in Vladivostok. We have also built useful alliances with other similar business organisations in the United States and around the region.

As the TPP negotiation draws to a close public debate is increasing and the Council is preparing to expand its advocacy in concert with other business groups. The debate is as much about the role of trade, investment and international business in the economy as it is about the specifics of TPP. Strong business advocacy is important to ensure that the public understands why an open trade and investment regime is in New Zealand's best interests particularly at a time of economic difficulty. New Zealand cannot grow itself into new prosperity by relying on its small domestic market. We need greater integration with the economies of the Asia Pacific region. That's why in 2013 the Council will remain firmly focused in its efforts in support of TPP.

### **Anniversary conference**

The Council celebrated its anniversary with an anniversary conference in Auckland on 4 May. The theme of the conference – *“Growing beyond the crisis – the Trans Pacific Partnership – prospects and opportunities for business”* – focused attention squarely on what needs to be done to create the conditions for expanding economic growth and recovery in the Asia Pacific region and beyond. The conference was addressed by the Prime Minister, the US Ambassador, the Mayor of Auckland and a number of overseas guests including American trade expert Jeffrey Schott, US NZ Council President Bill Maroni, US TPP Business Coalition head Cal Cohen and Mr Hidehiro Okayama from the Japan Chamber of Commerce and Industry. Several representatives of leading export sectors spoke about the value of TPP for their industries.

## **5<sup>th</sup> US NZ Partnership Forum**

The major focus for the Council next year will be the 5<sup>th</sup> US NZ Partnership Forum to be held in Washington DC 19-21 May. We are delighted to be co-operating actively with Bill Maroni who is bringing new energy to his role at the US NZ Council and promises us a “new and improved” version of our signature event which will once again bring together a large number of representatives from government, business and community to reflect on the future of the relationship in the light of global challenges. As in Christchurch in 2011, the next generation of leaders to be strongly represented at this event. Planning for the Forum has already begun and further information will be available shortly.

## **Council operations**

The Board has continued to meet four times a year. I am grateful to my colleagues for their support, interest in, and contribution to, the work of the Council. During the year Scott Carr was replaced by John Whittaker as Air New Zealand representative and Tracey Chambers joined the Board as a representative of BusinessNZ. MFAT’s Nigel Moore has recently been replaced by Jane Coombs, formerly Deputy Chief of Mission at the New Zealand Embassy in Washington. We express our special thanks to David McLean, former CEO of Westpac Institutional Bank, who stepped down from the Board having made a significant contribution for many years. David is now leading Westpac’s operations in New York and has been replaced by Mark Fitzgerald. We continue to value the involvement of all members of our Advisory Board and thank the Ministry of Foreign Affairs and Trade for its continuing funding and advice and the Embassies in Wellington and Washington for their valuable assistance.

The Board has been able to secure renewed sponsorship from almost all of our existing supporters for which we are very grateful especially in these difficult times.

Early this year we bade farewell to former Associate Director Gabrielle Rush who had played a strong role in support of the Council and who continues as a member of the Advisory Board. Gabrielle has been replaced by Suse Reynolds and we look forward to Suse’s contribution. Suse made her first visit to Washington in her new role in September. As always we are deeply grateful for the efforts of our Executive

Director Stephen Jacobi who is the public face of our organisation and who ensures our views on the relationship and TPP are regularly reported in the media.

### **The Year Ahead**

As we look forward to 2013, I am very positive about the continuing upward trajectory of New Zealand's relationship with the United States and the role played by the Council. While fostering an ambitious, high quality and comprehensive outcome to TPP will remain the immediate focus, the 5<sup>th</sup> US NZ Partnership Forum will also provide an opportunity to take stock of the relationship in all its diversity and an occasion to renew friendships with many of the American colleagues we last saw in Christchurch last February. We remain deeply grateful for the assistance which the American Friends of Christchurch, with the support of the US NZ Council, have made to the recovery and we look forward to discussing how the United States can contribute to the rebuilding and renewal effort now underway.

Ten years on the original vision which led to the establishment of the Council has continued to sustain us. The bonds of friendship between New Zealand and the United States have in the already short history of this century been renewed and expanded far beyond any point reached before. Today more New Zealanders and Americans, do business, travel, are educated, do research, live and work in each other's country than at any other time. It is right to celebrate this progress and what better way to do so than by concluding TPP in 2013.

A handwritten signature in black ink, appearing to read 'James Bolger', with a stylized flourish at the end.

Rt Hon James Bolger ONZ

**Chairman**