

**ANNUAL GENERAL MEETING**

**19 MAY 2015**

**CHAIRMAN'S REPORT**

This is my first report as Chairman of the Council. I am pleased to have this opportunity to report on the Council's activities for the past six months. We brought forward this AGM to be closer to the end of our financial year on 31 March so thank you for joining us again so soon after our last AGM.

First I would like to pay tribute to my predecessor, Rt. Hon. Jim Bolger ONZ, who led the Council for more than a decade. During that time the bilateral relationship underwent a significant transformation, overcoming tensions that had existed since the early eighties. Jim and the NZUS Council played an important role in facilitating improvements in the relationship, not least through the launch of the USNZ Partnership Forum process. The first Forum was held in Washington DC in 2006 and in six weeks time we will host the sixth USNZ Partnership Forum in Auckland.

We have come a long way since then. The signing of the Wellington Declaration in 2010 and the Washington Declaration in 2012 have normalized the relationship to a remarkable degree. All eyes are now firmly focused on the future; on how we can cooperate to create opportunities for both our economies and make the world a better and safer place in which to live and do business.

## **State of the Relationship**

I visited the USA in late March with the Council's Executive Director Fiona Cooper Clarke to engage with leading proponents of the NZ-US relationship on key issues. It was a pleasure to meet key stakeholders in the Congress, Administration and business sector. It was also great to see Ambassador Mike Moore, to whom we send our best wishes for a speedy recovery, and his team at the Embassy and my colleagues at the USNZ Council. We were received very cordially and warmly by everyone.

The visit confirmed the excellent state of relations between NZ and the US at an official level. The main risk seems to be in taking each other for granted. It's time to broaden the relationship from the Washington-Wellington nexus which has dominated for many years, to fully encompass the wider US and NZ communities. That is one of the reasons we've chosen to have this year's Forum in Auckland.

We also need to identify and foster the next generation of up and coming leaders in the private and public sectors who can advocate in favour of the bilateral relationship in the next twenty years. Many of the "old guard" who helped bring the relationship to the current point have moved on. This is part of the challenge we have set ourselves for the next USNZ Partnership Forum on 30 June-1 July in Auckland.

## **NZUS Partnership Forum**

This Forum will be relatively small compared to the last Forum. As in past years it will be a unique opportunity to discuss issues of mutual interest in a trusted and relatively informal setting.

The theme will be "Pacific Partners" The Next Generation", meaning it will be forward looking. It's about identifying new opportunities for collaboration in a range of areas from business and investment, to innovation, services, travel and tourism and education. The Center for Strategic and International

Studies (CSIS) in Washington DC will deliver a report entitled “Pacific Partners: the next generation” looking at future directions for the bilateral relationship.

Naturally trade and business relationships will be high on the agenda of this Forum, especially at this crucial stage in the Trans Pacific Partnership negotiations. I am delighted that Professor Peter Petri from Brandeis University in Boston, one of the leading academics on the quantitative benefits of TPP, has agreed to address the Forum about the potential size of the TPP prize. I hope that our Trade Minister, Hon. Tim Groser, will also be able to join us depending on the vagaries of the TPP negotiating timetable.

The Forum also coincides with New Zealand taking over as Chair of the UN Security Council on 1 July, so it will be an opportunity to discuss New Zealand’s priorities as Chair and take stock of our changing world. We are expecting a strong delegation from the US Administration including from the US Defence Forces, so we will spend some time discussing the future of bilateral defence and security cooperation, including how the private sector can contribute to that effort.

We will continue the practice of inviting a cohort of “Future Partners” to take part in the Forum as they did in 2011 and 2013. The NZ Future Partners will come from the group of students from Canterbury and Victoria Universities who have undertaken internships in the offices of Members of Congress in Washington DC over the last three years. This programme was initiated by Ambassador Moore in the wake of the 2011 earthquakes. These students have gone on to careers in the public and private sector, taking with them invaluable experiences and relationships developed during their time in Washington DC. The group of Future Partners from USA will be drawn from the ranks of Fulbright Scholars currently studying in New Zealand. Both groups are an important part of the Next Generation in the bilateral relationship.

## **Trade and TPP**

I am pleased to note that at long last we seem to be approaching the final stages of the Trans Pacific Partnership negotiations. Progress has been in fits and starts. After a fit in Congress last week it was great to see another round of discussions amongst Chief Negotiators start in Guam over the weekend. We hope they will be able to reach agreement on the final outstanding issues so they can hand a nearly final package to Ministers for agreement, hopefully sometime in June.

Once TPP is concluded, it will bring to fruition the wish dearest to the heart of the NZUS Council, namely the achievement of a free trade agreement with the United States. The pursuit of this objective lay behind the founding of the Council back in 2002. The Council will have a role to play in encouraging ratification of TPP and in helping to resolve any implementation issues that may arise in the NZ-US part of the Agreement.

## **Future Direction**

I am pleased to report that since our last AGM, the Council remains in excellent heart with a committed group of Foundation Partners and Sustaining Partners. We are striving to increase our membership and I believe the next Partnership Forum will clearly demonstrate the Council's value proposition. Thank you for being part of our journey thus far.

May 2015