

ANNUAL GENERAL MEETING

2 JUNE 2016

CHAIRMAN'S REPORT

This is my second report as Chairman of the Council. I am pleased to have this opportunity to report on the Council's activities for the past 12 months.

US-NZ Partnership Forum

A highlight of the past year was the sixth US-NZ Partnership Forum which was held in Auckland on 29-30 June 2015. The Forum is our marquee event to promote the strategic importance of the NZ-US relationship and to encourage deeper trade and investment connections between the two countries.

The Forum has an excellent track record in terms of bringing together a range of participants on both sides to discuss the bilateral relationship. The atmosphere of this Forum meeting was warm and friendly. The programme focused on our shared values and interests across the bilateral relationship including trade, education, foreign policy, defence and security, and business linkages.

A report by the Centre for Strategic and International Studies provided a high level picture of the bilateral relationship and made recommendations for its further development. This Forum marked the first time that uniformed military officers were present and they had a very positive impact on the event. In keeping with the Forum theme of *Pacific Partners: the Next Generation*, nine young "Future Partners" took part in the meeting. Overall the Forum again demonstrated the importance of building people to people connections in order to expand and strengthen the bilateral relationship.

NZUS Council Mike Moore Internship Programme

During the Partnership Forum I announced the launch of the NZ-US Council Mike Moore Internship Programme. This programme puts four young New Zealanders into the offices of Members of Congress in Washington DC for a couple of months each year.

The programme was set up in 2011 by the then New Zealand Ambassador to the USA, Rt. Hon Mike Moore. The NZ-US Council has taken over coordination of the programme in conjunction with our partners at Air New Zealand and the University of Canterbury's Law School and Victoria University's School of Political Science and International Relations.

The most recent group of students undertook the programme from November to January this year. They all reported back that the experience gave them a deeper understanding of the United States and a unique opportunity to build personal relationships with Members of Congress and their staff. This programme is an investment in our future leaders and also in building the next generation of supporters for the bilateral relationship.

Visit of Professor Peter Petri

The NZ-US Council was delighted to bring a leading academic on the Trans Pacific Partnership (TPP), Professor Peter Petri from Brandeis University in Massachusetts, to speak at the US-NZ Partnership Forum. He addressed the Forum and several other audiences in Auckland and Wellington about the potential size of the TPP prize. As expected, he provided some excellent insights on both the TPP negotiations and the Trade Promotion Authority Bill which was passed by Congress on the eve of the Partnership Forum.

Conclusion of TPP negotiations

As you all know, when the NZ-US Council was formed back in 2002, its primary goal was to achieve a Free Trade Agreement between New Zealand and USA. The conclusion of the TPP negotiations in October 2015 brought us closer to achieving that goal than we have ever been.

Since then the Council has focused on supporting the ratification of the TPP agreement. We have made written and oral submissions to the Foreign Affairs, Defence and Trade Select Committee in the New Zealand Parliament and have been active with press releases and social media. We were pleased that the Select Committee reported back in favour of the TPP despite some dissenting voices. We plan to make a further submission to Parliament in support of the implementing legislation.

Unfortunately the prospects for the TPP in the United States look a bit more difficult in the light of anti-trade rhetoric in the Presidential election campaign. Nonetheless we hope the Administration will submit TPP for passage during the “lame duck session” after the election and that the Congress will see fit to approve the Agreement.

The Executive Director and I will discuss the prospects for the TPP when we meet with Members of Congress, the Administration and the US business sector in Washington DC in two week’s time. We will certainly be encouraging them to get TPP done as soon as possible.

State of the Relationship

There have been many signs of progress in the bilateral relationship in the last 12 months. There have been a large number of official visits in both directions and the Strategic Dialogue between senior officials in Washington and Wellington is well established. It was great to see the growing level of

engagement between the cities of Auckland, Los Angeles and Guangzhou at the Tripartite Summit a couple of weeks ago.

The relationship with the USA is in great shape due in no small part to the efforts of the Right Honorable Mike Moore who concluded a five and a half year posting as New Zealand Ambassador to Washington DC a few months ago. We thank him for his contribution.

I look forward to seeing Mike's successor, the Honorable Tim Groser, in Washington DC in a couple of weeks. I am sure he is laser focused on doing all he can to encourage the passage of the TPP.

Future Direction

Over the last few months the Council has developed a strategy for the next three years. We have simplified the Council's mission which is "to promote the strategic and economic value of NZ-US government and business relationships."

We have identified a range of issues on which to concentrate our advocacy effort including:

- ratification and implementation of the TPP,
- achieving access to US business visas,
- addressing US non-tariff barriers affecting trade and investment,
- following up US government procurement opportunities, and
- addressing other trade-related issues of concern to members that affect the ease of doing business in the USA.

We have a great platform to build on and there remain many opportunities to strengthen and deepen the relationship with the US. We thank you, and all our members, for sharing this journey with us.

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