



**ANNUAL GENERAL MEETING
AUCKLAND, 10 NOVEMBER 2015
CHAIRMAN'S REPORT**

I am pleased to present this report on the activities and achievements of the NZ International Business Forum (NZIBF) for 2014-15. This is my ninth report as Chairman.

All NZIBF members can take great pleasure in the recent conclusion of the Trans Pacific Partnership (TPP) negotiations. While the final outcome does not represent all we hoped for in terms of the elimination of tariffs, especially on dairy and beef, it is nonetheless a singular achievement for New Zealand and for Trade Minister Groser and his officials. New Zealand at last will have an FTA with the United States and Japan as well with Canada, Mexico and Peru and enhanced arrangements with the other TPP partners. New Zealand's relationship with Japan, long a key priority for NZIBF, stands to be transformed as a result. A new pathway will be established for broader economic integration in the Asia Pacific region. All New Zealand export sectors, and the economy as a whole, will benefit from TPP and the adjustment required by New Zealand is not significant. NZIBF has been at the forefront of efforts to promote TPP and I must record our deep appreciation to Executive Director Stephen Jacobi who has on occasions appeared like a voice in the wilderness in the public debate (although with strong support around our table). Attention must now turn to the ratification process in the new year in which NZIBF will play a leading role.

The Government also concluded the Korea FTA in the course of the year and we are hopeful this new agreement might enter into force shortly. The Korea FTA is a "catch up" agreement which puts New Zealand exporters on a par with our competitors in the Korean market. The negotiation was long and difficult but benefited especially in the early stages from the events NZIBF held with Korea. We participated actively in the ratification process and were disappointed only by some political parties failing to grasp the importance of concluding this important new agreement.

Over the last year NZIBF has maintained a steady dialogue with the Government on a range of trade and investment issues notably in the context of the refresh of the Business Growth Agenda. We welcomed the release of the BGA "Building Export Markets" chapter and look forward to working co-operatively with government agencies to realise the Agenda's ambitious goals. This requires in our view even greater attention to priority setting and allocating resources accordingly. We still see regrettably too much evidence of a lack of private sector involvement in these processes.

NZIBF is designed to be a vehicle for business to work more closely with the Government and we would welcome more engagement in our work on the part of business. This year we welcomed a number of new associate members and we look forward to their

continuing engagement and support. We have also provided funding and support to the NZ China Council and the NZ US Council as a means of aligning our efforts in these key markets. Four NZIBF directors sit on the Board of the NZ China Council and three on the NZ US Council. NZIBF continues to follow with interest the process to upgrade the FTA with China which requires attention to a number of pressing issues including non tariff barriers that limit the value of the FTA. With the United States we have an opportunity through TPP to realise the FTA for which we waited for so many years.

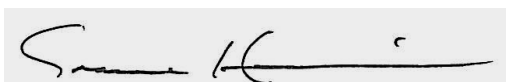
NZIBF provides policy advice to the three New Zealand members of the APEC Business Advisory Council (ABAC). We led a strong delegation to the APEC CEO Summit in Beijing in November 2014 and hosted Prime Minister Key at a well-attended debrief with business leaders in Auckland in February. ABAC meetings were held in 2015 in Hong Kong, Mexico City and Melbourne and the final meeting will shortly be held along with the APEC CEO Summit in Manila. We are grateful for the work of New Zealand's ABAC team. NZIBF has also continued to work in support of members of the APEC Policy Partnership in Food Security (PPFS) which needs to evolve further as a place where private and public sectors can work together to address food security challenges notably through enhanced trade and investment.

The Board met four times last year and I should like to thank Board members for their continuing support. Phil O'Reilly, CEO of BusinessNZ, a founding member, will be leaving us at the end of the year. We thank Phil for his strong advocacy of New Zealand's international business.

We are grateful for the interest of the Prime Minister, Rt Hon John Key and his senior Ministers including Minister Groser, and we acknowledge the continuing support of the Ministry of Foreign Affairs and Trade and other senior officials. To our executive team Stephen Jacobi, Fiona Cooper Clarke and Stephanie Honey, who also joined us during the year, I express our gratitude for their tireless efforts to promote NZIBF and support our mission.

In the year ahead we will need to continue to build the case for trade as we work on the ratification of TPP and a range of other issues. The Board has recently contracted with Anthem to provide media and communications advice and our press and social media activity has picked up noticeably. This enhances the effectiveness of our voice and ensures our concerns and priorities are widely understood.

This is my last report as Chairman of NZIBF. As I step down after nine very satisfying years I extend my thanks for your past support and encourage you to maintain your commitment to NZIBF as we seek the best possible environment for New Zealand's international business.



Graeme Harrison, KNZM

Chairman