



52nd Annual Report

2nd June 2021

American Chamber of Commerce in New Zealand Inc.

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**PRESIDENT'S REPORT TO THE 52nd ANNUAL GENERAL MEETING OF THE AMERICAN CHAMBER OF
COMMERCE IN NEW ZEALAND INC. HELD ONLINE, NEW ZEALAND
2020**

As your acting President it is my pleasure to present my annual report of the Board of Directors and the annual financial statements of the American Chamber of Commerce in New Zealand for the year ended 31 December 2020.

2020 was certainly a year of change and challenge with the political situation in both the USA and NZ and the COVID19 pandemic.

The change of government in the USA saw the new Biden administration's key priorities being: dealing with the pandemic; providing economic relief for US families; re-engaging on climate change; to advancing racial equity and civil rights; as well as immediate actions to reform the US immigration system and restore America's standing in the world.

The New Zealand government has been working to enhance the relationship with the USA with several interactions at ministerial level. US Secretary of State Antony J. Blinken spoke with New Zealand Foreign Minister Nanaia Mahuta and affirmed the close partnership, and the Secretary noted the outstanding example New Zealand has set in successfully combating COVID-19. The ministers promised close cooperation to fight climate change, strengthen multilateral organizations, support Pacific Island countries, and promote human rights, the rule of law, and regional stability. The Secretary pledged the United States' support for New Zealand's APEC host year.

The United States has recently announced that it will join the Christchurch Call to Action to Eliminate Terrorist and Violent Extremist Content Online, a global pledge by member governments and technology partners to work together to address terrorist and violent extremist content online.

The Office of the United States Trade Representative (USTR) delivered President Biden's 2021 Trade Agenda and 2020 Annual Report to Congress. The trade priorities outlined in the report are: Tackling the COVID-19 Pandemic and Restoring the Economy; A Worker Centric Trade Policy; Putting the World on a Sustainable Environment and Climate Path; Advancing Racial Equity and Supporting Underserved Communities; Addressing China's Coercive and Unfair Economic Trade Practices Through a Comprehensive Strategy; Partnering with Friends and Allies; Standing Up for American Farmers, Ranchers, Food Manufacturers, and Fishers; Promoting Equitable Economic Growth Around the World and Making the Rules Count.

At this stage there is no change to the current tariffs on New Zealand steel and aluminium products and the likelihood of a trade agreement with the USA is still away off. However, it was positive to see the Senate's Finance Committee's trade subcommittee chairman, Tom Carper (D-DE), and ranking member John Cornyn (R-TX) say that the Trump administration's withdrawal from the Trans-Pacific Partnership was "misguided" and "short-sighted." Now they hope the Biden administration will re-engage with Asia-Pacific countries in pursuit of a multilateral agreement. They have recently written to new USTR Ambassador Tai recommending the US re-engage.

It was encouraging to see in the Prime Minister's recent speech that she is looking to lead a delegation to several countries including the United States. She stated "Already this year I have spoken at the US Chamber of Commerce, showcasing New Zealand's credentials as a stable country to invest in and do business with. With a change of administration there, and a deepening relationship with President Joe Biden across a range of issues, I intend to actively pursue an enhanced trade relationship with the US over the coming term".

AmCham will be looking to work with the Prime Minister and officials on the delegation going to the US.

COVID19 has had a marked effect on the trade of goods. Trade supply lines have been severely disrupted with less air freight capacity, a lack of shipping containers and significant delays at ports. As a result, New Zealand's total mercantile trade figures for the year to March were down 6.8% (exports down 2.8% and imports down 10.6%). Against this backdrop, exports to the USA were up 10.5% at \$6.47 billion but imports were down 20.4% to \$5.18 billion. The USA is still New Zealand's third largest trading partner, representing 10% on New Zealand's total trade in goods.

Exports of technology and services continue to grow, and we have seen significant new US investment in New Zealand. While we need to be cautious over loosening the boarder closure restrictions, and the requirement for essential workers, there is an opportunity to take advantage of the success and profile that New Zealand has achieved and allow high value overseas investors to come to New Zealand.

Since the EVisa programme was introduced in mid-2019 there have been 140 visas issued with new investment in the USA totalling US\$29 million. Several of our members have benefited from this programme.

US Ambassador Scott Brown and wife Gail finished their time in New Zealand in late December. Members had the opportunity of farewelling them at a reception and the AmCham board held a dinner to thank them for their contribution to US NZ relations and support of AmCham over the last two and half years. We now await the nomination of a new ambassador by President Biden.

It was disappointing that COVID made the America's Cup a much smaller event than originally planned and while American Magic did not make the finals, it did not detract from a great event. We hope that the next challenge will again be held in Auckland and know that American Magic and possibly another US syndicate will be back.

Our Legacy, Diversity & Inclusion Committee continues to focus on providing benefits for members and we are still working on launching our Next Gen Chapter.

Our Women' Chapter have been very active, holding several key events and Chapter member only events.

The board thanks Legacy, Diversity & Inclusion Committee Chair, Ada Echetebe and Women's Chapter committee of Sarah A. Weersing (Chair), Leanne Cheesman, Cynthia O'Neill, Katie Sleeman, Sydney Savion, and Jo Finan for their significant contribution and support.

Since 2014 the AmCham Board has invited an Auckland University of Technology Business School student future leader join the board for a one-year term, in a non-voting capacity. I would like to thank the 2020 appointee Logan Fraser for his time and support, also the team at the Auckland University of Technology Business School for their ongoing support of this initiative. I look forward to welcoming the 2021 appointee, Lachlan Wallace.

In 2020 we were unable to host a group of students from Ohio State University in New Zealand but managed to work with them virtually on a project "A Proposal for New Zealand Engagement with the Biden Administration". Our thanks to all members and others who took time to talk with them and share their stories. Thanks also to Stephen Pattillo, Pattillo & Associates/Global Academic Ventures for their support with this programme. Their final report is on our website.

Membership

With so many of our members being in travel and tourism sectors that have been so badly affected by the COVID19 pandemic, our membership revenues were down on the previous year. Until these members can return to some form of normality, we will continue to provide them with membership benefits and support.

We continue to look for ways of providing greater value to members.

Events

With all the COVID19 lockdowns we are only able to hold a limited number of events, however we were able to provide members with the additional benefit of access to joint webinars with AmCham Australia. I would like to thank the AmCham Australia team for their support and assistance.

We were delighted to welcome back DHL Express as the key awards sponsors of the 21st Annual AmCham awards which showcased six companies who had been materially affected by the pandemic but who had shown success and resilience to bounce back.

Our thanks to DHL Express; our silver sponsors – ANZ Bank and Ironside McDonald Intellectual Property; our media partner, The Herald Business; our wine supporter Constellation Wines and Lime & Soda our awards event manager.

A special thanks to the following members and others who hosted or sponsored events or meetings during the last twelve months:

Auckland University of Technology Business School, Citibank, EY, Minter Ellison Rudd Watts, Stamford Plaza Hotel, US Ambassador Scott Brown, US Embassy/Consulate and United Airlines, and Velocity Made Good.

As a not-for-profit organisation receiving no government funding, we rely heavily on such member support.

Directors

During the year resignations were received from:

Anita Thorpe, Pfizer New Zealand

Mike Smith, IBM New Zealand

Cameron Taylor, Minter Ellison Rudd Watts

Directors appointed during the year

David Hook, IBM New Zealand

Peter Kane, Pfizer New Zealand

Nigel Murphy, Auckland University of Technology

I would also like to acknowledge the support I have received from my fellow finance committee members, Jonathan Mason, and Stephen Titter.

Annual Financial Statements

The annual financial statements, which have been circulated with this Report, show that 2020 finished with a profit of \$5,403. By year-end accumulated funds stood at \$100,965.

Honorary Appointments

Minter Ellison Rudd Watts have agreed to continue as our honorary solicitors. My thanks to Cameron Taylor, and his team.

REB Chartered Accountants have agreed to continue as our honorary auditors. I would like to thank Richard Moore and his team for their support.

Staff

I would like to congratulate our Executive Director, Mike Hearn, for all his tireless efforts & the results achieved during the last year.

Conclusion

I would like to thank you all for your support over the last year. If there is anything that we can do to assist your business in these difficult times, please get in touch with Mike Hearn or myself.

Thank you.

A handwritten signature in blue ink, appearing to read "Eric Mahoney", with a long horizontal flourish extending to the right.

Eric Mahoney
Acting President