

# **Investment Attraction Method Using Meetings and Important Issues for Applying Them**

Kim Kyong Ryol

Faculty of Economics

Supreme Leader **Kim Jong Un** said as follows.

**“Equity and contractual joint ventures should be formed on the standpoint of Juche and in a profitable way so as to contribute to introducing advanced technologies and developing the national economy. A favourable climate and good conditions for investment should be created in our economic development zones in order to revitalize their operation, and wide-scale tourism should be encouraged.”**

Improving investment attraction is one of the important issues in organizing equity and contractual joint ventures so as to ensure economic benefits, activating operation of EDZs by guaranteeing favorable investment climates and expanding and developing foreign relations with other countries.

Under the condition that many countries are actively impelling development of EDZs and competing to attract more investment, it is necessary to know well and make an active use of investment attraction methods in order to attract favorable investment for our economy.

One of the methods for investment attraction is to use meetings.

It is the method of attracting investment by organizing various types of meetings or participating in them.

Meetings for investment attraction refer to investment attraction activities that investment attraction agencies organize in order to advertise investment climate and to expedite investment.

Meetings for investment attraction are the basic forms of investment attraction activity.

It is because functionaries get in close touch with many foreign investors and communicate with them in meetings for investment attraction, and also those meetings have a great impact on public and foreign advertisement.

Meetings for investment attraction are usually sponsored by government agencies, and also by authorities of EDZs and businesses.

The advantages of investment attraction method using meetings are that it enables the organizations for investment attraction and their officials to exchange information, discuss problems, and find opportunities and feasibilities for investment by getting in touch with investors.

In order to attract investment through meetings, first, one needs to select a suitable type of meeting.

The organizations for investment attraction and their officials should determine the subject, content and participants of a meeting and select the suitable type.

There are no fixed types of meetings for investment attraction, but nowadays several types such as an investment workshop, an investment seminar, a project introduction workshop and a briefing are usually held in many countries.

An investment workshop is a kind of meeting for investment attraction with a relatively large scale.

It is usually organized by investment attraction agencies in the government-level-organization

capacity, but in some cases, by organs concerned in SEZs and other organizations, businesses, associations and individuals.

Its participants are organizations, businesses, associations concerned, investors, businesspeople, government officials etc.

Its characteristics are as follows:

- a) Its scale is large and its effect is generally good.
- b) Many foreign investors and officials of international organizations can participate.
- c) It can arouse investors' interest in projects by advertising them to foreign countries.

An investment seminar is a type of investment attraction activity that introduces projects and creates a good atmosphere for investment, by discussing investment climate, methods, investment technique, etc. with foreign investors and persons concerned with investment.

Its host organizations are usually government organizations, but in some cases non-government organizations deputed from the government can also sponsor.

Its participants from our country are government organizations and invited association, and participants from other countries are government officials, investors, entrepreneurs, officials of international organizations, economists and investment experts.

Its characteristics are as follows:

- a) It can be organized in different scales.

It can be organized either on a small scale with 10 participants or less or on a large scale with a few hundred people.

- b) It has participants from more fields than an investment workshop.

Those who are not directly concerned with investment attraction, such as economists are also allowed to participate.

- c) Its objective and topic are clear.

A project introduction workshop is a small-scale meeting for investment attraction for individual projects at home and abroad by the government investment attraction agency, other government organizations or businesses.

It has the following characteristics:

- a) Its scale is very small because it is for investment attraction for one or several projects.
- b) Foreign investors are likely to accede to investment in projects because specific projects are discussed.
- c) Details of specific investment projects are discussed and opinions on them are exchanged.

A briefing is a type of meeting for investment attraction at which an investment attraction agency publishes the news concerned with investment attraction.

In the briefing, a government or an agency deputed from the government introduces the necessary data including investment policy, investment climate and the real situation of a country, EDZs or enterprises.

Its participants are officials of government organizations and economic agencies from other countries, international organizations, representative offices of foreign investors, branch offices of foreign companies residing in our country.

Its characteristic features are as follows:

a) Its purpose is clear.

Its purpose is in the introduction of investment policy, investment climate, and other data concerned with investment. Especially, it is organized in order to introduce changes in investment policy or investment climate.

b) Its scale is small and it is easy to organize.

Because it aims at the introduction of data, it needs a small scale and low expense. And it can easily be organized because it doesn't take any specific established form.

c) It is likely to achieve more fruitful results in relation to its simplicity of organizing it.

As mentioned above, the various types of the meeting for investment attraction have different characteristic features and purposes. Therefore, it is necessary to select a suitable type among them and organize it in a rational way.

In order to attract investment through meetings, second, one needs to make an effective use of various events such as all sorts of exhibitions, trade fairs, parties and cultural and sporting events.

The various meetings and events, such as different exhibitions and trade fairs, breakfast party, luncheon party, dinner-party and cultural and sporting events can be used for investment attraction.

To begin with, it is possible to advertise investment climate and have an interview with entrepreneurs and investors from other countries at all sorts of exhibitions and trade fairs.

The exhibitions and trade fairs can be held on a government, regional or non-government level. For example, in our country trade fairs are held in spring and autumn every year.

Next, it is possible to use various parties, such as a breakfast party, a luncheon party and dinner-party for investment attraction.

The various parties participated by foreigners provide a favorable opportunity for coming into contact with and communicating with foreigners staying in our country including foreign investors, businesspeople, government officials, economists, journalists and so on. Having a natural conversation over dinner makes it possible for functionaries to become familiar with them, win their confidence, arouse their interest in investment and create investment opportunities.

Next, it is possible to use cultural and sporting events for investment attraction.

This is a way of organizing various cultural and sporting events on purpose for attracting investment including advertising investment climate through cultural and sporting events.

The advantage of this method is in making the most characteristics of projects.

A great number of people, including foreign investors, visitors, journalists, government officials, and public figures, are likely to attend these events. This makes them acquire a deep understanding of the projects and, furthermore, to advertise projects.

The first important thing in using the cultural and sporting events is for the SEZs, DEZs or enterprises to organize various events and draw as many people as possible and give them a lot of news coverage.

The second important thing is to organize these events in accordance with the purpose of investment attraction. In other words, it is necessary to have the investors and other participants to be interested in the development of EDZs or projects and to arouse world-wide interest in them.

In order to attract investment through meetings, third, one needs to prepare for them.

In order to achieve a great success in meetings for investment attraction, it is important to prepare for them.

The first important thing is the meeting plan.

To begin with, it is important to select the purpose, type and scale of a meeting.

The main purpose of a meeting is to be successful in an investment attraction.

The purpose of a meeting should clearly be specified including the conclusion of investment contracts, advertising of the investment climate, introduction of the changes in the policy and conditions for investment, advertising of projects and so on.

It is necessary to determine the type and scale of a meeting in line with its purpose. And it is necessary to determine the participants on the basis of data including enterprises' investment trend, the trend and reality in the global economy, and investment performances of foreign countries.

Next, it is important to decide the period and venue of a meeting.

The period of a meeting is determined by taking into account the preparation period, formalities for entry and exit, invitation of foreign participants, contacts with organizations concerned and the mass media etc.

It is also important to work out the schedule of a meeting.

The schedule should be made so that all events, such as the main meeting, group meetings, interviews and visits, succeed one after another and so as to bring forth the best result in a short period. And the organizer has to have sufficient time to consider the problems and take relevant measures.

It is also important to select the venue of a meeting.

The venue of a meeting should be selected in consideration of the characteristics, purpose and the support of the country where it is held.

The ideal venues for a meeting, in general, are famous cities or international financial centers, and they should be selected on the basis of convenience in place in terms of transportation and parking.

The venue of a meeting should be spacious enough in relation to the number of participants.

The time and venue of a meeting should be selected in careful consideration of various factors, such as participants' tastes, human's physiological characteristics, environment and so on.

Next, it is important to determine the participants of a meeting.

The participants from a host country are investment attraction functionaries, officials of related fields, managerial officials of enterprises, officials of EDZs and press people.

The participants from foreign countries are foreign investors, officials of governments, figures of economic and financial sectors, economists, technicians, directors of big corporations, journalists, and assistants of a meeting.

Next, it is important to draft a budget of a meeting.

In the budget, the basis of calculations according to items should exactly be determined and the total amount should be calculated by using it.

The items of expenditure in drafting the budget should be determined.

The items of expenditure include those made on housing, communication, meals, parties, electricity, advertisement, equipment, insurance premium and so on.

It is important to take into full account of items so as not to expend in unnecessary items.

In the budget drafting the distribution of the budget is important. Close attention should be paid to balancing the budget without either being excess or deficient in expenditure in every item.

The second important thing is the work of the host organization.

The host organization should organize the following.

- making of the plan and schedule of the meeting, direction of the meeting, report on the result of the meeting

- setting the beginning and ending time, meeting place, subject and participants of a meeting

- negotiations with the country where the meeting is held and the international organizations

- drawing up of all sorts of documents and data including feasibility reports

- printing and distribution of various publications and adverts

- organizing accommodations, other various services, including simplification of entry and exit procedures

In the preparation of meetings, the person in charge of hosting it plays an important role.

He or she has to prepare and organize the meeting and establish a well-organized work system. Also he or she has to assign jobs to the people in the host organization and take necessary measures in case of abnormal situations.

Service workers play an important role in the preparation of meetings.

They have to know the subject and main content of the meeting, and get trained in the professional and common knowledge regarding the exhibition, entertainment and etiquette.

They also have to know the characteristics and custom of a region where the meeting is held and the methods of dealing with the participants' questions and various possible situations.

The third important thing is to advertise the meeting for investment attraction.

It is important to select the suitable mass media such as the news agencies of worldwide reputation, broadcasting corporations and influential presses.

It is also important to prepare adverts with substantial contents.

The host organization has to publish various forms of adverts in cooperation with the mass media.

Adverts may be published in the form of pamphlet, poster, invitation letters, list of the participants' name, phone numbers, guidebook, videos on investment climate and so on.

They should be published 10~15 days before the opening of a meeting and its topic, content, and schedule have to be made public a day before the opening.

The fourth important thing is to send invitation letters to participants.

The invitation letters can be sent in the form of e-mail, fax, telex, mail or an official document.

The fifth important thing is to prepare for documents and data to be used for a meeting.

In particular, the documents for a meeting should be fully prepared.

Its preparation includes the following:

a) Documents on agenda of meeting – keynote address of the head, a report, scripts for a speech, a list of projects, statistical data and scripts for newspapers

b) Supplementary documents of a meeting – opening address, closing address, messages of congratulation, data on performance of foreign investors and so on

c) Annexed documents – the schedule of a meeting, a list of participants, a list of guests to be invited, arrangement of seats and so on

Next, data for the meeting should be fully prepared.

They include the data on the invested project and the investment climate.

They can be prepared in the form of pamphlets, video, transparencies or pictures.

Next, documents and data for the conclusion of investment contract should be prepared.

The result of a meeting for investment attraction is the conclusion of investment contract.

In the preparation for the conclusion of contract, the host organization has to choose the projects feasible for investment among projects to be invested and prepare for necessary documents.

The sixth important thing is to keep in close touch with an investment organization and the mass media in the country where the meeting is held and to get their assistance.

Above all, it is necessary to keep in close touch with the investment organization in the country where the meeting is held and to get its assistance.

It is because the meetings are usually held in foreign countries.

In addition, it is necessary to get in touch with the international organizations, foreign agencies and enterprises staying in our country and get their assistance.

Next, it is necessary to keep in touch and cooperate with the mass media in the country where the meeting would be held.

The host organization should get in touch with the mass media prior to the preparation of a meeting.

Informing them with the data concerned with the meeting, such as the period, venue, schedule, and agenda, and making them advertise about it, it is possible to create a beneficial environment for investment attraction.

The seventh important thing is to prepare for meeting rooms and other services.

The preparation of meeting rooms is important.

It is necessary to prepare for meeting rooms including the main meeting room, the group meeting rooms, interview room, lounge, the place of the conclusion of contracts and so on.

Foresighted preparation of services for meetings is necessary.

For it, the host organization should prepare drinks, light refreshments, stationery and souvenirs, and afterwards also prepare party.

Keywords: investment attraction, method of investment attraction, meeting