

## **International Trade Fair Held to Attract Foreign Investments**

Pyongyang International Trade Fair is held every spring and fall. The exhibition is increasing in size and attracting European and other foreign investments.

Japan-based newspaper, the Choson Sinbo reported on November 22 that during the period of the exhibition, over hundreds of business talks went back and forth between the North Korean and foreign companies and over 50 trade contracts and investment agreements were reportedly signed, with total amount of trade reaching in the millions in USD. At the Seventh Pyongyang Autumn International Trade Fair, held from October 17–20, one contract between a European company was reported to have been over 10 million USD alone.

Initially, the trade fair drew about 100 participating companies with just about 100 trade items. This year, however, roughly 300 companies had participated and over a thousand goods were on display.

It was also reported that “The items presented at the fair represented all sectors of social economic development with machineries, electronic goods, building materials, transportation, chemicals, clothing, food, medical and other consumer goods. In addition to these items, trade items are transitioning from light industry and consumer goods to the state-of-the-art products with CNC technology.”

Recently, multinational companies are exploring ways to enter into the North Korean markets through such international trade fairs.

According to the North Korean press, Chinese companies such as Haier, manufacturer of home appliances, and electronics and television manufacturer Changhong are in attendance at every trade fair held in Pyongyang. This time, particular attention was paid to European companies seeking investment opportunities in North Korea, such as a German paper manufacturing company, French flooring company, and Sweden’s GIA Industries, which is known as a mining equipment supplier.

The trade fair, which used to be held once a year in the spring, is now also being held in the autumn season to meet the increasing interests from multinational companies doing trade in Pyongyang. The scale of the fair has been upgraded as well. Normally the event was held only at the first two floors of the Three-Revolution Exhibition House; but to accommodate for growing size, discussion for building an international exhibition center is currently underway.

In the North Korean analysis, certain factors point to the success of the trade fair: 1) North Korea’s economic revitalization policy that focused on modernization of the people’s economy with large-scale construction projects, as these are gaining attention from overseas companies; and 2) North Korea’s assertive trade goals with economic modernization in mind and the hosting of international trade fairs, which are resulting in long-term trade contracts and an increasing amount of trade.