

COMMERCE / EDND DEVELOPER DAY



Foreign Direct Investment

COO/Deputy Commissioner Shawn Kessel



COMMERCE MISSION

We lead the efforts to attract, retain and expand wealth and talent in North Dakota.

AGENDA

- Foreign Direct Investment (FDI)
 - What is FDI?
 - Mission Types
 - NDTO
 - Selection Rubrik
- Foreign Interest in North Dakota
 - Committee on Foreign Investment in the US (CFIUS)
 - Legislative Action SB 2371



FOREIGN DIRECT INVESTMENT

Definition

An ownership stake in a foreign company or project made by an investor, company, or government from another country.

- Acquire a substantial stake in a business
- Outright purchase of a foreign business
- Establish a new facility/project

- Horizontal FDI – A company establishes the same businesses in ND that they have in their home country
- Vertical FDI – A company acquires a complementary business in another country (ex: manufacturer buys raw material supplier)
- Conglomerate FDI – A company invests in a foreign business that is unrelated to its core business (usually a joint venture)

FOREIGN DIRECT INVESTMENT

Mission Types

1. Investment

- FDI

2. Capital

- Secure financing for proposed projects in ND (response to ESG)

3. Workforce

- In-migration to ND to fill critical job openings

NDTO - Trade Missions

1. Increase ND companies international exports
2. Commercial diplomacy



TRADE – OUTGOING

FDI - INCOMING



SOVEREIGN WEALTH FUNDS



Global Track	Funds	AuM (\$b)
SWFs	175	11,632
PPFs	281	21,291
SWFs+PPFs	456	32,923

SELECTION RUBRIC

Mission/Goals

- Investment
- Capital
- Workforce

Industry

- Energy (All of the Above, CCUS)
- Technology (Agtech, biotech, etc.)
- Manufacturing
- UAS/VANTIS
- Value-Add Agriculture

Friendly Nation

- CFIUS
- SB 2371

GDP

- Per Capita GDP

Market Research

FDI Trend

FOREIGN INTEREST IN NORTH DAKOTA

CFIUS

- Committee on Foreign Investment in the United States
- Review foreign investments to determine if they pose national security risks
- Jurisdiction over acquisitions of and investments into US businesses
 - *CFIUS can impose mitigation measures with respect to the investment, block it, or force a post-closing divestiture.*
- Resource
 - <https://home.treasury.gov/policy-issues/international/the-committee-on-foreign-investment-in-the-united-states-cfius>

FOREIGN INTEREST IN NORTH DAKOTA

SB 2371

- 15 CFR 7.4(a) As of 7/28/2023 (Code of Federal Regulations)
 - **China**
 - **Cuba**
 - **Iran**
 - **North Korea**
 - **Russia**
 - **Venezuela**



NORTH
Dakota

Be Legendary.