

# **T** FOREIGN Trade

OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

- Modern, Cultured and Practical Kangdong Greenhouse Complex
- Nationwide Efforts Go into Machine-building Industry
- Ryonggang Stone Processing Factory
- Law of Democratic People's Republic of Korea on Foreign Investment

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# Multi-purpose Backpacks

Backpacks, essential equipment for mountaineers and those in outdoor life, have been modernized to serve various purposes.

They can be used as sleeping bags without specific accessories, and be transformed into raincoats, parkas and one-person tents. Several backpacks are connected to be tents of various sizes.

They can also carry water in them and perform the mission of life belts.

Light, small and waterproof, the backpacks are highly appreciated by customers.

The product obtained a patent of the Democratic People's Republic of Korea in 2019 and a patent of China for utility and modernity in 2021.



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Kangdong Greenhouse Complex

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# Modern, Cultured and Practical Kangdong Greenhouse Complex

The Kangdong Greenhouse Complex—modern, cultured and practical—has been inaugurated with due ceremony in the Kangdong area of Pyongyang,

the capital city of the Democratic People's Republic of Korea. As one of the country's vegetable giants, it boasts the world's advanced level of intelligent and

intensive production. Built in a little over a year since its groundbreaking in February 2023, the greenhouse complex covers an area of over 260

hectares. It has more than 1 050 buildings, including greenhouse with cylindrical vegetable cultivation devices, domed glass hydroponic greenhouses, two





**Land- and labour-saving, comprehensive vegetable production base**

sloping-sided glass hydroponic greenhouses, public buildings, and multi-storeyed, low-rise and

terraced dwelling houses well blending with natural scenery. A variety of delicious and

nutritious functional vegetables are being cultivated on a large scale in the greenhouse complex.

In the greenhouse with cylindrical vegetable cultivation devices the cylindrical cultivation frame turns round at regular intervals, and vegetable crops are distributed around the source of light, which emits various colours of light. The vegetables are exposed to this in real time, so that their growth accelerates regardless of sunshine duration. Such format is designed for the efficiency of photosynthesis and pest control.

Also, nutritive substances are supplied to substrate from different angles to enhance their absorption by roots, thereby shortening the production cycle and increasing the per-unit output.

There is a greenhouse which cultivates vegetable crops on several tiers by using LED lamps, and another has horizontally distributed racks which are fixed to a revolving frame moving vertically so as to raise the light utilization efficiency markedly without additional illumination and thus give fullest play to the

**Production of functional vegetables with beneficial nutritional and medicinal effects**



crops' growth potentiality.

An intelligent integrated production system is established in the greenhouse complex to ensure scientific and balanced growth environment of vegetable crops and actively control all production processes.

Based on a detailed measurement and survey of the

nutritional state of the vegetable crops, occurrences of diseases and harmful insects and others in each block, as well as the outdoor meteorological data, information on environment, soil and water quality of greenhouses, optimized production conditions for every growth stage are provided. Accordingly, concentrations of compositions of nutritive liquids and the amount and time of their supply, and the amount of carbon dioxide supply are automatically controlled, and stationary thermal covers operated.

Thanks to the establishment of closed-type nutrition management system, the greenhouse complex is lowering the norms of consumption per unit of output, as compared to other large-scale greenhouses.

The nutritive liquids that are used and discharged at the hydroponic greenhouses are recycled gravitationally and treated through several processes before being re-applied to production by means of automatic supply system.

At present the greenhouse complex turns out vegetable crops three times as much as ordinary vegetable production units do, and dozens of strains of functional vegetables including spice vegetables are growing there.

“We will pay close attention to diversifying the species, mass-producing functional vegetables and improving the quality of products,” says Ryang Kwang Il, general manager of the complex.



## Efforts to Energize Tourism

Great efforts are being channelled into reenergizing tourism in the DPRK.

Tourism is an activity, whereby people fulfil their cultural and emotional requirements, away from their everyday life for a certain period of time. In other words, they go sightseeing to famous places, natural habitats, historical sites, modern architectural structures and so on for appreciation, experience, relaxation and health promotion.

Tourism that showcases the social system of a country, its history, cultural level, national customs, lifestyle, good manners and customs, and economic development, plays an important and influential role in disseminating the culture, customs and religious beliefs. That is why many countries have formulated different policies for reenergizing tourism and are enforcing them.

At present the cultural and living standards of the people across the world are improving, and the demand for tourism is also growing and its themes and contents are being constantly supplemented and varied.

The DPRK is developing tourism in traditional forms, such as sightseeing scenic spots, historical remains, monumental architectural structures and educational and cultural institutions, and making efforts to diversify the themes.

For instance, cultural experience includes tour of history museums in the capital city and regions and historical relics in Kaesong on the

list of the world heritage sites, tasting Korean dishes and experiencing traditional customs, thus rousing the tourists' interest in the history and culture of the DPRK.

Tourists can also do mountain hiking and camping in the celebrated mountains in the DPRK, such as Mts Paektu, Myohyang, Kumgang and Chilbo, or view aeroplanes of various types and vintages, take photos of them and enjoy flight on them, or tour by bicycle. Such tours delight people with the beautiful scenery of the country and satisfy their tastes.

In particular, tour of the Munsu Water Park, Mirim Riding Club, Masikryong Ski Resort and Yangdok Hot Spring Resort leaves an indelible impression on the tourists.

Undergoing recently are projects to develop the celebrated mountains and scenic spots in the eastern and western coasts into world-class tourist attractions and to lay out new ones in provinces as suited to their characteristics.

Efforts are also being made to reinforce the tourism infrastructure, like renovating hotels and building new hotels, roads and service facilities, to open new flight and sea routes and to remarkably improve the quality of service at hotels and in transport.

Close attention is being paid to revitalizing tourism for the people of the country.

*Ri Je Son, lecturer of the University of the National Economy*



## Second Session of Board of DPRK Chamber of Commerce Held



The Second Session of the Board of the DPRK Chamber of Commerce was held in Pyongyang on April 10.

The session reviewed the work of the first-term Board and discussed the orientation of the work of its second-term.

President Ryu Hyon Chol of the DPRK CC made a report.

The report referred to the trade and investment promotion activities conducted by the DPRK CC between 2022 and 2023, the period of the first-term Board, with International Chamber of Commerce and national chambers of commerce and associations of businesses of different countries, as well as service activities for the members of the CC.

During the term, the DPRK CC proactively conducted trade and investment promotion activities and

service activities for its members by increasing the proportion of export of processed goods and trade in technology and service.

It also translated Incoterms 2020, revised and published by the International Chamber of Commerce as a reflection of the trend of development of the international transaction environment, and distributed its printed copies to national trading organs, numbering 120, as well as to individual officials in the sector of external economic

relations.

The meeting discussed dispatching delegations that include the Board members to regular meetings, economic forums, investment fairs, goods exhibitions and other international events sponsored by the ICC and national chambers of commerce of different countries in line with the revitalization of international cooperation and exchanges.

The second-term Board members shall serve for three years.



### Trepang Protein Health Supplement

The health supplement developed by the Moranbong Ragwon Health Food Manufactory stimulates appetite and is very good for post-operative recovery.

As it contains animal and vegetable proteins extracted from trepang, starfish and other ingredients, it relieves asthenia and fatigue and enhances immunity of organism.



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### Pagoda Tree Fruit Tea

The tea contains isoflavone extracted from fruits of the pagoda tree, a member of the pea family, as its main ingredient and other active components extracted from Koryo medicines.

Isoflavone, known to be highly beneficial to female hormones, alleviates menopausal symptoms in women, such as palpitations, heartburns, and uncomfortable feelings.

Regular drinking of the tea will produce whitening and other cosmetics effects, thus making women's complexion clear and soft.



## Factory Famous for Seasonal Clothes



O-il Garment Factory, established in October 2011 and based in Rangnang District of Pyongyang, has many competitors in the country's garment production sector.

According to Ra Song Hwa, general manager, the factory produces annually hundreds of thousands of coats, overcoats and padded clothes for men and women.

It has maintained the management principle of guaranteeing high quality and time of delivery, obtained the certificate of quality control QCC (ISO 9001) and won top prizes in several exhibitions held at home.

It is achieving high profitability in business activities by putting business management on an IT footing, and regularly conducting technical studies and operating sci-tech learning space for the employees.

Korean costumes and seasonal clothes of the factory are highly appreciated, because they are designed to suit the psychology and occupations of the customers and quality of materials as well as sustain modern aesthetic tastes and national sentiments.

Naemaum-brand garments of the factory are on sale at the famous commercial networks including Pyongyang Department Store No. 1 and Daesong Department Store.

The general manager says that the factory will guarantee the quality of products by modernizing facilities and updating processing techniques in keeping with the developing trend of garment production.

The factory also engages in the bonded processing to order from neighbouring countries and exports products.



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# Nationwide Efforts Go into Machine-building Industry

*Interview with Jo Sun Gil, department director of the Ministry of Machine-building Industry*

**Reporter:** Today the DPRK is directing nationwide efforts to developing the machine-building industry, an important sector in leading and driving the overall economy, and will you please explain about it in detail?

**Jo Sun Gil:** As you know, in order to develop the country's machine-building industry into an industry with solid foundations, an innovative industry, the Ninth Plenary Meeting of the Eighth Central Committee of the Workers' Party of Korea held in late December last year defined the renovating of major machine-building factories as the orientation of development for this industry, and clarified the ways for its implementation.

Accordingly, the machine-building industrial sector is giving priority to drawing up a long-term plan and making technical preparations to this end, in conformity with the developing trends of the world and in collaboration with relevant units. Along with it, it is conducting the work of strengthening its designing and research sector in terms of both quality and quantity, so as to put it on a high scientific and IT footing, design machines and equipment with competitive edge in international markets and thus turn itself into an innovative industry.

**Reporter:** It is important in developing the machine-building industry to stimulate the research of metallic materials and tool-manufacturing technology, isn't it?

**Jo Sun Gil:** Yes, of course. Fully aware of its importance, the machine-building industrial sector is readjusting the overall technical management systems of materials and heat-treatment processes, intensifying research into materials, introducing advanced steel-casting and other casting methods into the production of materials, and making the casting production specialized. And, in keeping with the fast speed of tools development worldwide, it is making efforts to intensify technical research into developing and introducing practical tools as well as to satisfy the demand for tools by expanding the production capacity and enhancing the sense of

responsibility of the units related with the supply of raw materials.

In addition, undertakings are going on in real earnest to perfect the production line of machine elements, a core basic sector in the development of machine-building industry, based on the principle of specialization and develop and manufacture high-precision machine elements.

**Reporter:** I think it is also important to develop and manufacture modern machine tools in consolidating the bases of machine-building industry.

**Jo Sun Gil:** Machine tools are the basic means of production for making other types of machinery and equipment.

As is well known, our country developed and manufactured high-performance machine tools to satisfy domestic demands as well as export them to foreign countries.

While designing and manufacturing CNC machine tools with high machining accuracy in line with the machine-building development trend and achieving domestic production of parts and devices necessary for machine tools production, we have gained rich experience. This constitutes a guarantee for developing and manufacturing more sophisticated machine tools.

At present, machine tools factories are pushing ahead with the work of equipping themselves with ultra-precision machine tools, modernizing their production lines, and developing and building various large- and medium-sized multispindle CNC machine tools of high productivity and precision.

And the project of turning the Ryongsong Machine Complex, a backbone of our country's machine-building industry, into a model of renovation is in full swing as part of the efforts to achieve a leap forward in the machine-building industry at the earliest date.

**Reporter:** Would you please tell me about the progress in the Ryongsong Machine Complex?

**Jo Sun Gil:** Well, equipping the complex with more efficient CNC machine tools, establishing up-to-date flow-lined processes, and manufacturing new machines and equipment, which are of crucial importance in improving the quality of products, are under way simultaneously.

It is also making efforts to build up the design forces with competent technical personnel and, based on them, develop world-class machines.

When these projects are finished in the main, the complex will take on the appearance as befits a modern, large-scale machine-building base.

And based on the experience gained in its renovation, undertakings to renovate the Taeon Heavy Machine Complex, Ragwon Machine Complex and other major

machine-building factories in the country are planned to be pushed ahead by stage.

Not only the major machine-building factories but also other similar factories in different parts of the country are making brisk efforts to update their equipment and production lines and improve products' quality and to manufacture in larger numbers vehicles, construction machines, mining machines, electric machines, farm machines and other high-performance machines for the various sectors of national economy.

Thanks to the endeavour of the government of the DPRK, the machine-building industry will be raised to a higher level.

**Reporter:** Thank you.

## Korea Foreign Investment and Economic Cooperation Committee

The Korea Foreign Investment and Economic Cooperation Committee, founded in December 2009, is a non-governmental body that specializes in the work with the domestic organs, enterprises and trading companies, as well as with the non-governmental organizations, associations of businessmen and investors and individual entrepreneurs of different countries that aspire after investing in the DPRK.

The Committee invites foreign non-governmental organizations, associations of businessmen and investors and individual entrepreneurs, and explains to them the policies, environment and laws of the DPRK with regard to investment and the projects for possible economic cooperation.

It arranges field surveys of the enterprises and trading companies in the capital city and other regions of the country as requested by foreign investors and helps them compile investment-related documents including contracts with selected partners.

It renders help in providing legal protection to foreign-invested enterprises in the country

and creating an environment favourable for their business activities, and recommends to the government policy-related issues for the encouragement of investment.

Its activities also include establishing relationship between foreign investors and the DPRK's legal and financial organs, fiscal offices and other organs related with investment and helping the former receive necessary services.

In addition, the Committee coordinates the disputes between partners, which arise in business activities of foreign-invested enterprises and the DPRK-invested enterprises set up abroad and provides them with relevant legal advice, and offers cooperation on concluding contracts for major projects in the DPRK.

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Hwanggumbol 1-5.0-Ka

# Combine Harvesters



Hwanggumbol 1-5.0

## 6-axle Unmanned Helicopter for Agrochemicals Spraying

Jongdari-101



The unmanned vehicle can spray agrochemicals at any place and save the workforce of 35 a day.

### Technical Specifications

- Dimensions:
  - Unfolded: 2 480x2 252x571 mm
  - Folded: 1 033x996x571 mm
- Batteries: DC22.2V 22 000mAh-2 sets
- Working capacity: 1ha/12min
- Spraying width: 3-5m
- Spraying amount: 2.5 (L/min)
- Working flight speed: 7.2-21.6 (km/h)
- Working flight altitude: 2-10 (m)
- Flight time: 12min (full load), 25min (no load)
- Remote-controlled distance: below 1km
- Agrochemicals container: 15L
- Weight: 40kg (with 15kg of agrochemicals)





# Ryonggang Stone Processing Factory



General Manager Jo Yong Gun

Ryonggang Stone Processing Factory conducts its business activities based on its mine located in an area with rich deposits of granite. Granite quarried in the mine contains little iron and much aluminum oxide, so it is considered to be an ideal building stone.

Availing itself of such favourable economic conditions and automated stone processing facilities including three-axis processing machines for embossed stones, the factory turns out processed stone goods, numbering over 100 varieties in more than 30 kinds.

Stones for wall decoration, balustrades, newels, flowerpots and other products

of the factory satisfy the demands of the customers.

In keeping with the growing demands for stone products, the factory concentrates investment on increasing the quarrying of granite as well as the processing of stone to hundreds of thousands of square metres.

It also conducts bonded processing of serpentine and other high-grade stone materials produced by the mines in relevant units.

The factory is earning much profit by focusing its efforts on developing high-quality building stones to diversify products in kind and type and finding markets for the export of its goods.

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# Ponghwa Polyester Fabric Factory

It is a green business which recycles PET into various products.

Equipped with industrial water recycling and waste water purifying facilities, the factory is producing by means of automated and flow-lined processes polyester hollow fibre and ordinary fibres the quality of which is assured in terms of chromaticity, expansion, lustre and flexibility, as well as quilts of various colours and patterns.

As part of its effort to diversify the varieties of products, it is paying close attention to developing eco-friendly and cost-effective recycling technologies by relying on its own technical personnel and making technical preparations for maximizing the recycling of waste plastic materials in developing various plastic building materials.

Along with this, it is making dynamic efforts to strengthen technical exchange and economic cooperation with relevant enterprises at home and abroad.



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# Songchongang Tile Factory

The Songchongang Tile Factory produces various kinds of building materials.

With an annual production capacity of hundreds of thousands of square metres, it turns out tiles diversified in shape, pattern, colour and size. At present it is concentrating investment on developing new types of sanitary ware and flowerpots as well as modernizing packaging process by installing new, high-capacity moulding machines.

While strengthening technical exchange and cooperation with the relevant units at home, it is paying close attention to joint venture with foreign countries.

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# Law of Democratic People's Republic of Korea on Foreign Investment

*Adopted by Decision No. 17 of the Standing Committee of the Supreme People's Assembly on October 5, Juche 81 (1992),  
Amended by Decree No. 484 of the Presidium of the Supreme People's Assembly on February 26, Juche 88 (1999),  
Amended by Decree No. 780 of the Presidium of the Supreme People's Assembly on November 30, Juche 93 (2004),  
Amended by Decree No. 2367 of the Presidium of the Supreme People's Assembly on September 26, Juche 96 (2007),  
Amended by Decree No. 2688 of the Presidium of the Supreme People's Assembly on April 29, Juche 97 (2008),  
Amended by Decree No. 2842 of the Presidium of the Supreme People's Assembly on August 19, Juche 97 (2008),  
Amended by Decree No. 1991 of the Presidium of the Supreme People's Assembly on November 29, Juche 100 (2011),  
Amended by Decree No.878 of the Standing Committee of the Supreme People's Assembly on March 1, Juche 111 (2022)*

## **Article 1** (Objective and status of this Law)

This Law is enacted for the purpose of encouraging foreign investment in the DPRK and protecting the legitimate rights and interests of the investors.

This Law is the basic law on foreign investment.

## **Article 2** (Definition of terms)

1. Foreign investment means an investment in the DPRK by a foreign investor of property, property rights or technical know-how for the purpose of carrying out economic activities.
2. Foreign investor means a corporate body or an individual of a foreign country that makes an investment in the territory of the DPRK.
3. Foreign-invested businesses mean foreign-invested enterprises and foreign enterprises.
4. Foreign-invested enterprises mean equity joint venture enterprises, contractual joint venture enterprises and wholly foreign-owned enterprises that are set up in the territory of the DPRK.
5. A contractual joint venture is a form of business activity, whereby investors from the DPRK and a foreign country jointly invest, the management is undertaken by the partner from the host country and the share of the investment made by the foreign investor is redeemed or the profits are distributed, according to the terms of the contract.
6. An equity joint venture is a form of business activity, whereby investors from the DPRK and a foreign country jointly invest and operate the business and the profits are distributed to the investors proportionate to the shares of their investment.
7. A wholly foreign-owned enterprise is a form of business, to which a foreign investor invests and which the investor manages on his own account.
8. A foreign enterprise is an enterprise of a foreign country that is registered with the investment management authority for conducting business

activities or invests, without establishing a foreign-invested enterprise, according to contracts with institutions, enterprises and organizations of the DPRK.

9. A foreign-invested bank is a joint venture bank, wholly foreign-owned bank or branch of a foreign bank that are set up in the territory of the DPRK.

10. A special economic zone means an area where preferential treatment is accorded to business activities such as investment, production, trade and service pursuant to the laws and regulations enacted by the State for those purposes.

## **Article 3** (Establishment of foreign-invested enterprises and foreign-invested banks)

A foreign investor may establish and operate a foreign-invested enterprise or a foreign-invested bank in the territory of the DPRK. In this case approval shall be obtained from the investment management authority.

The investment management authority shall include the relevant central organ and the management authority of the special economic zone.

## **Article 4** (Protection of rights and interests of investors, provision of conditions)

The State shall protect the legal rights and interests of foreign investors and provide conditions for the operation of foreign-invested enterprises and foreign-invested banks.

## **Article 5** (Investors)

Foreign corporate bodies and individuals are free to make investment in the DPRK.

Overseas Koreans may also make investment in accordance with this Law.

## **Article 6** (Sectors and modes of investment)

Foreign investors may make investments of various forms in such sectors as industry, agriculture, construction, transport, communications, science and technology, tourism, circulation and financing.

## **Article 7** (Priority sectors)

The State particularly encourages investments that

are conducive to the introduction of high technologies and other state-of-the-art technologies, manufacturing of internationally competitive goods, construction of infrastructure facilities and scientific research and development of technology.

## **Article 8** (Preferential treatment for priority sectors)

A foreign-invested enterprise that invests in a priority sector for the establishment of business shall enjoy such preferential treatment as benefits in taxation, favourable conditions for land use and preferential bank loans.

## **Article 9** (Provision of preferential conditions for business in special economic zone)

The State shall ensure that foreign-invested businesses that are set up in the special economic zones are provided with preferential conditions for business activities in such areas as purchase, bringing in and taking out of materials, marketing of products, employment of labour, payment of taxes and land use.

## **Article 10** (Provision of conditions for entry and exit of foreign investors)

The State shall ensure that formalities for entry and exit of foreigners making investment in the DPRK are streamlined.

## **Article 11** (Prohibition and restriction of investment)

Investment shall be prohibited or restricted in the following cases:

1. Projects that are detrimental to national security, public health and healthy social and moral life;
2. Projects for the purpose of exporting natural resources;
3. Projects that do not fulfil the environmental protection criteria;
4. Projects that are technically outdated; and
5. Projects with low economic efficiency

## **Article 12** (Investment property and property rights)

A foreign investor may invest in the form of currency, property in kind or industrial property, and property rights. In this case, the value of the assets and property rights invested shall be determined by the agreement between the partners on the basis of the then international market prices.

## **Article 13** (Establishment of branches, representative offices or agencies)

Foreign-invested enterprises may open their branches, representative offices or agencies, and conduct joint operation with foreign companies.

## **Article 14** (Legal capacity)

Foreign-invested enterprises, joint venture banks and wholly foreign-owned banks shall be corporate bodies of the DPRK. However, branches, representative offices and agencies of foreign enterprises and subsidiaries of foreign banks established in the DPRK shall not be corporate

bodies of the DPRK.

## **Article 15** (Term of land lease)

The State shall lease land to foreign investors, foreign-invested enterprises and foreign-invested banks for their establishment. The term of lease shall be 50 years at maximum.

Land so leased may be assigned or mortgaged during the term of lease subject to the approval of the land lease institution.

## **Article 16** (Employment)

A foreign-invested enterprise and a foreign-invested bank shall employ the workforce of the DPRK.

Some of the managerial personnel, and technicians and skilled workers for special jobs may be employed from abroad subject to the agreement of the investment management authority.

## **Article 17** (Tax payment)

Foreign investors, foreign-invested enterprises, foreign enterprises and foreign-invested banks shall pay income tax, turnover tax and property tax according to the prescribed procedures.

## **Article 18** (Reinvestment)

Foreign investors shall be permitted to reinvest the whole or part of their profits in the DPRK. In this case the whole or part of the income tax already paid on the reinvested share may be refunded.

## **Article 19** (Protection of invested property)

The State shall not nationalize or expropriate the properties of foreign investors and foreign-invested enterprises and banks.

Should expropriation is required for public interests, notification thereof shall be made in advance and sufficient compensation for its value shall be made through legal procedures.

## **Article 20** (Remittance)

Legitimate profits and other income earned by a foreign investor from business or banking operation, and any money that remains after the liquidation of a business or bank may be remitted out of the territory of the DPRK without any restrictions.

## **Article 21** (Confidentiality)

The State shall protect by law the business information of foreign-invested enterprises and banks, and shall not disclose them without the consent of the foreign investor concerned.

## **Article 22** (Settlement of disputes)

Any disagreement concerning foreign investment shall be settled through consultation.

In case of failure in consultation, it shall be settled through mediation, arbitration or legal procedures.

# Pyongyang Tannery



The Pyongyang Tannery turns out various tanned leather and fur products. Its leather products are soft, permeable and varied in colour and pattern, and meet the international standard in thickness.

The factory is directing efforts to increasing the variety of fur products to meet the growing demand.

Its tanned leather is fashioned into a multitude of products, including shoes, garments, daily necessities and articles for cultural use.

The factory is paying close attention to developing tanning techniques in its effort to keep up with advances in technology across the world as well as conducting brisk technical exchange with foreign counterparts.



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# Unjong Cutting-edge Technology Development Zone



In relation to the brisk activities for investment attraction along with the establishment of the Unjong Cutting-edge Technology Development Zone, a reporter of the *Foreign Trade of the DPRK* had an interview with Chon Ho Gyong, head of the management office of the Unjong Cutting-edge Technology Development Zone.

**Reporter:** At present some special economic zones have been established and are in operation to make an effective use of the favourable natural and geographical conditions of the country. In this sense, the Unjong Cutting-edge Technology Development Zone is different from other economic development zones already set up in the country, I think.

**Chon:** That's right. The economic development zones that were made public on five occasions by 2015 in our country were established in areas with natural and geographical conditions and economic environment favourable for external economic cooperation.

The Sinuiju International Economic Zone and Amnokgang Economic Development Zone in North Phyongan Province, Manpho Economic Development Zone and Wiwon Industrial Development Zone in Jagang Province, Hyesan Economic Development Zone and Mubong International Tourism Special Zone in Ryanggang Province and Kyongwon Economic Development Zone in North Hamgyong Province border on neighbouring countries. They all have favourable conditions for entry and exit of personnel and transport of cargoes in transit and for developing tourism and foreign trade.

The Unjong Cutting-edge Technology Development Zone is to be set up in the Unjong Science Park with scientific research and education bases.

In other words, there will appear in this park an international hi-tech exchange centre to make the cutting-edge science and technology a driving force of expanding external economic cooperation and developing the economy and lead a pivotal role in establishing a hi-tech industry in the country.

**Reporter:** What about the environment for investment in the zone?

**Chon:** Unjong District in Pyongyang, the capital city and the political, economic and cultural hub of the country, has an excellent environment for investment. It neighbours Phyongsong of South Phyongan Province and has favourable conditions for gaining access to other countries through border crossings, ports, airports, highways and railways.

What is important is that, as there are the State Academy of Sciences, a large scientific research base of the country, and the University of Sciences, a training base of sci-tech talents, foundations for scientific research have been provided and the whole course of R&D, manufacture, service and living are integrated.

Enterprises that are to conduct business activities in the

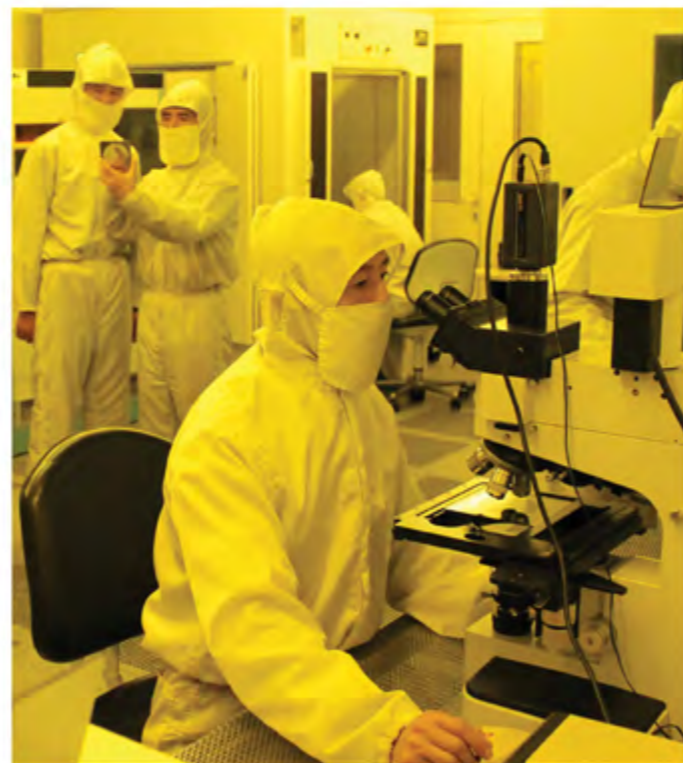
zone can obtain high economic effectiveness by introducing into production in time the research achievements made by the scientific research institutes and universities and conducting technical renewal and production of new products.

**Reporter:** Which enterprises are encouraged to be set up in this zone?

**Chon:** The investors who are willing to invest in this zone can establish their enterprises in the form of contractual or equity joint venture with a business in the DPRK or a wholly foreign-owned enterprise.

Production and marketing of tangible hi-tech products, technical service for intangible intellectual property and transfer of technology—these are three goals for management activities in the zone.

In particular, preferential encouragement will be given to the establishment of enterprises in the sectors of infrastructure construction, cutting-edge science and technology and production of goods with international competitive edge. Enterprises engaged in IT development and other top-notch technologies including those of nano and new materials, bioengineering, new energy, laser and plasma and machine building are encouraged to be established and operated on a priority basis. By doing so,



we will develop this zone in a diversified way.

**Reporter:** I want to know about the investment attraction activities for establishing the zone.

**Chon:** Among the hi-tech goods development and production bases in the zone, some with high R&D capability have established their enterprises.

Information activities for investment attraction and workshops have been held for foreign investors and tourists who visited the Unjong Science Park and the Unjong Cutting-edge Technology Development Zone.

**Reporter:** Preferential treatments will be granted to the hi-tech enterprises, I think.

**Chon:** Surely. Any enterprises, which are tenanted in the Unjong Cutting-edge Technology Development Zone and engaged in the encouraged categories of business, will be granted with preferential treatment including reduction or exemption of tax, favourable conditions of using land, preferential import and export activities and bank loans, and provision of talents.

They will also be protected by law in their intellectual property rights including patent, invention, trademark and technical know-how, property rights to fixed assets and liquid assets, and lawful interests and management activities.

We will do our best to establish in an intensive way cutting-edge technology enterprises competitive in the world and develop them by relying on the strong R&D capability of the Unjong Science Park, and develop the Unjong Cutting-edge Technology Development Zone into a highly competitive hi-tech industrial region by actively conducting cooperation and exchanges with foreign counterparts.

**Reporter:** Thank you for your good explanation.

## Unjong Cutting-edge Technology Development Zone

Add: Unjong District, Pyongyang, DPR Korea

Tel: 850-2-18111 ext 381-8544

E-mail: high-tech@star-co.net.kp



## Sinphyong Tourism Development Zone

The zone with 8.1km<sup>2</sup> in area is located in Munsongjin-ri, Sinphyong County, North Hwanghae Province.

The tourism is under development with the main stress put to providing the tourists with various services at scenic spots.

Already existing in the zone are welfare service and other public buildings, small- and medium-sized power stations, some pavilions, observation places, roads and sightseeing paths tens of kilometres long, and a holiday camp.

In the Kumgang Falls Valley, Grand

Okryu Valley and other sections are the Thokki (rabbit) and Kobuk (tortoise) rocks and other mysterious rocks and cliffs, the Kuryong and Kumgang falls and other tourist attractions, numbering over 70.

Found in the zone, more than 600 metres high on average, are thick forests with 40-odd good species of trees and shrubs, more than 20 kinds of animals and various wild and medicinal herbs including nutritious mushrooms.

There are the Talhaesan and Munsongjin forts. The cliff of the Talhaesan Fort is registered as natural monument No. 179 for its scenic beauty.

It is planned to build in the zone

facilities for sightseeing, camping, recreation, sports, amusement and lodging, and the projects are in progress.

Investors at home and abroad, who are willing to invest in the zone, can receive relevant service by the Korea Economic Development Association.

They can invest for joint development with an enterprise of the DPRK or for solo development.

### Korea Economic Development Association

Add: Taedonggang District,

Pyongyang, DPR Korea

Tel: 850-2-18111-381-5912

Fax: 850-2-381-5889

E-mail: sgbed@star-co.net.kp



# Rainbow Intermediaries

Established in 2015 with its legal address in Phyongchon District of Pyongyang, it is a professional broker that specializes insurance and reinsurance portfolios including but not limited to fire, crop, marine, engineering and automobile insurance. By working closely with several insurance companies, it aims to meet the increasing demand of public institutions, business entities, enterprises and individuals for insurance coverage.

It listens to and learns from the insured what they want it to do related with insurance and assists in their making of the application forms for insurance contracts. It also gives a keen insight into how the insured deal with risk management and report to the insurers so that they can obtain insurance coverage.

Based on fairness, kindness and promptness, it renders the insured technical assistance in case of insured losses on how to make and submit the notice of a claim as well as keeps in touch with insurance companies to make sure that they investigate every claim with due diligence.

In addition, it provides insurance companies with reinsurance broking to help them underwrite on the basis of their stable insurance capacity.

It has consistently maintained independence, professionalism and diversity as the three key aspects in insurance and reinsurance brokerage.

It has professionals with diverse backgrounds and rich experience so as to assure every client of competent and reliable advice on how to avoid potential risks in business and minimize economic losses thereof.

Its services range from strategic risk consulting on how to avoid potential risks in business to on-site risk control services as well as analytical and advisory services.

The company will make efforts to update its intermediary and consulting services to the best interests of the clients and develop business contacts with local and foreign insurers, reinsurers and brokers.

Add: Phyongchon District, Pyongyang, DPR Korea  
Tel: 850-2-18111 ext 3818410  
E-mail: rainbow.inter@silibank.net.kp

# Phurunbit-brand Functional Hemp Goods



General Manager Jong Chol Gwang



Hemp has long been cultivated in Korea for fibre used to make fabric for clothes.

At present hemp goods, recognized worldwide as green environment-friendly ones, are attracting the attention of the people with their strong pharmacological effects.

The Pyongyang Hemp Processing Factory is processing hemp into a variety of functional products beneficial to human health.

Hemp-fibre goods, including clothes, handkerchiefs and hosiery, are effective in preventing prickly heat, furuncle, athlete's foot and other skin diseases, removing unpleasant smell of sweat, and protecting from phosphorous poisoning. And, because of their remarkable bactericidal properties, tapestry-type goods are used in decorating walls in the rooms and offices to make air germ-free.



**Korea Light Industry Trading Company**

Add: Central District, Pyongyang, DPR Korea Tel: 850-2-18555(op)-341-8140 Fax: 850-2-381-4485 E-mail: lifat@star-co.net.kp

# Taeon Sinthae Joint Venture Company



The company, set up in October 2012, produces electric equipment such as power transformers, furnace transformers and current transformers.

In an effort to improve the quality of products it has introduced a manufacturing technology of corrugated case for transformer parts and plate-type cooling method to make the cases much lighter and amplify the cooling effects in usage.

With the introduction of new technologies into coiling and iron-core joining, insulating effects of the transformers have been enhanced with the minimum energy.

Products of the company are widely used in various sectors as they are highly efficient and safe in usage and last long.

The company, which maintains its management principle of ensuring high quality, low price and perfect service, conducts delivery and installation of products in response to customer demand, and offers technical service and sale of spare parts.

It is encouraging investment on new products development in keeping with the worldwide developing trend, while opening up new markets and promoting technical exchange and economic cooperation with other countries.

**Taeon Sinthae Joint Venture Company**

Add: Taeon District, Nampho, DPR Korea

Tel: 850-2-18111-038-24-1855(8102)

E-mail: kigye@star-co.net.kp



Hangryon Technology Company  
of Hangryon Trading Corporation  
Add: Rangnang District, Pyongyang, DPR Korea  
Tel: 850-2-18111-381-8178  
E-mail: phhr333@star-co.net.kp

# Hangryon Technology Company



CEO Choe Myong Song



The Hangryon Technology Company is engaged in the business of several categories like IT development.

Its IT development teams, staffed with competent experts in their 20s, are in the capital city and other regions of the country and some other countries. They develop and sell programs, thus earning a great profit.

Efforts are also given to increase the variety of products in its production bases.

It has so far developed antibiotic and anti-mold water-soluble paints for air purification and germ-free environment, garments made with multi-functional fibre with antibiotic and anion-discharging functions, antibiotic socks and several kinds of cosmetics like collagen adlay lotion and whitening nutritional night cream.

The company developed the Koryo insam gold-ion water, a new functional drink with Kaesong Koryo insam as the main ingredient, and obtained a patent for it in August 2022. It pushes forward with the work of selling this new product at foreign markets.

It also succeeded in developing technologies of producing some building materials with basalt, instead of asbestos, as reinforcing fibre and inorganic antibiotic fibre made by immersing a multi-functional antibiotic additive. Based on such experience, it bids against foreign companies and research institutions in new technologies.

While maintaining positive and effective business management, it directs an effort to economic cooperation with foreign businesses on the credit-first principle.



# Popular Optician's Shops

## Koryo Simchong Company

Add: Moranbong District, Pyongyang, DPR Korea

Tel: 850-2-18111(-999)/3418058

E-mail: simchong@star-co.net.kp



**K**oryo Simchong Company, situated in Wolhyang-dong, Moranbong District, Pyongyang, specializes in serving spectacles.

It has the Pyongyang Optician's, Okryugyo Optician's and Wolhyang General Shop in Pyongyang, and other branches in many parts of the country.

The shop assistants explain to the customers how to protect their eyesight and which types of spectacles go well with their appearances, helping them choose spectacles of shapes and colours that meet their demands and tastes.

In great demand are the computer glasses good for preventing the eye syndrome caused by using the computer for a long time, polarized coloured glasses against UV rays and goggles with lenses for those with poor eyesight.

Light, smart and strong frames of spectacles in different colours and shapes are made of platinum, gold, titanium, jewels, metals, plastics and other materials.

The shops are equipped with facilities for testing eyesight and manufacturing spectacles.

People, having their eyesight tested by automatic testers, hold consultation with shop assistants and buy spectacles that go well with their skin colours and facial forms.

The shops sell other goods like spectacles case, lens cleaning cloth and agent, wire for hanging spectacles and eye strain relieving band.

As it conducts various service activities to meet the growing aesthetic demands of the people for spectacles, the company gets more and more familiar with them.

# Chollima 804-Ka Tractor

## Technical Specifications

# 80hp

Drive form: 4×4  
Engine power: 80hp  
Engine revolution number:  
2 200r/min  
Traction force: 17kN  
Transmission:  
4 high-speed, 4 medium-speed,

4 low-speed, 12 backward  
Revolution number of power  
utilization axis:  
540r/min, 1 000r/min  
Specific fuel consumption:  
175g/hp•h  
Weight: 3 500kg



## Transportation Machine Trading Company

Add: Tongdaewon District, Pyongyang, DPR Korea

Tel: 850-2-18111-381-8102

E-mail: [machine@star-co.net.kp](mailto:machine@star-co.net.kp)

