

# FOREIGN TRADE

OF THE DEMOCRATIC PEOPLE'S  
REPUBLIC OF KOREA

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Leader

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Please visit <http://www.kccpk.net>.

## THE CHAMBER OF COMMERCE OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

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Leader Kim Jong Il gives on-the-spot guidance to the Songjin Steel Complex. (August 2007)

# 60 Years: DPR

The DPR Korea celebrates its 60th founding anniversary this year.

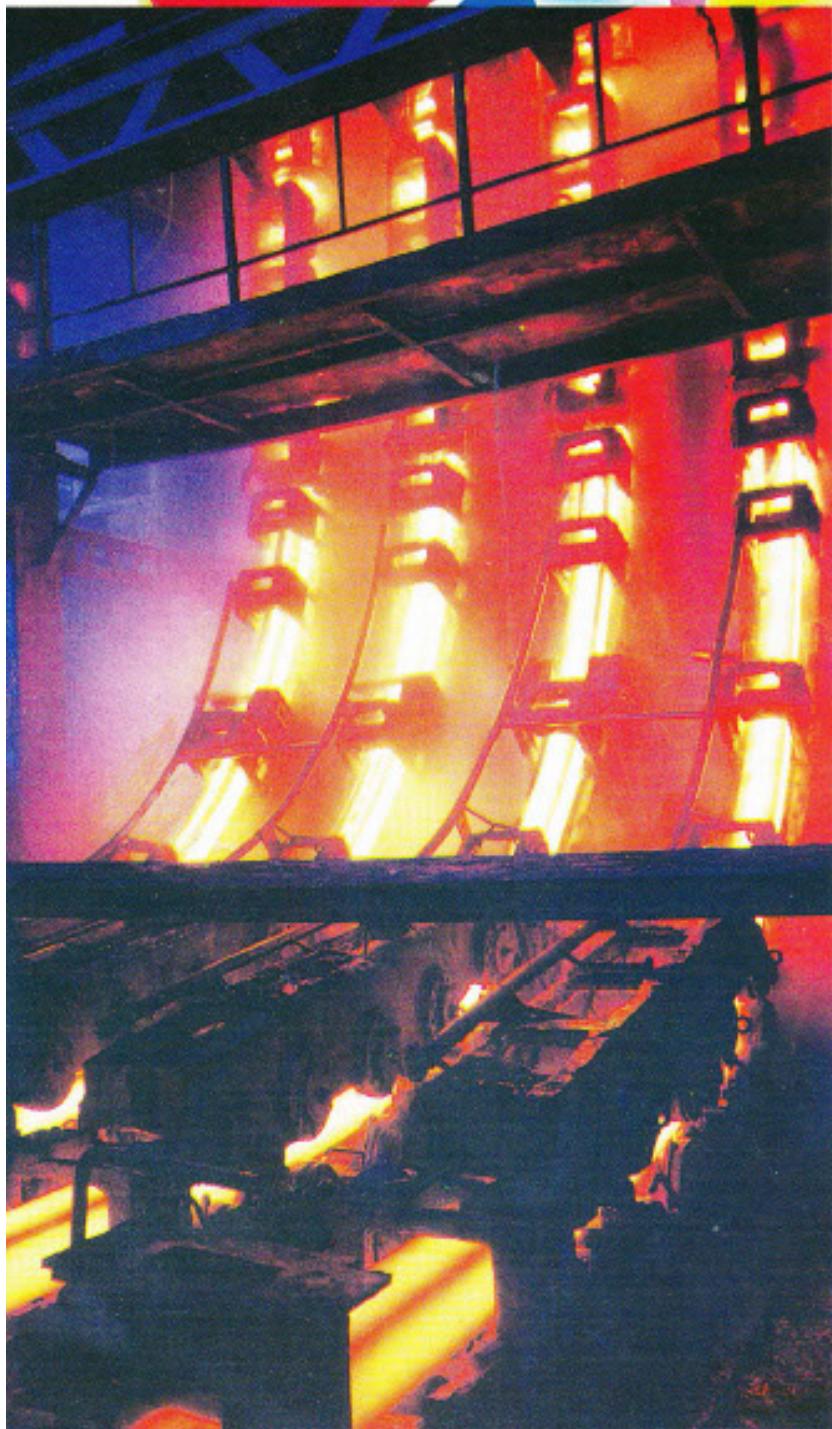
The Republic has been turned into a country with independent politics, the self-supporting economy and self-reliant defense capability.

Since early days of its founding, the DPRK government has channeled great efforts into foreign trade on the basis of developing the independent national economy.

Trade relationship with foreign countries is requisite for each country in economic activities in order to develop national economy and improve people's livelihood, because economic exchange between nations is inevitably required by natural and geographical position, holdings of natural resources, course of socioeconomic development, formation of social mechanics of production and the level of scientific and technological development that differ from nation to nation.

For the government expanded trade and e different cou independence.

Leader Ki "Our Party the Republic political, e exchanges the world th our country independent benefit."



# S: DPRK Foreign Trade

For the past six decades, the government of the Republic has expanded and developed foreign trade and economic exchange with different countries under the ideal of independence, peace and friendship.

Leader Kim Jong Il said:

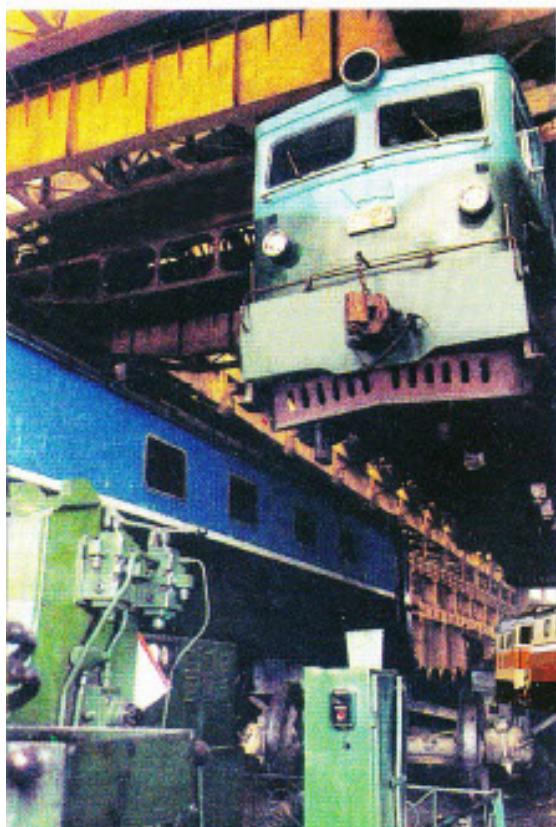
"Our Party and the government of the Republic have been developing political, economic and cultural exchanges with all the countries of the world that are friendly towards our country on the principle of independence, equality and mutual benefit."





The DPRK has promoted economic and technical cooperation with many countries over the world and traded with foreign partners on the principle of mutual accommodation along with the enlarged economic scale and development of science and technology of the country, thus further consolidating the foundation of the independent national economy and contributing to the development of global economy and trade.

The government of the Republic has exported competitive goods demanded in the world market and mass-produced in our country and



imported goods home on the basis of the heavy machine-building core, light industry in conformity with the needs of the development of the economy and people's living conditions.

At present, the foundations of the industries have been developed.

Right after the independence of the Republic, the priority was given to the building of the heavy industry and the introduction of the latest technologies into the developing industry with the help of the Soviet Union.

Thanks to the efforts of the government and the iron and steel industry together,



imported goods in short supply at home on the basis of developing the heavy industry with the machine-building industry as its core, light industry and agriculture in conformity with the actual conditions of the country so as to develop economy and improve the people's living standard.

At present, the DPRK has firm foundations for heavy and light industries that guarantee the development of foreign trade.

Right after its establishment, the Republic put forward the line of building of an independent heavy industry and directed primary effort into the development of the heavy industry with the machine-building industry as its core.

Thanks to the policy and efforts of the government, the fuel and power, iron and steel and chemical industries together with the machine-

building industry have developed with great rapidity and infrastructure of the heavy industry was perfected so as to propel the development of light industry and agriculture.

As seen in the national emblem of the DPRK, the power industry, the major source of power for modern industry, has undergone a dramatic change.

Large-scale and minor hydropower and thermal power stations were established at every corner of the country. Electric machinery production bases including the Taean Heavy Machine Complex were set up to turn out large-size generators and transformers, thus satisfying domestic and foreign demands.

Iron and steel works and smelters were constructed or renovated to boost the production of ferrous and nonferrous metals.

In the field of machine-building industry, many factories including the Huichon Machine Tool Factory, the Ragwon Machine Complex and the

Ryongsong Machine Complex went online and have continued to introduce latest technological achievements.

As a result, their products such as CNC lathes, universal machine tools, mining equipment and compressors are finding a niche in the world market.

The February 8 Vinalon Complex, the Namhung Youth Chemical Complex and the Hungnam Fertilizer Complex in the field of chemical industry have consolidated their material and technical foundations to increase the production and export of chemical products.

Light industrial factories in the textile, textile machine, shoe, daily necessities, ceramic and foodstuff industries have stepped up the modernization based on ultramodern technology. The silk fabrics with a long tradition produced in the professional silk production factories like the Nyongbyon Silk Mill and Pakchon Silk Mill are enjoying popularity in the overseas market,





and the garments turned out in the Korea Ponghwa General Trading Corporation and the Korea Unha General Trading Corporation are favored in the international markets.

The DPRK government has paid due attention to the development of technology trade in line with the requirements of the era of science and technology and the IT age.

The DPRK acceded to the WIPO 30 years ago, and enacted and proclaimed the laws on invention, trademark, industrial design, appellation of origin and copyright to establish an effective intellectual property rights system.

At present, it is systematically increasing investment in the development of science and technology, regarding it as a dynamic in the building of a powerful nation.

The rapidly developed science and technology and increased investment have remarkably

changed the content, form and turnover of technology trade including export and import of technology products such as software.

The government of the Republic encourages joint venture in order to develop the national economy and foreign trade.

It is encouraging joint venture with foreign countries within the boundaries of the laws on foreign investment, equity joint venture, contractual joint venture and foreign-owned enterprises.

The DPRK concluded intergovernmental trade agreements, agreements on trade and commercial exchange, general agreements on mutual delivery of commodities, agreements on account settlement, agreements on promotion and protection of investment, agreements on



prevention, income and on preventions, agreements on committee and technical agreements





prevention of double taxation upon income and property, agreements on prevention of tax evasion, agreements on establishment of joint committee for economic, scientific and technical cooperation and agreements on joint venture with

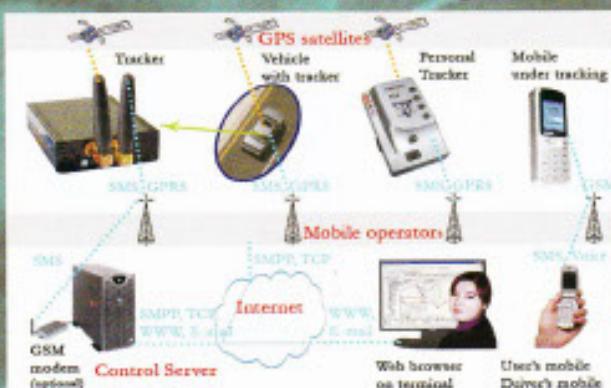
many countries over the world.

These efforts have resulted in mutual profit in the fields of manufacturing industry, agriculture, fishery, transport, construction, telecommunications, finance, investment, science and technology, education, culture, sports, public health, etc.



The DPRK, as in the past, will conduct fair and beneficial trade activities with all the countries over the world on the principles of independence, mutual respect and equality. It will further consolidate the foundation of the independent national economy in an effort to build a great, prosperous and powerful socialist nation and contribute to the trade and economic development of the world by thoroughly observing credit-first principle and making the trade multilateral and diversified to accelerate the development of foreign trade.

# GPS Tracking System AnyTrac



**AnyTrac** is a web server integrated with trackers, GPS, mobile operators and the internet.

To institutions and individuals who are concerned about the security of their moving objects, the Korea Computer Center recommends **AnyTrac**—a perfect solution for close surveillance and satisfactory command on moving assets.

The trackers attached to moving assets include a built-in GPS receiver, a mobile phone, sensors and control outputs, enabling reports and commands to and from a server.

The system sends an alarm in the form of SMS, e-mail, live or pending messages in response to an incident.

Interaction with the system through mobile SMS is also supported.

Users can edit machine intelligence sets, which are then shared by all users on the server and terminals to monitor moving objects and review their travel history.

The center also has a detailed program to turn mobile phones into trackers of the system with no hardware modification for easy tracking of mobile phone users.

The users will benefit from the system in monitoring moving persons and assets, taking care of children, special security, visualizing the progress of travel situation, monitoring mobile work force, etc. thanks to its user-controlled sensors, vivid satellite images, full reproduction of travel history, smart interpolation of track and so on.

## Korea Computer Center

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# **Heavy Industry—A Sure Guarantee for Development of Foreign Trade**

Heavy industry constitutes the foundation for the development of the national economy.

Since its founding, the DPRK government has pursued the revolutionary line of building a self-supporting heavy industry for political independence and independent progress of the country and directed primary efforts into developing the heavy industry with the machine-building industry as its core.

President Kim Il Sung said long ago in reflection of the lawful requirements of the revolution and construction that the line of building an independent heavy industry is, firstly, to equip all sectors of the heavy industry with advanced technology, secondly, to develop them relying on domestic natural resources and sources of raw materials and, thirdly, to expand them in an all-round way so as to produce and supply the means of production necessary for the national economy on their own, and indicated the orientation and ways for its implementation.

Backed up by the machine-building industry, the chemical, fuel, power, iron and steel industries have made a rapid progress, enabling the heavy industry to lay the sound material and technical foundations that can serve effectively for the development of light industry and agriculture.

At present, the heavy industry is gaining momentum thanks to the line of economic construction in the Songun era to give priority to the development of the defense industry while ensuring simultaneous growth of light industry and agriculture.

In particular, the power industry is making a big headway. Large-scale and minor hydroelectric power stations have mushroomed across the country to boost the power output.

The iron and steel works and smelters have been facelifted to increase the production of ferrous and nonferrous metals. This makes it

possible to increase their export, while satisfying the domestic demand for them.

With the introduction of the latest technology into the machine-building industry, universal machine tools including CNC lathes and up-to-date rolling stocks, compressors and other machines have been produced to find their way into the world markets.

In the field of the building materials industry, lots of building materials factories have been built or reconstructed on a modern basis so that the production and export of building materials including sheet glass, roofing materials and tiles are soaring up.

In the course of implementing the policy of economic construction in the Songun era, the external prestige of the Republic was enhanced to an unprecedented level, with the result that the number of countries that hope to promote trade and economic exchange and cooperation with our country is increasing day by day.

The development of the heavy industry has consolidated the foundation of the independent national economy and created favorable investment climate in all sectors of the economy. As a result, bilateral agreements on encouragement and protection of investment were concluded with many countries in Southeast Asia and Europe and the economic exchange and cooperation are in full swing.

Indeed, the sound material and technical foundations of the heavy industry provide a sure guarantee for the promotion of foreign trade as well as for overall development in the construction of socialist economy including light industry and agriculture.

True to the line of economic construction in the Songun era, the DPRK government will, in the future, further develop economic exchange and tie-up with foreign countries, giving priority to the growth of heavy industry.

# SGS Pyongyang Office

The SGS Pyongyang Office represents the SGS, the world's renowned inspection network, in the DPRK.

The office offers SGS inspection service on export and import goods requested by the domestic trading corporations in regular contact with the SGS, which has its head office in Geneva and some 1 000 branch offices over the world and more than 330 laboratories in over 140 countries, while assisting the international accreditation of the DPRK's major exports as well as production and management systems.

Recently, George Bottomley, vice-president of the SGS, visited Pyongyang and had a discussion on practical issues with Pak Jong Ung, director of the SGS Pyongyang Office, and staffs.

It is an international trade practice to get a technical inspection from a third party rather than domestic inspection authorities and to conduct commercial transactions under the term of SGS inspection.

The office renders inspection service to domestic

trading corporations that are willing to export such products as magnesia clinker and machine tools under the inspection of the SGS so as to prevent disputes caused by poor quality and enhance the international competitiveness of the DPRK's export goods.

It also provides prompt and precise SGS inspection service by proxy in case the domestic trading corporations want to import goods of strict quality requirement from supplier's country through the field inspection before shipment.

Besides, the office cooperates the introduction of international accreditation of quality management, environment, and foodstuff and pharmaceutical production systems like ISO9000, ISO14001, ISO22000, HACCP and GMP into the up-to-date manufacturing centers in the DPRK so that they can mass-produce quality goods in conformity with international standards and the demand of the markets.

## *My Impressions in Pyongyang*

I took part in the Pyongyang Spring International Trade Fair for the first time and the fair impressed me a lot.

It was a large and well-arranged fair.

The fair made a tangible contribution to the friendship and cooperation between countries.

Pyongyang is a pollution-free city with neat streets.

I am glad to hear that the international trade fair opens regularly in this beautiful city.

We will make full preparations for the next fair.

Syria and the DPRK are the friendly countries.

Former Syrian President Hafez Al-Assad and DPRK President Kim Il Sung forged friendly and cooperative relations between the two countries. This traditional amity is in full bloom under the deep concern of President Bashar Al-Assad and leader Kim Jong Il.

Korea is great, because the leaders are great.

During the visits to the Kumsusan Memorial Palace and Mangyongdae, the native place of President Kim Il Sung, I could feel the great personality of President Kim Il Sung.

I was deeply impressed by the Korean people who are advancing vigorously full of optimism and confidence in victory under the guidance of leader Kim Jong Il despite all hostile maneuvers of the imperialists.

Through the fair I came to know that the economic development is on a high level in the DPRK.

I wish the Korean people further success in the building of a powerful nation.



Adnan Sharida  
Head of the Syrian delegation of the General Bureau of International Exhibition

## *Korea Kumgang General Trading Corporation*

The Korea Kumgang General Trading per ingot. Corporation, established in 1975, engages in the export and import activities relying on its ferrous and nonferrous metal and nonmetal production bases set up across the country.

Its main export products are nonferrous metals including lead and zinc.

The corporation runs scores of mines and smelters that produce high-grade nonferrous metals.

All its nonferrous metal production bases are furnished with advanced technical processes that guarantee the superior quality of products.

The corporation's "KM"-brand electrolytic zinc is 99.99% in purity and weighs 19 – 21kg.

The purity of cadmium is more than 99.99%.

Ferrous metal products also account for the considerable proportion in export.

The Korea Kumgang General Trading Corporation will expand the scope of transactions with various foreign countries by further activating the export goods production bases.

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Pyongyang, DPR Korea  
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Fax: 850-2-3814668  
E-mail: kumgang@co.chesin.com

## **Korea Ophalsan Trading Corporation**

The Korea Ophalsan Trading Corporation carries on trade activities in the field of building materials industry.

The corporation has over 10 factories with a great production capacity and up-to-date facilities including a cement factory and steelworks, brickyard, metal building materials factory, cast iron pipe factory, paint factory, plastic building materials factory and elevator factory.

Its plastic sashes, sanitary ware, tiles, paints, terrazzo and waterproof plates are very popular in foreign countries for their good quality.

The corporation produces for export tower cranes such as horizontal jib cranes and wharf cranes of all sizes.

It conducts investment and management activities under the legal protection of the DPRK laws like the Law on Foreign Investment, the Law on Contractual Joint Venture, the Law on External Economic Arbitration, the Law on Environmental Protection, the Customs Law and the Law on Foreign-invested Business and Foreign Individual Tax.

The corporation will further promote joint venture with foreign partners in various fields of the economy and increase the output of building materials to meet overseas demand.

Add: Moranbong District, Pyongyang, DPR Korea  
Tel: 850-2-18111-3818010  
Fax: 850-2-3814410

# Korea Trade and Economic Information Center

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The Korea Trade and Economic Information Center, which is headquartered in Pyongyang, offers information service necessary for the state economic bodies including the Ministry of Foreign Trade, the commercial banks and trading corporations, based on profound research on the trend of global economy and trade and the constant scrutiny into the climate of the international financial and commodity markets.

The center consists of several research departments engaging in the survey of financial and commodity markets and research on the economy and trade in regions and countries the world over, information service department and administrative departments.

The center employs over 80 researchers and experts with academic degrees or titles, who are well versed in foreign languages and economics. They are involved in the research and information service needed for the boost in export as well as for the expansion and development of economic and trade relations.

The center has set up a trade information network called "Saepyol" whereby rendering trade information service for domestic trading corporations and commercial banks.

"Saepyol" provides real-time information concerned with commodity prices in major commodity exchanges and exchange rate of foreign currency.

It also offers information relating to trade such as trade and economic conditions of foreign countries, customs duty, company background, Incoterms and other international trade terms and

regulations, international exhibitions, investment climate, etc.

In particular, in response to the government strategy for the activation of trade the center is improving the quality of service by promptly supplying catalogues and CDs containing market information on major export items like ferrous and nonferrous metal products, nonmetallic products like magnesia clinker, light industrial goods and handicrafts, and imports.

It gathers not only primary information, but also analysed and classified information from various sources such as the Reuter database.

Besides, the center provides domestic trading units including trading corporations and export production enterprises with diverse consultation service for finding outlet of their products and market buildup.

Service is available in several forms: face-to-face interview and presentation of market survey report, guide to new products and investment opportunities and direct access to the trade information.

At present, the Korea Trade and Economic Information Center is exchanging economic information with international and regional economic organizations including the International Chamber of Commerce and the UNESCAP as well as economic research institutes in different countries.

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# "Kumdang-2" Injection



"Kumdang-2" has a marvelous effect on various diseases with no side effects, thus enjoying popularity at home and abroad.

The injection was acknowledged by the ministries of public health in some foreign countries including Cuba and Syria, and awarded prizes like the WIPO gold medal.

**Composition:** Saccharides extracted from Kaesong Koryo insam, cerium, lanthanum, gold and platinum

**Indications:** Hepatitis, liver cirrhosis, colitis, diabetes, blood circulatory diseases and other acute and chronic diseases, as well as for the invigoration and proliferation of cells



**Administration:** Intramuscular or intravenous injection once or twice a day and 1–8 ampoules each time



**Korea Pugang Pharmaceutical Corporation**

Add: Pothonggang District,  
Pyongyang, DPR Korea  
Tel: 850-2-18333-3818821  
Fax: 850-2-3815274  
E-mail: pugang@sillibank.com





## Music Retrieval System "Chongbong" Ver. 3.0

The program supports more retrieval methods—searching music from the database by title, lyric, singer, lyric writer and composer, year of composition and the mood of music.

You add new melodies to the database by humming and it shows the lyrics together with the sliding pictures that suit to the mood of the played music.

### Features

Music DB size: 5 000 songs

Search accuracy:

Over 95% in the first candidate

Over 99% among 10 candidates

Search time: Less than one second

Operating environment

- OS: Windows 2000/XP
- CPU: Pentium IV 1.4GHz
- Main memory: 128MB min.
- Audio device: Sound card supporting sample rate of 8KHz and 16-Bit Mono Linear PCM and a microphone
- HDD capacity: 20Gbyte

### Chongbong IT Center

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Fax: 850-2-3814598

E-mail: kccapp@silbank.com

"Chongbong" is a program that enables to find and play 5 000 songs stored in a database by simply humming part of the melody for 8 to 10 seconds.

### KCC Member News



## Products from KITC

The Korea Industrial Technology Corporation is conducting worldwide business activities concerned with various engineering sciences including electronics and mechanical engineering.

For over two decades since its establishment, the corporation has expanded the scope of business and introduced high-tech in relationship with many foreign partners, relying on its powerful think tank and manufacturing plants.



Its products are enjoying good reputation among customers for their superior quality.

Introduced below are some of its products:

**- 2 500-ton superhigh hydraulic press**

Max. working force:	25MN
Distance between columns:	900mm
Effective height of work space:	Over 500mm
Nonparallelism of up-and-down working table:	Below 1mm
Max. stroke:	80mm
Max. upstroke speed:	4mm/s
Voltage/frequency:	380V/50Hz

**-High-performance mechanical rotary-type packing ring**

Sealing pressure:	5MPa
Spindle speed:	20m/s
Permissible leakage:	0 – 3cm <sup>3</sup> /h
Service life:	6 months to 2 years



Turbo molecular pump "VP 100/110" and compound molecular pump "VP 200/650" are fully satisfying the demand of clients for their high performance.

The corporation also offers high-speed rotation technology.

Please contact:

**Korea Industrial Technology Corporation**

Add: Tongdaewon District, Pyongyang, DPR Korea

Tel: 850-2-18111-3816133

Fax: 850-2-3812100



# SEK

SEK, founded in 1953, is a comprehensive animation studio proud of its mastery in producing cartoon features helpful for juvenile education and suitable to the cultural and emotional life of grownups in collaboration with partners around the world.

The studio is furnished with the latest hardware and staffed with directors, painters and skilled workers.

SEK has released many cartoon films including multi-part *The Clever Raccoon Dog* which gives rich scientific knowledge and wisdom, a feature-length *Gandahar*, *Adventure of Pif and Hercule* (130 parts), *Vampire Ernest* (104 parts) and *Les Miserables* (26 parts).

The studio has business contacts with many foreign partners, actively taking part in the Cannes International Film Festival and Market and the Annecy Animated Film Festival and Market.

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According to the requests of partners, SEK engages in cooperation and ordered production in original painting, animation, coloring and shooting.

The typical ordered cartoon films are *Sandokan* (Italy), *Marcellino* (France) and *Princess Sheherazade* (France), etc.

SEK carries on collaboration and ordered production, strictly ensuring quality and prompt delivery on the credit-first principle. It welcomes many-sided technical exchange in the international cartoon film circle.



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# Sinhung Corporation

The Sinhung IT Trading Corporation specializes in the research, development, export, training of experts and technical service in the field of software industry.

The corporation carries on the comprehensive research and development of software ranging from OS to web applications relying on the professional development centers like the Osandok IT Center, Mangyong IT Center and Samjiyon IT Center under its control.

It has established a software development process that fully conforms to the requirements of international standard and quality, while running a professional quality inspection center.

The typical products are Korean character recognition program "Mongnan" ver. 6.1, multilingual translation program (Korean, Chinese, Japanese and English), computer paduk (go) program "KCC Paduk", etc.

Based on such achievements, the corporation channels its effort into the cultivation of new market and development of ordered software.

The Sinhung IT Trading Corporation is conducting diverse

forms of exchange including the development on order, joint development and joint venture in the field of software in close contact with IT companies in China, Russia and India.

Taking advantage of its powerful technical potentiality, the Sinhung IT Trading Corporation will expand cooperation with IT-related enterprises, organizations and research institutes in foreign countries to make inroads into the world IT market.



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Pyongyang, DPR Korea  
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# Kiltok High-tech Joint Venture Co.

The Kiltok High-tech Joint Venture Co., established in 2005, specializes in the development of nano technology and production and export of nano products.

The company has developed over 10 kinds of nano materials including nano antibiotic substances and nano ultraviolet shielding materials, and is manufacturing such nano products as nano air-conditioners, nano exhaust fume filters, nano germicidal bottles, nano germicidal pots, nano blood purifying tube and "Sonnyo"-brand nano cream.

The products were awarded gold medals and trophies at several national commodity exhibitions and some of them were registered at the WIPO.

The company collaborates with various companies and firms in Germany, Russia, Nigeria, Syria and China and takes orders from domestic partners.

Its motto is to ensure good credit and excellent quality.

The company will increase the export by concentrating its investment into the development of nano technology and products, while promoting cooperation with foreign companies over the world.

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Fax: 850-2-3814410



# Cooperation and Exchange for Investment and Development

(An interview of the reporter with Hyon Chol, president of the Korea International Investment Development Corporation)

**Reporter:** Would you mind telling me about the government policy and investment climate in the DPRK?

**President:** It is the consistent policy of the Republic to expand and develop the economic cooperation with different countries over the world. The DPRK government encourages the investment of foreign investors in the territory of the DPRK on the principles of equality and mutual benefit.

Many laws have been enacted and are in force to protect the investment of foreigners and guarantee the legal rights and interests of foreign-invested enterprises.

The DPRK has a favorable investment climate.

Investment climate is influenced by several factors like political stability, legal maturity and economic and geopolitical conditions.

The DPRK is free from political instability, and the consistency and inheritance are firmly maintained in implementing investment policy.

Since the promulgation of the law on joint venture in 1984, a number of laws were enacted in relation to foreign investment and the consistency and inheritance of the investment policy have been firmly ensured.

The investment-related laws of the DPRK stipulate various preferential measures to protect the personal

safety and assets of investors by the law.

Our laws are featured by a small number of taxes and low tax rate imposed on foreign-invested enterprises and investors.

The DPRK is provided with favorable economic and geopolitical environments.

Our country borders with the three provinces in the northeastern China and the Far East region of Russia endowed with colossal labor power, intellectual and material resources, and is located in geographically favorable position for the raw materials and commodity markets.

Abundant underground resources, big processing capacity, quality work force, communications, banking service—they all constitute excellent conditions for investors in business activities within the territory of the DPRK.

Intact natural environment and able scientists and technicians also attract the interest of many foreign investors as well.

## Which are the priority sectors in investment?

Power industry is one of the priority sectors.

In recent years large-scale and minor hydropower stations have gone online and many others are under construction, but the demand for electricity soars up in various fields of the national economy which develops rapidly day by day. Therefore, their capacity cannot keep up with the increasing demand.

That is the reason why power

industry requires heavy investment for updating equipment and perfecting its structure.

Korea has rich deposit of valuable minerals including nonferrous minerals like copper, lead and zinc, rare-metallic minerals as radium, titanium and molybdenum and ferrous minerals including iron ore and non-metallic minerals. Therefore, investment in this sector will pay off in a short period.

Investment is also needed in various sectors such as electronic and light industries, agriculture and public health.

## What about the present situation of foreign investment in the DPRK and its prospect in the future?

The number of investors increases as days go by in accordance with the enhancement of international prestige of the Republic and expansion of trade and economic exchange and cooperation.

Foreigners are investing independently or through equity or contractual joint venture in the DPRK.

With investment activities animated in recent years, substantial and mutual profit is made on the investment in various sectors, thus enlarging the investment volume and widening the scope of investment fields. Business forums and investment conferences are frequently held.

We will not only encourage such positive progress but also welcome foreign investors who seek a new investment opportunity in the DPRK.

## Promising Joint Venture in DPRK

The DPRK government is consistently pursuing the policy of encouraging joint venture with various countries over the world.

Leader Kim Jong Il said:

**"Since the publication of the Law on Equity Joint Venture, many countries have expressed their hope to carry on economic collaboration and technical exchange with our country."**

In the DPRK the law on equity joint venture, the law on contractual joint venture and other foreign investment-related laws were adopted and their enforcement regulations promulgated long ago. In line with the ever-developing actual conditions, they were amended and new laws instituted.

In accordance with the DPRK government's consistent policy of developing economic cooperation with other countries, a number of laws on foreign investment, foreign exchange control and wholly foreign-owned enterprises were adopted and a series of preferential measures were taken to facilitate business activities of foreign investors.

This provides all sorts of conditions for developing joint venture between the DPRK institutions, enterprises and organizations, and foreign bodies corporate and individuals and overseas Koreans, coupled with legal framework to guarantee the personal safety of foreign investors as well as the security and reliability of their assets and business activities.

The DPRK institutions and enterprises as bodies corporate are carrying on operational activities of joint venture with foreign enterprises under the unified guidance of the State so that the fairness in the settlement of disputes arising in business management and the consistency and inheritance of investment are fully ensured.

At present the DPRK witnesses a rapid progress in joint venture, enlarging its projects and categories of business.

The DPRK government has so far encouraged joint venture in the sector of mining industry, with the result that great successes were achieved in developing underground resources of the country.

The successful operation of joint ventures in the sectors of IT, electronics and machine industries has made it possible to mass-produce a rich selection of quality products including computers, vertical machining centers, wire-cut electric discharge machines, voltage-frequency stabilizers, Kumgang motors and cars as well as to develop new programs. These products are making steady inroads into the world markets.

In the sectors of building materials, clothing and food-processing industries, joint ventures have been established to gain a handsome profit.

Entrepreneurs involved in the joint venture in the DPRK are optimistic about their business prospect.

The various fields of the economy including power, metal, mining, machine, electronics and light industries, agriculture and public health are provided with every condition for promoting joint venture in the DPRK.

Thanks to the great vitality of Songun-based politics, all the sectors of the economy are making another leap forward and the number and field of joint ventures are on a steady increase.

The DPRK government will continue to bend its efforts to afford every facility for the business activities of the investors from the countries around the world that hope to promote economic exchange and cooperation including joint venture, transcending differences in ideology, ideal and social system.

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# IP Rights System & Technology Trade in DPRK

(An interview of the reporter with Dr. Kim Hung Han of the Moranbong Patent and Trademark Agency)

**Reporter:** Would you mind telling me about the DPRK's intellectual property rights system?

**Dr. Kim:** At present the intellectual property rights system in the DPRK is developing in keeping with the global trend.

The DPRK government puts greater emphasis on brainpower than ever before to meet the requirements of IT era.

The keen scientific and technological competition urgently demands all countries to develop their own science and technology.

Therefore, the DPRK is concentrating its efforts on the introduction of advanced technology while increasing the investment in the scientific and technological development.

The DPRK has already promulgated IPR-related laws including the laws on invention, trademark, industrial design, copyright and the appellation of origin.

The birth of intellectual property rights system has greatly affected the development of productivity and the system is a strong propellant for the development of society and economy.

The DPRK acceded to the WIPO in 1974 and signed various international conventions and agreements including Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, Paris Convention for the Protection of Industrial Property, Patent Cooperation Treaty, Berne Convention for the Protection of Literary Works, Lisbon Agreement for the Protection of Appellations of Origin and their International Registration and is faithfully observing their requirement.

The Moranbong, Pyongyang, Ryongsan, Taedonggang and some other patent and trademark agencies are making brisk business and the patent technologies are encouraged under

legal protection.

**What about the actual conditions of technology trade?**

Nowadays the share of patent and technology trade is increasing day by day in our country.

Thanks to the great vitality of the government policy of attaching importance to science and technology, up-to-date scientific and technological achievements were made and introduced into various fields of the national economy.

Besides, a large number of trading corporations adopt their business strategy with technology trade as a core.

There is a growing tendency that corporations mainly or partly engage in various forms of technology trade including the introduction of advanced foreign technologies, joint research and development and license of the DPRK's patent technologies, joint venture and ordered production are on the increase.

In keeping with the rapid development of science and technology and sharp increase in investment for research and development, a remarkable structural change is made in the content, style and turnover of technology trade and the range of business is expanded as well.

What is eye-catching in the DPRK's patent and technology trade is that the fields of machine-building and pharmaceutical technologies are taking a considerable share together with software development.

At present the DPRK government is encouraging the development of patent technologies in scientific and technological advancement and economic construction by training technicians and cultivating the capacity of technical development.

I am sure that the technology trade will further expand and develop as well as commercial exchange of ordinary goods.

## **DPRK Trade Fair in Spotlight**

The economic and trade relations between the DPRK and foreign countries are developing on the principles of independence, equality and mutual benefit.

The DPRK government has achieved remarkable successes by launching a campaign to carry on wide-scale trade and commercial exchanges through exhibitions held in other countries on the basis of the independent national economy which guarantees foreign trade.

The Korea International Exhibition Corporation has a 50-year-long history since its participation in Leipzig international trade fair of Germany in 1958.

In the past, the corporation has been greatly conducive to the development of foreign trade through the commodity exhibitions held in various regions of Asia, Europe, Africa and Latin America, including Ulan Bator international commodity fair of Mongolia, Damascus international commodity fair of Syria, Jilin-Northeast Asian investment trade exposition of China and Hanoi international medicine exhibition of Vietnam.

On display at the exhibitions were diverse kinds of quality products such as nonferrous metals, machine tools, light industrial products, medicines, etc.

The products displayed by the corporation were so competitive in the world market that they were appreciated highly by visitors. During exhibitions, the corporation concluded lots of export and import contracts with many trading firms and entrepreneurs in different countries.

It has so far sponsored the Pyongyang Spring International Trade Fair (the 1st to the 11th) and Pyongyang Autumn International Trade Fair (the 1st to the 3rd) in Pyongyang, the capital of the DPRK, which showcased a wealth of products including electric and electronic equipment, petrochemical products, vehicles and health foods from trading companies in the DPRK, China, Germany, Australia, Indonesia, etc.

The fairs served as a good opportunity to promote exchange and cooperation with many countries in the fields of industry, agriculture, construction, communications and finance and to provide favorable investment climates for production of competitive export goods based on the achievements of cutting-edge science and technology and joint venture.

The Korea International Exhibition Corporation will channel its efforts into the expansion and development of economic and trade relations and the strengthening of scientific and technological exchange and cooperation with other countries through the international trade fair.

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# Mangyong IT Center

The Mangyong IT Center mainly engages in software development in the field of information and communications technologies.

The center employs promising experts with bright ideas and inexhaustible creative power.

Despite its short history, it has succeeded in developing software products needed for network communications including Embedded DBMS, Mobile DBMS, Embedded Web Server, Instant Messenger and IP PBX for introduction and marketing at home and abroad.



Add: Mangyongdae District,  
Pyongyang, DPR Korea  
Tel: 850-2-18111-3818456  
Fax: 850-2-3814598  
E-mail: kccapp@silibank.com



The Mangyong IT Center will devote its best efforts to provide customers with a perpetual stream of easy-to-use second-to-none communications software and web solutions.

# High-tech Products from KSJVC

The Korea Sanyong J-V Company engages in the production and export of up-to-date ball-wedge reducers and lever-type gear reducers as well as various kinds of nano products.

Backed up by a powerful think tank, the company is expanding technology trade by making huge investment in the development of patent technology.

The lever-type gear reducer, which was received an international patent, is a new type of reducer which applies the law of power increase of the lever. In the lever-type gear reducer, the driving gear works as a lever and the driven gear that regulates the distance between pitch circle and fulcrum as fulcrum.

This reducer comprises external gear-type lever reducers, internal gear-type lever reducers and lever-type winches.

The ball-wedge reducer is also a new type of reducer which is designed that the law of power increase of the wedge is transferred to driving shaft by giving an alternating motion in sequence to several balls fitted between the wedges on driving shafts.

It includes differential ball-wedge reducers and ball-wedge winches. They are characterized by high efficiency, safe operation, low manufacturing cost and small size.

The company is now in a position to produce several hundred types of ball-wedge reducers, ranging from mini-size to small, medium and large one.

All those reducers got the DPRK patent in June 2005 and the best prize at the Dalian Patent Products Exhibition held in China in August 2005, and received an international patent information reporting the possibility of introduction to 100-odd countries across the world from the PCT in March 2006.

In addition, scores of nano products developed by the company arouse much interest of demanders for their wide range of applications and high utility value.

The company plans to encourage joint venture in sophisticated technology, accept order for its products and offer patent license upon clients' request.

Korea Sanyong Joint Venture Company

Add: Phyongchon District, Pyongyang, DPR Korea

Fax: 850-2-3814410/3814416



# Turbo Molecular Pump "VP100/110"



## Specifications

Speed: Nitrogen	110l/s
Helium	110l/s
Hydrogen	100l/s
Max. pressure: Nitrogen	$3 \times 10^{-5}$ Pa
Compression ratio: Nitrogen	$> 10^5$
Revolution:	42 000rpm
Starting time:	3 minutes
Coolant:	Water
Installation mode:	Horizontal or vertical

Korea Industrial Technology Corporation

Add: Tongdaewon District,  
Pyongyang, DPR Korea  
Tel: 850-2-18111-3816133  
Fax: 850-2-3812100

# Compound Molecular Pump "VP 200/650"

## Specifications

Speed: Nitrogen	650l/s
Helium	480l/s
Hydrogen	160l/s
Max. pressure: Nitrogen	$6 \times 10^{-5}$ Pa
Max. continuous outlet pressure:	133Pa
Compression ratio:	Nitrogen $> 10^5$
Revolution:	21 000rpm
Starting time:	Less than 5 minutes
Installation mode:	Vertical $\pm 5^\circ$
Weight:	35kg



# Korea General Natural Stone Processing Corporation

The Korea General Natural Stone Processing Corporation, established in 2005, mainly engages in the survey and control, mining, processing and export of all natural stone resources in the DPR Korea.



The general corporation is expanding economic cooperation with many companies in different countries over the world in the field of development of stone mines and processing of building stones, relying on abundant natural stone resources of the country and advanced processing technology.

In recent years it has discovered deposits of granite and marble with gorgeous patterns and diverse colors, and its products are enjoying a good reputation among clients for their good quality.

It has several granite and marble mines and building stone processing factories together with

the Phyonghyong Friendship Joint Venture Company under its control and is satisfying the domestic and overseas demand for its products.

In particular, it is carrying on diverse forms of joint venture with enterprises in foreign countries including China, Singapore and India on the principles of good credit standing and promoting each other's interests.

The Korea General Natural Stone Processing Corporation will always cater for the varying tastes of clients by producing more and better natural stone products through a wide-ranging dialogue with foreign entrepreneurs who wish economic co-operation for natural stone resources.





Add: Raknang District, Pyongyang,  
DPR Korea  
Tel: 850-2-18111-3818053  
Fax: 850-2-3814546

# Korea General Marketing & Ti

The Korea General Marketing & Trading Corporation is a hub for the exchange of goods in the DPRK.

The general corporation mainly engages in the import of industrial products and expendable supplies that are needed in domestic organs and enterprises while running



a joint market with foreign enterprises.

It has a number of buildings and facilities for the trade of goods and branches in several regions, major ports and border railway stations.

It has a customs office, foreign commodity inspection office and quarantine office on its

ment in venture.

It oper for the goods a processi various

premises for the convenience and safety in formal proceedings and receipt, storage and management of freight.

The general corporation is actively carrying on trade dealings with many foreign partners on the principles of equality and mutual benefit, encouraging foreign invest-



# g & Trading Corporation

ment in the form of joint venture.

It operates trade exhibition for the joint sale of import goods and production and processing centers for various articles like food-

stuffs to provide favorable environment for foreign-invested enterprises.

In the future, the Korea General Marketing & Trading Corporation will do its best endeavors with an

ambition to develop its joint market into an international market for the exchange of materials by promoting long-term and creditable relations with many partners over the world.



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District, Pyongyang,  
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Tel: 850-2-3815926  
Fax: 850-2-3815827  
E-mail: kfte@co.chesin.com

# Korea Tonghaeng Trading Corporation

The Korea Tonghaeng Trading Corporation is increasing the production and export of plaited articles made of bush clover and sedge.

Its major export items include bush clover trays, round baskets and bags, and sedge cushions and mats.

Featured by unique style and refined workmanship, the bush clover products are winning

popularity among clients. They are of high utility value as a dish or container.

Bush clover trays have more than 50 kinds in art. Nos. 15 to 70 and its baskets are in over 20 kinds.

Its plaited articles are finding their way into the markets in Southeast Asia and Europe.

The corporation will introduce the advanced technique in bush clover processing while improving the shape of products and increasing their variety. It hopes that customers will widely use its products that are reasonable in price, hygienic and diverse in application.



Add: Taedonggang District,  
Pyongyang, DPR Korea  
Tel: 850-2-18111-6133/6145  
Fax: 850-2-3812100 ICC427



# Magnetic Water Filter

A handy magnetic water filter is now available for those caring about their drinking water for good health and long life.

It adds to the filtered water a pure spring-like freshness.

Korea General Machinery  
Trading Corporation

Add: Tongdaewon District,  
Pyongyang, DPR Korea

Tel: 850-2-18111-8102

Fax: 850-2-3814495/3814410

E-mail: kigye@co.chesin.com



KCC Member News

# Royal Blood-Fresh



Royal Blood-Fresh is prepared from effective ingredients extracted from fermented soybean based on the state-of-the-art technology.

The medicine, a winner of several gold medals and prizes, is registered as blood purifier and thrombus solvent in Germany, Russia, Canada and some other countries.

**Indications:** Palsy, paralysis, aphasia, cerebral thrombosis, arteriosclerosis, heart diseases, blood circulatory disorder of air travelers, hypertension and hypotension

**Dosage**

For prevention: 1 or 2 pills a day

For chronic diseases: 3 pills three times a day

\*For acute diseases: 5 - 9 pills 3 to 8 times a day



**Korea Pugang  
Pharmaceutical Corporation**

Add: Pothonggang District,  
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Tel: 850-2-18333-3818821

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E-mail: pugang@silibank.com