



FOREIGN TRADE

OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

JUCHE 110
(2021)

1

Kaesong Koryo Hongsam Powder

It is a health food made by steaming, drying and grinding high-quality Kaesong Koryo insam.

It is specially efficacious for physical weakness after illness, physical and mental fatigue, sexual dysfunction, decreased appetite, diarrhea and chronic gastritis.

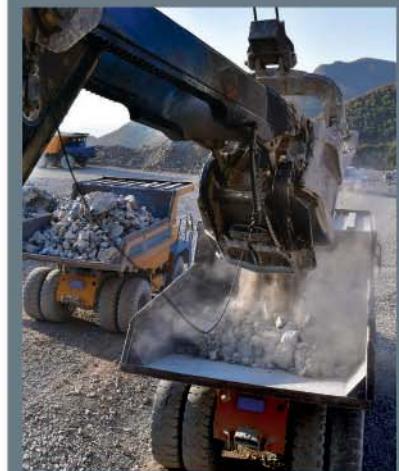
It is recommended to take 1 to 3g three times a day, dissolved in hot water. Or 50g powder and 330g honey are mixed and kept for about one month, and 6 to 15g of its mixture is taken three times a day. A regular taking of it raises mental and physical abilities.

Korea Kaesong Koryo Insam Trading Company
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Sunchon Cement Complex is a large producer of cement for major construction projects in the country, and its cement is also exported.

The complex situated in Sunchon, South Phyongan Province, has favourable conditions for cement production.

With the production capacity of several million tons of cement, it is provided sufficiently with the bases for raw and other materials, railways and roads for transportation, and industrial water supply system.

It has limestone and gypsum mines and a refractory branch factory under it.

The limestone mine with a deposit of several billion tons is equipped with modern mining machines, including self-propelled deep-boring machines and large-sized means of transport, and produces high-grade limestone.

The complex has pushed forward with the technical reconstruction in a far-sighted and continuous way to build up the material and technical foundations and increase cement production.

It has introduced the anthracite burning method into kilns and built an anthracite gas generator to manufacture firebricks on a normal basis.

All the production lines, ranging from raw materials transport, feeding, burning, clinker transport and grinding to the forwarding of finished cement, are controlled by the integrated control system.

Cement of the complex won a gold medal at an international trade fair held in Europe.

The complex is paying a great attention to increasing cement production by expanding production capacity and modernizing equipment and thus promoting diversified exchange and cooperation with foreign countries.

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Sunchon Cement Complex



Glorious Course of External Economic Development in the DPRK

The Democratic People's Republic of Korea has advanced vigorously along the road of external economic development under the ideal of independence, peace and friendship.

After Korea had been liberated from the Japanese military occupation, it built an independent national economy and, based on it, founded the state-controlled foreign trade. And it put forward a policy of developing trade relations with foreign countries on the principle of independence and thoroughly applied it to all external economic activities.

By holding fast to its principled stand that a new international economic order can be established and relations between the countries be based on complete equality and mutual benefit, only when all the countries firmly defend independence in international economic relations and struggle in concert against the imperialists' manoeuvres of economic domination and subordination, it promoted South-South cooperation with developing countries in Asia, Africa and America.

It had already established a unitary state trade system in the early days of building a new country and set up the state trade system incorporating national organs and the local trade system relying on various export resources in provinces. The well-regulated trade system suited to the specific conditions of the country ensured planned trade activities and strengthened the role of foreign trade in the development of the national economy.

It directed a considerable effort to laying the self-supporting material foundations for foreign trade, thus consolidating factories for producing metal, chemical and other export goods and establishing new ones for the production of export goods which are not available on the world market but are abundant in the country.

While paying a close attention to restructuring export system in a rational way, it took proactive measures to upgrade the technical equipment of the export-goods factories so as to improve the quality of products and increase the proportion of second- and third-stage processed and finished products.

As a result, modern export goods production bases set up in several economic sectors turn out in large quantities the goods with competitive edge in international markets.

The government of the DPRK has empowered provinces, cities and counties to build the local economy with their own characteristics by giving full scope to their natural and geographical advantages and properly sustaining their economic, technical and traditional features, and taken practical steps.

Factories of heavy and light industries established in every province, city and county according to their specific features serve as solid material and technological foundations for developing the local trade. And accordingly, the local trading units are conducting activities in the direction of supplementing the fields and links essential for strengthening economic foundations of their local areas.

In the past the government-oriented efforts were made to expand and develop economic relations with socialist countries and gain access to the international market so that the external economic relations could be placed on a multilateral and diversified footing.

Between the 1970s and 1980s the government concluded trade agreements with more than 100 countries in Asia, Africa,

Middle and Near East and Europe and opened trade missions, while exporting various kinds of products, including machine tools, machinery, iron and steel products, cement, electrical appliances and nonferrous metal products to Asian, European and African countries. And it actively conducted trading activities with Southeast Asian countries in conformity with the changed circumstances in the 1990s.

The DPRK, taking advantage of the geological features of the country which is bounded by the sea on three sides, organized marine transportation fleets and opened new international sea routes.

It established economic relations with all countries that respect its sovereignty and engaged in diversified exchanges in the fields of general commodities, technology, services, finance, currency, investment, insurance, transportation and so on. It also expanded export of coal, ferrous and nonferrous metals, chemical products, machinery, cement and other goods on the credit-first principle.

By attaching a great significance to diversifying forms of external economic relations in an effort to promote the development of the country's external economic relations and socialist economic construction, it pushed forward the joint ventures and establishment of special economic zones in the country.

Thanks to its proactive foreign policy, the DPRK expanded economic cooperation and scientific and technological exchanges with China, Russia and other neighbouring countries, established in the country several hundred equity and contractual businesses through joint investment with foreigners, and sent a large number of technicians and experts to major construction projects in foreign countries.

Toward the close of the 1980s the government advanced a policy of establishing a special economic zone in northern Korea with an aim of promoting economic relations with foreign countries at a new, higher level and in a multilateral way, and proclaimed the establishment of the Rason Economic and Trade Zone in December 1991, thus attracting many foreign investors.

It set up scores of economic development zones in the country and took steps to admit foreign investment actively.

It ensures that goods produced in the special economic zones of the country are exported to neighbouring and other countries without being inflicted by tariff barriers and provenances. By so doing, it encourages foreign-invested businesses in the special economic zones to be proactive in cooperation with expectations of increasing their competitive positions in price and sales profit.

Legal guarantees and relevant measures adopted by the government for the development of external economic activities bolster the friendly and cooperative relations with foreign countries and promote sustained development of trading relations.

At present the foreign trade of the DPRK is steadily advancing along the orbit of its development and making substantial contributions to building a thriving socialist country and promoting the welfare of the people.

It will further strive to expand and develop economic relations with all the countries that respect its sovereignty on the principles of independence, friendship, equality and mutual benefit.

Chukjon Kyonghung IT Company

The Chukjon Kyonghung IT Company specializes in hardware and software development and IT services.

Competent program experts and researchers of the company developed an electronic games console Moran incorporating scores of games and study support programs, shooting apparatuses, rhythmic stepping board, rhythmic lighting program, and so on.

They also developed various devices, including those for wireless alarm and voltage-frequency stabilization, and fire alarm board.

The company has several shops in Pyongyang to provide program and device installation service, special photo manufacturing and IT-related products sale.

It is making energetic efforts to install electricity-generating and monitoring system and fire monitoring system by means of renewable energy sources for various units.

While directing great attention to IT services at home, it conducts joint program development and technical exchange and cooperation with foreign counterparts.



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HWANGHAE Iron and Steel Complex

The Hwanghae Iron and Steel Complex, a leading ferrous metallurgical base in the DPRK, is directing great efforts to modernizing the Juche-oriented iron production processes at a higher level.

It has set up a pig iron production process by employing smelting-reduction technology into melting iron ore and anthracite abundant in the country at the oxygen blast furnaces.

It has also introduced high-temperature air combustion technology based on anthracite gas and reconstructed on a modern basis the UHP electric arc furnaces and the continuous ingot-moulding process of rail steel, which result in the increased production of rolled steel and heavy rails.

It is putting the iron and steel production on a

normal footing by giving precedence to the supply of coal, iron ore and other raw materials, erecting new ferroalloy plants, and observing standard technical regulations in all production processes.

The complex turns out various iron and steel products, such as shaped steel, steel plates, wire rods, heavy rails and tie plates, which are urgently needed in the railway modernization projects and several economic sectors.

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Fundamentals of Investment Policy of the DPRK

The Democratic People's Republic of Korea, from the first days of its founding, constantly pursued its principle of expanding and developing ties of economic cooperation with many countries of the world.

By stipulating in the Socialist Constitution of the DPRK that the state shall encourage institutions, enterprises and organizations in the country to conduct equity or contractual joint ventures and establish and operate enterprises of various kinds with foreign corporations and individuals, it has long since allowed foreign investment in the form of equity or contractual joint ventures and developed external economic cooperation. It also newly enacted or revised investment-related laws and regulations as required by the developing reality.

The DPRK is continuously taking necessary measures to further bolster ties of economic cooperation with foreign countries and provide foreigners with all the conditions for direct investment.

It allows foreigners to invest directly in the sectors of industry, agriculture, construction, transportation, science and technology, tourism, finance, public health and so on, and encourages them to invest in the high-tech, resources development, infrastructure construction, scientific research and technical development sectors.

It has provided legal guarantees for promoting foreign investment and protecting the invested property by enacting foreign investment-related laws and concluding bilateral and multilateral agreements on encouraging and protecting investment and preventing double taxation on property and income.

In an effort to protect the interests of the foreign-invested, such favourable conditions and preferential treatments as restriction and prohibition of establishment of other invested enterprises with the same production index are granted to investors. A series of measures are taken to encourage investment by simplifying investment procedures for foreign-invested enterprises, imposing no restriction on their investment percentage and attracting investment to a broader area.

The DPRK has amply provided political, economic and socio-cultural conditions favourable for foreign-invested enterprises.

It has a highly stabilized socio-political environment, all-round economic foundations and great potentialities, infrastructure for conducting satisfactory business activities, favourable geopolitical conditions of easy access to large consumer markets, provision of effective manpower, competent business and technical personnel, low tax rate and a small number of taxes, and abundant natural resources. Therefore, it is becoming an attraction of investors from many countries of the world.

The DPRK is developing its external economic exchanges and cooperation.

A lot of joint venture enterprises established in the country are gaining profits in their business activities, fully guaranteeing the creditworthiness in their performance of contracting obligations.

The government of the DPRK has adopted the law on economic development zones and established a comprehensive legal system of foreign investment, in keeping with the global trend of economic development and the country's specific conditions, thus promoting external economic relations and encouraging foreign investment in the country.

Accordingly, the DPRK is pushing ahead on a long-term basis with the undertaking to set up one or two economic development zones in every province as suited to the regional features, physiographical conditions and economic foundations.

The economic development zones shall be established in the areas favourable for external economic cooperation and exchange as well as those conducive to the development of the national economy, science and technology. They also provide ample conditions for foreign investors to make their investment independently or jointly under the approval of the state.

Prospective and detailed development plans of the EDZs have already been worked out, and various undertakings are in progress to invite investment.

International seminars on the development of special economic zones took place in Pyongyang and other parts of the country, and interviews between foreign businesses and field surveys were made.

In the future, too, the DPRK will make energetic efforts to expand and develop friendly and cooperative relations with foreign countries under the ideal of independence, peace and friendship and on the principle of equality and mutual benefit.

Jonghyang Compound Bacteria Products

Jonghyang compound bacteria are composed of health-promoting lactobacilli and a dozen nutritive substances including organic acid, vitamins, amino acid and protein.

They are used in the manufacture of functional health foods, such as Jonghyang compound bacteria nutrient powder, lactic acid powder and fermented drinks with unique tastes.

The food products are good for those with diabetes, liver troubles from alcohol intoxication, and renal and pancreatic disorders. They are also popular among sportspersons, children and elderly people.

Physical Fitness Company
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Propolis Toothpaste

Propolis toothpaste is a high-tech product made of several medicinal herbs.

It eliminates bacteria and treats gingivitis and mouth odour. It makes teeth white and lustrous, and brings clean gum and refreshing feelings.

The toothpaste obtained a patent of the DPRK.

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Apricot Oligosaccharide Nutritive Juice

This is a health food with natural antioxidants to enhance the sportspeople's athletic performance and help reduce fatigue. It also treats digestive troubles caused by excessive training, exhaustion and asthenia, and relieves muscular and arthritic pains.

The apricot oligosaccharide nutritive juice obtained a patent of the DPRK.

Physical Fitness Company
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The December 5 Youth Mine with a large deposit of glauberite has been playing an important role in developing the country's chemical industry since its establishment in December 1986.

There are also found in abundance high-grade crystalline mirabilite, crystalline gypsum, terra alba and halite.

The mine's stopes have a rich lode of glauberite. So large-size machinery and equipment, highly-efficient rolling stocks and transportation means and compressors are being introduced into mass mining, ore-cutting and conveying, and the overall caving and sublevel open stope mining methods by means of group blasting employed.

While directing an effort to putting production on a normal footing by means of scientific management activities and business strategy, it is striving to increase glauberite production and secure reserve deposits so as to meet the growing demand for it in the chemical industry sector. To this end, it is conducting in a farsighted way the exploitation of new beds.

At present it is pushing ahead with the project of erecting a new line of producing crystalline mirabilite using nanoized crystal water and thus increasing the production capacity to tens of thousands of tons a year.

The mine's glauberite is 34-36% in grade.

The mine is attracting attention for its rich deposits, high effectiveness of investment and favourable transportation conditions.

December 5 Youth Mine



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Samjiyon Potato Farina Factory

The Samjiyon Potato Farina Factory is well known across the country for the production of potato farina and its processed goods, although it started operation a few years ago.

With a daily capacity of processing scores of tons of potatoes, the factory is equipped with automated and flowlined production lines and is based on the integrated production system.

At the time of inauguration, it turned out only a few kinds of potato

foods, but made strenuous efforts to develop new products, with an ambition of producing branded products in large quantities. At present it mass-produces a dozen potato foods such as biscuits, noodles and nutritious rice.

Its potato farina and processed foods are winning popularity in the commercial outlets and the people across the country for their high quality, taste and nutritive value.



MYOHYANG General Trading Corporation

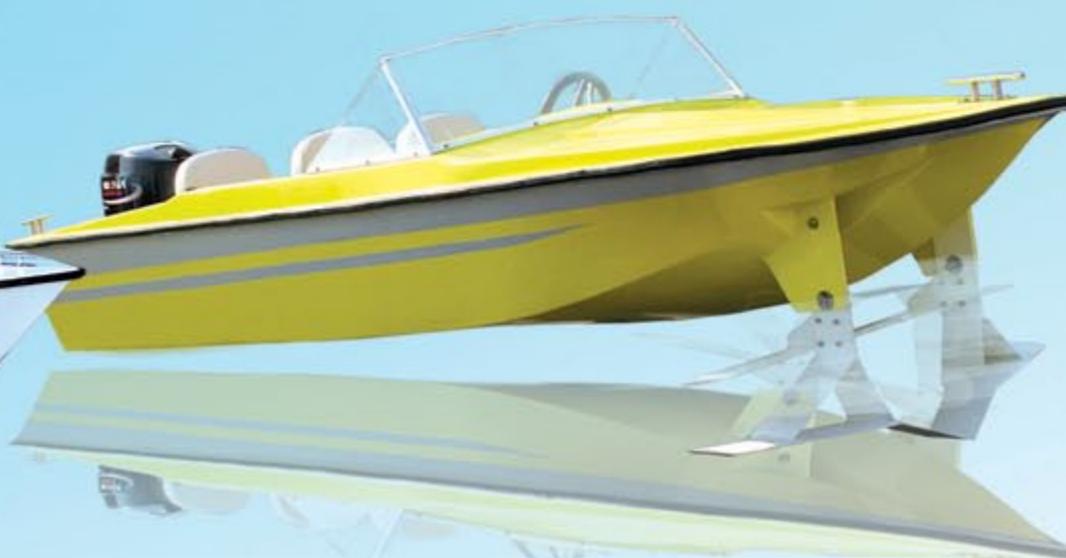
The Myohyang General Trading Corporation is a renowned external economic trading institution in the Democratic People's Republic of Korea.

Established in 1988 as a company specializing in the trade in services, it has made strenuous efforts to expand its business to include the trade in technology, processing and marine transport and build up sound material and technological foundations.

The corporation, with its headquarters in Moranbong District, Pyongyang, has scores of affiliates in Pyongyang and other areas across the country, which are staffed with

competent technical, professional and skilled personnel and provided with capable production bases. It is also collaborating with partners in Europe, Asia and other parts of the world to set up equity and contractual joint venture companies and branches and engage in wide-ranging economic transactions.

The corporation will devote further efforts to making its activities development- and creation-oriented as demanded by the new century and promote exchange and cooperation with many countries of the world on the credit-first principle and in a profitable way for the sustainable development and bright future.

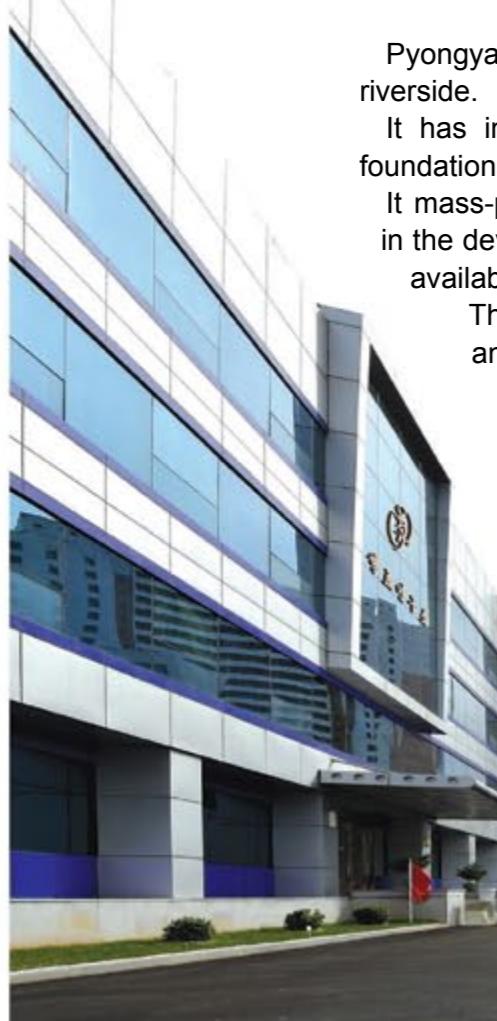




Pyongyang Essential Oil Trading Company
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Pyongyang Essential Oil Factory



Pyongyang Essential Oil Factory is situated on the picturesque Taedong riverside.

It has integrated research and production of essential oils and laid solid foundations for industrial production of natural, edible and industrial essential oils.

It mass-produces essential oils in various kinds by introducing achievements in the development of new products based on the raw materials and resources available in the country.

The essential oil research institute is staffed with competent personnel and provided with modern apparatuses for experiment and analysis to make functional products with the natural oils good for the growth and medical treatment.

The factory has fully automated its processes, ranging from extraction to mixing, filling and packaging, to extract essential oils from flowers, leaves, fruits and seeds of various plants.

The processes of extracting essential oils of pine



needles, strawberry, Schizandra chinensis, and Artemisia messerschmidiana to be used in foodstuff and other industries, and of producing scores of kinds of perfumes, are all modernized and dust-free.

The essential oils of the factory are used at foodstuffs, cosmetics and dental hygiene supplies factories.

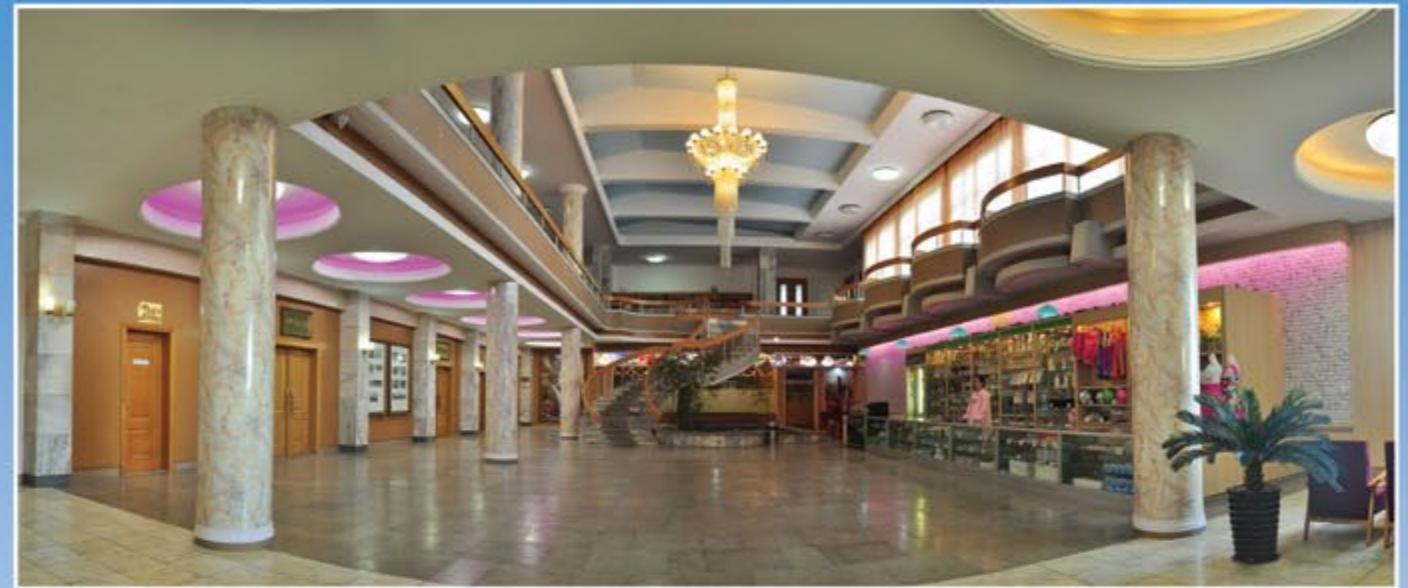
The natural oils of the DPRK with exuberant flora and free from pollution and contamination enjoy a good demand at international markets.

The Pyongyang Essential Oil Factory intends to strengthen exchange and cooperation with foreign counterparts who are interested in natural oil products of the DPRK, so that it can consolidate material and technical foundations of essential oil industry and ensure its long-term development.





MAJON Tourist Resort



Majon is a famous sea-bathing resort in Hungnam District, Hamhung, South Hamgyong Province along the east coast of Korea.

As it is located in a refreshing forest some ten metres from the beach, the resort building commands a spectacular view of the rising sun above the horizon.

There are over 20, two-storey buildings with an accommodation capacity of 300 holidaymakers, comprising deluxe suites, premium and standard rooms. Its service facilities include a communication room, 150-seat banqueting hall, dining spaces, shops, bookstore, soft drinks, karaoke room, barber's, billiard room, volleyball court and so on.

It serves holidaymakers with a wide range of seafood, pulgogi and Pyongyang cold noodles, traditional Korean dishes, and other famous foreign dishes.

The resort was opened to the public in March, 1986.





KOREA ELECTRICAL APPLIANCES TRADING COMPANY



The Korea Electrical Appliances Trading Company was established in August 1991.

It has several bases of producing ferrosilicon, carborundum and liquid glass, a flint mine and the Pyongyang Electrical Appliances Factory under it.

Its production bases turn out high-quality ferrosilicon and carborundum in solid and pulverized forms with the ores from the flint mine as the main raw material. Their products are

enjoying high demands at home and abroad.

The company's liquid glass products are supplied to thermal power stations.

The Pyongyang Electrical Appliances Factory turns out high-, low- and super high-tension electrostatic



condensers in various sizes, switchboards, automatic power-factor compensation devices and others.

The company directs much effort to increasing the production items, putting its business management on an advanced footing, and conducting technical exchange and cooperation with other countries.

Korea Electrical Appliances Trading Company

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Songchongang Electrical Appliances Factory

Songchongang Electrical Appliances Factory produces electric motors and generators needed in many sectors of the national economy.

The factory has made consistent efforts to improve the quality of their products and put production on a normal footing.

It has recently manufactured new machines for automatically inserting insulators and coils, hydraulic casting and enamelled copper wire coating and established aluminum coil casting process for medium motors and self-excitation stabilization system of micro and small motors.

It is concentrating investment on developing new products; it developed ten odd products such as highly-efficient 1.5kW-capacity submersible pump, reluctance and SR motors, and began their production.

Induction motors, reluctance motors and induction regulators of the factory are of high quality and efficiency, so they are in great demand.

The factory's reluctance motors with various outputs were registered as a patent product of the DPRK in September 2016.

The factory is channelling strenuous efforts into technical innovation and new product development and also conducting energetic exchange and cooperation with foreign counterparts.

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Digital Hydrometer

It is a device for measuring specific gravity and temperature of liquids and sending the measurements to a computer by means of MODBUS-ASCII method.

It consists of a floating bulb, buoyancy transfer lever, sensor, processing unit, communications port and LCD.

It is widely employed in foodstuff and chemical industries.

Technical specifications:

- Size of floating bulb: Φ40×80
- Weight of floating bulb: 200g
- Working voltage: DC 24V
- Accuracy of measurement: ±0.005
- Measuring range: 0-2
- Communication: RS-485/MODBUS-ASCII 9600bps

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Arirang Trading Company



The company has several institutes of researching floriculture, dwarfed potted trees and turf, as well as dried flower workshop and floricultural exhibition halls to develop and manufacture a variety of floral products.

The floriculture institute is staffed with very competent floriculturists and has introduced advanced technologies into all the processes of cultivating flowers and other plants for ornamentation. On the cultivation grounds are seen a broad range of beautiful and fragrant flowers growing in the DPRK and other countries and regions of the world.

The institute conducts active exchange and cooperation for the development of new flower varieties and their breeding and cultivation technologies.

The dwarfed potted plants and turf research institutes are also supported by solid material and technical foundations.

Based on the remarkable successes in the landscape architecture, the company turns out an increasing

number of new flower products to meet the growing aesthetic requirements of the people.

Pine, the national tree of the DPRK, is widely cultivated as a dwarfed potted tree. Such dwarfed potted pines are in great demand at home and abroad.

Dried flower products of the company are now favoured by everybody for their high manufacturing techniques and used in floral decoration of indoor living spaces and streets all the year round.

The flower exhibition halls in several parts of Pyongyang sell fresh and dried flowers and dwarfed potted plants and also offer technical services related to landscape architecture.

The company operates several other bases of garment processing and papermaking and IT service centres.

Director Kim Kyong Il says his company will constantly develop landscape architectural technology through exchange and cooperation with foreign countries and intensify research work in keeping with the global trend, thus contributing greatly to making people lead a more cultured life.

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LAW OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA ON EXTERNAL ECONOMIC ARBITRATION

Adopted by Decree No. 875 of the Presidium of the Supreme People's Assembly on July 21, 1999 and amended by decrees No. 2806 and No. 92 of the Presidium of the Supreme People's Assembly on July 29, 2008 and July 23, 2014 respectively

Chapter 4 Arbitral Procedure

Article 33 (Position of parties concerned)

Parties to a dispute take an equal position in treating and settling the dispute and may make a full statement of their own.

Article 34 (Conclusion of arbitral procedure)

Arbitral procedure may be determined by agreement between the parties to the dispute.

In case there is no agreement between the parties concerned, it shall be determined by the procedure of this law.

Article 35 (Place of arbitration)

The place of arbitration shall be determined by agreement between the parties to the dispute.

In case there is no agreement between the parties to the dispute, the arbitral board shall determine it in consideration of the convenience of the parties concerned and the overall situation of the settlement of the case.

As long as there is no other agreement between the parties concerned, the arbitral board may organize a consultation of arbitrators, confirm the facts with the help of attestants, expert witnesses and other people related with the case, and investigate property or documents in any necessary places outside the place of arbitration.

Article 36 (Beginning of arbitration)

As long as there is no agreement between the parties to a dispute, arbitration shall begin on the day when a party to the dispute receives the notice of reception of arbitration.

Article 37 (Arbitration language)

Parties to a dispute may agree on the arbitration language.

In case there is no agreement between the parties concerned, the arbitral board shall decide it, and in case there is no decision of the arbitral board, it shall be Korean.

The arbitration language shall be used in documents of the parties concerned, arbitration examination, arbitrament, decision and other notices.

Article 38 (Claim and plea)

The plaintiff shall present the facts of claim, dispute content, and requests within the period which was agreed by the parties concerned or determined by the arbitral board, and the defendant shall make a plea against it.

Parties to the dispute may submit documents or materials which can attest to their assertions and amend or supplement the contents of their claims and pleas within the period of handling the case.

In case the arbitral board recognizes that the amendment and supplement of the contents of the parties' claims and pleas are unreasonable enough to impede the settlement of the case, it may refuse to accept them.

Article 39 (Determination of the mode of arbitration examination)

The arbitral board shall determine whether arbitration examination will be conducted verbally or by writing. In this case, it shall consult with the parties concerned.

Article 40 (Handling of the defection of the parties concerned)

In case the plaintiff does not submit a written application without any justifiable reason, the case shall be suspended and closed, and in

case the defendant does not make a plea in a written form without any justifiable reason, the handling of the case shall be continued.

In case of the previous paragraph, the fact that the defendant did not make a plea in a written form shall not be considered to be the recognition of the plaintiff's assertion.

In case one of the parties concerned does not participate in the arbitration examination nor submit evidence without any justifiable reason, the arbitral board may conduct the arbitration examination and make arbitrament based on the submitted evidence.

The previous paragraph shall not be applied in case the parties concerned have reached another agreement or the arbitral board recognizes that there are justifiable reasons.

Article 41 (Appraiser, witness)

As long as there is no other agreement between the parties concerned, the arbitral board may appoint an appraiser to conduct appraisal and may provide him with necessary materials or request the parties concerned to submit the documents, goods and the like related with the appraisal to him.

It may demand the appraiser and witness participate in the arbitration examination and make answers, at the request of one of the parties concerned or in case of its recognition of the necessity.

Article 42 (Request of the taking of evidence)

The arbitral board may investigate the evidence or apply to court or other relevant ones for investigating evidence either at the request of one of the parties concerned or when necessary.

A party concerned may make a request for investigating evidence after obtaining the approval of the arbitral board.

In case of application for investigating evidence, necessary items shall be specified in the written application.

Article 43 (Notice of the result of the investigation of evidence)

An institution requested to investigate evidence shall send such documents of evidence investigation as a copy of examination protocol of witness, a copy of appraisal protocol and a copy of verification protocol to the arbitral board through the arbitration committee within 15 days after conducting investigation of evidence.

Article 44 (Counter arbitration)

The defendant may apply for counter arbitration in relation to the accepted case.

Counter arbitration shall be directly related with the main arbitration and applied before the termination of the arbitration examination.

The arbitration committee may refuse to accept the application for counter arbitration in case it recognizes the handling of the arbitration case is delayed by the counter arbitration.

Chapter 5 Arbitrament

Article 45 (Proper law of arbitration)

The proper law of arbitration shall be determined by agreement between the parties to a dispute.

In case parties concerned fail to reach agreement on the proper law of arbitration, the arbitral board shall apply a law which is recognized to be most closely related to the dispute case and applicable to it. In this case it shall be determined or arbitrated in consideration of the terms of

a contract and the international practice.

Article 46 (Decision-making method of arbitral board)

The decision of an arbitral board which is consisted of three arbitrators shall be taken under majority rule.

In case there are agreements between the parties concerned or among arbitrators, the chief arbitrator shall make a decision.

Article 47 (Reconciliation)

Parties to a dispute may become reconciled with each other at any stage of the handling of the arbitration case.

In case of the reconciliation between parties concerned, the arbitral board shall bring the case to a conclusion and make a decision of reconciliation.

Decision of reconciliation shall have the same force as arbitrament for a given case.

Article 48 (Mediation)

An external economic dispute may also be settled through mediation. Decision of mediation shall have the same force as arbitrament for a given case.

Article 49 (Formality of drawing up a arbitral award)

An arbitral award shall be drawn up in a written form.

It shall carry the signature of the arbitrator and that of the arbitral board comprised of three arbitrators shall carry the signatures of a majority of arbitrators.

Article 50 (Contents of a arbitral award)

An arbitral award shall contain grounds for arbitrament, date of the drawing up of the arbitral award, place of arbitration and the like.

Arbitrament shall be the one which was made at the date and place stipulated in the arbitral award.

Article 51 (Forwarding arbitral award)

Copies of an arbitral award shall be forwarded or handed over directly by the arbitration committee to the parties to the dispute.

Article 52 (Termination of arbitration)

Arbitration shall be terminated in case of arbitrament or by the decision of the arbitral board in the following cases:

1. in case the plaintiff withdraws its application for arbitration;
2. in case the plaintiff and the defendant agree to terminate the arbitration; and
3. in case the arbitral board discovers any grounds that it is either unnecessary or impossible to continue the arbitration.

In case the plaintiff has withdrawn its application for arbitration but the defendant refused to agree to it and the arbitral board finds that the final settlement gives the defendant a just benefit, the arbitral board shall not terminate the handling of the case.

The work of the arbitral board shall be terminated with the conclusion of the arbitration, except for the cases of Article 54 and Article 59 of this law.

Article 53 (Application for modification, interpretation or supplementary arbitrament of the arbitral award)

Parties concerned may make an application for modification, interpretation or supplementary arbitrament of the arbitral award within 30 days since their reception of the arbitral award unless the period is settled otherwise, in the following cases:

1. in case they want to modify the mistakes revealed in calculation or words of the arbitral award;
2. in case they need interpretation of some contents of the arbitral award; and
3. in case they need supplementary arbitrament for some issues which were applied for arbitration but have not been contained in the arbitral award.

In case a party concerned makes an application for modification, interpretation or supplementary arbitrament of the arbitral award, the

arbitral board shall inform the other party to the dispute of it.

Article 54 (Modification, interpretation or supplementary arbitrament of the arbitral award)

In case the application for modification, interpretation or supplementary arbitrament of the arbitral award is recognized to be justifiable, the arbitral board shall provide modification or interpretation within 30 days. In this case, the interpretation award shall become a part of the arbitral award.

In case the application for supplementary arbitrament is justifiable, the supplementary arbitrament shall be made within 45 days.

If necessary, the arbitral board shall extend the term of modification, interpretation or supplementary arbitrament of the arbitral award with the consent of the arbitration committee.

The formality of modification, interpretation or supplementary arbitrament of the arbitral award shall follow Article 49 and Article 50 of this law.

Chapter 6 Effectuation of Arbitrament and Claim for Its Withdrawal

Article 55 (Date of effectuation of arbitrament)

The arbitrament shall be effective since its award is drawn up.

Article 56 (Application for withdrawal)

A party concerned that has different opinions on the arbitrament may claim for its withdrawal.

Claim for the withdrawal of arbitrament shall be made to the court.

Article 57 (Reason for application for the withdrawal of arbitrament)

Claim for the withdrawal of arbitrament may be valid only in case they verify the following facts:

1. a party concerned is incompetent according to the proper law at the time of reaching on arbitration agreement;
2. the arbitration agreement is ineffective according to the law designated by the parties concerned or to the law of the DPRK when they did not designate it;
3. a party concerned has failed to receive a proper notice of the selection of arbitrators or arbitration procedure, or he could not make a plea owing to unavoidable reasons;
4. the arbitrament was made on a dispute which is not a subject of the arbitration agreement or was beyond the scope of the arbitration agreement; and
5. the composition of the arbitral board or arbitration procedure has failed to abide by the agreement of the parties concerned which was reached according to this law, or failed to abide by this law when there is no agreement between the parties concerned.

Article 58 (Term of validity for application for the withdrawal of arbitrament)

The term of validity for application for the withdrawal of arbitrament shall be two months after the parties concerned have received the arbitral award or awards for its modification, interpretation or supplementary arbitrament.

In case the term has expired or after the court has decided the execution of the arbitrament, application for the withdrawal of arbitrament shall not be made.

Article 59 (Judicial organ's measure for the withdrawal of arbitrament)

The judicial organ shall dispose of the application for the withdrawal of arbitrament within two months after it received the application.

In case the application for the withdrawal of arbitrament is justifiable, the judicial organ shall inform the arbitration committee so that it can conduct the arbitration examination again, and in case the reasons for the withdrawal of arbitrament do not exert direct influence upon

arbitrament, it may require the arbitration committee to take necessary measures for modifying relevant mistakes .

Chapter 7 Execution of Arbitrament

Article 60 (Execution of arbitrament)

A party to a dispute shall perform its obligations within the time limit prescribed in the arbitral award.

In case the time limit is not specified in the arbitral award, it shall perform its obligations immediately.

Article 61 (Application for execution of arbitrament)

Where the responsible party fails to perform in time its obligations stated in the award or performs the obligations unfaithfully, the other party may apply directly for the execution of the arbitrament or to the court or the relevant organ through the arbitration committee.

The document of application for execution of the arbitrament shall contain a copy of the arbitral award.

Article 62 (Execution of arbitrament, punishment)

The court or the relevant organ shall examine the document of application for execution of the arbitrament within 30 days after it received the application and force a party concerned to perform its obligations by means of judgment and decision.

In case the party concerned refuses to perform its obligations, it may adopt such measures as freezing of the party's bank account, suspension of formalities for goods to be carried out or in, detention or confiscation of assets, fining, suspension of business activities and prohibition of immigration and emigration.

Article 63 (Application for execution to a court in the relevant country)

Where the assets to be disposed of are located outside the territory of the DPRK, execution of the arbitrament may be referred to a foreign court.

Article 64 (Approval and execution of the arbitrament by a foreign arbitral board)

Approval and execution of the arbitral award by a foreign arbitral board shall abide by the relevant law of the DPRK.

Article 65 (Reasons for refusal of execution of the arbitrament by a foreign arbitral board)

The execution of the arbitrament by a foreign arbitral board may be refused in case the following facts are verified:

1. a party concerned was incompetent according to the proper law at the time of reaching on arbitration agreement, or the arbitration agreement is ineffective according to the law designated by the parties concerned or to the law of the country in which arbitration examination took place when they did not designate it;
2. a party concerned failed to receive proper notice of the selection of arbitrators or arbitration procedure, or it could not make a plea owing to unavoidable reasons;
3. the arbitrament was made on a dispute which is not a subject of the arbitration agreement or was beyond the scope of the arbitration agreement;
4. the composition of the arbitral board or arbitration procedure has failed to abide by the agreement of the parties concerned, or failed to abide by the law of the country in which arbitration examination took place when there is no agreement between the parties concerned;
5. although the arbitrament has not exerted any influence on the party concerned yet, it was cancelled or suspended from execution by the court of the country where the judgment was passed or by its law;
6. the relevant dispute cannot be settled through the arbitration procedure according to the law of the country where the judgment was passed; and
7. the execution of the arbitrament undermines the sovereignty, security and public order of the DPRK.



Metalwork Production Company of the Mansudae Art Studio

The metalwork production company of the Mansudae Art Studio, established in November 1992, produces annually several hundred thousand pieces of various metalwork objects including necklaces, earrings and other women's ornaments.

It is staffed with talented and competent personnel for designing and manufacturing decorative objects fashioned of gold, silver, copper, ruby, sapphire, amethyst, obsidian and other precious metals and stones that are good for health.

It also executes interior ornamentation for the houses and public buildings with metal artefacts.

The production company's decorative objects were very popular in many Southeast Asian, African and European countries and thus took large orders from abroad.

It has recently produced metalwork objects of fine workmanship, such as those, titled, Pine, the national tree of Korea, Goshawk and Turtle ship.

It has several shops in the capital city.

Mansudae Overseas Project Group of Companies

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Ragwon Trading Corporation



Ragwon Trading Corporation, established in December 1984 and based in Central District of Pyongyang, is a state organ specializing in foreign trade.

The corporation has staffed its personnel with sufficient practical ability and expanded its trading activities in a multilateral and diversified way. It has more than 40 businesses, including companies, affiliates, stockbreeding farms, bases



for building materials manufacture, garment-, foodstuff- and seafood-processing, and IT development, and commercial, public catering and welfare service facilities. It has ten odd joint venture companies in China, Russia and other countries.

In recent years the corporation has directed its major efforts to modernizing equipment and developing new products to keep pace with the worldwide trend of shortening cycles of updating equipment and products. It has reconstructed factories of finishing materials on a modern basis and based on locally-available materials, and manufactured a variety of high-tech products such as Ragwon-410, plant activator, and Ragwon digital TVs.

Ragwon-410 is an activator for promoting the growth of grain crops and increasing their yield. It won a WIPO prize in April 2019.

At present the corporation is steadily



improving its business activities with the creative and innovative insight and on the principles of earning creditworthiness and benefits, while focusing investment on the development and production of high-tech products as demanded by the IT era.

It is also encouraging economic collaboration with foreign investors.

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Functional Nari Cosmetics



Products under the Nari brand are the fifth-generation functional cosmetics made of natural medicinal stuffs such as six-year-old Kaesong Koryo insam, and without using emulsifiers.

They produce remarkable effects in not only blocking UV rays and protecting skin but also treating wounds.

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Mangyongdae Kyonghung Packing Materials Factory

The Mangyongdae Kyonghung Packing Materials Factory turns out materials for packing foods, medicines, garments and the like.

It is equipped with up-to-date machines and facilities for plating, electronic photoengraving, dry lamination and high-speed sectional cutting.

It is scrupulously working out technical preparation arrangements for the materials, patterns, sizes and colours of the designs according to specific features of

every product.

It is increasing the production of vacuum-packing and wrapping materials to meet the growing demand.

It is directing efforts to diversifying production by setting up a new process.

Manager Kim Sung Il says that his factory will increase the number of equipment per unit area and strengthen exchange and cooperation with foreign countries to introduce the latest technologies.

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RIWON TAEHUNG Processing Factory

The Riwon Taehung Processing Factory started its operation in October 1976 to process songi mushroom, agricultural and marine products.

It has processing grounds and modern production facilities, including goods inspection and binding machines and quick-freezing and storage chambers with several hundred-ton capacity.

It turns out fresh, dried, frozen, salted and other processed songi mushrooms collected from the natural pine forests in the region. It also produces a wide variety of processed wild edible herbs, such as bracken, Codonopsis lanceolata, anise, aralia shoots, osmunda and leopard plant, as well as marine products from the East Sea of Korea.

Songi mushroom products, the factory's major item, are acknowledged as one of the best-selling products at home for their rich content of vitamins and special efficacy for anticancer and diuretic actions.

Now it concentrates its investment on introducing the latest processing equipment to further improve the quality and developing new products.

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Insam Cleansing Cosmetics

The Ryongaksan Soap Factory newly developed various cleansing cosmetics with extracts of Kaesong Koryo insam and 20 odd ingredients.

Among them are haircare and skincare products.

Insam Shampoo

It removes foreign matters from hair and scalp, promotes hair growth and prevents hair loss with sufficient nutrition of hair follicles.

It makes hair glossy and soft.

Insam Hair Conditioner

It treats damaged hair and affected scalp by leaving an even film on the hair, and dislodging dandruff. It prevents

hair loss and makes hair glossy and stylish.

Insam Body Shampoo

It removes dirt and pathogenic bacteria from skin and moisturizes skin.

It retards skin aging, prevents skin diseases and improves nutrition of skin.

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Vertical Machining Centre

"MCV-320"

MCV 320, vertical machining centre, is a CNC machine for processing boxes and bodies made of metal.



Technical specifications

Table size: 320×950mm

Weight of workpiece: 250kg

Maximum traverse:

X-axis: 500mm

Y-axis: 320mm

Z-axis: 420mm

Spindle speed: 20-600rpm

Main drive motor output: 6.25/8.8kW

Workpiece feeds: 1-5 000mm/min

Rapid feeds

X, Y and Z axes: 15m/min

Number of tools: 20

Max. weight: 5.8kg

Max. diameter: 80mm

Size of machining centre:

1 910×1 990×2 000mm

Total weight: 2 400kg

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