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## *Amendments to the DPRK's Laws Concerning the Economy (3: Final)* *(Summary)*

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It seems that economic policy in the DPRK has become more active than in the late 1990s as a result of both these measures and a series of economic reform measures that included restructuring in the manufacturing sector, changes in production and distribution methods in the agricultural sector, and new methods of enterprise management. In July 2002, drastic economic measures to

improve the economic management of the DPRK came into effect. Under these measures, the prices of all commodities were revised and living allowances raised.

In response to these changes, the DPRK has adopted a comparatively aggressive posture towards legislation. Between 1999 and 2003, thirteen new laws were passed<sup>1</sup>. In addition, eleven economy-related laws and regulations

were revised between 2001 and 2002. The characteristics of these revisions are as follows: (1) legislation is being implemented with regard to the domestic economy and other important policies, as well as in the field of foreign investment; (2) signs of attempts to conform to international standards can be seen; and (3) the revival of some minor regulations in the laws relating to foreign investment that disappeared from the collection of laws as a consequence of amendments in the late 1990s.

This article will deal with the Law of the DPRK on Environmental Protection, the Law of the DPRK on Civil Procedure, which falls into the aforementioned category (1), the Law of the DPRK on Rason Economic and Trade Zone and the Law of the DPRK on Equity Joint Venture as the basic law in the foreign direct investment system in the DPRK.

### **1. The Law of the DPRK on Environmental Protection**

The Law of the DPRK on Environmental Protection was enacted on April 9, 1986 and was revised on March 4, 1999. The latest revision was implemented on July 24, 2000. The 2002 revision includes only the following minor changes: (1) the notation of the unit of weight was changed from “ton” in Korean characters to “t” in Article 27; and (2) a minor change was made in the representation of Article 49. These changes represent a transformation in the notion of laws and regulations in the DPRK. They seem to have begun to interpret laws more rigidly.

### **2. The Law of the DPRK on Civil Procedures**

The Law of the DPRK on Civil Procedures was enacted in 1976 and underwent a major revision in 1994. The most recent revisions were made on October 24, 2002. This law has 13 chapters and 182 articles.

Major amendments have been made to Articles 25, 43, 45, 54, 72, 75, 77, 86, 87, 92, 100, 118 135 and 136. Minor

amendments—mainly typographical—were made in Articles 32, 57-59 and 131. Two major trends can be seen in these amendments: one is that the regulations are more specific and stricter, in order to facilitate justice based on laws and regulations. The other is that the provisions on divorce cases were made more rigid, not only to protect women’s rights but also to preserve order in marriage and family life. Since a law reflects social changes, we can guess there might have been some change in public morals in the DPRK.

### **3. The Law of the DPRK on Rason Economic and Trade Zone**

The Law of the DPRK on Rason Economic and Trade Zone was enacted on January 31, 1993 and underwent a major revision on February 26, 1999. The most recent revisions were made on November 7, 2002.

The 2002 revision includes only minor changes, such as: (1) the deletion of the word “also” in the clause stating that entities in the DPRK may invest in the zone; and (2) a minor change in Article 37, representing a change in the foreign exchange rate due to measures to improve economic management and economic control measures. These changes represent a transformation in the notion of laws and regulations in the DPRK, and seem to indicate that laws are beginning to be interpreted more rigidly.

### **4. The Law of the DPRK on Equity Joint Venture**

The Law of the DPRK on Equity Joint Venture was enacted on September 8, 1984, making it the oldest foreign investment-related law in the DPRK; it underwent considerable revisions on January 20, 1994 and again on February 26, 1999. Although law books state that it was also revised in 2001, a comparison of the two versions has revealed no changes.

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<sup>1</sup> These are the Law on Agriculture, the Law on Fish Culture, the Law on People’s Economic Planning, the Law on Education, the Law on Civil Aviation, the Law on Lock Gate, the Law on Copyright, the Law on National Land Planning, the Law on Military Service, the Law on Organization, the Law on City Planning, the Law on River and the Law on Accounting.