



The Korean Peninsula Energy Development Organization
600 3rd Avenue, 12th Floor
New York, NY 10004

**PROTOCOL BETWEEN THE KOREAN PENINSULA ENERGY
DEVELOPMENT ORGANIZATION AND THE GOVERNMENT OF THE
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA ON TRANSPORTATION
FOR THE IMPLEMENTATION OF A LIGHT-WATER REACTOR PROJECT**

The Korean Peninsula Energy Development Organization (hereinafter referred to as "KEDO") and the Government of the Democratic People's Republic of Korea (the Democratic People's Republic of Korea is hereinafter referred to as the "DPRK"),

Reaffirming that KEDO and the DPRK shall faithfully perform their respective obligations under the Agreement on Supply of a Light-Water Reactor Project to the DPRK between KEDO and the Government of the DPRK, signed on December 15, 1995 (hereinafter referred to as the "Agreement"),

Desiring to conclude a protocol in accordance with Article IX, paragraphs 1, 2, 3, 4, and 6 of the Agreement concerning appropriate and efficient transportation routes to and from the project site, and related issues (hereinafter referred to as the "Protocol"),

Have agreed as follows:

ARTICLE 1

DEFINITIONS

For the purposes of the Protocol:

1. "KEDO Persons" means all personnel sent to the DPRK by KEDO, its contractors and subcontractors; as well as other persons in the DPRK under the auspices of KEDO; and family members of the above persons, in connection with the LWR project.

2. "Materials" means all equipment, raw materials, goods, amenities and other items necessary for working and living by KEDO Persons, directly or indirectly related to the LWR project.
3. "Project Site" means the location of the LWR plants and related areas as shall be defined in a separate protocol between KEDO and the DPRK.

ARTICLE 2

GENERAL PRINCIPLES

1. KEDO and the DPRK shall closely cooperate with each other to ensure appropriate and efficient transportation to and from the Project Site of all KEDO Persons and Materials for the expeditious and smooth implementation of the LWR project.
2. KEDO, its contractors, subcontractors and KEDO Persons shall be allowed unimpeded access to appropriate and efficient transportation routes to and from the entry and exit points in the DPRK and to and from the Project Site specified in the Protocol.
3. Additional routes and additional entry and exit points for the transportation of KEDO Persons and Materials necessary for the expeditious and smooth implementation of the LWR project shall be designated by the DPRK and agreed between KEDO and the DPRK prior to the start of the power block excavation specified in Article X, paragraph 2 of the Agreement.
4. KEDO, its contractors, subcontractors and KEDO Persons shall respect the relevant laws and regulations of the DPRK on transportation as shall be agreed between KEDO and the DPRK and shall conduct themselves at all times in a decent and professional manner.

ARTICLE 3

AIR TRANSPORTATION ROUTES

1. Air transportation for KEDO Persons and Materials shall occur through Sondok Airport.
2. Pending the availability of the air routes specified in paragraph 3 of this Article, air transportation specified in paragraph 1 of this Article shall occur via the following air route: Sondok-Beijing via Air Koryo. The DPRK shall use its

best efforts to establish the Sondok-Beijing air route within one month after the entry into force of the Protocol and shall make such route available in a timely manner and for any number of KEDO Persons at a fair price agreed between KEDO and the DPRK.

3. Additional air transportation routes, including efficient and economic air transportation routes, shall be designated by the DPRK and agreed between KEDO and the DPRK prior to the start of the power block excavation specified in Article X, paragraph 2 of the Agreement. KEDO and the DPRK shall consult on the opening of the abovementioned routes and other related matters as soon as practicable.

ARTICLE 4

SEA TRANSPORTATION ROUTES

1. Sea transportation for KEDO Persons and Materials shall occur through a barge-docking facility at the Project Site and through Yanghwa Port. In the event sea transportation cannot occur through Yanghwa Port, the DPRK shall designate additional ports for such transportation. KEDO shall be responsible for securing, delivering and stevedoring Materials at Yanghwa Port.
2. Sea transportation specified in paragraph 1 of this Article shall occur via the following sea routes:
 - a. The route specified in Annex 1 of the Protocol for transporting Materials by barges and small ships.
 - b. The route from the points specified in Annex 2 of the Protocol directly to and from the pilot station specified in Annex 4 of the Protocol for transporting KEDO Persons and Materials. The DPRK shall replace the aforementioned route with a more economic and efficient route, which shall reflect the coordinates to be provided by KEDO, prior to the issuance of the site take-over certificate specified in Article X, paragraph 2 of the Agreement.
3. A reasonable number of KEDO Persons may serve as escorts for the purpose of transporting Materials via the sea transportation route specified in paragraph 2 (a) of this Article. When the barges or small ships return via such transportation route, a reasonable number of KEDO Persons may travel on such vessels if air transportation is not available on the day such barges and small ships depart from the DPRK.

4. An additional route for barges closer to the DPRK low-water line than the route specified in Annex 1 of the Protocol which may be used for transporting the items specified in Annex 3 of the Protocol shall be agreed between KEDO and the DPRK as the progress of the LWR project may require and for the safety of those items and the smooth implementation of the LWR project.
5. KEDO shall ensure that the barges and vessels specified in this Article shall operate under the pilotage of the DPRK between the pilot station specified in Annex 4 of the Protocol and berths and anchorage in the ports specified in paragraph 1 of this Article.
6. The DPRK shall make available port services for vessels used by KEDO, its contractors and subcontractors and for KEDO Persons and Materials transported by them, without discrimination, and at a fair price in accordance with Article IX, paragraph 4 of the Agreement.
7. Any commercial sea vessel that is registered in a state that does not have diplomatic or consular relations with the DPRK and is used to transport KEDO Persons or Materials to and from the DPRK shall hoist the KEDO flag and the flag of the state of registry if traveling via the route specified in paragraph 2.a of this Article and only the flag of the state of registry if traveling via the route specified in paragraph 2.b of this Article. Between the pilot station and the port, the vessels specified in this paragraph shall hoist either the flags of the state of registry and the DPRK, or no flags, as mutually agreed between KEDO and the DPRK.

ARTICLE 5

LAND TRANSPORTATION ROUTES WITHIN THE DPRK

1. Land transportation of KEDO Persons and Materials shall occur between the entry and exit points of the DPRK and the Project Site as specified in Annex 5 of the Protocol.
2. KEDO, its contractors and subcontractors shall be allowed to select and use their own means of transportation between Yanghwa Port, the barge-docking facility and the Project Site. The means of transportation between Sondok Airport and the Project Site shall be provided by the DPRK and shall include car, bus, truck or train. KEDO Persons stationed at the Project Site may escort KEDO Persons and Materials between Sondok Airport and the Project Site.

ARTICLE 6

CHOICE OF TRANSPORTATION ROUTES AND MEANS OF TRANSPORTATION

1. Among the transportation routes and entry and exit points specified in the Protocol, KEDO, its contractors or subcontractors shall select which ones they shall use.
2. KEDO, its contractors and subcontractors shall be allowed to select any means of transportation and crew, including those of the DPRK, without discrimination, as they deem necessary for transporting KEDO Persons and Materials to and from the entry and exit points of the DPRK.

ARTICLE 7

NOTIFICATION OF INFORMATION

1. KEDO and the DPRK shall in a timely manner provide each other with the information required to transport KEDO Persons and Materials via the transportation routes and through the entry and exit points of the DPRK.
2. For sea transportation, an advance notice of arrival shall be submitted by KEDO or the operator of the vessel to the relevant authority of the DPRK 72 hours prior to the scheduled arrival at the pilot station specified in Annex 4 of the Protocol. Such notice shall include the name of the vessel, major technical data of the vessel, including tonnage, crew list and cargo manifest. The operator of the vessel shall notify the relevant authority of the DPRK of the vessel's location 24, 12 and 4 hours prior to the estimated time of arrival at the pilot station. When vessels enter the route specified in Annex 1 of the Protocol the relevant authority of the DPRK shall be notified two hours prior to the estimated time of crossing.

ARTICLE 8

VISA-FREE ENTRY AND EXIT PROCEDURES

1. KEDO Persons shall enter and exit the DPRK without visas through the entry and exit points specified in the Protocol. The DPRK shall provide KEDO with the details of visa-free entry and exit procedures referenced in Article 18, paragraph 5 of the Protocol between KEDO and the Government of the

DPRK on the Juridical Status, Privileges and Immunities, and Consular Protection of KEDO in the DPRK as soon as practicable.

2. Crew transporting KEDO Persons and Materials to the DPRK for the purpose of the LWR project shall not require entry and exit visas to enter and exit the DPRK ports provided they remain in areas designated by the DPRK.

ARTICLE 9

CUSTOMS CLEARANCE AND QUARANTINE

1. The DPRK shall expeditiously process and clear Materials, including belongings brought to the DPRK by KEDO Persons, through DPRK customs in accordance with its customs clearance procedures for the expeditious and smooth implementation of the LWR project.
2. For the purpose of paragraph 1 of this Article, the DPRK shall designate the locations agreed between KEDO and the DPRK at the entry and exit points in the DPRK and the Project Site where Materials may be stored pending customs clearance (hereinafter referred to as "Bonded Areas"). Details of Bonded Areas shall be agreed between KEDO and the DPRK in the Protocol on Site Take-over, Site Access and Use of the Site.
3. The DPRK shall exempt KEDO, its contractors, subcontractors and KEDO Persons from all taxes and duties, and charges and fees as agreed between KEDO and the DPRK in connection with the import and export of Materials in accordance with Article IX, paragraph 2 of the Agreement.
4. For the purpose of regulating the entry of any controlled and contraband goods as specified in Annex 6 of the Protocol the DPRK customs authorities shall perform any necessary inspections speedily at the entry points or Bonded Areas.
5. KEDO Persons and Materials entering the DPRK shall be accompanied with a quarantine certificate as appropriate. The DPRK shall conduct its quarantine inspections speedily and free of charge in a manner consistent with international practices.
6. KEDO, its contractors and subcontractors may repatriate Materials from the Project Site without any interference, in accordance with DPRK customs clearance procedures.

7. Nothing in this Article limits the privileges and immunities and protection specified in the Protocol between KEDO and the Government of the DPRK on the Juridical Status, Privileges and Immunities, and Consular Protection of KEDO in the DPRK.

ARTICLE 10

COOPERATION

1. The DPRK shall provide KEDO, its contractors and subcontractors, upon request, with DPRK labor and goods at its disposal at a fair price agreed between KEDO and the DPRK for the service and maintenance of KEDO's, its contractors' and subcontractors' means of transportation while in the DPRK.
2. The means of transportation used by KEDO, its contractors and subcontractors shall not intentionally deviate, without prior notice to and approval from the DPRK, from the transportation routes specified in the Protocol. Such means of transportation shall travel to and from the entry and exit points specified in the Protocol through such transportation routes in a manner consistent with the purposes of the LWR project.
3. In the event of either an emergency situation or conditions beyond their control which force the operators of KEDO's, its contractors' and subcontractors' means of transportation to deviate from the transportation routes specified in the Protocol, the operators shall immediately inform the relevant authorities of the DPRK and confirm their identity. Such operators and such authorities shall cooperate with each other to ensure the safety of KEDO, its contractors, subcontractors, KEDO Persons and the means of transportation and the safe and prompt return of such means of transportation to the aforementioned routes in accordance with international practice. In the event that the emergency situation prevents the safe and prompt return of such means of transportation to the aforementioned routes, such operators may land or dock such means of transportation at DPRK ports other than those specified in the Protocol, in accordance with relevant international agreements and internationally accepted practices.
4. In an emergency situation, the DPRK shall render immediate assistance to KEDO, its contractors, subcontractors and KEDO Persons in accordance with international agreements and internationally accepted practices. Upon notification of an emergency situation, the DPRK shall permit KEDO, its contractors, subcontractors and KEDO Persons to render immediate

assistance, including access to the site of the emergency, in accordance with relevant international agreements and internationally accepted practices.

5. In the event of an accident involving an aircraft or sea vessel in the territory of the DPRK, including its territorial seas, the DPRK shall institute and conduct an investigation and relevant activities in accordance with relevant international agreements and internationally accepted practices.
6. In the event of an urgent need to evacuate KEDO Persons for their safety, including medical emergencies, KEDO, its contractors and subcontractors and the DPRK shall cooperate and take measures to evacuate them expeditiously via the most efficient routes in accordance with international agreements and internationally accepted practices. For this purpose, KEDO, its contractors and subcontractors may use routes other than those specified in the Protocol.
7. In the event that KEDO, its contractors or subcontractors are unable to evacuate KEDO Persons from the site of an emergency, the DPRK, at the request of KEDO, shall evacuate such persons to a location within the territory of the DPRK from which KEDO, its contractors or subcontractors can assume the evacuation.

ARTICLE 11

ARRANGEMENT FOR THE IMPLEMENTATION OF THE PROTOCOL

KEDO and the DPRK shall have consultations to ensure the expeditious and smooth implementation of the Protocol. Such consultations, which shall include technical experts from KEDO and the DPRK as needed, shall occur upon the request of either side at the Project Site or, if necessary, at any other mutually agreed place.

ARTICLE 12

ENTRY INTO FORCE AND AMENDMENTS

1. The Protocol shall enter into force on the date of its signature.
2. The Annexes of the Protocol shall be an integral part of the Protocol.
3. The Protocol may be amended by written agreement between the two parties. Any amendment shall enter into force on the date of its signature.

4. Article XV of the Agreement shall apply to any disputes arising under the Protocol.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed the Protocol.

Done at New York City on the 11th of July, 1996, in duplicate in the English language.

For the Korean Peninsula Energy
Development Organization

For the Government of the Democratic
People's Republic of Korea

Stephen W. Bosworth
Executive Director
Korean Peninsula Energy
Development Organization

Ho Jong
Ambassador-at-Large
Ministry of Foreign Affairs
Democratic People's Republic of Korea

ANNEX 1

The coordinates for the sea transportation route specified in Article 4, paragraph 2.a shall be as follows:

Crossing line: The line will connect the following two points:

1. Lat. 38 36' 50/51"N Long. 128 41' 00"E
2. Lat. 38 36' 50/51"N Long. 128 47' 24"E

Passing Points:

1. a) Lat. 39 04' 00"N Long. 128 34' 30"E
- b) Lat. 39 04' 00"N Long. 128 40' 40"E
- c) Lat. 39 03' 00"N Long. 128 35' 00"E
- d) Lat. 39 03' 00"N Long. 128 41' 10"E
2. a) Lat. 39 31' 15"N Long. 128 28' 15"E
- b) Lat. 39 31' 15"N Long. 128 34' 40"E
- c) Lat. 39 30' 15"N Long. 128 28' 30"E
- d) Lat. 39 30' 15"N Long. 128 35' 00"E

ANNEX 2

The coordinates for the sea transportation route specified in Article 4, paragraph 2.b shall be as follows:

Lat. 39 17' 40"N Long. 129 57' 00"E

Lat. 39 22' 00"N Long. 130 00' 00"E

ANNEX 3

The list of items referenced in Article 4, paragraph 4 shall consist of the following for each LWR plant:

1. one pressurizer
2. one reactor "internals" (core assembly unit) and core
3. three main condensers
4. one polar crane
5. two moisture separator reheaters
6. three low pressure turbine casings
7. one reactor vessel
8. four reactor coolant pumps and motors
9. one turbine generator (consisting of a low-pressure turbine, high-pressure turbine and generator)
10. main transformers and stand-by transformers
11. two steam generators
12. other items to be agreed between KEDO and the DPRK.

ANNEX 4

The coordinates for the pilot station referenced in Article 4, paragraph 5 shall be as follows:

1. Lat. 40 00' 00" N., Long. 128 20' 30" E.
2. Lat. 40 00' 00" N., Long. 128 27' 00" E.
3. Lat. 39 57' 12" N., Long. 128 28' 30" E.
4. Lat. 39 57' 12" N., Long. 128 22' 00" E.s

ANNEX 5

Land transportation routes specified in Article 5, paragraph 1 shall be as follows:

1. Sondok Airport - Hamhung - Project Site
 - a. Sondok - Hamhung by bus, car or truck
 - b. Hamhung - Kangsang ri by train
 - c. Kangsang ri - Project Site by bus, car or truck
2. Yanghwa Port - Project Site by bus, car or truck.

ANNEX 6

The controlled and contraband items referenced in Article 9, paragraph 4 shall be as follows:

1. weapons, bullets, explosives (except for gun powder, percussion caps, dynamite fuses, powder train, etc., which are permitted for the LWR project), military supplies, lethal arms
2. binoculars and telescopes/field glasses of over 10 magnifications, cameras with built-in lens of more than 160 millimeters and camcorders with more than 24X power zoom
3. wireless apparatuses and their accessories, other than those referenced in the Protocol between KEDO and the Government of the DPRK on Communications for the Implementation of the Light-Water Reactor Project
4. poison and toxic chemicals; narcotics and drastic medicines other than those used for medical purposes
5. Publications, video tapes and tape-recorder cassettes, other than those used by KEDO, its contractors, subcontractors and KEDO Persons in the LWR Project Sites and Related Areas as defined in the Protocol between KEDO and the Government of the DPRK on the Juridical Status, Privileges and Immunities, and Consular Protection of KEDO in the DPRK.