

PROTOCOL BETWEEN THE KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION AND THE GOVERNMENT OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA ON COMMUNICATIONS 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, 4, 5 and 6 of the Agreement concerning unimpeded and efficient communications and related issues (hereinafter referred to as the "Protocol"),

Have agreed as follows:

ARTICLE 1

DEFINITIONS

For the purposes of the Protocol:

- "Communications" means transmission and reception of information via wireline and wireless telecommunications services (including telephone, telex, telegraph, facsimile, data and image/video communications) and via postal services and couriers necessary for the smooth and expeditious implementation of the LWR project.
- 2. "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.

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

- KEDO and the DPRK shall closely cooperate with each other to ensure unimpeded and efficient communications of KEDO, its contractors, subcontractors and KEDO Persons to, from and within the Project Site in connection with expeditious and smooth implementation of the LWR project.
- 2. KEDO, its contractors, subcontractors and KEDO Persons shall be allowed unimpeded use of available means of communications in the DPRK for purposes directly and indirectly related to the LWR project. In addition, KEDO, its contractors and subcontractors shall be permitted by the DPRK to establish secure and independent means of communications for their offices, based on a timely and case-by-case review of equipment requests and in accordance with relevant telecommunications regulations of the DPRK.
- 3. KEDO, its contractors, subcontractors and KEDO Persons shall respect the relevant telecommunications laws and regulations of the DPRK, as shall be agreed between KEDO and the DPRK, and conduct themselves at all times in a decent and professional manner.
- 4. All communications involving KEDO, its contractors, subcontractors and KEDO Persons for purposes related directly or indirectly to the LWR project shall be unimpeded.

ARTICLE 3

USE OF COURIERS

Couriers specified in Articles 4 and 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 shall travel to, from and within the DPRK via the transportation routes and entry and exit points specified in the Protocol between KEDO and the Government of the DPRK on Transportation for the Implementation of a Light-Water Reactor Project.

ARTICLE 4

POSTAL SERVICES

- 1. KEDO, its contractors, subcontractors and KEDO Persons may use the domestic and international postal services in the DPRK. For this purpose the DPRK shall establish and operate a post office in the Project Site area at a location agreed between KEDO and the DPRK.
- KEDO, its contractors, subcontractors and KEDO Persons may send or receive correspondence and parcels through the DPRK international postal service via channels agreed between KEDO and the DPRK and in accordance with the Universal Postal Convention adopted in 1874. KEDO, its contractors, subcontractors and KEDO Persons may use P.O. boxes at the post office specified in paragraph 1 of this Article.
- KEDO, its contractors, subcontractors and KEDO Persons may send or receive correspondence and parcels through the DPRK domestic postal service for the purpose of corresponding with each other and with DPRK agencies and persons related to the LWR project.
- 4. The price for the domestic and international postal services specified in this article shall be a fair price agreed between KEDO and the DPRK and calculated in due consideration of the prices charged in the DPRK.

ARTICLE 5

USE OF DPRK MEANS OF COMMUNICATIONS

- The DPRK shall allow KEDO, its contractors, subcontractors and KEDO Persons to have unimpeded use at a fair price agreed between KEDO and the DPRK and calculated in due consideration of the price charged in the DPRK of the available means of communications in the DPRK in accordance with Article IX, paragraph 5 of the Agreement.
- 2. The DPRK shall establish at the Project Site communications service offices and provide KEDO, its contractors, subcontractors and KEDO Persons with adequate and efficient services for international and LWR-project related long distance telephone calls, facsimile and data communications and the connection of temporary circuit lines, upon request.

- 3. KEDO, its contractors, subcontractors and KEDO Persons may place international and LWR-project related long distance telephone calls and transmit and receive facsimile and data communications to, from and within the Project Site. KEDO, its contractors and subcontractors shall be permitted to import and export communications equipment, including parts and accessories_necessary to maintain and operate such communications equipment, and to install such equipment in their offices.
- 4. For the purpose of paragraph 3 of this Article, the DPRK shall provide to KEDO, its contractors and subcontractors a sufficient number of telephone lines, including lines for facsimile and data communications, as requested by KEDO, its contractors or subcontractors. Such lines shall be used exclusively by KEDO, its contractors and subcontractors and KEDO Persons in accordance with Article 4, paragraphs 4 and 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.
- 5. The DPRK shall connect KEDO, its contractors, subcontractors and KEDO Persons only to countries with which the DPRK has telecommunications agreements, but in the event that KEDO reaches an agreement with a communications company with which the DPRK has no such agreement, the DPRK shall connect KEDO, its contractors, subcontractors and KEDO Persons to the countries served by that company.

ARTICLE 6

INDEPENDENT MEANS OF COMMUNICATIONS

- KEDO, its contractors and subcontractors shall be allowed to establish, use and operate secure and independent means of communications for their offices in communicating to, from and within the Project Site, in accordance with Article IX, paragraph 5 of the Agreement. Such means of communications shall include their own independent satellite communications system and independent land-based (wireline and wireless) communications systems, including cellular phones and walkie talkies. Cellular phones shall be used only for communicating within the Project Site.
- 2. The independent means of communications referenced in paragraph 1 of this Article shall be used exclusively by KEDO, its contractors and subcontractors and KEDO Persons in accordance with Article 4, paragraphs 4 and 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.

- 3. KEDO, its contractors and subcontractors shall be allowed to establish, use and operate their own means and types of satellite communications and cellular phones 24 months after the formal ground breaking ceremony for the site preparation for the LWR project, which shall occur as soon as practicable after the issuance of the site take-over certificate specified in Article X, paragraph 2 of the Agreement. During this period, KEDO shall facilitate the implementation of the LWR project on the basis of the construction schedule specified in the protocol on the delivery schedule to be agreed between KEDO and the DPRK, in accordance with Article 3, paragraph 3 of the Agreement, to ensure the expeditious and smooth implementation of the LWR project.
- 4. KEDO, its contractors and subcontractors shall establish secure and independent means of communications for the purpose of the LWR project, based on a timely and case-by-case review by the DPRK of equipment requests and in accordance with the relevant telecommunications regulations of the DPRK. This paragraph shall not impair the purposes of paragraph 3 of this Article.
- 5. KEDO, its contractors and subcontractors shall submit to the DPRK for timely review equipment requests for the establishment of their independent means of communications, including frequencies for their own walkie talkies, cellular phones and satellite communications. The DPRK, in advance of the establishment of such communications, shall assign such frequencies, which shall be agreed between KEDO and the DPRK, consistent with paragraph 3 of this Article. The DPRK shall take into consideration the manufacturing time required for such equipment when assigning such frequencies for satellite communications.
- 6. For the purpose of paragraph 1 of this Article, KEDO, its contractors and subcontractors shall have the right to import to and export from the DPRK communications systems, or any part thereof, including equipment and parts necessary to service and maintain such systems.
- 7. KEDO, its contractors and subcontractors may, if they deem necessary, provide physical security for the independent means of communications specified in this Article.

ARTICLE 7

PERMITS AND EXEMPTION FROM TAXATION

- The DPRK shall process for approval all applications by KEDO, its contractors and subcontractors concerning communications, including communications specified in Articles 4, 5 and 6 of the Protocol, expeditiously and free of charge in accordance with Article IX, paragraph 1 of the Agreement.
- For the purposes of the Protocol, with the exception of the fair price specified in Articles 4 and 5 of the Protocol, KEDO, its contractors, subcontractors and KEDO Persons shall be exempt from all DPRK taxes and duties. Exemption from charges and fees shall be agreed between KEDO and the DPRK in accordance with Article IX, paragraph 2 of the Agreement.

ARTICLE 8

ARRANGEMENTS 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 9

ENTRY INTO FORCE AND AMENDMENTS

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

3. 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