

**Law of the Democratic People's Republic of Korea on the Rason Economic and Trade Zone**  
*Comparison of the January 27, 2010 and the December 3, 2011 versions*

**Chapter 1 Fundamentals**

- Explicit DPRK sovereignty on the Zone in 2010 (art.1) not in 2011
- Precision of investors' rights in 2011 (art.5, 7)
- Emergence of personal safety and human rights themes in 2011 (art.9)
- Different regulations' prevalence determined in 2011 (art.10)

**Chapter 2 Development of the Zone**

- The whole chapter is absent of the 2010 version (except art.22 about land lease)
- Supplements about land lease, plans for development, development principles in the 2011 version (art.11-22)

**Chapter 2 Organs of Administration and Management of the Zone or Chapter 3 Management of the Zone**

- Explicit principles of management in the 2011 version (art.23) not in 2010
- Details about the management committee structure in 2011 (art.25, 26, 29)
- Many functions of the Municipal people's committee assigned to the management committee (cf. comparisons between art.10, 13 of 2010 and art.27, 29, 30, 32 of 2011)
- Explicit functions of the central guidance authority of special economic zones in 2011 (art.31)
- Technical training fund and training center of 2010 (art.16) vanished in the 2011 version

**Chapter 3 Economic and trade activities or Chapter 4 Establishment of Enterprises, Economic and Trade Activities**

- Mandatory screening and approval procedure's concentration in 2011 (art.36) not 2010 version
- Enterprises' registration to become a corporate body of the DPRK in 2011 (art.38) not 2010 version
- Precision about investors' rights (art.40), their respect of their production category (art.41) and their respect of their contracts (art.42) added in 2011
- Instruction about exploitation of natural resources (art.47) and advertisement (art.51) added in 2011

#### **Chapter 4, chapter 5 Customs Duties**

-Duty-free on donations added in the 2011 version (art.54, n°7)

#### **Chapter 5 Currency and Finance *or* Chapter 6 Currency and Financial Matters**

-Obligatory insurance (art.63) and transaction securities added in 2011 (art.64)

#### **Chapter 6 Guarantee and Preferential Treatment *or* Chapter 7 Incentives and Preferential Treatment**

-Import/exports promotion added in the 2011 version (art.66)

-More gradual and more tax reduction in 2010 than in 2011 (comparison between art.40 of 2010/art.68 of 2011)

-Free tax for developer enterprises (art.70), intellectual property rights (art.72), promotion of tourism (art.74), free communications and services (education, health, culture) (art.75) newly guaranteed in 2011 law

#### **Chapter 7, chapter 8 Complaints, Settlement of Disputes**

-More precise instructions in 2011: delay for settlements (art.80), mediation plans (art.81), arbitration in accordance with the arbitration rules of the international arbitration committee (art.82)

#### **Appendix (only in 2011)**

-Right of interpretation conceded to the Presidium of the Supreme People's Assembly (art.2)