

# Democratic People's Republic of Korea - Country Report on Terrorism 2012

May 30, 2013

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## DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA (NORTH KOREA)

**Overview:** The Democratic People's Republic of Korea (DPRK) is not known to have sponsored any terrorist acts since the bombing of a Korean Airlines flight in 1987. On October 11, 2008, the United States rescinded the designation of the DPRK as a state sponsor of terrorism in accordance with criteria set forth in U.S. law, including a certification that the DPRK had not provided any support for international terrorism during the preceding six-month period and the provision by the DPRK of assurances that it would not support acts of international terrorism in the future.

Four Japanese Red Army members who participated in a 1970 jet hijacking continued to live in the DPRK. The Japanese government continued to seek a full accounting of the fate of 12 Japanese nationals believed to have been abducted by DPRK state entities in the 1970s and 1980s. Despite two rounds of DPRK-Japan bilateral talks in the latter half of 2012, the DPRK had not yet fulfilled its commitment to re-open its investigation into the abductions.

**Legislation, Law Enforcement, and Border Security:** In May, the United States re-certified North Korea as “not cooperating fully” with U.S. counterterrorism efforts under Section 40A of the Arms Export and Control Act, as amended. In making this annual determination, the Department of State reviewed the DPRK’s overall level of cooperation with U.S. efforts to combat terrorism, taking into account U.S. counterterrorism objectives with the DPRK and a realistic assessment of DPRK capabilities.

**Countering Terrorist Finance:** The DPRK is not a member of the Financial Action Task Force (FATF) or the Asia-Pacific Group (APG) on Money Laundering, a FATF-style regional body. Throughout the year, the FATF reiterated its concern about the DPRK's failure to address “significant deficiencies” in its anti-money laundering/combating the financing of terrorism (AML/CFT) regime. In 2012, DPRK officials engaged the FATF and the APG to discuss technical

issues. While the FATF welcomed such engagement and noted that it remained open to “assisting the DPRK to address its AML/CFT deficiencies,” the DPRK appeared to have made little meaningful progress in strengthening its AML/CFT infrastructure. In an October public statement, FATF renewed its call on members to “apply effective countermeasures to protect their financial sectors” from the “on-going and substantial money laundering and terrorist financing...risks” posed by the DPRK. For further information on money laundering and financial crimes, we refer you to the *2013 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*:  
<http://www.state.gov/j/inl/rls/nrcrpt/index.htm>.