

Country Reports on Terrorism 2011

Report

July 31, 2012

KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF (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 On October 11, 2008, the United States rescinded the designation of the DPRK as a state sponsor of terrorism in accordance with criteria set forth in U.S. law, including a certification that the government of 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 will not support acts of international terrorism in the future.

Four Japanese Red Army members who participated in a jet hijacking in 1970 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. The DPRK has not yet fulfilled its commitment to reopen its investigation into the abductions.

Legislation and Law Enforcement: 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 the annual determination designating the DPRK as “not cooperating fully,” the Department of State reviewed the country's overall level of cooperation in our efforts to fight terrorism, taking into account U.S. counterterrorism objectives with the DPRK and a realistic assessment of its capabilities.

Countering Terrorist Finance: The Financial Action Task Force (FATF) remained concerned about the DPRK's failure to address the significant deficiencies in its regulatory regimes. In January, the DPRK engaged the FATF to discuss its anti-money laundering and counterterrorist financing regulatory regimes. While the FATF welcomed this initial engagement and said it

remained open to further engagement, there were no further contacts. In its public statement in February, the FATF publicly urged the DPRK to immediately and meaningfully address these deficiencies.

The DPRK's financial system was opaque and compliance with international standards was difficult to gauge. For further information on money laundering and financial crimes, we refer you to the [2011 International Narcotics Control Strategy Report \(INCSR\)](http://www.state.gov/j/inl/rls/nrcrpt/index.htm) , Volume 2, *Money Laundering and Financial Crimes* : <http://www.state.gov/j/inl/rls/nrcrpt/index.htm> .

Regional and International Cooperation: In June, the UN Counter-Terrorism Committee Executive Directorate (CTED) held consultations with the DPRK on strengthening its implementation of United Nations Security Council Resolutions 1267/1989, 1988, and 1373. CTED plans to continue to engage the DPRK to assist in its implementation of those resolutions.