

**TABLE 2: INITIAL NUCLEAR AGREEMENT**

	INITIATIVE	PROS/CONS	DPRK CONTACTS	COMMENTS
ENERGY ASSISTANCE	Refurbish/Replace Selected Major Energy Facilities	First projects to demonstrate technical, logistical, financial and other details of infrastructure rebuilding for longer-term efforts	Central government officials in charge of electric power and coal, construction and transportation	Thermal power plants and district heating plants, larger hydropower plants including dams, and rebuilding coal supply infrastructure in one or two key mines
		Begins to address major structural/infrastructure energy bottlenecks	Local plant managers, technicians and officials	Costs could run into the tens or hundreds, (depending on scale) of millions of dollars
		Aids North-South economic integration		
		Limited people-to-people contacts		
		Does little to address environmental concerns		
	Local Energy Supply/Grid Refurbishment Assistance	Begins to address major structural/infrastructure energy bottlenecks	Central government ministries responsible for electricity, coal mining, light industry, construction, and extractive industries	Mini-hydro plants and biomass-fired plants for new/rebuilt mini-grids, and small coastal Liquefied Propane Gas (LPG) terminals for delivery and distribution
		Helps areas (for example, counties or "enterprise zones") work towards becoming self-sufficient and builds local economy	Officials, experts and others at the provincial, county and local levels	Costs could run from millions to tens of millions of dollars; possible funding from countries or foreign commercial ventures such as small mining or manufacturing firms
		Catalyzes similar projects in other localities with prospect of eventually being interconnected to reform sub-national or national grids		
		Begins to develop gas distribution infrastructure for export oriented factories		
	Enhanced Energy Capacity Building and Pilot /Demonstration Projects	Helps catalyze development of local and possibly export oriented industries		
Extends and expands benefits of initial capacity-building programs		Same DPRK actors as in initial phase, but deeper interactions with agencies and other institutions that play host to "centers of excellence" and courses for "training the trainers"	Broadens scope to include training at enterprises, DPRK universities and institutes and the development of "centers of excellence" within existing ministries, institutes or universities	
Pilot projects with related/supporting capacity-building provide positive examples for the DPRK economy to build on			Possible participation in the APEC Energy Working Group	
Creates additional avenues for North Koreans to interact with foreigners			Programs for university and graduate students and specialized post-graduate students abroad, focusing on energy efficiency and renewable energy application	
Reforestation	More costly than initial phase, but still relatively inexpensive			
	Potentially significant humanitarian, social and environmental benefits	Central government including Ministry of Forestry as well as representatives from agriculture, transport, and institutes such as non-conventional/new and renewable energy	Provision of fuel supplies for local cooking and heating end-uses required in order to assure reforested areas grow mature trees	
	Achieves the objectives of internal DPRK campaigns focusing on reforestation	Local officials at provincial and county levels, leaders of local cooperatives and individual residents	Costs millions of dollars or more, depending on scale	
HUMANITARIAN ASSISTANCE	Food Assistance (with access)	Helps create a more environmentally-sound Korean peninsula		
		Potential for failure unless local populations are involved		
	Pilot Food Security Programs	Meets international standard and builds on precedent set by 2008 deliveries	Central, provincial and local governments	Need to determine NGO/WFP split given past problems with WFP program, limited NGO capacity and the effects on other UN operations in DPRK
		Increases DPRK capacity to produce food	Organizational counterpart (KAPES)	
Support UNDP and UN Country Team Programs for Capacity Building, Demonstration Projects, Social Assessments and Aid Coordination Mechanisms	Continues transfer of food responsibility from central to local authorities	KAPES, plus potentially Ministry of Agriculture, Academy of Agriculture, Academy of Science	Beginning of U.S. assistance based on game-plan for transition to food security completed in initial phase	
	Strengthens markets as tools for distributing food		Pilot programs focused on small-scale, low-cost inputs to farms	
Support UNDP and UN Country Team Programs for Capacity Building, Demonstration Projects, Social Assessments and Aid Coordination Mechanisms	More cost-effective than food aid		Plastic sheeting allows farmers to plant seedlings in beds before transfer to fields; used by some NGOs for greenhouses that allow institutions, such as health clinics, to grow food all year round	
	Enhances capacity to absorb development assistance and private investment	Economic ministries, local governments and DPRK counterpart organizations	Provide small-scale, medium-cost farm equipment, such as portable threshing machines, that save labor and reduce grain loss	
Support UNDP and UN Country Team Programs for Capacity Building, Demonstration Projects, Social Assessments and Aid Coordination Mechanisms	Demonstrates best practices in development assistance		Premised on the UN playing an important coordinating role in-country in the building up of development assistance just as it has in the provision of humanitarian assistance	
	Enhances coordination within the DPRK government and among donors			

DEVELOPMENT ASSISTANCE	U.S. Funded NGO Community Development Programs	Allows expansion of existing NGO programs to other localities	Central government, local governments and populations	Provide funds to U.S. NGOs with existing programs and proven track records (World Vision, Global Resource Services, Agglobe International and Christian Friends of Korea)
		Continues to expand local capacities to address housing, food and energy needs		Existing efforts focus on activities, such as food production facilities (soy production and goat dairies), solar energy for schools, clinics and greenhouses, and upgrades for existing buildings
	Develop Game-Plan for DPRK Development programs	Assists further evolution of DPRK economic system toward international norms	Central government ministries—agriculture, trade, land and environmental protection, forestry, sanitation, education, health and the Academy of Science	Broader and more comprehensive than the initial Food Security Programs Game Plan
		Unclear whether DPRK will find this approach attractive	Counterpart organizations such as KAPES, the Korean European Exchange Society and the National Coordinating Committee	Develop systematic benchmarks to show progress necessary to attract large-scale bilateral and multilateral investments in development projects
				Base on the Agricultural Recovery and Environmental Program Plan (AREP) developed by North Korea and the UN in 1998 to formulate a bridge to “sustainable development assistance”
				Study should be conducted in cooperation with the U.S., North Korea and other country/international organizations with experience, such as the Swiss Development Corporation
Joint Roundtable on Microcredit/Household/Community Credit/Loans with DPRK	Identifies conditions that may allow for expansion of microcredit programs that have successfully improved living standards in other countries	Central Bank, Ministry of Agriculture	Bring together government and international organizations, NGOs and individuals with experience on the ground to discuss lessons learned and make recommendations for U.S. government participation	
	Further economic change in the North by allowing individuals and/or communities to retain profits or barter increased outputs for other goods	Possibly the National Academy of Agriculture	Might provide vehicle for involving Chinese microcredit programs which have proven to be successful	
ECONOMIC DEVELOPMENT	Expanded Economic Education Programs	Improves knowledge needed for economic reform, modernization and management	Economic ministries, financial institutions, universities and economic institutes	Offer training opportunities in other countries, including new opportunities in United States at the graduate level Allow IFI participation in educational activities sponsored by others in order to build relations and draw on experience
		Expands capacities for economic management needed for reform and modernization Increases adoption of international economic management norms	Economic ministries, financial institutions, universities and institutes	Larger scale programs sponsored by UN development agencies, the EU and others, with the addition of USAID Focus on economic management and policy analysis, external debt management, financial and legal system modernization and anti-money laundering
	Building IFI Ties	Enhances understanding of international norms and best practices	Economic ministries and financial institutions	Begin external debt dialogue with IFIs and other creditors
		Develops working relationships focused on technical economic management issues Prepares North Korea for future IFI membership		Establish special trust funds for capacity-building, research and pre-investment studies for IMF, World Bank and Asian Development Bank Conduct pre-membership activities such as improving economic and social statistics needed for IFI membership as well as addressing legal aspects
	USDA/FAS Educational Exchange Programs	Sends important positive signals to DPRK	Ministry of Agriculture and/or Ministry of Trade and/or individual universities	U.S. sponsorship of North Korean delegations for training tours on a wide range of agricultural issues
		Accelerates the introduction of new agricultural management and food distribution techniques, which in turn puts pressure on the government to adapt		USDA Foreign Agricultural Service sponsored exchanges for development and adoption of new technologies and enhancement of agribusiness and trade in foreign markets Utilize existing programs, such as the Borlaug Fellows Program which enables collaboration on sustainable agriculture with USDA, Land Grant Colleges, NGOs and other institutions
USG Support for English Language Programs	Increases the number of North Koreans who can interact with the United States and the international community	Ministry of Education, potentially individual universities	Pattern U.S. government sponsored program through the State Department’s Office of English Language Specialists after similar efforts by the British Council	
	Provides the U.S. with an opportunity to introduce its own teaching curriculum			
	Help open the door for U.S. NGO programs			
CONTACTS	Send important symbolic message given reported interest in orchestra exchange by Kim Jong Il Build bilateral good-will	North Korean Committee for Sports Guidance, North Korean Taekwon Do Committee	Move forward by inviting the DPRK State Symphony Orchestra to New York, reciprocating the visit by NY Philharmonic to Pyongyang	
		Central Committee for Culture and Arts	Sponsor a visit of the North Korean circus to the U.S. and other cultural events, such as exhibit of traditional Korean dresses, art or a tour of traditional musicians	

PEOPLE-TO-PEOPLE	increase U.S. Cultural and sports Exchanges (private and government funded)	Improve mutual understanding between both countries		Provide U.S. government sponsorship of good-will basketball games as well as Olympic Taekwon Do teams in Pyongyang and United States
		Help create larger and more experienced core of people who can advocate transformation of DPRK		
		Expand people-to-people exchanges to younger generations typically associated with sports		
	Include DPRK in State Department International Visitors Leadership program	Sends an important symbolic message to the DPRK	Current and potential leaders in government, politics, the media, education and other fields	Brings participants from other countries to the U.S. to meet with professional counterparts
		Increases DPRK capacity to introduce change into their system		Preliminary steps have already been taken by the State Department to include the DPRK, but were not fully implemented due to the nuclear crisis
	U.S. Government Support for Scientific Cooperation Exchanges	Begins to address capacity bottlenecks in individual fields such as agriculture and medicine	Government ministries involved in science and technology and the Academy of Sciences	Support ongoing NGO efforts through inviting DPRK visitors to U.S. centers of scientific learning (National Institutes of Health, National Science Foundation, National Academy of Science)
		Accelerates trust building through collaboration rather than one-way transfer of knowledge		Provide U.S. government funding to support private exchange programs through the USDA's Visiting Scientist and Scientific Cooperation Research Program, the National Science Foundation and other relevant government institutions
		Identifies potential opportunities for multilateral cooperation on regional scientific problems (such as environmental or health problems) and roots bilateral efforts in a broader regional context		