

# Ways of Inter-Korean Exchange and Cooperation for North Korean Women's Economic Empowerment(I)

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## I . Introduction

### 1. Purpose and Necessity of the Research

- The progress made in the inter-Korean relations in 2018 has shed light on the importance of joint efforts of the South and the North and the exchange and cooperation between them in attaining peace and prosperity on the Korean Peninsula.
  - It is expected that South and North Korea will actively promote exchange and cooperation in a wide range of political, economic, social, and cultural areas. Exchange and cooperation from the perspective of women's gender equality are very important in seeking the future of a gender-equal Peninsula.
- The goal of prosperity on the Korean Peninsula should not just be

to achieve economic growth measured by numeric value, but to narrow the gaps both in and between South and North Korean societies. In particular, attention should be paid to gender gaps that exist in South and North Korea.

- In South Korea, the labor force participation rate of women was 54.2%, and that of men, 74.2% as of May 2019; and the employment rate of women was 52.2%, and that of men, 71.1% as of 2018 (Statistics Korea, 2019). In North Korea, the employment rate of women is estimated at 74.3%, and that of men at 84.1% as of 2018 (World Bank, 2019). Although it is difficult to accurately identify the current state of labor force participation in North Korea based on officially announced statistics, there seems to be a difference in the economic activity of women in South and North Korea.
  - Of late, approximately 8.2% of all North Korean women are estimated to participate in the market activity, and it is found that there is a gender gap in labor force participation in North Korea (Hong Min, et al., 2016:32).
  - The gender gaps in South and North Korean societies will have an impact on achieving the Peace Economy on the Korean Peninsula, with a greater impact on North Korean women in particular.
- It is known that the introduction of a market economy to socialist states in the past has had a negative impact on women's status.
- The introduction of a market economy brought labor issues such as instable employment and low wages for women, worsened their working conditions, and deepened gender wage gaps.

- In light of the experience of socialist states, it is predicted that the situation in North Korea with expanding markets and the process of realizing the Peace Economy through the progress of inter-Korean relations will have different impacts on North Korean women and men.
- This study stems from the necessity of carrying out the inter-Korean exchange and cooperation project with a focus on resolving the gender gaps between South and North Korea as well as in North Korea and realizing a gender-equal Korean Peninsula. The study pays special attention to North Korean women's economic competency for the following three reasons.
  - First, the current policies on Inter-Korean relations are being implemented with a focus on economic cooperation under the keynote of peace and prosperity. Because expansion of economic cooperation will affect the economic conditions of North Korean residents, this study seeks ways to implement exchange and cooperation in the direction of North Korean women's economic conditions.
  - Second, North Korean society has recently shown a remarkable expansion of markets and changes in women's economic activity. These changed situations have acted as a factor in promoting or restraining North Korean women's exercise of economic competency. As such, through a close review of the situations, this study seeks ways for the exchange and cooperation project to contribute to preparing conditions in which North Korean women can exhibit their economic competency.
  - Third, the concept of economic competency does not merely

include women's participation in economic activity and creation of economic interest, but should also consider social and cultural conditions in which women can exercise their economic competency. As such, conditions in which North Korean women can display their economic competency can be prepared by changing the structure and culture of gender-based discrimination.

- This study aims to prepare ways to implement the exchange and cooperation project for North Korean women's economic empowerment, and it has been designed with three-year tasks.
  - The first-year study aims to develop agendas for the exchange and cooperation project for North Korean women's economic empowerment, the second-year study to lay the foundation for the exchange and cooperation project for North Korean women's economic empowerment, and the third-year study to develop a model for the exchange and cooperation project for North Korean women's economic empowerment.
  - As a basis for seeking ways of exchange and cooperation, the first-year study aims to grasp the current situation of North Korean women's economic competency and accordingly develop agendas for exchange and cooperation.

## 2. Content and Method of the Research

### 1) Content of the Research

- First, the study analyzes changes in women's economic status and cases of women's economic empowerment in socialist states, including China and Vietnam, since their reform and opening up, then offers implications for the inter-Korean exchange and cooperation project.

- Second, it grasps the current conditions of North Korean women's economic competency, and identifies the current state of education, which is the basic condition for North Korean women's economic competency, and surveys the level of economic activity and the current state of competency in each sector. Based on these actual conditions, the study also analyzes requirements, or constraints and contexts of North Korean women's economic competency.
- Third, it develops agendas for the exchange and cooperation project for North Korean women's economic empowerment based on the cases of socialist states and actual conditions of North Korean women's economic competency.

## 2) Method of the Research

### A. Interview

- We researchers interviewed 32 female North Korean defectors to identify the present situation of North Korean women's education and economic competency.
- We surveyed the experience of women in their 20s to 40s who had defected from North Korea since 2011, focusing on the education they had received and types of economic activity they had participated in.

### B. Overseas case study

- We surveyed cases of China and Vietnam among socialist states that have adopted a market economy.
- We researchers visited China and Vietnam, collected data and conducted interviews.

#### C. International academic conference

- Given the difficulties of conducting a direct survey of North Korea, we held an international academic conference in China to assess the demand for and interest in North Korean women's economic empowerment.
- To broaden access to cases of socialist states, we hosted an international academic conference in Sweden to share the cases of socialist states in Europe.

#### D. Expert consultation meeting

- We had a meeting with researchers on socialist states and women to consult them about how to approach cases of socialist states and major issues.
- We held a consultation meeting with experts on North Korea and inter-Korean exchange and cooperation to identify the current situation of exchange and cooperation, and reviewed the adequacy of those developed agendas.

### 3. Main Concepts

#### 1) Competency and Economic Competency

- Competency means the “ability and condition that enable a person to make an optimal decision and gain successful outcomes as a result in various problem-solving situations”(Kim Jun-tae: 2015:74).
- With the conceptualization of competency as the ability that enables an individual or society to advance in changing political, social, economic, and cultural environments, it has been

emphasized that the ability should be exercised in an integrated and systemic manner in multiple dimensions.

- Economic competency is defined as the “ability for a person, an economic agent, to make a reasonable decision on daily economic issues based on the person's knowledge and understanding of economic principles when leading an economic life, then to reach an optimal economic state as a member of the economic and social community” (Kim Jun-tae, 2015:85).
  - Economic empowerment can be prescribed as "empowering the socially weak to approach and control resources and fostering their abilities to reach an optimal economic state as members of the economic and social community.“

## 2) Women's Economic Empowerment

- Women's economic competency is important because their abilities, creativity, and active participation in enterprise activity are required for sustainable growth, and women's unequal participation would incur economic costs for growth and development.
  - In order to strengthen and exhibit women's competency of economic activity, it is necessary to change the realities they are situated in, and this process will lead to the realization of an equal society.
- Women's empowerment is an issue closely related to power, so "a woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions” (Golla, Malhotra, Nanda, Merhra, 2011:4).

- Regarding women's economic empowerment, this study does not simply pay attention to their participation in economic activity, but also to the changes in conditions and contexts in which they participate in economic activity and strengthen and exercise their competencies.
  - The purpose of women's economic empowerment should be not only for them to overcome poverty and advance economically but also to remove their cultural and conventional barriers (Kim Hyo-jeong, Ma Jeong-yun, Lee Seul-gi, 2014:65).

## II . The Reform and Opening Up of Socialist States and Women's Economic Competency

### 1. Vietnam

- Vietnam began its reform called *doi moi* as the country decided to introduce a market economy to its private sector as a result of its 6th National Congress of the Communist Party in 1986.
  - Following its privatization of public corporations, an increase in foreign direct investments in the country had a great impact on women's economic participation. As the size of public corporations reduced, women changed their jobs from public corporations to private enterprises or to the unofficial sector, or quit their participation in economic activity.
- *Doi moi* had a negative impact on women.
  - The reform reduced welfare benefits such as paid maternity leave and child care facilities.

- As the reform shortened the retirement age of women at public corporations than that of men by five years, women lost their jobs more quickly than men did.
  - The reform aggravated gender-disaggregation in occupational types, particularly in skilled jobs in urban areas.
  - Of the economically active women, a mere 23% were wage workers, and women's wage per hour was just 78% of men's.
- It is found that small- and medium-sized enterprises owned by women have recently played an important role in Vietnam's economic and social development.
- Of the total small and medium enterprises in Vietnam, small and medium enterprises owned by women account for 25% or so. Of the enterprises owned by women, 98.8% are small businesses. They are engaged largely in the service industry, have a higher proportion of female employees, and pay lower wages than small and medium enterprises owned by men.
  - Vietnamese businesswomen face difficulties due to a lack of business knowledge, market-related information, trade information, resources, and network opportunities for business development. In particular, they find it more difficult to access financial resources and develop business networks than businessmen.

## 2. China

- The reform and opening up of China brought high economic growth throughout the overall Chinese economy, and its economic reform reconstructed the industrial structure of the country.

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- Since the reform and opening up, Chinese women's labor force participation rate has continually decreased and their working environment has deteriorated.
    - As the government's social security reduced and the high-level welfare of state-owned businesses disappeared, women's economic activity weakened. This caused gender gaps in employment and wage.
    - In the process of their rapid growth, China's private enterprises attempted to minimize wage expenditures to maximize profits, thereby aggravating working conditions. In particular, businesses began to regard employment of women as a burden, refused to employ women, and dismissed them when pregnant.
    - Gender disaggregation appeared in types of occupation. As a result, women tended to work largely in education, health, and social welfare. As for the wage gap, women's average wage was 74% of men's as of 2017.
  - Of late, China has seen an increase in the number of women entrepreneurs. The number of female business founders on Alibaba's platform makes up 49.25% of the total number of business founders.
    - Among the difficulties women founders face in China, there are no startup policies that professionally support women's startups as the country is not properly equipped with startup policies; the policies on women's startups are not effectively implemented; and policies are not sufficiently publicized and difficult to use in practice.

### III. Current Education as the Basis of North Korean Women's Economic Competency

#### 1. Education System and Gender Gaps in North Korea

##### 1) Overall Education System

- North Korea mandates free and compulsory education for a total of 12 years, including preschool education for a year, and primary and secondary education. As for higher educational institutions, it has four to six year universities and vocational schools.
  - The country offers an advanced part-time adult education system called "work and study education system," operating factory colleges affiliated with factories, night and correspondence schools at general universities, and distance colleges.
- The curriculum of elementary schools, middle schools, and high schools are equal to South Korea's primary and secondary school curriculums, and there are no gender disparities expressed in the curriculum.

##### 2) Gender Gaps in Education Opportunity

- There are almost no gender gaps in the school attendance and entrance rates of primary and secondary schools.
  - The school attendance rate of elementary schools and pre-secondary schools is over 96% on average, and that of post-secondary schools is also over 94%.
  - There is no gender difference in the school attendance rate of elementary and post-secondary schools, while that of school boys

is higher than that of school girls by 5.4 percentage points.

- Although statistically significant gender differences are not found in the school attendance and entrance rates, North Korean people's recent market activity and economic gaps among them tend to cause gender gaps in educational opportunities.
  - In some cases, students discontinued their learning due to poverty, and dependence on women's market activity had an impact on the number of female students quitting their studies.
- Although gender gaps were not found in primary and secondary education, the gaps appeared visibly in higher education.
  - As of 2018, the total college attendance was 27.01%, with 18.17% for women's college attendance and 35.43% for men's.
  - The gender gaps found in higher education seem to have derived from the school admissions system and the army.

### 3) Gender Disaggregation in Major

- Gender disaggregation was found in the majors pursued in higher education.
  - Women had the largest portion of education as their major standing at 30.29%, followed by engineering, manufacturing, and construction at 17.17%, and health and welfare at 16.0%.
  - Men had the largest portion of engineering, manufacturing, and construction majors standing at 49.16%, followed by agriculture, forestry, and fishery, veterinary medicine at 20.67%.
- Gender disaggregation identified in the majors pursued in North

Korea is closely related to the structure of gender division of labor in occupation and gender stereotypes.

- As North Korea decides the number of students admitted to each university and department considering the workforce for each industry, gender disaggregation in official industries are reflected in the structure of majors in higher education.
- The gender division of labor in majors and occupation is greatly influenced by gender stereotypes. North Korean women have preferences for majors in education and health because of the gender stereotypes that education and health offer suitable jobs for women, and women in these occupations receive favorable treatment and earn money easily in connection with the market.
- Women who select majors that are considered reserved for men experience discrimination in the learning process, and because their careers after graduation are uncertain, they may not continue their study to the end.

## 2. North Korean Women's Educational Competency Level

- As for basic education level, this study examined their literacy, reading and mathematical skills.
  - Both women and men had 100.0% literacy.
  - In reading and mathematical skills, there was almost no gender gap.
- In the case of ICT skills, women tended to have lower skills compared to men.
  - When the experience of using ICT devices was examined, women

used computers less than men by 10 percentage points, and mobile phones and Intranet by 5 to 8 percentage points.

- In the case of ICT skills, 30.1% of women and 41.0% of men could perform one or more functions among nine, including 1) copy and move files and folders, 2) use of copy tools in the document, 3) email, including attached documents, 4) use of spreadsheet and basic operation expression, 5) connect and install devices, 6) search, install, and configure software, 7) prepare a presentation, including texts, videos, sounds, images, tables and graphs, 8) transmit materials between computer and other devices, and 9) prepare a computer program using a program language.
- More men had overall skills in individual ICT categories than women did.
- However, as science and technology education recently expanded and ICT devices proliferated, the younger the users were, the narrower gender gaps tended to be.

### **3. North Korean Women's Economic Competency-related Education**

#### **1) Regular Education Course**

- Of the regular education courses, technical education is conducted in North Korea, and the subject "basic technology" is taught to both female and male students.
- The subjects directly related to vocational skills that are used on the production site after secondary education include "basic technology," "information technology," and industrial (agricultural)

basics." Both female and male students learn these subjects, but some skills such as women's hygiene and traditional Korean clothes needlework are taught to female students only.

○ Computer education is conducted in "information technology" beginning from the 4th-year elementary school. In particular, since Kim Jong-un took office, he has stressed the development in science and technology. As a result, it seems that education using computers has increased.

- However, due to the country's lack of infrastructure, computer education greatly differs by educational period, region, and school.

- More professional education seems to be taught in university. On the other hand, not much progress seems to have been made in incorporating ICT in the workplace.

○ Sex education and gender equality education are not offered in the regular course.

- For women to be economically empowered, they should have knowledge about their body and awareness of their rights, including awareness of gender equality and the right to sexual self-determination. This content is addressed largely in gender equality education and sex education.

- However, North Korea does not seem to have gender equality education and sex education in the formal education course.

## 2) Vocational Training

○ North Korea's representative vocational training schools are technician schools. Technician schools are affiliated with factories or

enterprises, or separately established in local communities to conduct vocational training needed to enter jobs in a particular industry.

- Vocational training schools with the majority of women are nursing training schools. After receiving education at the nursing training school, trainees obtain a nurse certificate and get jobs in clinics and hospitals.

- In addition, education is carried out for workers on the industrial site, not at schools or institutions. Examples of this type of education include factory colleges and open universities. Also, distance education has lately offered a degree course for higher education.

- The current state of distance education is yet to be identified, but it is found that distance education is conducted at textile factories and silk mills.

### C. External Programs for Women's Empowerment

- International organizations, non-governmental organizations and foreign universities have conducted education on capitalist economies and finance for North Korean economic bureaucrats or scholars, but education for North Korean women on these topics is not common.

- For example, Choson Exchange, a Singapore-based non-profit organization which was established in 2010, has performed economic education for about 2,500 North Korean residents in the past decade. This organization had operated programs focusing on North Korean women from 2012 to 2015. Beginning with "Women's Business Program" in 2012, Choson Exchange had conducted

business empowerment education for women until 2015. This program aimed to support female managers and prospective entrepreneurs in the recently emerging industries in North Korea, including tourism, service, and trade.

- Participants in Women's Business Program totaled more than 200 people, and 65% of them were women. They consisted of intermediate managers and executive members at state-owned agencies and enterprises, and small-sized local enterprises. The majority of the participants worked in restaurants, service, light industry, logistics, and retail business, while there were no participants from the heavy industry.

#### IV. North Korean Women's Current Economic Competency

##### 1. North Korean Women's Basis of Economic Activity

###### 1) Structural Dimension

- As the improvement of people's lives emerged as one of the economic issues to be urgently solved at the beginning of the Kim Jong-un era, North Korea took policy measures to improve its economic management.
  - Leading examples include the Five-year Strategy for Economic Development and the Korean-style Method of Economic Management. The Five-year Strategy for Economic Development stresses the development and utilization of science and technology, which contains the likelihood of providing opportunities for

women to improve and exercise their abilities. However, gender division of labor and gender-based discrimination in science and technology are also likely to act as constraints on women's exercise of their abilities.

- The main contents of the Korean-style Method of Economic Management include restructuring of the country's planning system, incorporation of the markets into the planning system, and expansion of the autonomy of enterprises and farms. This keynote underlying the policy measure may give opportunities to competent women, but it may also have a negative impact on women as the autonomy of employment and dismissal is granted to enterprises.
- Also, the structure of entry into economic activity and creation of interest in North Korea influences women's execution of economic competency.
  - North Koreans begin their economic activity through the workplace assignment by the authorities, when political and economic backgrounds of their parents act as a major variable. This at times imposes restrictions on women's opportunities to exhibit their abilities.
  - North Korea's male-dominant social structure provides opportunities for women on the one hand, but it also deprives them of the opportunities on the other. If they don't need to work after marriage, women may have opportunities to create new economic profits. However, women may have to depend on men's power because men still exercise major power in the market and economic structure.

○ The standpoint of the North Korean authorities on the female labor force also serves as a constraint on women's exercise of economic competency.

- Viewing the female workforce as an idle labor force, the North Korean authorities justify the national and social mobilization of women. As they also take unpaid labor for granted, their consumptive use of female labor force has persisted and expanded.

## 2) Legal and Institutional Basis

○ Among North Korean laws, women's labor-related laws include the Socialist Constitution, the Labor Protection Act, the Socialist Labor Act, and the Women's Rights Protection Act.

- The main contents of the women's labor-related laws include equal pay for equal labor, maternity leave, protection of pregnant and childbearing women and women with three children or more, and assignment of labor suitable for gender.

○ Women's labor-related laws in North Korea mostly focus on maternity protection, with a strong protectionist view of women's labor. Also, elements of gender-based discrimination were found in retirement age, and the suitability of labor that women perform.

- Although the country is equipped with related laws and systems, it is doubtful whether they are effective at all.

## 3) Physical Environment

○ It is found that North Korea has a poor physical environment as the basis of North Korean women's economic activity. Important

elements for exhibiting their economic competency are a space that enables their safe economic activity and an environment that can ensure their health.

- Fostering agencies related to child care are not properly operated, and even if they are operated, they impose the burden of operating their agencies on women. Also, child care facilities are not prepared in the market.
- Regarding safety, lighting is not sufficiently secured at factories, enterprises, and the market due to the country's lack of electricity. Also, the country falls short of hygiene facilities.

## 2. North Korean Women's Economic Competency Level

### 1) Overview of Economic Activity

- According to the data provided by the World Bank (2018), the total labor force participation rate as of 2017 was 80.5%, with women accounting for 74.4%, and men 86.9%.
  - Compared to the result of the DPR Korea 2008 Population Census, the labor force participation rate increased in 2017, and women's economic activity rose too. However, this figure alone may hardly show that women's economic activity increased.
  - For the reasons why North Korean residents aged 16 or above did not participate in economic activity, 62.1% of women said "retirement" and 24.6% "domestic work" (UNFPA, 2014).
- When this study examined North Korea's current state of economic activity, there was a clear gender division of labor.

- According to the proportion of workers by the industrial classification, the highest proportion of both women and men was in the primary industry. After the primary industry, the second highest proportion of women was in the tertiary industry while that of men was in the secondary industry.
  - Gender gaps were also identified in the current status of workers by main industry. Women had the largest proportion in lodging and food service accounting for 81.17%, followed by wholesale and retail at 68.79%, health and healthcare at 59.39%, and finance and bank at 52.82%. Men had the highest proportion in electric power, followed by construction at 77.78%, science and research at 68.21%, urban management at 65.49%, and picking at 63.84%.
  - When we examined the current situation of men and women by occupation type, mostly men were located in the position of management, experts, and supervisors. While women showed the highest proportion of service workers making up 93.37%, men had the highest proportion of "supervising workers" accounting for 83.57%.
- With the recent expansion of the market in North Korea, the number of women engaged in the market is estimated to go up. Women's market activity seems to be carried out not only in the official market but also in diverse spaces and ways.

## 2) Expertise and Skill Level

- As the current status of North Korean women's technical expertise and skill levels was not accurately made known, this study identified the expertise and skill levels on the basis of the data on the

proportion of managers in factories and enterprises as well as the data from the interview.

- Mostly men undertook such positions as managers and CEOs, and women worked as managers mostly in the service industry.
  - Women had difficulty becoming managers or having expertise because the proportion of women engaged in each area was smaller than that of men or there was a difference in their opportunities to acquire certification.
- Also, women did not have enough opportunities to obtain technical skills. After being placed in factories or enterprises, they only had a few opportunities to receive technical training systematically. And these opportunities, if any, were fewer for women than for men.
  - Women had low access to technology or machines in industrial and agricultural areas.

### 3) Current Status of Female Entrepreneurs

- As the autonomy of enterprises expanded, competencies of entrepreneurs became very important. Also female entrepreneurs were expected to play an active role.
  - Women who undertook the position of female entrepreneurs were found chiefly in the commercial sector.
- Women who had strengths as entrepreneurs emerged in the market.
  - Gender differences existed in succeeding in the market as well, because men at times obstructed women when they attempted to take charge of a large-scale business or participate in a business led by men.

### 3. Characteristics of North Korean Women's Economic Competency

#### 1) Career Interruption in the Planned Sector and Use of Skills in the Market

- In a situation where factories or enterprises operate at a limited level in North Korea, women are not economically active in the planned sector. They tend to try to create economic profits largely through the market.
- Skills are important elements for creating profits both in the planned sector and the market. In some cases, women apply their skills that they have learned and accumulated in the planned sector to the market.

#### 2) Autonomous Development of Competency

- Although the North Korean education system in itself offers opportunities to develop economic competency, women tend to develop practical skills and competencies by themselves.
- Autonomous development of economic competency is even more conspicuous in the market activity. Women develop their competency by themselves based on the experience of people around them or the success or failure in the market activity.

#### 3) Formation and Utilization of Capital Relying on "Trust" and Power

- One of the important resources in North Korea's economic activity is the access to political power. Because resources are distributed and information is shared largely by men's power, women have no other choice than to utilize men's power or rely on male power.

- In a situation where the system is not sufficiently equipped, "trust" has become an important capital. Personal connections and "trust" are very important in receiving loans and selecting goods for sale or sales routes. As a result, women have to take various risks.

## V. Agendas for the Exchange and Cooperation Project for North Korean Women's Economic Empowerment

### 1. Directions for the Exchange and Cooperation Project

- ① Implement the project to (re)strengthen North Korean women's economic competency.
- ② Create the foundation for identifying and exhibiting North Korean women's economic competency.
- ③ Implement the exchange and cooperation project for the mutual growth of South and North Korean women.
- ④ Promote changes in North Korean society toward a gender-equal society.

### 2. Agendas for the Exchange and Cooperation Project

- 1) Building Rudimentary Data to Conduct the Economic Empowerment Project for North Korean Women
- Conduct a survey of South and North Korean women's economic activity.

- Identify the current status and demand of North Korean women's economic activity.
- Survey the awareness and demand of South and North Korean business women regarding the conduct of exchange and cooperation.
- Conduct joint research to prepare a support system for North Korean women's economic activity.
  - Review laws, systems, and policies that hinder women's labor rights.
  - Study ways to promote a network of female entrepreneurs as a social organization.
  - Conduct joint research on how to introduce microfinance to North Korea for sustainable economic activity.
    - Review the performance and limitations of microfinance loan programs in a rudimentary form that were conducted under the support of the International Fund for Agricultural Development (IFAD).
    - Review the needs for microfinance as a support system for women's economic activity, and develop ways to implement the system.
- 2) Laying the Basis for Supporting North Korean Women's Sustainable Economic Activity
- Install the South and North Korean Women's Cooperation Center (tentatively).
  - Prepare a support base for women's economic activity in the

Kaesong Industrial Zone and other economic cooperation spaces.

- Emphasize accountability to implement "strengthening gender equality and women's rights" that is included in the seven business principles adopted in the UN strategic plan 2017-2021.
  - Formulate budgets for inter-Korean cooperation funds to establish and operate the "Women's Support Center" and the "Women's Exchange Center" like the precedent case in which inter-Korea cooperation funds were supported to lay the foundation for economic cooperation when the "Total Support Center" and "the Exchange Center for South and North Korean Youth" were established in the Kaesong Industrial Zone.
- Operate a pilot project based on the results of surveys and joint research.
- Create infrastructure to secure women's labor rights.
- Cooperate to support a safe environment for main economic activity spaces.
    - Install basic toilets, feeding rooms, and lounges at the markets and factories.
  - Cooperate to support working women's health.
    - Implement a medical care support project to solve health issues arising from women's dual burden of work and child care and the health issues arising from their poor working conditions.
  - Cooperate to support fostering agencies.
    - Provide economic and physical support and conduct cooperation necessary to improve, maintain, and operate care facilities so that already-equipped care infrastructure may function properly.

- Introduce microfinance to help female entrepreneurs establish their business.
  - Operate microfinance on a pilot basis for female entrepreneurs based on the results of joint research.
    - Operate microfinance in a manner that enables North Korean small business-owning women to learn the concept of finance by having them repeat the process of borrowing and repaying money in order for them to become stable businesswomen through the medium of marketplace.
  - Provide a support project for women's startup incubators.
    - Support initial business funds and other expenses needed to maintain their livelihoods, free of charge for a certain period, while they learn skills and establish a new project.
  
- 3) Operating Programs for North Korean Women's Economic Empowerment
  
- Operate programs for expertise, technical education, and exchange to improve the qualitative level of women's economic activity.
  - Conduct ICT education plus exchange and cooperation.
    - Promote cooperation between North Korea's software developing institutions and South Korea's information technology manufacturing women's businesses.
  - Conduct agricultural technology education plus exchange and cooperation.
    - Distribute farming tools suitable for women's physical characteristics and transfer of technology.
    - Form a production organization network for South and North

Korean female farmers.

- Conduct education to train economic development experts as well as exchange and cooperation.
  - Support textbooks on economic development from a gender sensitive perspective for economic educational institutions, including Jeongjuntaek Wonsan Economic College.
  - Conduct academic exchanges on "Economic Development and Gender" (tentatively) between South and North Korean universities, and hold a forum.
- Conduct education to strengthen the managerial competency of female entrepreneurs.
  - Operate business education for female (prospective) entrepreneurs.
    - Provide education by target, including those who hope to enter the market and those who run a small-sized business.
    - Provide phased education by establishing a trilateral cooperation system among South Korea, North Korea, and Choson Exchange.
  - Build a network of female entrepreneurs.
    - Provide continued assistance in the form of mentorship for prospective entrepreneurs.
    - Provide personal security when using microfinance.
- Operate an economy inspection team comprising South and North Korean women.
  - Economy inspection of a capitalist society is a project in which the North Korean authorities take interest.
  - Operate the economy inspection team centered on South Korea,

China, Vietnam, and other countries that hold implications for the North Korean economy.

- Promote the understanding of North Korean society's gender equality.
  - Provide programs for school gender equality education, including career education and sex education.
    - Conduct gender equality education for North Korea's male entrepreneurs and farmers, and managers at the state-run corporations.
    - Conduct gender equality education for North Korea's male entrepreneurs and farmers who participate in the Inter-Korean economic cooperation project.

### 3. Strategy for Implementing Phased Inter-Korean Exchange and Cooperation Agendas

Phase of ongoing sanctions against North Korea	Phase of eased sanctions against North Korea	Phase of lifted sanctions against North Korea
<ul style="list-style-type: none"> <li>• Install the South and North Korean Women's Cooperation Center (tentatively).</li> <li>• Conduct a demand survey of South Korean businesswomen.</li> <li>• Improve working conditions.</li> <li>• Improve care infrastructure facilities.</li> <li>• Distribute women-friendly farming machines.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct gender equality education for business owners who participate in the inter-Korean economic cooperation.</li> <li>• Conduct expert knowledge and technology education for North Korean women.</li> <li>• Conduct education to strengthen managerial competency of North Korean female entrepreneurs.</li> <li>• Operate an economy inspection team comprising South and North Korean women.</li> <li>• Perform joint research to prepare a support system for North Korean women's economic activity.</li> <li>• Operate microfinance on a pilot basis.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct a survey of North Korean women's economic activity.</li> <li>• Conduct joint research to improve North Korean laws and systems.</li> <li>• Conduct gender equality education for North Korean schools and enterprises.</li> <li>• Disseminate the pilot project.</li> <li>• Install a support base for gender equality by region.</li> </ul>

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