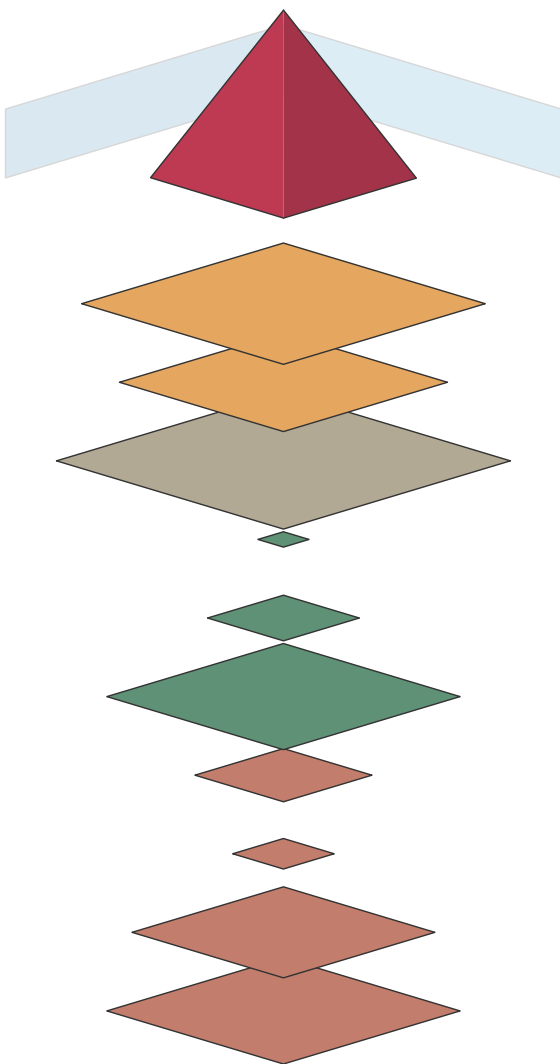


 **KOREA, DPR**



 **4.78**  
**CRIMINALITY SCORE**

105<sup>th</sup> of 193 countries  
31<sup>st</sup> of 46 Asian countries  
3<sup>rd</sup> of 5 Eastern Asian countries

 **CRIMINAL MARKETS** **5.30**

HUMAN TRAFFICKING	8.00
HUMAN SMUGGLING	6.50
ARMS TRAFFICKING	9.00
FLORA CRIMES	1.00
FAUNA CRIMES	3.00
NON-RENEWABLE RESOURCE CRIMES	7.00
HEROIN TRADE	3.50
COCAINE TRADE	2.00
CANNABIS TRADE	6.00
SYNTHETIC DRUG TRADE	7.00

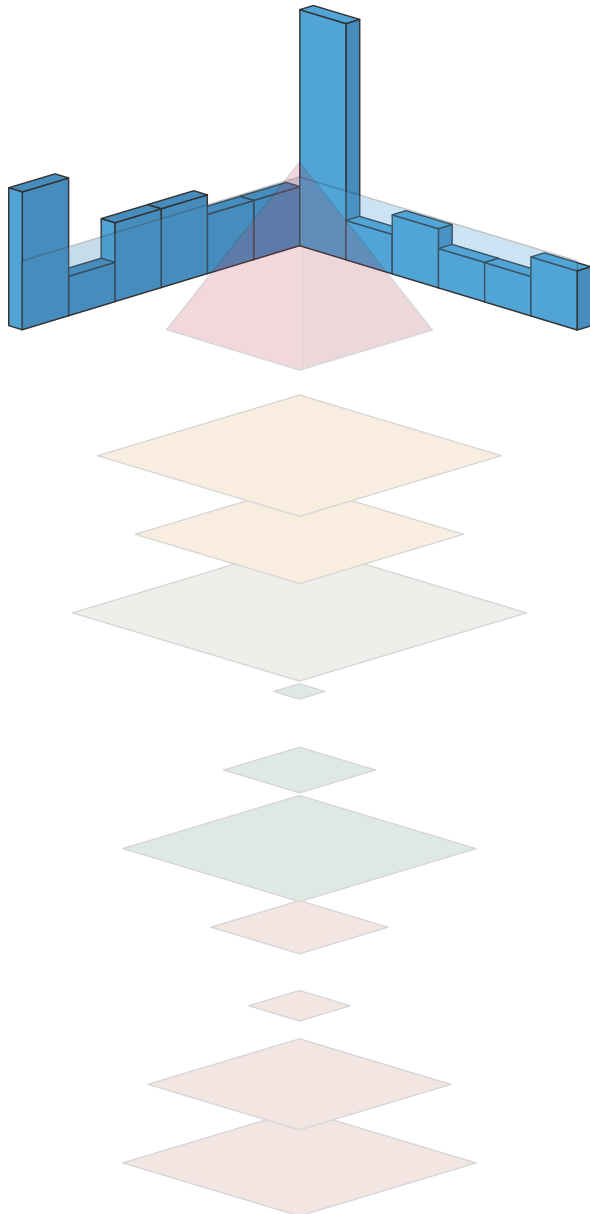
 **CRIMINAL ACTORS** **4.25**

MAFIA-STYLE GROUPS	1.00
CRIMINAL NETWORKS	2.00
STATE-EMBEDDED ACTORS	10.00
FOREIGN ACTORS	4.00

 **1.96**  
**RESILIENCE SCORE**

187<sup>th</sup> of 193 countries  
45<sup>th</sup> of 46 Asian countries  
5<sup>th</sup> of 5 Eastern Asian countries

 **KOREA, DPR**




**1.96**  
**RESILIENCE SCORE**

187<sup>th</sup> of 193 countries  
45<sup>th</sup> of 46 Asian countries  
5<sup>th</sup> of 5 Eastern Asian countries

POLITICAL LEADERSHIP AND GOVERNANCE	<b>3.50</b>
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	<b>1.00</b>
INTERNATIONAL COOPERATION	<b>2.00</b>
NATIONAL POLICIES AND LAWS	<b>2.00</b>
JUDICIAL SYSTEM AND DETENTION	<b>1.50</b>
LAW ENFORCEMENT	<b>1.50</b>
TERRITORIAL INTEGRITY	<b>6.00</b>
ANTI-MONEY LAUNDERING	<b>1.00</b>
ECONOMIC REGULATORY CAPACITY	<b>1.50</b>
VICTIM AND WITNESS SUPPORT	<b>1.00</b>
PREVENTION	<b>1.00</b>
NON-STATE ACTORS	<b>1.50</b>

**4.78**  
**CRIMINALITY SCORE**

105<sup>th</sup> of 193 countries  
31<sup>st</sup> of 46 Asian countries  
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 <b>CRIMINAL MARKETS</b>	<b>5.30</b>
 <b>CRIMINAL ACTORS</b>	<b>4.25</b>



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# CRIMINALITY

## CRIMINAL MARKETS

### PEOPLE

The Democratic People's Republic of Korea (DPRK) is a source country for refugees which has led to the development of a major criminal market for human smuggling, as well as for trafficking for the purposes of sexual exploitation and forced labour. The country has two main human trafficking structures. The first is the trafficking of women and girls from the DPRK to China and adjacent countries by various criminal actors. These groups are likely to operate as fluid networks, with multiple brokers working together, including traffickers who seize young women and girls who have just crossed the border into China. The second human trafficking structure is perpetuated by government-mandated forced labour. Such forced labour happens at the domestic labour camps that form a central pillar of the DPRK's economic system. Since human trafficking is an important source of revenue and foreign currency for the DPRK government, the criminal market for human trafficking is extremely wide in scope. The number of North Koreans subjected to forced labour is estimated to be in the millions.

Human smuggling out of the DPRK is primarily destined for China or the Republic of Korea. It is driven by human rights violations and poor conditions in the DPRK. Irregular migrants and refugees who have successfully made it out of the DPRK are very vulnerable to trafficking. For instance, they are often targeted and recruited in a method that accrues debt related to food and lodging, which subsequently subjects them to forced labour and prostitution, or they are targeted by Chinese traffickers as they cross the border and then sold into forced marriages, prostitution and other types of forced labour.

### TRADE

The DPRK is a source and destination country for arms trafficking. While there is no domestic illegal arms market in the traditional sense (most weapons in the country are purchased or built legally with a licence), State-sanctioned arms trafficking on a global scale is an important source of revenue for the government. Although no domestic groups are known to operate independently of the government, the DPRK has been known to collaborate with foreign mafia networks and violent extremist organizations. The DPRK specializes in exporting arms to terrorist organizations and governments that are subject to sanctions. These include the government of Syria, in addition to various militant organizations in Sudan, Libya and Yemen.

### ENVIRONMENT

The government of the DPRK has established itself as an actor in global environmental crime markets in order to generate revenue and foreign currency. This state-sanctioned policy includes transnational smuggling and trade in rhino horn and ivory. These goods are often smuggled by DPRK diplomats under the cover of diplomatic immunity. There is also evidence of fuel and other commodities being smuggled into the DPRK in operations facilitated by Chinese, Japanese and Russian vessels and vehicles, as well as by domestic shopkeepers and business owners.

### DRUGS

The DPRK is a source country for synthetic drugs and cannabis, and the government is known to be involved in the production and supply of methamphetamine, as well as in the trafficking of heroin and cannabis. Methamphetamine is widely consumed and constitutes the largest illegal drug market in the DPRK. The government has been involved in setting up facilities for methamphetamine production, which when disbanded has resulted in workers and criminal networks setting up their own private laboratories for local consumers. The government of the DPRK is also known to have exported methamphetamine with the help of officials and diplomats in order to collect foreign currency. The drug is often used to relieve fatigue from working under harsh labour conditions, as well as to treat various health problems, given the scarcity of medicine in the country.

Cannabis cultivation in the DPRK is widespread, but there is little information on consumption rates. Instead, there is evidence that at least some of the cannabis that is produced locally is exported by state actors to earn revenue. While DPRK officials have in the past been implicated in transnational heroin trafficking operations and relatively high rates of heroin use have been reported in past decades, heroin consumption is thought to be increasingly on the decline, largely as a result of the displacement effect caused by the increase in synthetic drug use.

## CRIMINAL ACTORS

In the DPRK, the state exerts a high level of control over all criminal markets, and the government sustains criminal activities to generate foreign currency revenue in the face of heavy sanctions. Research suggests that transnational criminal activities, particularly money laundering but also various smuggling and trafficking operations, constitute an important source of revenue for the government. Embedded criminal actors can be found at all levels of the state apparatus, from top party cadres to local officials.

However, while the state continues to be the chief perpetrator and patron of criminal activities, evidence suggests that the organized crime landscape in the DPRK is changing. For instance, the government's gradual withdrawal from narcotics production has created space for various non-state actors to enter the market, often in collaboration with local officials. Little reliable research has been published in regard to foreign criminal actors, although it is likely that there are a number of them who collaborate with the

government. For example, Chinese actors are suspected of operating along the border in drug and human trafficking activities. There have also been cases of criminal groups from other countries in South-eastern Asia collaborating with the DPRK government. However, a peculiarity of the DPRK case is that foreign actors seeking to engage in illicit activity with the DPRK usually meet with representatives of the regime outside of the DPRK itself.

# RESILIENCE

## LEADERSHIP AND GOVERNANCE

The DPRK is a totalitarian, one-party state characterized by a disregard for its citizens' human rights and political freedoms. The government is among the world's worst performers in terms of good governance and the fight against corruption. The DPRK exhibits many characteristics of a fragile state. The regime's stance against organized crime is opaque, and the state news agency, which is controlled by the Supreme Leader, has often denied the existence of organized crime in the country. At the same time, the state apparatus is actively engaged in organized crime, which makes it unlikely that it will show any leadership on the issue. Overall, all DPRK policies are designed to keep the Kim family in power, and as such, if their existence is threatened by emerging competitors, if businesspeople become too self-sufficient and powerful, draconian measures can be imposed immediately, against local black markets, for example.

The DPRK has acceded to UNTOC and the three Palermo protocols but not UNCAC. The country does not engage much in international cooperation, which it generally tends to undermine rather than support. The only countries with which the DPRK has extradition treaties are China and, more recently, Russia. Domestically, the legal framework to counter organized crime is provided mainly by the DPRK's penal code and there is no evidence of any laws specifically targeting organized crime.

## CRIMINAL JUSTICE AND SECURITY

The rule of law is extremely weak in the DPRK. Although a formal legal system exists, it is mired in corruption and is not capable of guaranteeing due process. Arbitrary arrests and unjustified detention are commonplace. Whether a crime has been committed or not, punishment may include torture in custody, execution or the deportation of individuals and families to forced labour camps. The DPRK is known to have some of the toughest and most inhumane prisons in the world, with the government maintaining extensive

labour camps that contain tens to hundreds of thousands of forced labourers, both abroad and at home. The DPRK has two principal law enforcement agencies – the Ministry of People's Security, which includes divisions responsible for basic policing functions, and the Ministry for Protection of State Security – but neither of them has a specific mandate to combat organized crime. The DPRK is an extensive surveillance state with significant capacity to detect and deter illicit activities – but without the political will to address criminal policies and high-level state-embedded crime, its resilience to crime is very limited.

## ECONOMIC AND FINANCIAL ENVIRONMENT

The DPRK has one of the least-developed private sectors in the world, with free enterprise being close to impossible. Almost all property in the country belongs to the state, and with no functioning judiciary, weak rule of law and a non-functioning tax system, the economic environment is severely inhibited. The Workers' Party and the military control all companies earning foreign currency and hold a monopoly over most sectors. Moreover, the DPRK is subject to comprehensive sanctions. This limits its ability to trade and makes it virtually impossible to invest in the country without evading sanctions.

The DPRK does not collaborate with the intergovernmental Financial Action Task Force (FATF), neither is it a member of any of the regional FATF-style bodies, and nor does it comply with any FATF standards. The country has a long history of being involved in state-sanctioned counterfeiting, terrorist financing and deceptive financial practices. The DPRK is known to use Chinese and Russian banks to launder its revenues. It also uses other avenues, including procuring vessels flagged in foreign countries and accessing the global banking system through diplomatic means. Furthermore, the regime has done little (and in fact directly abets) the use of various cryptocurrencies by hackers based in the DPRK to launder illicit proceeds. The DPRK features prominently on every globally recognized blacklist for non-compliance with AML/CFT standards.

## CIVIL SOCIETY AND SOCIAL PROTECTION

There is no evidence that the DPRK devotes any resources to the treatment or social protection of victims of organized crime, including the rehabilitation of people who wish to stop consuming drugs. Most international NGOs operating in the DPRK work in the humanitarian sector, but there are none that work on countering organized crime or supporting victims of organized crime.

The DPRK is among the least-free countries in the world for independent media and civil society. There is no space for civil society organizations or journalists to address grievances or societal issues that are opposed to the interests of the ruling party. Information flows are strictly controlled, and penalties may be imposed on anyone who views, reads or listens to content provided by a media outlet outside the country.

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