



Executive Summary

If 2018 saw the Korean Peninsula emerge from the chrysalis of crisis into the butterfly of hope, 2019 saw this hope – emerging about every decade – flicker out of existence at the Hanoi Summit. For Choson Exchange, we always hope for the best, plan for the worst, and keep faith that for all parties to the issue, a negotiated outcome is needed to secure peace, prosperity, and security. This can take years. This can take decades. And we should plan for our work with that time frame in mind.

Operationally, the challenges that accumulated since 2016 has only worsened. Sanctions compliance and US visa requirements for visitors to the Democratic People's Republic of Korea (DPRK) have driven up costs, placed hurdles to Koreans attending programs overseas, and deterred volunteers from participating in programs. Sponsors have yet to return in any meaningful way since 2016.

Despite this, we had some record-breaking number of DPRK attendees at our conferences in the country. Collectively, in-country programs such as the DPRK Business and Policy Forum, the DPRK Innovation Week and the Unjong Startup Festival saw 422 participants by 46 workshop leaders.

We also had several firsts: bringing DPR Koreans for the first time to the St. Gallen Symposium in Switzerland for an intergenerational dialogue on economic change, bringing a Southeast Asian delegation led by ex-Singapore Foreign Minister George Yeo to DPRK, and initiating a dialogue with the World Economic Forum as a member of its Global Future Council.

In 2020, we expect a potential return to escalatory tensions between the US and the DPRK. The operating environment will become more challenging. But our goal of promoting economic experimentation, two-way knowledge exchange and a better future remains. We will

continue investing in this future through the challenges that come our way.

To guide our way forward over the long-term horizon, our team came together and distilled the principles that should guide our work in the years to come. We agreed on a core set of principles that have guided our work over the years and which will continue to guide our work. Our key value stems not just from proposing creative ideas for the Korean Peninsula, but our unique ability to operationalize them through a vast and diverse relationship network our team has cultivated over the years. We believe we should:

1. Enable better lives for the Korean people by encouraging economic experimentation
2. Create two-way knowledge exchange: drive innovation in the country, humanize the image of Koreans and cultivate foreign expertise on the country
3. Encourage DPRK integration into the world as a responsible global citizen
4. Be the number one implementation experts of innovative ideas through operational expertise in-country and by maintaining the strongest networks inside and outside the country
5. Drive towards strategic outcomes and sustainability by maintaining superior financial health with scalable and repeatable platforms



On behalf of
Choson Exchange volunteers

2,700+

KOREAN PARTICIPANTS

130+

PARTICIPANTS IN 2019'S LARGEST WORKSHOP

67

PROGRAMS IMPLEMENTED

193

IN-COUNTRY VOLUNTEERS JOINED

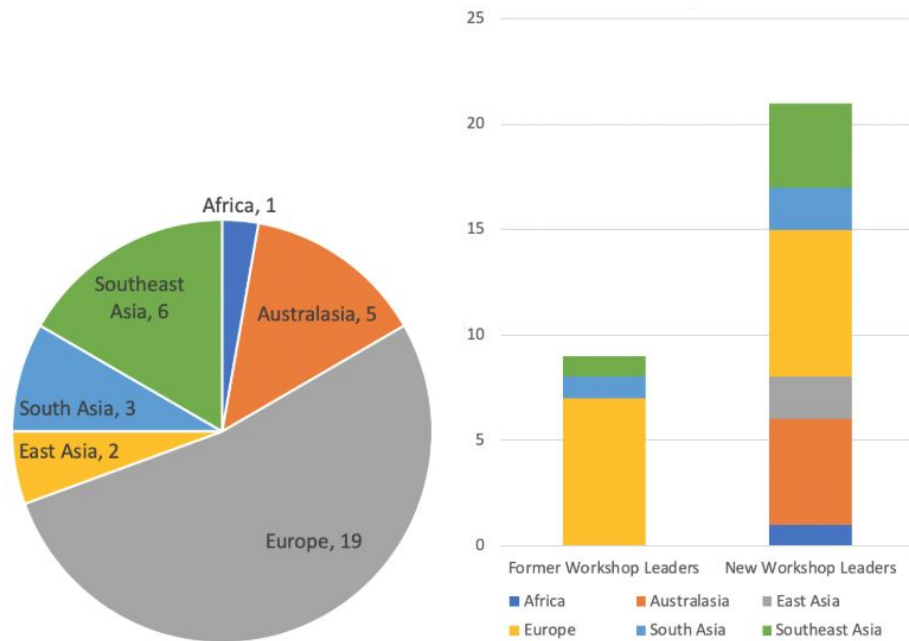
(all since 2010)



Our Volunteer Community

Many of our volunteers come to us through word of mouth. This brings benefits, including using personal recommendation to establish confidence that the participants will add value, but in previous years it has meant a focus on core countries like Singapore where many of our staff are based.

This year we had a much wider pool of applicants, and ultimately selected 29 workshop leaders from 13 countries, supported by six CE volunteers and staff. New workshop leaders came from a broader range of countries, including India and Nigeria. In 2020, we have put processes in place to leverage our volunteer community for exponential applicant reach.



Participants

This year broke new records for applicant reach. Over our three conferences, we had an attendance of 322 DPRK Koreans, plus an estimated 110 attended a special lecture series by the ex-Foreign Minister [George Yeo's delegation](#).

Gender split

Cultural factors in the DPRK mean that unless we run a programme specifically targeted at women, our audience tends to be overwhelmingly male. As we were unable to run a Women In Business program this year, we saw this pattern again, with an 80% male - 20% female split. We aim at some point to tailor a program for a female audience again.

Conference	Female	Male	Grand Total
Unjong Startup Festival	8	85	93
Pyongyang Urban Innovation Week	32	110	142
DPRK Economic Forum	25	70	95

Repeat participants

20% of our participants were returners from previous years. We are also building up a core of repeat workshop attendees who share our work within their organizations. 8 participants attended more than one workshop this year, and overall we now have 16 participants who have attended 5 or more Choson Exchange workshops since 2013.

Category	Female	Male	Grand Total
New	54	204	258
Returner from last year	2	25	27
Returner from before 2018	8	29	37
Grand Total	64	258	322



Programs

Encouraging Dialogue with Ex-Singapore Foreign Minister George Yeo

George Yeo, chairman of Kerry Logistics and former Minister for Foreign Affairs, Trade and Industry, Health and Information, Communications and the Arts for Singapore, led a Choson Exchange delegation including business leaders from Myanmar, Thailand, Singapore and Cambodia.

As the Minister of Trade and Industry from 1999 to 2004, George Yeo included the Kaesong complex into the Singapore-Korea Foreign Trade Agreement (FTA), which later expanded into the ASEAN-Korea FTA.

The purpose of this trip was to sightsee, learn more about the current situation in the country, and to engage with students and professors in educational exchange and discussions.

100+ professors and students from International Relations departments at Kim Il Sung University, Pyongyang University of Foreign Studies and the newly reopened Academy of International Relations joined the distinguished delegation for a wide-ranging dialogue with our panelists on topics ranging from good

governance and difficult policy decisions to negotiations, corruption, philanthropy and logistics.

We also had the privilege on this trip to meet with the British, Cambodian and Chinese Ambassadors to the DPRK, who shared with us their knowledge of the country.

George Yeo once described DPR Koreans as "remarkable people" and "dignified, hardworking, super keen". We were honoured to have a former foreign minister with a keen interest in inter-Korean reconciliation join us. To learn more, read our blog [here](#).



St. Gallen Symposium

The [St. Gallen Symposium](#) is an international conference organized by the St. Gallen Symposium Foundation. It is a unique event with a strong ethos of intergenerational dialogue. [This year's topic was "Capital for Purpose."](#) The Symposium is chaired by Lord Griffiths, vice-Chairman of Goldman Sachs International, and Dominic Barton, former Global Managing Director for McKinsey & Co.

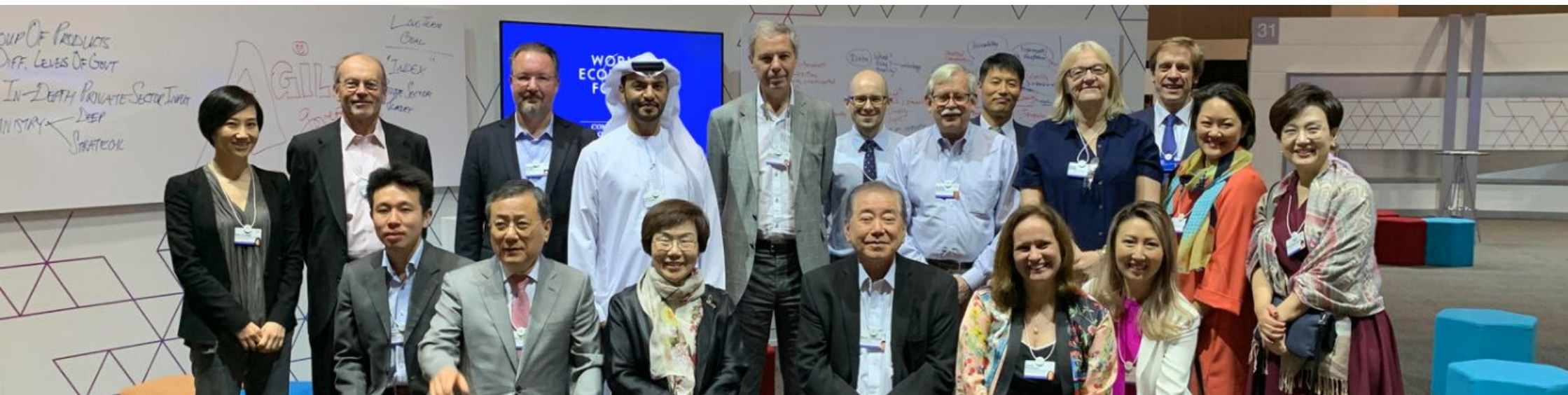
The Koreans met Dominic Barton, who expressed keen interest in an inter-Korean economy. They hosted a session moderated by Choson Exchange on the topic of "Change" in DPR Korea. The interactions were helped greatly by the warm, open and relaxed atmosphere at the Symposium. For more information, read our blog [here](#).

Choson Exchange is proud to have brought DPR Koreans to participate in a historic first at the St. Gallen Symposium. The symposium has a long history of progressive thinking, respectful intergenerational dialogue, constructive discussion of ideas, and holistic thinking. Conferences like this are encouraging platforms for constructive, effective, and mutually beneficial grassroots engagements with DPR Koreans.

This unique event can become an open platform for the DPRK to engage in consistent economic dialogue with the international community going forward, both learning from ideas from around the world and also contributing their perspective on a vision for DPRK's interaction and place in the world.

Seven years ago, Choson Exchange attempted to bring DPR Koreans to the St. Gallen Symposium but stakeholders took time to warm to the idea. Thank you to all our partners who helped make this new platform for economic dialogue with DPRK possible.





Choson Exchange at World Economic Forum's Global Future Councils

In November, Choson Exchange was represented at the World Economic Forum's (WEF) Global Future Council for the Korean Peninsula held in Dubai. While many on the Council had a pessimistic outlook on where negotiations were heading, the Council still discussed many optimistic ideas on improving the state of inter-Korea peace. We are grateful that Choson Exchange is now involved with GFC.

We believe the WEF, with its commitment to improving the state of the world and a highly collaborative platform for leaders of stakeholder groups from around the world, is an important platform for discussing peace and development on the Korean Peninsula, and one pathway for helping DPR Koreans integrate into the world as good global citizens. Learn more [here](#).

Unjong Startup Fest

The area of Pyongsong City next to the Unjong Special Economic Zone is a major trading hub and home to many smart entrepreneurs who are working on business ideas for the domestic economy. The Choson Exchange/PYS Ventures Unjong Startup Festival was held in Unjong Park near Pyongsong from 16 to 23 November 2019.

Unjong Startup Fest at a Glance

- 11 Workshop Leaders + 2 Choson Exchange Staff
- Almost 100 North Korean participants primarily drawn from early stage companies or teams at an ideation stage
- 13 presentations: theory, group work, case studies and live demonstration.
- 13 business plans developed and pitched

We saw a high turnout of participants with over 100 registrations from almost 50 different technical and research institutes. Our delegation of 13 was drawn from 9 countries and included senior figures with professional experiences from global

companies such as McKinsey, Boston Consulting Group and Shell, volunteering in their private capacities.

The successful mentoring style of previous workshops was combined with a modern conference format divided into two concurrent series: Core Theory and Best Practices. Days were themed, beginning with an introduction to entrepreneurship, moving on to sessions around building up businesses and selling products, and finally co-creation and pitching.

New Program Format

Pyongyang Urban Innovation Week

This programme started life in August 2009 as the Pyongyang Architecture Workshop. A decade on, it has widened its remit to become the Pyongyang

Urban Innovation Week, with record attendance: so much so that we had to move to our biggest venue ever, an 800-seater auditorium in the Grand People's Study House, Pyongyang.

We saw a record 175 Koreans sign up to attend our Pyongyang Urban Innovation Week, with around 130+ attending a three-day workshop with our volunteer workshop leaders. This is indicative of growing awareness of our work in North Korea.

The Pyongyang Urban Innovation Week aims to train Korean government officials, entrepreneurs, and academics in business-related topics. Participants were drawn from state-owned enterprises, ministries, and policy departments, and anecdotally we were told that a significant draw was topics related to project financing. Once again, we had a strong group of workshop leaders, with a diverse range of backgrounds including retail management, finance, branding, and tourism. Learn more [here](#).



Public Outreach

Media

Contributing to the public understanding of how entrepreneurship in the DPRK can lead to better opportunities for ordinary Koreans remains a mainstay of our work. In 2019, Choson Exchange was cited in the media more than 38 times.

Here are some reads:

Date	Lang	Title	Outlet
Feb 11	English	Tale of Two Cities: Hanoi May Offer Example of Reform to Pyongyang During Summit	Voice of America
Feb 18	English	Can North Korea copy Vietnam's economic miracle?	South China Morning Post
Feb 26	English	Trump-Kim summit: What North Korea can learn from Vietnam's women	BBC News
Feb 27	English	You can make a difference in North Korea. Here's how	World Economic Forum (blog)
Mar 4	English	Myanmar Tycoon Serge Pun Joins Panel in North Korea	The Irrawaddy News Magazine
Apr 23	Korean	북미정상회담: 평양이 '매력 도시'로 재탄생할 수 있을까?	BBC Korea
Aug 6	Mandarin	带朝鲜年轻人到瑞士“取经”	Zaobao SG
Aug 9	Spanish	ALGO SE MUEVE EN COREA DEL NORTE	Expansión

The image shows a screenshot of a BBC News article. At the top, the BBC logo is visible along with navigation links for News, Sport, Reel, Worklife, Travel, and Future. The article title is "Trump-Kim summit: What North Korea can learn from Vietnam's women" by Laura Bicker, dated 27 February 2019. Below the title, there are social media sharing icons for Facebook, WhatsApp, Twitter, and Email, along with a green "Share" button. A video player is embedded in the article, showing a woman (Ms. Thanh) smiling. A caption below the video reads: "Entrepreneurs like Ms Thanh are the lifeblood of Vietnam's economy". At the bottom of the screenshot, a text box states: "As US President Donald Trump and North Korea's leader Kim Jong-un prepare for a historic summit in Vietnam, the BBC takes a look at how the host country could act as a role model for North Korea's future."

Productive Pyongyang ● A Research on its Recent Urban Transformation



City in Transition: Pyongyang Street

1

Introduction: Objectives & Methodologies

There has been a significant level of urban and infrastructure development in the DPRK over the past six years. This includes the construction of new streets in Pyongyang to new thematic zones in other parts of the country—Tourism Zone in Wonsan, Research Zone in Unjong Park, Gateway City in Sinuiju, etc. In addition to new construction, there has been a significant amount of urban regeneration, including the rehabilitation of Taedong River. Apart from physical development, the planning departments are drafting a city-wide sustainable and regeneration plan.

The increased interest in development has led Choson Exchange to conduct several design and urban policy workshops over the past four years. These workshops exposed selected North Korean policy makers to an integrated approach—combining economic and physical planning—towards policy making. Building on Choson Exchange's training program and on-the-ground interactions, this urban economic research was carried out to track Pyongyang's urban transformation over the past few years in a data-driven and quantitative way. It aims to establish an understanding of the socio-economic value of these developments, and the correlation between space and business activities. More importantly, this research aims to assist policy planners and potential foreign investors to understand the key projects for Pyongyang's future development.

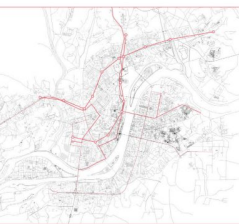
Research findings have been generated through the following methods:

- Local interactions through Choson Exchange training program
- Constructing a digital Pyongyang Map, Cartographic mapping and data simulation
- Questionnaire interviews with local stakeholders

The Choson Exchange training programs provide an opportunity to understand current urban development projects and directions in Pyongyang, while exposing participants to best practices in development. Various local and overseas training programs have been conducted over the years, including the most recent real estate focused workshop in Pyongyang and the Future Cities Summit in China and Hong Kong in August 2018.

The cartographic mapping used information from GIS (Global Information System) and aerial maps to analyse and draw conclusions from the following factors: plot ratio, proximity to transportation nodes, social amenities, commercial spaces, public spaces, etc. In addition, a simulation which measures urban connectivity was also used in the cartographic analysis. Given the incomplete data available online, a digital Pyongyang map, building upon existing available information, was created in order to run the various analysis.

Introduction: Objectives & Methodologies



Pyongyang Public Transportation Lines
Metro — Trolley Bus — Tram

17 Current Strengths and Development Priorities



Pyongyang: Connectivity Simulation

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Our research

In addition, Choson Exchange continued to publish key insights from engaging with the DPRK on our blog. Some of 2018's highlights include:

October 2019: [Capacity Building for Peace and Economic Integration \(excerpt\)](#)

Our colleague and researcher Bryan Tan has published a research note for future South Korean administrations. His note looks at South Korea's economic initiatives vis-a-vis North Korea, and suggest areas where capacity building can be pursued to support peaceful economic integration. A draft truncated public version prepared for the World Economic Forum's Global Future Council is [attached here](#).

February 2019: [Productive Pyongyang: A Research on its Urban Transformation](#)

Building on Choson Exchange's training program and on-the-ground interactions, this urban economic research was carried out to track Pyongyang's urban transformation over the past few years in a data-driven way. It aims to establish an understanding of the socio-economic value of these developments, and the correlation between space and entrepreneurship. We hope this research assists policy planners and developers in understanding the key infrastructure projects that will drive Pyongyang's future development.

The real estate and urban planning sector continues to be an important area of focus for Choson Exchange. Find out more by also reading the inaugural CE Insights Thought Leadership Series on [North Korean real estate](#).

What's Next

In 2020, we expect to expand our relationships in the provinces, notably with Kangwon Province which covers the Wonsan-Kalma and Gungang Mountain Area. We started programs in Wonsan in 2013 and expect to return to cultivating a multi-year relationship in this key area. We also expect to expand our programs and relationships to several institutions new to our work.

Overseas, we plan to execute on our platform strategy through programs that encourage not just learning, but active collaboration between DPR Koreans and a wider range of partners. We plan to introduce several new learning and networking platforms that will drive a strategic agenda for change.

