



Life & Human Rights Books

Citizens' Alliance for North Korean Human Rights

MADE IN CHINA:

**How Global Supply Chain
Fuels Slavery in
North Korea's Prison Camps**
The Case of Chongori Kyohwaso No.12

Author & Investigator Dr. Joanna Hosaniak

Co-investigators Ji-yoon Lee | Bitna Kim | Euvin Kim

Made in China:
How Global Supply Chain Fuels Slavery in North Korea's Prison Camps

The Case of Chongori Kyohwaso No.12



Citizens' Alliance for North Korean Human Rights
Life & Human Rights Books

Donations

If you wish to support our mission, international supporters can contribute via Paypal while residents of South Korea can make domestic donations. Thank you for your support!

Foreign Donations:

PayPal (Only from Abroad & Non-Korean Cards accepted):

<https://www.paypal.com/ncp/payment/4QE99UBWNGPYL>



Domestic Donations:

Beneficiary Account Number: 533337-01-002653

Bank name: KB Kookmin Bank

Beneficiary Name: NKHR

Address: Sodaemun, 131 Tongil-ro Gonghwa Bldg. 10 F, Seoul, 03735, The Republic of Korea

Tel: 82-2-723-1672

Bank Address: 53 Chungjeong-ro, Sodaemun-gu Seoul, 03736, The Republic of Korea

SWIFT BIC: CZNBRSE

MADE IN CHINA:

How Global Supply Chain Fuels Slavery in North Korea's Prison Camps

The Case of Chongori Kyohwaso No.12

Author & Investigator

Dr. Joanna Hosaniak

Co-investigators

Ji-yoon Lee

Enslavement, analysis tables, perpetrators, documentation management

Bitna Kim

Killing and extermination, Chinese and North Korean companies tracking

Euvin Kim

Sexual violence, sanctioned goods and companies

International criminal law experts

Maxine Marcus

International prosecutor, Co-founder of Partners in Justice International

Dr. Kathleen Roberts

Victims' attorney, Co-founder of Partners in Justice International

Seoul, 2024

Citizens' Alliance for North Korean Human Rights (NKHR)

Life & Human Rights Books

Published by Citizens’ Alliance for North Korean Human Rights (NKHR)
First published in August 2024 by Life & Human Rights Books, Seoul, ROK
Copyright© Citizens’ Alliance for North Korean Human Rights
Printed in the Republic of Korea

Published in English and Korean
Designed by Eui Hwan Cho and Sook Yi Oh

ISBN 978-89-88378-46-5

- 1. North Korea
- 2. Forced labor
- 3. Crimes against humanity

The scanning, uploading and distribution of this book via the Internet or via any other means is recommended.

Citizens’ Alliance for North Korean Human Rights (NKHR)

10F, 131 Tongil-ro, Sodaemun-gu, Seoul, 03735, Korea
TEL: +82-2-723-1672, 2671 FAX: +82-2-723-1671
E-mail: nkhr@naver.com
Website: <http://www.nkhr.or.kr>

“To forget the dead would be akin to killing them a second time.”

- Elie Wiesel -

**In memory of the nameless victims burned on Pulmangsan Mountain
in Chongori Kyohwaso No.12**

About NKHR

Established in 1996, the Citizens' Alliance for North Korean Human Rights (NKHR) has been instrumental in advocating for the creation and reporting mechanisms such as the UN Special Rapporteur on North Korean Human Rights, the UN Commission of Inquiry for the DPRK, and the UN Panel of Experts on Accountability. With extensive experience in negotiating DPRK resolutions, reporting, and providing briefings for UN treaty bodies and the Universal Periodic Review, NKHR has also supported UN special and thematic procedures. The organization played a key role in internationalizing North Korean human rights issues by forming a network of NGOs across the US, Europe, Southeast Asia, South America, and Africa. As a member of AFAD and ICAED, it champions the resolution of enforced disappearances. NKHR has presented 107 cases to the UN Working Group on Enforced Disappearances. The cases involved enforced disappearance of South Korean nationals conducted by North Korea after the Korean War, as well as instances involving Koreans from Japan - victims of the "Paradise on Earth" forced displacement operation. In 2021, NKHR joined in partnership with Partners in Justice International (PJI) whose mission is to strengthen justice processes for victims and survivors of grave crimes such as crimes against humanity, war crimes, and genocide by providing practical support to serious crime prosecutors, victim representatives, and investigators working in post-conflict and post-dictatorship jurisdictions.

NKHR's domestic mission is to offer educational and integration support for North Korean children and youth resettling in South Korea, as well as to create better integration for South and North Korean young generations. Since 1998, it has been visiting Hanawon, a Ministry of Unification-affiliated facility, conducting educational and integration projects every weekend. Additionally, NKHR provides academic and career mentoring, along with leadership programs that include education on transitional justice and transformation processes. The organization has also hosted art exhibitions and music concerts to support young North Korean artists and foster collaboration with South Korean artists.

About the Authors

Joanna Hosaniak has been with the Citizens' Alliance for North Korean Human Rights since 2004, currently working as the Deputy Director of the organization. She holds an MA in Korean Studies from Warsaw University and a Ph.D from Sogang University GSIS. She is an author of various reports on the situation of human rights in North Korea with 20 years of experience in advocacy, including contribution to the establishment of the UN Commission of Inquiry on Human Rights in the DPRK.

Ji-yoon Lee, the Senior Program Manager at NKHR, holds an M.A. in International Affairs from George Washington University. Since May 2017, she has been part of the Campaign Team, leading efforts in investigating enforced disappearances and overseeing accountability projects.

Bitna Kim received her M.A. in International Security from Sciences Po Paris and worked for the South Korean Embassy in Serbia. She has been with the Campaign Team since March 2023 currently focusing on supply chain investigation.

Legal Disclaimer:

The mention of any individual, company, organization, or other entity in this report does not imply the violation of any law or international agreement, and should not be construed as such.

Index

Executive Summary 10

I. Introduction 14

1. The North Korean Criminal Enterprise: Enslavement Fueled by Slave Trade Between North Korea and China 14
2. Methodology for Assessing Criminal Responsibility and Evasion of Sanctions 18

II. Chongori Kyohwaso No 12: A Slavery Corporation Producing Goods Made in China 24

1. Persecution of North Korean Women: The Expansion of Chongori Prison, Chain of Command, and the Role of Chinese Investments 24
2. The Roles of Ministry of State Security (MSS) and Ministry of People's Safety (MPS) in the Custody of Prisoners of Chongori Kyohwaso 29
3. Chongori Prison: A Slavery Corporation 33

III. Joint Ventures Between China and North Korea in the Context of Global Supply Chains 45

1. Manufacturing Goods Through Outward Export Processing 50
2. Dandong and Hunchun: Two Hubs for North Korean Government Activities in Forced Labor and Prison Outsourcing 54
3. Thriving Joint-Ventures Between North Korean and Chinese Businesses 58

IV. Implications 66

1. Implications for International Community 66
2. Implications for Companies and Global Supply Chain and Responsibility of the States 69
3. Implications for Accountability 73

V. Recommendations 77

Acknowledgments

This report is the result of a collaborative effort, primarily led by the Advocacy Team of the Citizens' Alliance for North Korean Human Rights (NKHR). It involved extensive hours of transcribing and translating, compiling evidence on crimes against humanity, analyzing gaps, following up with witnesses, and conducting open-source investigations to track companies.

First and foremost, we must express our deepest gratitude to the Partners in Justice International (PJI) Team: Max Marcus, Kathy Roberts, Ross Tugade, Kimberly Motley, and PJI's dedicated legal fellows. Collaborating with Kathy, the victim's attorney, Max, an international crimes prosecutor, and a South Korean attorney who wishes to remain anonymous, has not only enhanced our skills but also instilled confidence in the professionalism of our investigation and analysis, which form the foundation of our case theory and supporting evidence. This project forged a deep bond of trust and friendship that is rare within this community. While much work still lies ahead, we remain optimistic that this project will create a lasting legacy on the journey to justice for victims.

We also express our gratitude to the extended family of NKHR, including Jinseul Jun, Soonam Lee, and the dedicated team of translators and interpreters who contributed countless hours to the legal investigation in the last three years. Our appreciation also goes to NKHR's consultants, Dr. Daye Gang and Dr. Myunghwa Lee, who participated in PJI's mentoring and provided support throughout the missions with PJI Team. Daye has remarkably earned her Ph.D. and become a practicing attorney in Australia during these past few years. We also thank our colleagues at the Transitional Justice Working Group, especially Dr. Hee-seok Shin, whose assistance in the project's initial stages helped us establish connections within the legal community in South Korea.

We owe a great debt of gratitude to our journalist colleagues, especially Mr. Seung Jae Kim, Executive Director of YTN's News Production Department. His earlier investigation into textiles outsourced for production in North Korea and his expertise in the underlying mechanisms

guided us in the end of the investigation.

After two decades of working as an investigator on the NKHR's Team, I remain profoundly humbled by the resilience of the North Korean victims' community in South Korea whom NKHR wishes to thank for their testimonies and patience. Despite minimal support from both the South Korean and international governments in pursuit of judicial forms of accountability, these individuals continue to advocate tirelessly for it. Some victims have even insisted on video recording their testimonies, fearing they may never live to see cases of crimes against humanity brought to court, be it domestic or international. Regardless of whether they are being interviewed for the evidence gathering process, the physical and psychological effects of torture they endured continue to haunt them daily. In spite of the traumatic memories they carry, many victims were reluctant to end the interviews, eager to fully tell their story. It is alarming how little is being done to address these issues through a victim-centered approach to justice. After years of closely observing the victims' community, it is evident that the shift in the narrative to non-judicial forms of accountability, while deliberately neglecting criminal justice for trivial political motives, represents a total abandonment of this community. These survivors have long awaited recognition and support through transformative and empowering justice.

Executive Summary

This investigation highlights the prolonged and widespread use of slavery practices in the Democratic People's Republic of Korea (DPRK/North Korea), orchestrated by state mechanisms and foreign partnerships. These practices have significant implications for global supply chains and international law, such as the Rome Statute of the International Criminal Court. Notably, we identify crimes against humanity currently occurring in the detention facilities of the Ministry of State Security (MSS/secret police) and Ministry of People's Safety (MPS/police) where individuals are subjected to enslavement for the production of export goods. This case study examines MPS Chongori Kyohwaso No. 12 in North Hamgyong Province, highlighting patterns observed throughout North Korea's prison-related supply chains. The evidence gathered by NKHR, which forms the basis of this report, relates to crimes against humanity committed in North Korea in and around Chongori Kyohwaso after December 2007, when the Republic of Korea's International Crimes Act was enacted (Act No. 8719, Dec. 21, 2007).

1. Legal Manipulation for Enslavement: North Korea strategically exploits legal frameworks by introducing new laws or intensifying penalties within the DPRK's Criminal Code to legitimize its persecution. The Ministry of State Security targets civilians for alleged anti-state crimes,

including illegal border crossings, religious practices, accessing foreign content, currency exchange, or attempts to flee to the Republic of Korea (ROK/South Korea). Detainees are classified by *songbun* (socio-political caste), political beliefs, religion, or gender, with their sentences and type of detention determined by MSS without any judicial oversight. Sham trials are conducted solely for inmates transferred to MPS police prisons (*kyohwaso* or *dallyeondae*). Legislative changes and the open borders for trade, export, and deportations allow North Korean authorities to expand detention facilities, thereby increasing their capacity for forced labor there, a historical trend that is further evidenced by satellite imagery.

2. Collaboration with China in the Slave Trade: The Chongori prison camp, situated near the Chinese border, is linked to state trade companies holding export licenses that generate foreign currency for the North Korean regime. These companies engage in joint ventures with Chinese firms, which supply raw materials to Chongori from a nearby Rason Economic Zone, labeling the finished products as “Made in China” to conceal their true origin. Employees from these joint ventures oversee production within the prison. Chongori prison produces various goods, including wigs, eyelashes, rattan bags, hats, sportswear, and other garments. Women are specifically targeted for detention, as Chongori predominantly depends on their labor for sewing, weaving and the production of hand-made wigs and false eyelashes. Both the DPRK and China facilitate the state-sanctioned trafficking of North Korean women, allowing their security forces to collaborate in the targeting, arrest, cross-border transportation, and enslavement of individuals detained in North Korea for profit. Approximately 80% of Chongori’s inmates are women who have been deported from China and enslaved to serve the interests of Chinese and North Korean businesses.

3. Ownership of Prisoners and High Mortality Rates Amidst Profitable Exports: The system of ownership begins at the point of arrest, as detainees fall under the custodial authority of the MSS and MPS. Prisoners endure severe violence, including sexual assaults, forced nudity, rapes, forced abortions, beatings, and extrajudicial killings. Many are compelled to work up to 20 hours a day to meet export quotas for goods sent to China. Those who fail to meet these quotas face reduced food rations as punishment, exacerbating existing malnutrition and related diseases. Additionally, exposure to chemicals and long hours without movement in unventilated, hazardous environments results in occupational illnesses. Consequently, approximately one-quarter of Chongori’s population is exterminated annually. Testimonies indicate that the number of deaths is several times higher than the official North Korean mortality rates statistics. The deceased are desecrated and incinerated on Pulmangsan Mountain, with families left uninformed of their loved ones’ deaths. Profits from goods exported under conditions of slave labor are funneled to Pyongyang, with detention centers retaining 10%. Chongori maintains numerous fields for

growing crops and vegetables, as well as raising animals and bees, employing detainees to farming and cutting trees throughout the year. The majority of these products are provided to MPS officers, commandants, and soldiers who operate the facility.

4. Penetration of Slave-Made Goods into Global Supply Chains: Despite trade restrictions, goods produced through forced labor in North Korean detention centers with some involving foreign brands, continue to enter Western supply chains, often sold online. Chinese businessmen looking for partners openly advertise these goods as made in North Korea to highlight the lowest cost of production. Companies in Rason Economic Zone serve as a cover for illicit activities outsourcing production further to detention facilities. China employs a unique permission system for outsourced production. Chinese customs data reveal that North Korea is the only country from which wigs and eyelashes are imported through outsourced production, obscuring their true origin. These products are marked as ‘Made in China.’ Consequently, despite the trade prohibitions on goods produced through forced labor in many countries, authorities in other regions often overlook these items due to the lack of detailed descriptions.

5. Links to Illicit Trade and UN Sanctions Violations: Many Chinese companies involved in the trade of goods produced through forced labor in prison camps continue to maintain joint ventures with North Korean state enterprises, violating United Nations Security Council Resolutions.¹ These North Korean companies, which trade in wigs, eyelashes, rattan bags, garments and other goods sourced in part from prison camps, have previously been flagged for their illicit activities. They help sustain slush funds for the North Korean regime and operate forced labor schemes that financially support the country’s weapons program.

6. Implications for Criminal Responsibility: The evidence points to the individual criminal responsibility of officials at the highest level of the North Korean regime all the way down to low and mid-level officials in and around Chongori. The evidence indicates that Party and Ministry officials are complicit in maintaining this oppressive system through the design and enforcement of currency acquisition quotas (*waku*). They execute these plans by distributing quotas, licensing state-run enterprises for trading, and overseeing prosecutors, judiciary, and security forces. Government owned enterprises engage in trading goods obtained through detention facilities, sharing profits with higher authorities, perpetuating the system. Multiple businesses may face future criminal trials for aiding and abetting crimes against humanity linked to this trade network.

¹ UN Security Council, UN Security Council Resolution 2375, S/RES/2375, paragraph 24, (September 11, 2017), <https://documents.un.org/doc/undoc/gen/n17/283/67/pdf/n1728367.pdf>.

Foreign companies outsourcing production to China may be knowingly neglecting due diligence when their manufacturing is subcontracted to North Korea and from there to prison camps.

7. Legal Avenues for Victims: The Republic of Korea, as a signatory of the Rome Statute, allows for prosecution of international crimes under its jurisdiction through the Act on Punishment of Crimes under Jurisdiction of the International Criminal Court (Act No. 8719, Dec. 21, 2007, amended by Act No. 10577, Apr. 12, 2011). This Act applies to both Korean nationals and foreigners committing crimes specified in the Act within South Korea or abroad, allowing for prosecution in cases connected to DPRK crimes. Similar to victims in Syria and Myanmar, who have been pursuing justice through universal jurisdiction in countries like France, Germany, or Argentina, there are no legal obstacles for the North Korean victims to pursue justice in South Korea. However, South Korea has never tried the cases of crimes against humanity despite its legal obligations. Acts committed in and around Chongori from 2007 onwards could form a first crime against humanity case to bring empowering and transformative justice to the victims.



Introduction

1. The North Korean Criminal Enterprise: Enslavement Fueled by Slave Trade Between North Korea and China

The North Korean leadership operates a criminal enterprise, which enslaves civilians to facilitate production of goods for export, through which it acquires foreign currency to fund the regime. Frequent modifications to the North Korean Criminal Code constitute part of the *modus operandi* of this scheme. Introduction of new anti-state crimes or increasing sentences for the existing ones provide a pseudo-legal framework that allows the security forces, namely, the Ministry of State Security (MSS/secret police) and Ministry of People's Safety (MPS/police) to justify systematic targeting of the North Korean population. This widespread and systematic attack is operationalized through mass imprisonment and enslavement within detention facilities operated by MSS and MPS.²

². The later chapters provide evidence on mass imprisonment and enslavement as elements of crimes against humanity under international criminal law.

As an integral part of the North Korean economic system both MSS and MPS are granted an effective ownership over the individuals imprisoned on the basis of their political opinion, religion, gender, and/or *songbun* (socio-political caste). Control of these individuals is sustained through a system of violence, including sexual violence. The operation of this scheme extends to the highest levels of state authority and generates profits for individuals and institutions involved in planning, coordinating, and managing it while feeding a global supply chain of goods. These are not merely the excesses of individuals abusing power for individual economic gain; rather, there is a deliberate criminal scheme orchestrated at the highest levels of leadership, government, party, the military and security forces of North Korea.

This report outlines how the Democratic People's Republic of Korea (DPRK or North Korea) has been operationalizing crimes against humanity, highlighting the role of the transnational supply chain that sustains this system. Crimes against humanity are defined as acts that are committed as part of a widespread or systematic attack directed against any civilian population, with knowledge of the attack. This definition was codified in the 1998 Rome Statute of the International Criminal Court (Rome Statute). In the case of North Korea, this attack is performed through a system of slavery embedded within the state's machinery that is profiting from crimes against humanity. The fact that these actions are carried out systematically indicating knowledge from the highest levels of leadership demonstrates the state's complicity in these crimes, and that the criminal enterprise is the state's policy. It also highlights the severity and scale of the attack, which are not isolated incidents but rather part of a larger systematic plan. The plan is carried out through the enslavement of populations in the vast network of detentions, particularly in *kwalliso* political prison camps operated mainly by MSS, and in the long-term prisons *kyohwaso*, operated by MPS. The political prison camps produce the top commodities for export, which are often the target of the most restrictive international sanctions, such as coal and other minerals. Their export has been enabled for many years through Russia and China.³ In addition, the *kyohwaso* prisons serve also as significant production sites, reportedly manufacturing fish nets for the profitable seafood industry, or engaging in mining and lumbering activities. They also include the production of consumer goods for export, labeled 'Made in China,' such as wigs, eyelashes, knitted hats, clothing items and sports apparel, as well as rattan bags among others. Individuals caught in this system are regarded as expendable resources for labor exploitation and profit generation. If

3. Citizens' Alliance for North Korean Human Rights, *Blood Coal Export from North Korea: Pyramid Scheme of Earnings Maintaining Structures of Power*, (Citizens Alliance for North Korean Human Rights, 2020). <https://www.nkhr.or.kr/en/publications/nkhr-research-reports/blood-coal-export-from-north-korea-pyramid-scheme-of-earnings-maintaining-structures-of-power/>.

they die in slavery, they can easily be replaced within a system of persecution aimed at sustaining the state's economic operations.

The system of slavery operated by the DPRK is expressly forbidden by international law. Unlike forced labor, slavery involves an element of ownership over individuals who are coerced into performing the labor. While forced labor is a part of enslavement, victims in the DPRK are subjected to many other acts which constitute acts of slavery in addition to forced labor, which only describes a portion of the harms. Article 7(1)(c) of the 1998 Rome Statute is informed by the definition of slavery established in Article 1(1) of the 1926 Convention to Suppress the Slave Trade and Slavery (Slavery Convention). These laws define 'enslavement' and 'slavery' as the exercise of 'any or all of the powers attaching to the right of ownership' over a person. In the report, the term 'enslavement' is often used, corresponding to the definition of enslavement as crime against humanity in the Rome Statute.⁴

During the investigation, we have also identified specific elements of the system that could be classified as slave trade or state-sponsored human trafficking with a purpose to enslave the individuals, currently taking place between the DPRK and China. Slave trade is prohibited by the Slavery Convention and the Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practice Similar to Slavery of 1956. The significant component of the slave trade is the perpetrator's intent to bring a person into a situation of enslavement. Although the Rome Statute only includes the definition of enslavement and does not provide an explicit definition of slave trade, legal analyses indicate a significant relationship between slave trade and enslavement.⁵ Above all, the prohibition against slavery, enslavement and the slave trade is a non-derogable (*jus cogens*) norm of international law.

The slave trade is also closely linked to human trafficking, as both involve the purpose of exploitation of individuals. The UN Convention Against Transnational Organized Crime with its additional Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, defines human trafficking as a transnational crime and severe human rights violation understood as the recruitment, transportation, transfer, harboring or receipt of persons by means of threat or use of force or other forms of coercion, abduction, fraud, deception or abuse

4. Article 7 (1) (c) Crime against humanity of enslavement, Elements of crimes, International Criminal Court, https://asp.icc-cpi.int/sites/asp/files/asp_docs/Publications/Compendium/ElementsOfCrime-ENG.pdf.

5. Patricia Viseur Sellers, Jocelyn Getgen Kestenbaum and Alexandra Lily Kather, "Including the Slave Trade in the Draft Articles on Prevention and Punishment of Crimes Against Humanity", Global Justice Center, October, 2023, <https://www.globaljusticecenter.net/wp-content/uploads/2023/10/Slavery-and-Slave-Trade-Expert-Legal-Brief-CAH-Treaty.pdf>.

of power for the purpose of exploitation.⁶ The definition of exploitation encompasses all forms of slavery, including forced labor, sexual exploitation and involuntary servitude.

The transnational criminal network of DPRK extends to state-sponsored human trafficking between the DPRK and the People's Republic of China, aimed at exploiting and enslaving individuals in North Korean detention camps for financial gain after they were arrested and deported by China. Such collaboration financially benefits the respective states by leveraging Chinese businesses for sourcing raw materials and fulfilling export production orders of Chinese goods in North Korean detention facilities to which many of these deported individuals are sent to. This pattern of profit rests on systematic and widespread violations of international law related to slave trade between the two countries.

Through special agreements between DPRK and China, both governments enable their security forces to collaborate in the targeting, arrest, cross-border transportation, and enslavement of human chattels in North Korean detentions. Chinese authorities have been actively participating in this scheme by arresting North Koreans, whom China labels as 'illegal migrants.' Despite claims from China's Ministry of Foreign Affairs that authorities merely address illegal migration by returning undocumented North Koreans, evidence indicates a significant level of coordination between Chinese and North Korean authorities and their security forces. China conducts thorough investigations of North Korean individuals arrested on its soil, with documented acts of torture occurring in its detention facilities during the interrogation. These investigations often focus on specific offenses, such as connections with religious groups (notably Christianity) or attempts to cross the border en route to other countries, with an aim to reach the Republic of Korea (South Korea). During the investigation, Chinese police segregate North Koreans according to alleged offenses, and notify North Korean customs operated by MSS to pick the human cargo at the border bridge on the designated date and time. According to the witnesses, the Chinese stamp changes color if an offense involves contact with Christianity or an attempt to escape to South Korea.

Chinese authorities have also been well aware of Chinese companies outsourcing production to North Korea in violation of international sanctions and exporting raw materials for production of wigs, fake eyelashes, rattan bags, or textiles to Chinese companies in Rason Special Economic

6. See full definition in Article 3 (a) of the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, <https://www.ohchr.org/en/instruments-mechanisms/instruments/protocol-prevent-suppress-and-punish-trafficking-persons>.

Zone. Chinese companies must secure special state approval to outsource production to North Korea. They often work through joint ventures with North Korean state enterprises, many of which maintain offices in China. The Rason Economic Zone represents a strategic initiative by the Democratic People's Republic of Korea that holds significant geopolitical and economic implications, particularly for Chinese leadership at both national and local Party levels. This special zone facilitates access for the landlocked Chinese provinces to the East Sea via Rason Port, enhancing regional trade links. Additionally, Rason is connected by rail to the Russian Far East, further integrating it into broader regional economic networks. Originally known as Rajin-Sonbong Free Economic Zone, the zone is characterized by its restrictions on foreign corporate participation; only firms invited by the DPRK government may operate within this framework. As such, this is very much an inter-governmental initiative and Chinese companies have to engage directly with the North Korean government to outsource the production, as all North Korean foreign trade companies belong to particular government entities, be it MSS, MPS, military organizations, the Cabinet, Party's entities, etc.

The evidence indicates that a significant portion of this production actually takes place not in Rason, but in the MPS *kyohwaso* prisons. Here, crimes against humanity are committed in collusion with personnel from Rason-based companies that manage China's production in these prison factories. The products created through large scale atrocities make their way back to China and from there to the world market.

2. Methodology for Assessing Criminal Responsibility and Evasion of Sanctions

To illustrate the mechanics of the system of enslavement, this report focuses on Chongori Kyohwaso No. 12, situated in North Hamgyong Province and on the crimes committed since 2007 in and around Chongori Kyohwaso prison. This facility is one of at least nine *kyohwaso* prisons confirmed to be in operation by the Ministry of People's Safety (MPS) with support of the Ministry of State Security (MSS).⁷ The case study highlights the process by which inmates are traded and transported between China and the Democratic People's Republic of Korea, as well as among the security agencies of the MSS and MPS. The MSS plays a crucial role in assessing

7. Dong Hui, Moon, "N. Korea continues to operate nine re-education camps throughout the country (북한 전국에 여전히 9개 교화소 운영...반동법 위반자 수감자 늘어)," Daily NK, January 15, 2024, <https://www.dailynk.com/english/north-korea-continues-operate-nine-re-education-camps-country/>.

sentences during pre-trial detention and carries out an initial selection of laborers designated to replenish prison camps, whether under MSS or MPS custody. Their practices of persecution based on *songbun*, gender, religion, or political opinion form the foundation for enslavement.

Our investigation into slavery system in North Korea and crimes against humanity that enrich the regime and sponsor weapons program began in 2017. By 2020, our findings were published in the *Blood Coal Export from North Korea. Pyramid Scheme of Earnings Maintaining Structures of Power*.⁸ The report exposed the system of generating revenue for the state through intergenerational slavery in North Korea's mining industry, affecting descendants of South Korean prisoners of war and political prison camp detainees. The report coincided with the aftermath of high-level US-ROK-DPRK summits, where North Korea demanded coal sanctions be lifted. Our findings revealed increasing coal production during the same time in political prison camps and exports to China and Russia. The findings indicated that lifting sanctions would only expand slavery by allowing goods linked to crimes against humanity further into global markets. Despite the challenging political climate, our findings did contribute to the first EU Human Rights Sanctions and inclusion of a paragraph on South Korean prisoners of war and their descendants in the UN Resolution on the Situation of Human Rights in the DPRK.⁹

This report marks the next stage of investigating crimes against humanity in North Korea's supply chain. Since September 2021, we have partnered with the Partners in Justice International (PJI) team to ensure our documentation meets court-admissible standards. During this project, NKHR and PJI needed to streamline the extensive range of evidence typically gathered by human rights organizations. This required that we look beyond particular thematic human rights violations, which are the primary focus of most human rights organizations, and adopt a comprehensive approach outlining the policies and institutions that have led to these violations in the first place and how different structures of the system and individuals involved in it operationalize - and profit from - the widespread and systematic attack on the civilian population.

In alignment with the belief that justice efforts should be rooted in the communities

8. Citizens' Alliance for North Korean Human Rights, *Blood Coal Export from North Korea: Pyramid Scheme of Earnings Maintaining Structures of Power*, (Citizens Alliance for North Korean Human Rights, 2020). <https://www.nkhr.or.kr/en/publications/nkhr-research-reports/blood-coal-export-from-north-korea-pyramid-scheme-of-earnings-maintaining-structures-of-power/>.

9. UN Human Right Council, UN Human Rights Council Resolution A/HRC/RES/55/21, Situation of human rights in the Democratic People's Republic of Korea, (April 9, 2024) <https://unwatch.org/wp-content/uploads/2024/05/Situation-of-human-rights-in-the-Democratic-Peoples-Republic-of-Korea.pdf>.

where victims reside, we have jointly embraced an approach that aims to deliver justice for international crimes as near as possible to the victims' homes. This meant for us focusing on national jurisdictions; and in particular, the Republic of Korea. Our approach aligned with the key recommendations of the Commission of Inquiry on Human Rights in the DPRK (COI), which recognized that the international community could only hold a limited number of high-level perpetrators accountable. Therefore, the COI emphasized the need for a parallel justice process led by Korean authorities once comprehensive political and institutional reforms were underway in the DPRK.¹⁰

North Korean victims, similar to those who have endured atrocities in Syria or Myanmar and sought justice through universal jurisdictions in France, Germany, or Argentina, also have the opportunity to pursue justice in the Republic of Korea, where many of these North Korean individuals currently reside. The Republic of Korea, as a signatory of the Rome Statute of the International Criminal Court, allows for the prosecution of international crimes within its own jurisdiction. This is made possible through the Act on Punishment of Crimes under Jurisdiction of the International Criminal Court (Act No. 8719, Dec. 21, 2007, amended by Act No. 10577, Apr. 12, 2011). This Act in Paragraph 3 applies to both Korean nationals and foreigners who commit crimes specified in the Act within the territory of South Korea or abroad. Consequently, the Act can be employed in a range of situations connected to criminal acts committed in the DPRK.

This report represents only a small part of our documentation, which provides valuable information that can lay the groundwork for further inquiries into the alleged individual criminal responsibility of various low-to mid-level authorities involved in and around Chongori Kyohwaso since 2007. Our evidence indicates that individuals directly and indirectly involved in this system may be held criminally responsible. The responsibility extends beyond those directly managing detention facilities, such as the Chongori Kyohwaso, to include security personnel in North Korea who orchestrate and enforce imprisonment for anti-state crimes based on discriminatory intent. It highlights the complicity of Party officials in maintaining this oppressive system by designing and enforcing currency acquisition quotas, as well as the Ministry officials who carry out this plan. The top officials send quotas to detention centers, grant licenses to state-run enterprises for trading goods, and oversee prosecutors, the judiciary, and security forces. The investigation also indicates that government enterprises engage in trading goods obtained through these methods, sharing the profits generated from foreign currency with higher authorities in the state, thus perpetuating

10. UN Human Rights Council, *Report of the detailed findings of the commission of inquiry on human rights in the Democratic People's Republic of Korea*, A/HRC/25/CRP.1, paragraph 1203, (February 7, 2014) <https://documents.un.org/doc/undoc/gen/g14/108/71/pdf/g1410871.pdf>.

the system. The network of companies overseen by both MSS and MPS, alongside North Korean trade companies, are connected to various Party, military, and governmental entities through the *waku* licensing system, which allows them to trade goods produced in detention facilities, and is intricately woven into this framework.

The issue transcends criminal responsibility and necessitates an exploration of how transnational trade enables North Korean state entities to generate foreign currency and finance their weapons programs. This trade frequently involves agreements that facilitate the sale of various products, including minerals and goods produced in prison camps. The same North Korean entities involved in the export of forced labor, the transfer of sensitive technologies, and the facilitation of illicit financial flows often manage export of production obtained through slave labor in prison camps. The issue also encompasses international companies and individuals involved in trade with North Korean government enterprises, especially those managing production in detention facilities. Notably, the Rason Special Economic Zone (Rajin Sonbong) serves as a front for outsourcing production to these detention centers. As a result, individuals and companies operating within this zone should be included on international human rights sanctions lists, as they may be implicitly involved, or are directly implicated in such production activities. The UN Security Council Resolution 2375 prohibits all joint ventures and cooperative entities between UN Member States and North Korean companies or individuals to prevent North Korean regime from using foreign investments and joint ventures to fund its nuclear weapons and ballistic missile programs.¹¹ The UN Guiding Principles on Business and Human Rights (UNGPs) provide a foundation for corporate responsibility, requiring companies to conduct thorough due diligence to ensure that their operations and supply chains are free from human rights abuses, including forced labor. Many states have enacted legislation that prohibits the import of goods produced with slave labor if the origin and supply chain lacks transparency. Additionally, numerous countries have introduced their own versions of Magnitsky-style human rights sanctions, targeting entities involved in mass atrocities.

The situation is significantly more intricate. Numerous businesses could potentially find themselves involved in a future criminal trial for their role in aiding and abetting crimes against humanity. Evidence indicates that European and South Korean companies outsourcing production to China often neglect due diligence or may be aware that their manufacturing is frequently subcontracted to North Korea, yet they do not take action. Many brands have shut

11. UN Security Council, UN Security Council Resolution 2375, S/RES/2375, paragraph 24, (September 11, 2017), <https://documents.un.org/doc/undoc/gen/n17/283/67/pdf/n1728367.pdf>.

down their factories in China due to rising labor costs, opting instead to fully outsource portions of their production to Chinese firms. Through a convoluted chain, these firms often subcontract work to North Korea under agreements with North Korean government enterprises. International businesses engage in this outsourcing practice to maximize profits, using their failure to conduct thorough due diligence as a convenient shield for their complicity. We have reasonable grounds to believe that certain well-known transnational brands have been implicated in the production in Chongori *kyohwaso*. Additionally, many products sold by small businesses, including wigs and eyelashes, can be conveniently purchased online through popular international shopping platforms. These platforms enable consumers to easily order such items in China, South Korea, the United States or in the European Union. Many products showcased on these sites are labeled 'Made in China' because these businesses are not required to disclose their entire supply chain, including where significant portions of these products have been processed.

NKHR has been documenting atrocities in North Korea for decades, and has a large database and archive of evidentiary material. Our documentation work involves in depth interviews with victims, survivors, witnesses, insiders, pattern witnesses, and experts. For the purpose of building evidence package containing documentation of crimes against humanity in and around Chongori Kyohwaso No.12 after December 2007 - the adoption of ROK's International Crimes Act - NKHR with accompaniment from PJI decided to focus on specific locations, specific perpetrator groups, and specific time period. The core evidence on which this report is based is therefore centralized to approximately 25-30 witnesses. However, proving crimes against humanity requires proving abundant contextual evidence, so that NKHR's contextual evidence, combined with its specific evidence amounts to the evidence of approximately 50 witnesses, around 3,000 pages of testimonies, 50 satellite images, drawings detailing sizes and colors of goods, prison layouts, organizational charts outlining chains of command, and other documents that were provided by the witnesses. Our evidence package includes substantial contributions primarily from victims and witnesses, including former North Korean prosecutors, police officers, state security agents, diplomats, and customs supervisors, who have fled North Korea and are now residents of the Republic of Korea. This investigation also involved consultations with legal practitioners in the Republic of Korea. For the purpose of this case study, in addition to the legal investigation, the NKHR Team employed open-source methods to trace the companies and goods featured on Chinese social media and public websites in particular those related to wigs, eyelashes, rattan bags, textiles, etc. as identified during investigation into Chongori Kyohwaso. Research from open sources into trade and transnational supply chains resulted in compilation of a database of over 400 companies, along with approximately 100 photos and other pieces of evidence gathered from social media sites, business databases, satellite imagery, ship tracking data, as well as data from China's Customs Office. These public platforms often showcase products openly

advertising that they were made in North Korea aiming to attract business and facilitate sales. We analyzed customs data and consulted with experts to investigate the evasion of sanctions and the misrepresentation of goods produced in the DPRK as being ‘Made in China.’ We also consulted experts who have previously investigated South Korean companies and multinational sports brands that outsourced production to North Korea. This collaboration revealed that products made in North Korea, especially wigs, eyelashes, and rattan bags, can be readily shipped to South Korea by Chinese and North Korean companies looking to expand their business prospects as of August 2024.



Chongori Kyohwaso No 12: A Slavery Corporation Producing Goods Made in China

1. Persecution of North Korean Women: The Expansion of Chongori Prison, Chain of Command, and the Role of Chinese Investments

Following the famine in North Korea during the 1990s, when an estimated 10% of the population perished, women found themselves uniquely positioned to ensure the survival of their families by engaging in cross-border and domestic trade, operating within the informal black markets known as Jangmadang. This stemmed directly from government policies during the famine, which encouraged women to leave their state jobs and assume responsibility for themselves and their families.

By the end of 2007, the DPRK government's ban on women under 40 trading on the black market, led to restriction of economic opportunities for young women in an economy that was already gender imbalanced and devastated by famine. Increasing numbers of North Korean women fled to China where the organized trafficking rings sold many of them into forced marriages with Chinese men. The vast majority of individuals fleeing to China were women, originating from North Hamgyong and Ryanggang Provinces bordering China.

During this time, North Korea initiated a series of state visits to China aimed at expanding economic joint ventures and investments in Rason (Rajin-Sonbong Economic Zone). When Rason Special Economic Zone was created in 1991, it reportedly failed to bring much foreign investment. Jang Song Thaek, Kim Jong Il's brother-in-law (later executed by Kim Jong Un), played an important role in the development of relations with China and in development of Rajin-Sonbong at the time. In 2007, top exchanges between Chinese Premier Wen Jiabao (温家宝) and Kim Jong Il facilitated investments in Rason and in 2009 Kim Jong Il made a visit there for the first time in 18 years.

By 2009, North Korean authorities also began the expansion of the MPS Chongori Kyohwaso prison facility No. 12 in North Hamgyong Province. Originally established mainly for male inmates deemed social criminals, the facility suddenly transformed into a predominantly women's prison, with approximately 80% of the detainee population being women repatriated from China. In 2008, Chongori experienced a significant and sudden increase in its numbers. During the 2008 Beijing Olympics, there were multiple accounts of heightened deportations of North Koreans from China coming from media and organizations on the ground trying to help North Korean refugees. Prisoners who had arrived in December 2007 observed a significant surge in the population of imprisoned women in 2008, escalating from 300 to 1200 within a span of a year.

In 2009, inmates completed the construction of a new wing at the prison. This expanded facility enabled the production of goods labeled 'Made in China.'

Q *Did you see it being made since you were there in 2007?*

W *I did. Because this place was too small. It was for 300 inmates. But in a year the number increased to 1,200. It increased dramatically.*

Q *1,200 in a year?*

W *Yes.*

Q *1,200 inmates? Why did the number increase so dramatically?*

W *Because the Chinese side kept arresting and repatriating them.*

Q *When was this building constructed?*

W *I guess it began to be constructed around early 2009. We couldn't take a rest on Sunday, but we were mobilized from the morning, carrying these.*

Q *Ah, then who built that?*

W *Oh, it was us. We.*

Q *Ah really?*



Fig. 1. Chongori Kyohwaso No.12 in 2008

W *We constructed. Every dawn we carried blocks and we built it.*¹²

Growing economic ties with China, particularly through investments in Rason, a unique city situated on the border with North Hamgyong Province, where Chongori is situated, presented North Korean leaders with the opportunity to boost financial profit by using the growing labor force to increase production in *kyohwaso* detention centers. By 2009, North Korean leaders made significant revisions to the Criminal Code, imposing lengthier punishments of up to 5 years for illegal border crossings, targeting women that fled to China. In this way, they seized the chance to ensure a steady supply of women who could be detained and made to work in these facilities. Testimony from former detainees at Chongori Kyohwaso reflect this trend.

Factories manufacturing goods for export to China swiftly entered the newly enlarged Chongori Prison in 2009, with materials for wigs and eyelashes coming from the Chinese companies in Rason Economic Zone.¹³ Women who were incarcerated in 2010 mentioned a newly added ward that crafted rattan bags, whereas those who arrived in 2014 noted that an extra unit was added to manufacture export clothing, including sportswear. All of the raw materials were

12. AC0019.TR1.E, 453-460 & 478-487

13. Multiple accounts, including AC0010, AC0013, AC0014, AC0019, AC0020, CO17003, W17013



Fig. 2. Chongori Kyohwaso No.12 from 2009

reportedly delivered from China through factories in Rason.

The constant deportations from China allowed MSS and MPS to increasingly target young women to enslave them, as Chongori Prison demands female work for production of goods for export due to their skilled hands, or skills such as sewing. In addition, the Chongori Prison requires young women with good eyesight for wards producing wigs and eyelashes for China, an eyesight intensive labor. Chongori Kyohwaso fit into the plan, as it benefits from its strategic geographic positioning near the Chinese border, facilitating a steady influx of female repatriates for slave labor. It is also approximately 100 km away from Rason, with road connections between the two locations.

Foreign entities operating in Rason typically engage in joint ventures with North Korean state enterprises. The feature of the North Korean companies is that they are fundamentally linked to government agencies. North Korean companies and their corresponding Ministries are mandated to generate foreign currency through a licensing system known as ‘waku.’ This system not only regulates the trade of specific goods but also imposes a foreign currency fee that must be remitted to the top state leadership, ensuring governmental planning, oversight and revenue generation from foreign investment and currency generating activities. The Ministry of State Security and Ministry of People’s Safety also have foreign trade companies generating foreign currency from goods production in their detentions, in particular from *kyohwaso* long-term

prisons (under MPS) and *kwalliso* political prison camps (mostly under authority of MSS).

MSS and MPS hold significant positions within the system as members of the State Affairs Committee (국무위원회, 國務委員會), the highest governing body of the State, and are directly supervised by the Leader, not the Cabinet. Currently, this committee is led by the Leader Kim Jong Un. Previously, it was called the National Defence Commission during the leadership of his father, Kim Jong Il. While these security forces operate as independent institutions, they should be regarded as integral components of the state's military framework. Insider accounts have revealed the presence of military ranks within both Ministries, as indicated by the epaulets on their uniforms. Historically, it has been common for officials from the Korea People's Army to occupy prominent roles within the Ministry of People's Safety. Recently, the Ministry of State Security has also participated in military parades in Pyongyang, proudly wearing their uniforms. MSS is also responsible for supervising customs operations and safeguarding export shipments of Bureau 39 managing slush funds for the Leadership and of the Second Economic Committee in charge of the weapons program. Their customs office serves as the initial checkpoint for cargo arriving in North Korea, including individuals being deported from China, as well as for shipments departing the country.

In North Korea, multiple roles overlap across different institutions, a crucial aspect of the system that facilitates supervision over various bodies and the execution of the Party's directives and economic strategies. MSS and MPS cannot autonomously make decisions. A system with overlapping roles, giving instructions and receiving feedback, effectively manages security and military operations. This framework of checks and balances, along with the issuance of directives, is purportedly implemented by the Central Committee of the Worker's Party of Korea (조선로동당, 朝鮮勞動黨).

When the Chongori Kyohwaso was transformed into a female prisoners' facility for the production of Chinese goods, Jang Song Thaek, the de facto second-in-command of the state, played a crucial role in facilitating investments in Rason and attracting foreign capital between 2007 and his reported execution in 2013. Previously, he served as the Minister of State Security and later became the head of the Administration Department of the Central Committee of the Korean Workers' Party. He oversaw the Central Public Prosecutor's Office via the Central Party Administrative Department, a significant entity in formulating supplementary and confidential regulations utilized by the MSS prior to their incorporation into North Korea's Criminal Code. These regulations were enforced on individuals liable for anti-state offenses subject to re-education through labor (*kyohwa*), which is applicable to inmates of Chongori Kyohwaso prison. Overall, his prominent positions allowed him to reportedly oversee the judiciary and prison

systems via the Central Party Administrative Department,¹⁴ while also overseeing the Ministry of State Security (MSS) and the Ministry of People's Safety (MPS).

In 2010, North Korea restructured the Joint Investment Guidance Bureau into the Joint Investment Committee, led by Jang Song Thaek, with Ri Chol, a former Ambassador to Geneva, serving as its chairman. The Committee expanded its operations through the Beijing Office to attract foreign investments. Among its Vice-Chairmen was Kim Il-young, who, from 2009 to 2023, held the position of Director of the *Kyohwaguk* Corrections Department (re-education through labor) at the Ministry of People's Safety in Pyongyang, which oversees the country's *kyohwaso* prisons, including Chongori Kyohwaso. Recent reports from media indicate that 90% of the production of false eyelashes has originated from *kyohwaso* (re-education) detention facilities. It has been reported that the Corrections Department regularly sends export production orders to these facilities.¹⁵

Since 2023, wigs and eyelashes have become leading export commodities, further contributing to the ongoing human rights abuses in Chongori prison and other detention camps where these goods are manufactured. New laws introduced in North Korea during the pandemic facilitated the expansion of detention facilities, while open borders have enabled again the slave trade involving deported individuals and the export of goods 'Made in China.' The system of slavery thrives generating foreign currency for the regime.

2. The Roles of Ministry of State Security (MSS) and Ministry of People's Safety (MPS) in the Custody of Prisoners of Chongori Kyohwaso

The Ministry of State Security holds responsibility for safeguarding the Party and its Leadership, overseeing cases of anti-state offenses. It recruits offspring and kin of MSS personnel, subject to thorough vetting through several generations along both paternal and maternal lines. The higher the position within the elite ranks, the more intense the scrutiny becomes concerning family lineage and its associated views. Actions such as fleeing to another country, participating in religious activities, or having political prisoners among even distant relatives would at the

14. AC0002.TR2-4.E, 13

15. Tae Joo Jeong, "Exclusive: False eyelashes sold in China are assembled in North Korea(중서 팔리는 인조 속눈썹, 北 교화소 수감자 강제노동 산물)," Daily NK, February 15, 2024, <https://www.dailynk.com/english/exclusive-false-eyelashes-sold-china-assembled-north-korea/>.

minimum jeopardize opportunities for career advancement in the elite ranks. Due to generations of efforts to preserve the purity of the system, institutions like MSS have become hermetically sealed. Consequently, any information, transgressions or misdeeds by MSS members remain insulated within their closed circles.

The MSS is the primary institution that focuses on prosecuting anti-state offenses outlined in the North Korean Criminal Code. While some crimes are explicitly stated in the North Korean Criminal Code, others are subject to interpretation by MSS officers because they are not defined in the Law. The anti-state crimes were reported to include illegal border crossings, smuggling of goods or individuals, currency exchange, receiving funds from abroad, interactions with religious groups, and contacts with South Korea, even through phone calls. MSS has a counter-espionage department, and preliminary examination department while the analysis department looks into family relations of the criminal and goes to the field to gather more information from family, neighbors and colleagues of the person. MSS officers have the power to add to the crime and present a report that will further incriminate the person.

The Ministry of People's Safety, on the other hand, is tasked with monitoring the populace, with local police departments having maintained detailed records of each and every citizen of the DPRK since the 1950s. These records, while secret to the citizens and most of the MPS employees, were reported to explicitly record the *songbun* class of individuals, used as a means of discriminating against those classified as politically hostile to the system. The breadth of information collected, degree of organization of the recordkeeping, and extent of protection by the MPS demonstrates that this system is maintained for purposes extremely important to the regime.

A Resident Registration Officer of the MPS at a local MPS station reported that their role was to write down all details of every resident in his unit. These records of 100 to 200 pages have included information about an individual's extended family members, up to their uncles, cousins, and grandparents. A person's *songbun* (caste) is clearly marked on the front, and each class gets its own number. All information is meticulously recorded in a system operated by the MPS, starting with their birth records and extending to their family details, marriage, and residence. There are four marks according to caste basic class, core class, complex class and the families of the punished. Except for the full documentation, North Korean police also maintain small identification cards, where basic information, including *songbun* is recorded for a quick identification. Any recorded anti-state crimes can impact an individual's *songbun* and influence the future of both the individual and their family, leading to potential discriminatory targeting by security forces.

In Chongori Kyohwaso, the primary charge for crimes against the state is illegal border

crossing, with the Ministry of State Security (MSS) taking the lead in handling individuals deported from China. All witnesses reported that illegal border crossing is a significant offense, accounting for approximately 80% of the inmates at Chongori. A few witnesses were incarcerated for economic crimes against the state, such as facilitating phone contacts and money transfers for families in North Korea whose relatives reside in South Korea. Among our witnesses, ten detainees of Chongori Kyohwaso who were imprisoned for illegal border crossing charges were targeted for abduction, forcibly transported, transferred by MSS and MPS agents until finally being received by Chongori Kyohwaso for the purpose of enslavement. Except for one person, whose arrest was made by North Korean soldiers in private house on the territory of China with the presence of Chinese law enforcement, initial recruitment for enslavement in Chongori happened as the Chinese Ministry of Public Security arrested undocumented North Koreans in its territory. The arrested individuals were considered 'illegal economic migrants' regardless of their possible qualification as trafficking victims or refugees. Most of them were sent to detention facilities run by the Chinese border guards in Jilin and Liaoning Provinces where the Chinese security forces conduct segregation of prisoners. The Chinese security officials conducted interrogations to determine whether the arrested North Koreans attempted to go to South Korea or had contacts with religion and shared the information upon the transfer of the detainees to the North Korean authority. According to witnesses, the Chinese authorities marked those who tried to go to South Korea/had religious contacts with a red stamp. The arrested North Korean interviewees were transported to North Korean territory and transferred to the custody of the MSS located in border regions. MSS detention centers were situated in cities like Sinuiju, Manpo, Hyesan, Musan, Hoeryong, Onsung, and Kyongwon.

Majority of former detainees of Chongori Kyohwaso interviewed by NKHR were victims of crimes amounting to torture, sexual violence, rape and other inhumane acts of crimes against humanity while in custody of MSS and MPS prior to being transferred to Chongori Kyohwaso. NKHR has identified four persistent factual patterns: 1. enforced continued squats, sexually invasive cavity searches, and forced nudity; 2. beatings during pre-trial investigation; 3. starvation/undernourishment; and 4. enforced termination of pregnancy.

Initial actions taken by lower-ranking MSS officers included subjecting detainees to invasive searches involving hands or sticks being inserted into victim's uterus and anus to uncover hidden money, with detailed notes taken on any funds discovered. Application of physical abuse to coerce confession during investigations was commonly reported. MSS officers did not query whether these detainees had previously crossed the border with the aim of finding work or to seek asylum, or as victims of human trafficking in third countries. After MSS conducted strip-body searches, intense investigation would begin to uncover details about the victim's escape, including

their motives, routes, and any contacts or assistance they received. According to the witnesses, the main questions were about 1) attempted escape to South Korea, 2) contact with religion and 3) experience with South Korean media. To extract a confession, investigations often involved torture such as verbal abuse, sexual violence, brutal beatings with square wooden bars, kickings, beating with belts and sleep deprivation. The most often reported torture of such kind occurred in MSS in Onsong, North Hamgyong Province and in the MSS in Sinuiju.

The MSS officers have the authority to segregate the inmates for those to be transferred to political prison camps (*kwalliso*) and those transferred to custody of MPS to face trial. Their sentence is already pre-determined during the pre-trial detention and the sham trial will approximately repeat the MSS sentence. After NKHR's interviewees were transported to the local police/MPS pre-trial detention at their hometown in border areas, the court decided on the detention period. The guards at the local MPS pre-trial detention escort prisoners to court and await until a certain number of the convicted for *kyohwaso* are gathered, to transport them to the final detention facility.

Upon arrival, detainees in Chongori Kyohwaso are dehumanized and every aspect of their lives was taken from them so that they would solely function as disposable components of production machinery. The first step was revocation of the resident identification card. Taken away identity and personhood, the detainees lost the status of citizens and officially were deprived of any legal protection. One witness recalled "when I went to *kyohwaso*, people who crossed the border were given numbers, so we had numbers as names. No name, just the number."¹⁶ An insider witness, who served as a guard at MPS pre-trial detention (*guryujang*) where the accused were imprisoned before being transferred to *kyohwaso*, reported:

W *They go through Preliminary investigations. And if their charges were proven to be true, the criminal gets detained. In North Korea, we call it the order for incarceration and detention. In South Korea, you would call it confinement. And once you were detained, they cut your hair first. It's the first thing. And when you get your haircut, you would be deprived of your Resident ID Card. They get rid of your Resident Registration Card.*

Q *They get rid of it?*

W *Yes. You would be deprived of it. Party members will be taken away the Party certificate as well as the commendation and the medals.*¹⁷

16. AC0014.TR1.E, 967

17. AC0012.TR2-1.E, 309-311

This system also shows a high degree of coordination. Witnesses were transferred from MSS pre-trial detention to MPS police custody in various cities along the border. Despite of that, they frequently reported encountering fellow deportees from China in the same MPS Chongori Kyohwaso prison. However, those accused of religious affiliation were reported to never make it to that facility. There were also testimonies that if information about a person's contact with religion in China became known while the inmate was already serving their sentence in Chongori prison, that individual would mysteriously vanish the following day, never to be seen again.

The details surrounding arrest and investigation by MSS, as well as sentence and punishment are not disclosed to the public, while summary executions which were also reported by former MSS and MPS officers in pre-trial detentions were carried out without any outside judicial process. The individual's detention will be recorded in MPS documentation, but if a person wasn't released whether because of the punishment in political prison camp, or death in custody of MSS, there are no further markings on the document and the officer in charge will deduce that the person never came back after being imprisoned. No death certificates are issued for such persons. Families of prisoners were left in the dark about their loved ones' deaths. Only upon surviving Chongori could detainees begin the process of reclaiming their citizenship with a new ID. Yet, these individuals will forever bear the burden of their past. Just as their information is permanently recorded by MPS and MSS, the trauma each survivor endured has left its mark.

3. Chongori Prison: A Slavery Corporation

Electric fences surround the facility, assured by a round-the-clock power supply. Adjacent to the prison are residences for the prison staff, including military guards, MPS officers overseeing each unit, and the commandant's residence and party secretary's residence. The MPS section chiefs regularly received updates from unit leaders, and they convened reporting sessions with the commandant. Prisoners at Chongori Kyohwaso noticed the commandant to varying extents based on their job types. Those working in in-house factories could seldom go outside, dedicating up to 20 hours daily to meet export quotas. In contrast, farm unit workers frequently saw him. His presence was also noted when dealing with escapees brought back for public execution inside the prison.

Four factual patterns of enslavement have been identified in Chongori Kyohwaso:

1. taking away identity and personhood
2. inculcation of the system of control through newcomers' unit

3. slave labor through reward and punishment system
4. public execution of the fugitives

Women underwent a one-month training period where they learned prison rules, including their daily duties, roles and schedule and how to behave in front of MPS officers. Their hair was shaved above the ears, and they wore patchwork clothes - each half from different garments, making them easily identifiable in case of escape. Additionally, women underwent health and eyesight check-ups, crucial to define whether they would be suitable for wigs and eyelashes production. Some of the most important and repeatedly emphasized rules were 1) to follow the schedule, 2) to pay absolute obedience to orders given by the officers running the facility and 3) not to attempt to escape. Detainees were even restricted for their time to go to the toilet and were told that detainees could get shot for going to the toilet without permission from an MPS officer. Consequently, a comprehensive system of control was exercised over the prisoners, ensuring they were guarded at all times, even during work. Their movements were restricted, and fear was instilled through memorizing regulations and the public executions of escapees. The prisoners had no choice but to work, as they were required to meet strict quotas; failing to do so risked the reduction of their meager food rations, ultimately leading to widespread starvation and death.

W *There was a newcomer's unit (신입반) and we were taught for a month all regulations to observe in our prison life.*

Q *What things did they teach you?*

W *So as criminals, we should memorize monolithic ideology of Kim Il Sung, and then we learned things which we would use in working units. What should I call it? The etiquette of how to bow to MPS officers there. And this officer is someone like this, and we should always kneel down and something like that. The things we need to follow for the order inside. Like you shouldn't get out of the line even when you want to pee. You must ask before you go. If not, no excuses accepted if being shot. Like this, they taught all the rules they set inside, inside Kyohwaso. And when we worked in the working units, we also made 2 meter of strap called melppa (멜빠) by cutting our pants which we wore. Because it is required for us to cut trees. And we also cut our clothes and made something. Something like this bag that will be used in working units, like the bag we carry on our shoulders.¹⁸*

18. AC0019.TR1.E, 405-407

Following their time in the newcomers' unit, detainees were assigned to various work units tasked with producing a range of goods, including lumber, limestone, corn, vegetables, potatoes, beans, wigs, fake eyelashes, and clothing such as sports apparel and knitted hats, as well as rattan bags. Without compensation or the ability to choose, detainees were compelled to meet daily production quotas, often facing excessive workloads and inadequate safety measures. The lumber unit, in particular, was notorious for its physical demands, especially for female detainees, leading to numerous injuries and fatalities during operations. This was especially true in winter when cut logs would slide down frozen slopes, dragging prisoners along with them. Despite these harsh conditions, detainees were not permitted to request a transfer to a different work unit; as one individual noted, "We are simply meant to atone for what we did."¹⁹

The in-house factory units tasked with producing goods for China were overseen by their MPS unit chief to ensure efficient production. It was reported that some of this production involved North Korean personnel from a Chinese joint-venture company based in Rason, who supervised the operations. While the joint-venture company employees typically worked standard hours from 9 to 5, prisoners were required to work longer hours to meet quotas established by the MPS Section Chief. To boost productivity, authorities turned quota fulfillment into an inhumane competitive challenge among prisoners, offering food delivered by Chinese companies as rewards for their efforts. These incentives reportedly included a spoonful of cooking oil, provided by the companies as a scarce source of much-needed fat for prisoners living in near-starvation conditions.

Detainees were forced to produce export goods for China, such as wigs, fake eyelashes, and clothing. Numerous witnesses reported that young women serving lengthy sentences were often selected for the wig and eyelashes' production units due to the eyesight, precision and delicate manual skills required for these tasks. Chongori Kyohwaso sourced human hair from China to craft both short and long wigs, all meticulously hand-hooked, which is significantly more costly than factory-produced alternatives. Witnesses recounted instances of abuse directed towards those who failed to meet production standards; if a wig exceeded the allowable weight limit, they were forced to dismantle the entire piece.

W *One time I saw for myself how people made wigs. There's this round equipment that looks like someone's head. The person placed a cloth with small holes on the head and then knitted hair using a hook needle. They knitted hair with their hands. But older*

19. AC0014.TR1.E, 1098

people had difficulty because the holes were too small, so we felt dizzy... But I guess it was easy for younger people.

Q *Do you know where they get the hair they knit?*

W *The hair also came from Rajin. Every raw material came from Rajin.*²⁰

Our estimate of wigs is based on a conservative figure of 750 wigs produced monthly, calculated on an average of six days per wig. The reported production time for a wig varied from 5 to 7 days, depending on its type. Professional wig makers typically take between 40 and 60 hours to create a wig, which translates to about 5 to 7 days with an 8-hour workday. However, since prisoners in Chongori prison are not professional wig makers, there is likely to be variability in their speed and skill levels, influenced by their experience in wig-making. Some prisoners indicated they worked longer hours, up to 20, likely to compensate for their lack of expertise in meeting production quotas. Consequently, while we averaged the production time at six days per wig, the actual output may be higher. We also based our estimate based on reported six days per wig. The NKHR Team has attempted to extrapolate average production numbers based on wig output, utilizing Chinese customs data on human hair exports to North Korea and wig imports from the country. However, it is important to consider that Chinese customs figures may not be entirely accurate.

Certain unspecified and untreated occupational illnesses were reported prevalent among women who manufactured wigs and eyelashes for Chinese companies in Rason, possibly due to chemical exposure. The production process for human hair in China, prior to being transformed into wigs, involves specific steps such as acid washing, silicon coating, and bleaching. Witnesses who crafted wigs reported that dark blond/light brown wigs were highly sought-after and popular. However, creating short bob hair wigs was more challenging and time-consuming.

The female Chongori Kyohwaso was noted to have 10 production units, housing between 1,000 and 1,100 prisoners annually. Each production unit typically employed around 100-150 people. Based on these figures, we estimate that female detainees in Chongori could produce about 9,000 wigs for export each year.

Using the reported weight of human hair wigs, we divided the total kilograms by 150 grams, the average weight of a short bob wig, to derive an average number of exported wigs. While the actual figure may vary since longer wigs weigh more, shorter wigs have been reported to be in

²⁰. AC0010.TR1.E, 56-58

higher demand.

In recent years, reported prices and data have fluctuated significantly due to the pandemic and delays in exports. Notably, in 2020 and 2021, Chongori Kyohwaso accounted for 42% and 71% of the export of wigs and eyelashes with China respectively. Consequently, having either larger production units in prison or two to three *kyohwaso* facilities to produce these goods would enable prisoners to produce all human wigs for export based on slave labor. This is significant in view of the data reported recently by Daily NK, which reported that 90% of the production of eyelashes are produced in prison camps. Since 2022, the production seems to have continuously grown, and further investigation is needed to determine what portion is currently produced in all prisons.

It is important to emphasize that our analysis concentrated exclusively on the wig and fake eyelashes production units at Chongori Kyohwaso. While other production units also generate export goods, and several *kyohwaso* facilities exploit detainees through forced labor, we focused solely on the earnings from the wig and fake eyelashes units, based on the reported values in the customs data.

Our calculations indicate that female slavery connected solely to the export of wigs from Chongori prison yielded approximately US\$1,226,693 for the regime between 2016 and August 2024. We also calculated that female prisoners in Chongori prison produce approximately 90,000 pairs of fake eyelashes each month, totaling 1,095,000 pairs annually. Between 2016 and 2024, we estimated the regime's revenue from the production of wigs and eyelashes to be approximately US\$ 1,724,185. Considering the additional exports of textiles, rattan bags, and knitted hats, this figure is significant, especially given the prevailing conditions and wages in North Korea.

Provided Data:

Production of Wigs in Chongori Kyohwaso

- Average time for one prisoner to produce a wig: 6 days
- Average monthly production per prisoner: 5 wigs
- Average number of prisoners in the wig production unit: 150

Production Estimates:

- Monthly production for the entire wig unit (150 prisoners):
 $150 \text{ prisoners} \times 5 \text{ wigs per prisoner per month} = 750 \text{ wigs per month}$
- Annual production for the entire wig unit:
 $750 \text{ wigs per month} \times 12 \text{ months} = 9,000 \text{ wigs per year}$

Total Revenue for the Wig Unit in 2023:

- Monthly production (750 wigs): $750 \text{ wigs} \times 18 \text{ USD per wig}^{21} = 13,500 \text{ USD per month}$
- Annual production (9,000 wigs): $9,000 \text{ wigs} \times 18 \text{ USD per wig} = 162,000 \text{ USD per year}$

Overview of Revenue Generated From Wig Exports at Chongori Prison:

- Monthly revenue in 2023: 13,500 USD
- Annual revenue in 2023: 162,000 USD

Total Revenue Generated From Wig Exports at Chongori Prison Between 2016-2024:

- \$1,226,693 USD

Production of Fake Eyelashes in Chongori Kyohwaso

- Average daily production per prisoner: 30 pairs
- Average monthly production per prisoner: 900 pairs
- Average number of prisoners in the fake eyelashes production unit: 100

Production Estimates:

- Monthly production for the entire fake eyelashes unit (100 prisoners):
- $100 \text{ prisoners} \times 900 \text{ pairs of fake eyelashes per prisoner per month} = 90,000 \text{ pairs of fake eyelashes per month}$
- Annual production for the entire fake eyelashes unit: $90,000 \text{ pairs of fake eyelashes per month} \times 12 \text{ months} = 1,095,000 \text{ pairs of fake eyelashes per year}$

Total Revenue for the Fake Eyelashes Unit in 2023:

- Monthly production (90,000 pairs of fake eyelashes): $90,000 \text{ pairs of fake eyelashes} \times \$0.06 \text{ USD per pair}^{22} = 5,400 \text{ USD per month}$
- Annual production (1,095,000 pairs of fake eyelashes): $1,095,000 \text{ pairs of fake eyelashes} \times \$0.06 \text{ USD per pair} = 65,700 \text{ USD per year}$

21. The USD 18 per wig calculation was derived from China's Customs data, which detailed the total kilograms of wigs exported and their export value in 2023. In Chongori, an average wig weighed 150 grams. By dividing the total kilograms by 150 grams, we determined the approximate USD value per wig. The amount varies each year.

22. The USD 0.06 per pair of eyelashes calculation was derived from China's Customs data, which detailed the total kilograms of eyelashes exported and their export value in 2023. In Chongori, an average pair of eyelashes weighed 0.5 grams. By dividing the total kilograms by 0.5 grams, we determined the approximate USD value per pair of eyelashes. The amount varies each year.

Overview of Revenue Generated From Fake Eyelashes Exports at Chongori Prison:

- Monthly revenue in 2023: 5,400 USD
- Annual revenue in 2023: 65,700 USD

Total Revenue Generated From Fake Eyelashes Exports at Chongori Prison Between 2016-2024:

- 497,492 USD

Estimation of the Total Revenue From the Export of Wigs and Eyelashes by Chongori Kyohwaso Between 2016-2024:

- 1,724,185 USD

The Sewing Unit at Chongori Kyohwaso was established around 2013, with the first reports of its existence coming from witnesses who were present in 2014; those who were there before 2013 had never seen the unit. One witness, possessing specialized knowledge of this production, stated that over 100 detainees were tasked with producing export garments using fabric sourced from China. According to the witness, various types of clothing were manufactured, including items for global sports brands. According to her, all textiles originated from Rason Special Economic Zone and were shipped back to Rason. This witness also attributed the existence of production in Chongori prison to the nearby Rason Economic Zone.

Further investigation is needed to understand how transnational brands conduct due diligence and vet their partners when outsourcing production to Chinese counterparts, who then subcontract it to North Korea. Once production reaches Rason, there is a complete lack of oversight regarding subsequent subcontractors, especially to prison camps. Earlier reports from journalists linked garment production to standard North Korean factories, which ultimately resulted in UN sanctions on textiles. Our investigation, however, uncovered that since 2014, the production of “Made in China” clothing has also been outsourced from Rason to the Chongori prison camp.

In 2020, a South Korean journalist described the problem of lack of proper vetting in his investigation into textiles produced by North Korean workers in China, or directly in standard North Korean factories. His inquiry covered South Korean brands associated with CJ, as well as large sports labels like Adidas, Nike, and Reebok. The investigation uncovered that production was subcontracted to North Korean factories between 2010 and 2016, and falsely attributed to official partners of major brands:

“Approximately 40 percent of two clothing types were produced at the Rason Special Zone plant, while the remaining 60 percent came from the factory in Cheongjin. The finished products from both locations were sent to Hunchun H, where they were falsely attributed to Yantai S in Shandong Province. At that time, Hunchun H lacked permission from Adidas, so it was presented as if Yantai S made it, which had an authorization to produce goods. Consequently, North Korean goods were disguised as Chinese and exported to the United States via Dalian Port. (...) The production costs in the Rason Special Zone and Cheongjin averaged just \$2 per garment, totaling 300,000 pieces annually, which generated around \$600,000 each year. When combined with the foreign currency earned by North Korean workers in China, this amount reached approximately \$2.78 million annually. Over four years, North Korea earned a total of \$11 million from partnerships with Nike and Adidas.”²³

The factories in Rason supply not only raw materials, but also Chinese-language instructions that detail the production specification for each item. MPS officials in Chongori select among women inmates who have spent considerable time in China to translate these instructions. Witnesses reported instances of being beaten for failing to comprehend the Chinese-language directives.

W *I was in the wig, wig unit for a month and fake eyelashes unit for six months. So they were thinking that I might be good at making fake eyelashes although I am not talented in making wigs. So I was in the fake eyelashes unit for six months. Then next, what came to my prison was big reeds grown in the Southern part of China through a joint venture with China. There were just leaves without stems. These wide leaves are there. The leaves were dyed and brought there to be weaved into bags. A car full of them came in. So all the prisoners were called and sat at the exercise field. We were weaving. I still have good hand skills. I easily learn everything that is done with my hands. From China, on a paper like this, written in Chinese Character, with the drawing of a bag. This like that. A bag is drawn. Weaving this cm and that cm, a bag shape is made. It was written in Chinese characters. But although I had lived in China for 15 years, would have I learned the characters? I just learnt the verbal language. I didn't know what the characters meant. So I got beaten because I didn't understand what was written. “Son of a bitch, You son of a bitch. You lived in China for 15 years, but you don't even know basics like A, B, C, D. So I*

23. Seung Jae, Kim, *North Korea: Global Clothing Factory <Segyeui otkongjang, Pukhan>*, (Seoul: NulPumPlus, 2020), 122-123 & 130.

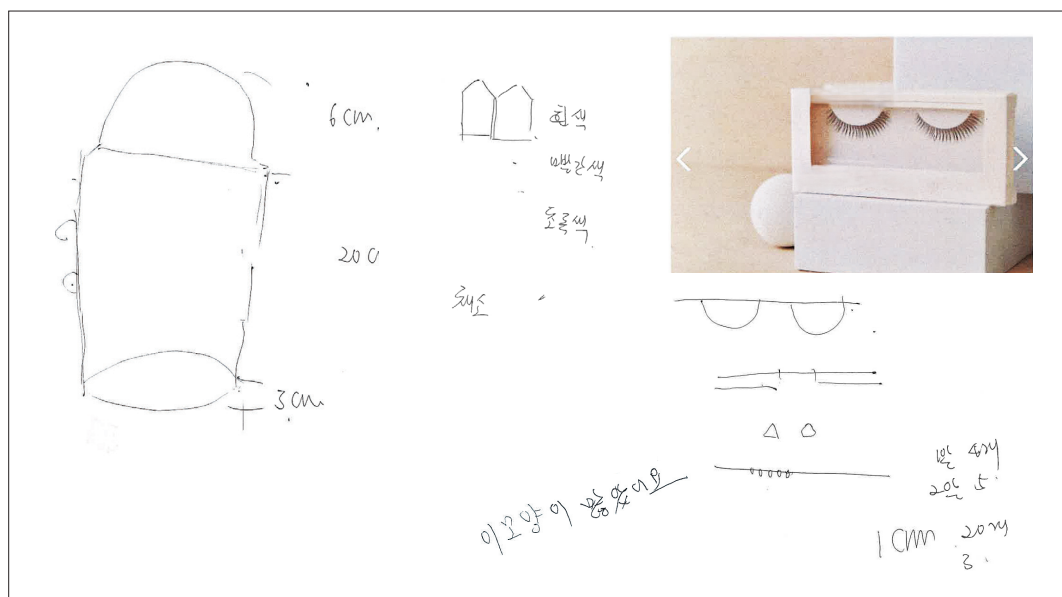


Fig. 3. Drawing by Former Prisoner Depicting Rattan Bags and Eyelashes as Produced in Chongori

*got beaten because I could not translate the characters. And then next.*²⁴

On the final day of each month, trucks transported raw materials from Rason Economic Zone to deliver their cargo and return with the finished goods produced by prisoners. This day served as a break for the prisoners in in-house factories, who often reported working up to 20 hours daily to meet export quotas and to secure food for survival. The items were reportedly going back to Rason Economic Zone before being finished and labeled as “Made in China” for distribution in the global market. A witness who led the sewing unit discovered from an MPS officer – her direct supervisor overseeing textile production – that the raw materials were also imported from China and that the finished garments were exported back to China. The clothing items, which included winter jumpers and sportswear, bore lengthy labels with English inscriptions. Another witness involved in producing rattan bags shared that she had overheard an MPS officer mentioning that some of these bags were highly priced and yielded significant profits to Pyongyang, with Chongori Prison Management receiving a 10% share of the profits.

Despite bringing profit, the prisoners in Chongori did not benefit from their productivity. Instead they were subjected to malnutrition, untreated widespread disease, and physical abuse.

24. AC0020.TR1-1.E, 403



Fig. 4. Satellite Imagery of Kyohwaso No. 12

The MPS commanders and chiefs in charge of production sections at Chongori Kyohwaso were fully aware of the circumstances but chose not to intervene. Beatings and other physical abuse, withholding of food for failing to meet production quotas, and withholding of medical treatment were commonplace, contributing to a high mortality rate, with witnesses linking the high number of deaths to the demanding work environment, malnutrition, and physical abuse.

The Chongori Kyohwaso is largely self-sustainable in food production, with all former prisoners reporting ongoing agricultural activities by inmates' agricultural production units. This includes cultivating crops and vegetables, beekeeping, animal farming, and lumbering. Consequently, the alarmingly high mortality rates among prisoners are difficult to comprehend unless they result from deliberate actions by prison camp authorities.

W People starved to death for a couple of days. Malnutrition. There were some who died from suicide.

Q But why do people suffer from malnutrition given that there are so many fields?

W Is something provided in prison?

Q But don't you get vegetables from farming? Different types of crops?

W When you plant crops, when the vegetable unit harvests, soldiers' families get all the crops harvested.

Q Oh. Then what do you get?

W What do we eat in winter? In winter and summer. Inside the cabbage, the good ones are given to the officers, and then the leftover thick skin. You know how they are all thrown away. We take the skins, soak them in salt water at Chongori Kyohwaso, and then we get the floated ones in water.

W In the winter, we dig up the latrines, scoop up the excrement, and spread the compost on our potato plots. And sometimes we work on trees. We cut them down and deliver the wood to the Commandant's (소장) house, the Party Secretary's (비서) house. Up to here goes to the Commandant's house, and from here to the Secretary's office. That's how we work on the trees, and when we come down, the MPS officer assigns tasks. So, about 50 people go to the secretary's house, and another 50 people go to the director's house. That's how we distribute the wood. We do this in the winter.²⁵

Testimonies reveal a systematic denial of adequate medical treatment, resulting in the annual mortality of about 25% population of Chongori prison. The authorities decide what to do with dead bodies and systematically desecrate the deceased. The dead bodies were piled up in the corpse room and decomposed as no proper measures were taken. Piled bodies were taken once or twice a week from a corpse room. Bodies were burned on the nearby mountain called Pulmangsan from which the prisoners could see the smoke. Some prisoners were ordered to oversee this process, so they could point to the exact location of the site. Witnesses reported monthly burnings of about 30 dead bodies between 2007-2010 (corresponding to about 7 deaths in a week). In 2015, only about 900 out of an original 1100 prisoners remained due to high death rates throughout 7 months (corresponding to about 7 deaths per week). The camp constantly replenished its labor force with new prisoners. Out of the number of deaths that prisoners reported, the mortality rate would be about 292 per 1,000 female prisoners in a year. This mortality rate is alarmingly high, significantly surpassing the official death rates in North Korea, which ranged from 8.03 to 9.3 per 1,000 people between 2014 and 2022.²⁶ Considering factors such as diseases, official World Bank data has provided statistics on mortality rates for adult female population within the country's population. That statistics for DPRK indicate 133.1 female deaths per 1,000 people in 2007 and 103 female deaths per 1,000 adults in 2015.²⁷

25. AC0015.TR1.E, 578-584 & 923

26. "The North Korea: Death Rate," The Global Economy, https://www.theglobaleconomy.com/North-Korea/Death_rate/.

27. "Mortality rate, adult (per 1,000 adults)," Gender Data Portal, World Bank Group, <https://genderdata.worldbank.org/en/indicator/sp-dyn-amrt?year=2015>.

Former prisoners described that watching the smoke from burning dead bodies on the Pulmangsang Mountain was the biggest motivation to survive and leave Chongori alive:

Ⓜ Anyway, I had to live. I thought of a way to survive because I couldn't die here. If you die, you die, it would be because of hunger and suffering. But nobody informs your family about the death. They just rolled it up somewhere in a cart, and then once a week, just loaded it on the cart, and just like a dog getting killed and loaded into a car. Even those people can't do it with a clear mind. They were intoxicated with alcohol, left their minds bewildered, and then dragged people in a cart to the top of the mountain, dug up a hole, put people inside there, then placed the wood and burned them with gasoline. But we would see everything from inside like this because there would be smoke. 'There must be a lot of people that died today, too.' I sat like this and watched. What would we think when we saw something like that every time? How would we have felt? About the people who died. Would they dress people up in clothes, clothes like this? Hair stains, face stains due to labor, clothes and everything just torn apart, and were just loaded in a cart when we looked down. Every time I saw that, I could see how mistreated people were, worse than dogs and pigs. I couldn't even express my feelings. I felt sorry for a dead man, but, at the same time, I decided that I can't die in this den, and I must go out and die.²⁸

28. AC0005.TR1-2.E, 6



Joint Ventures Between China and North Korea in the Context of Global Supply Chains

Since 2009, North Korean prison camps, such as Chongori Kyohwaso No.12, have been producing goods labeled “Made in China,” effectively concealing the forced labor origins of these items. Despite international sanctions targeting materials, goods, and the DPRK’s forced labor practices, the products originating from prisons—linked to grave human rights abuses such as gender-based violence and other crimes against humanity—continue to flow into global markets with limited scrutiny.

International efforts to curb North Korea’s overseas forced labor or export of certain goods such as coal or textiles have led to sanctions aimed at cutting off foreign currency flows to the regime. However, North Korea has displayed remarkable adaptability, diversifying its production strategies to avoid sanctions. For instance, when the UN Security Council’s 2017 Resolution 2375 banned textile exports, the focus shifted to items like wigs and fake eyelashes, which subsequently became top export commodities in Chinese customs data starting in 2018.

This shift highlights a highly organized and adaptable network between China and North Korea that allows for seamless circumvention of international restrictions, raising serious ethical

and legal concerns about the trade's implications on global supply chains.

[Table 1] Changes in Export Items From DPRK to China Since 2016

2016	Rank	HS Code	Goods
	1	270111	Anthracite
	2	620193	Male clothing items; anoraks, windcheaters, wind jackets and similar articles, of man-made fibres
	3	620293	Female clothing items; anoraks, windcheaters, wind jackets and similar articles, of man-made fibres
	4	260111	Nonagglomerated
	5	260700	Lead ores and concentrates
	6	620333	Male clothing items; jackets and blazers of synthetic fibres
	7	620343	Male clothing items; trousers, bib and brace overalls, breeches and shorts of synthetic fibres
	8	080290	Other nuts fresh or dried
	9	620213	Female clothing items; overcoats, raincoats, car coats, capes, cloaks and similar articles, of man-made fibres
	10	620433	Female clothing items; jackets and blazers of synthetic fibres
2017	Rank	HS Code	Goods
	1	080290	Other nuts fresh or dried
	2	251990	Fused magnesia; dead-burned; other magnesium oxide
	3	720221	Ferro-silicon
	4	250490	Natural graphite (excluding in powder or in flakes)
	5	271600	Electrical energy
	6	670419	False beards, eyebrows and eyelashes, switches and the like, of synthetic textile materials (excluding complete wigs)
	7	800700	Other articles of tin
	8	700529	Float glass and surface ground and polished glass, in sheets, but not otherwise worked, other
	9	071332	Dried small red (Adzuki) beans
	10	902300	Instruments, apparatus and models for demonstrational purposes
2018	Rank	HS Code	Goods
	1	910811	Watch movements, complete and assembled, electrically operated
	2	720221	Ferro-silicon, containing by weight 55% of silicon
	3	670419	False beards, eyebrows and eyelashes, switches and the like, of synthetic textile materials (excluding complete wigs)
	4	261100	Tungsten ores and concentrates
	5	271600	Electrical energy. (optional heading)
	6	902300	Instruments, apparatus and models, designed for 90.23 demonstrational purposes (for example, in education or exhibitions), unsuitable for other uses.
	7	261390	Molybdenum ores and concentrates
	8	700529	Float glass and surface ground and polished glass, in sheets, but not otherwise worked, other
	9	720610	Ingots, of iron and non-alloy steel
	10	420212	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels and similar containers, with outer surface of plastics or textile materials
2019	Rank	HS Code	Goods
	1	910811	Watch movements, complete and assembled, electrically operated
	2	720221	Ferro-silicon
	3	670419	False beards, eyebrows and eyelashes, switches and the like, of synthetic textile materials (excluding complete wigs)
	4	902300	Instruments, apparatus and models, designed for 90.23 demonstrational purposes (for example, in education or exhibitions), unsuitable for other uses.
	5	261100	Tungsten ores and concentrates.

2019	6	271600	Electrical energy
	7	261390	Molybdenum ores and concentrates
	8	980400	Articles of low value in simplified customs procedures
	9	950662	Inflatable balls
	10	640610	Uppers and parts thereof, other than stiffeners
2020	Rank	HS Code	Goods
	1	271600	Electrical energy
	2	720221	Ferro-silicon
	3	910811	Watch movements, complete and assembled, electrically operated
	4	261100	Tungsten ores and concentrates
	5	980400	Articles of low value in simplified customs procedures
	6	670419	False beards, eyebrows and eyelashes, switches and the like, of synthetic textile materials (excluding complete wigs)
	7	310430	Potassium sulphate
	8	284920	Carbides of silicon, whether or not chemically defined
	9	920590	Wind musical instruments (excluding brass-wind instruments)
	10	670420	Wigs, false beards, eyebrows and eyelashes, switches and the like, of human hair, and articles of human hair, n.e.s.
2021	Rank	HS Code	Goods
	1	720221	Ferro-silicon
	2	271600	Electrical energy
	3	910811	Watch movements, complete and assembled, electrically operated
	4	500200	Raw silk
	5	310430	Potassium sulphate
	6	284920	Carbides of silicon
	7	500300	Silk waste
	8	261100	Tungsten ores and concentrates.
	9	920590	Wind musical instruments (excluding brass-wind instruments)
	10	670420	Wigs, false beards, eyebrows and eyelashes, switches and the like, of human hair, and articles of human hair, n.e.s.
2022	Rank	HS Code	Goods
	1	261100	Tungsten ores and concentrates.
	2	720221	Ferro-silicon
	3	271600	Electrical energy
	4	261390	Molybdenum ores and concentrates (excluding roasted)
	5	670420	Wigs, false beards, eyebrows and eyelashes, switches and the like, of human hair, and articles of human hair, n.e.s.
	6	500200	Raw silk
	7	700529	Float glass and surface ground and polished glass, in sheets, but not otherwise worked, other
	8	284920	Carbides of silicon, whether or not chemically defined
	9	500300	Silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock).
	10	910811	Watch movements, complete and assembled, electrically operated
2023	Rank	HS Code	Goods
	1	670420	Wigs, false beards, eyebrows and eyelashes, switches and the like, of human hair, and articles of human hair, n.e.s.
	2	720221	Ferro-silicon
	3	261100	Tungsten ores and concentrates
	4	271600	Electrical energy
	5	261390	Molybdenum ores and concentrates

2023	6	284920	Carbides of silicon
	7	500200	Raw silk
	8	910811	Watch movements, complete and assembled, electrically operated
	9	670419	False beards, eyebrows and eyelashes, switches and the like, of synthetic textile materials (excluding complete wigs)
	10	500300	Silk waste
2024 August	Rank	HS Code	Goods
	1	670420	Wigs, false beards, eyebrows, etc & articles, n.e.s. of human hair
	2	261100	Tungsten ores and concentrates
	3	271600	Electrical energy
	4	720221	Ferro-silicon
	5	910811	Electric watch movements, assembled, with mechanical display
	6	261390	Molybdenum ores and concentrates
	7	980400	Articles of low value in simplified customs procedures
	8	670419	False beards, eyebrows & eyelashes, etc, of synthetic fibres
	9	284920	Carbides of silicon
	10	500200	Other steam filature silk, n.e.s.

Source: General Administration of Chinese Customs (2024), based on 6-digit HS Code; for HS Code explanation, refer to <https://unipass.customs.go.kr/clip/index.do> (PRC).
The highlighted lines represent goods classified under HS Code 6704.

Part three of the report delves into the trade practices between China and North Korea, specifically highlighting the production of wigs and eyelashes stemming from ongoing joint ventures between state-owned enterprises in North Korea and their Chinese counterparts. North Korean companies engaged in light industry, including wigs, eyelashes, and garments, are closely linked to the elite tiers of the Central Party and the Military Economy, often referred to as the Second Economy, which is responsible for weapons' program.

These companies have played a significant role in exporting items such as wigs and eyelashes, with some products being produced in Chongori prison alongside knitted hats, rattan bags, and various garments, including sportswear. The textile production was documented prior to Resolution 2375, which imposed a ban on textile exports, leaving the current production landscape somewhat ambiguous. Although garment products have vanished from official export statistics, various textiles and knitted materials continue to be exported to North Korea. Chinese businesses still promote the trade in garments, wigs, and eyelashes, suggesting that subcontracting for garment production remains active.

This section of the report includes an analysis derived from NKHR’s open-source investigation, which examined the public advertisement of North Korean-made wigs and eyelashes on Chinese forums. Our journalist colleagues have collaborated with NKHR to verify which products cross the border into China and whether these items can be shipped to South

Korea as samples for potential business contracts. Additionally, while there has been considerable focus on DPRK-owned establishments like Koryo and Liuqing Hotel (Ryugyong Restaurant), particularly concerning their connections to North Korean forced labor in restaurants and hacker units, these locations continue to host businesses tied to light industry exports. Despite ongoing UN sanctions, the operations of joint ventures remain largely unaffected.

As noted in the previous parts of the report, the production occurring in prisons is closely tied to the establishment of the first ward factories, which have been manufacturing goods for China since 2009. The growth of the *kyohwaso* prison system and the targeted persecution of women have been driven by investments in the Rason Economic Zone (Rajin-Sonbong), a geopolitical initiative spearheaded by North Korean and Chinese leaders between 2008 and 2009. This initiative not only facilitated the establishment of joint ventures with North Korean state enterprises but also permitted the outsourcing of production to prison camps over an extended period. By branding these products as “Made in China,” seamless distribution in the international market—including for foreign brands—has been ensured.

The primary catalyst for crimes against humanity within the North Korean supply chain is the state-sanctioned system of slavery. Geopolitical dynamics, particularly the rivalry between China and Russia for economic influence over the leadership in the Democratic People’s Republic of Korea (DPRK), have further shielded and facilitated the expansion of this criminal system, allowing it to operate with impunity. Both states openly flout international sanctions that they were instrumental in establishing. This competition exacts a profound human cost, perpetuating the persecution of the North Korean civilian population.

Businesses and individuals, including those from South Korea, that engage with North Korean leadership to operate in special economic zones like Rason, form joint ventures with state-owned enterprises, or outsource production which is subcontracted, are complicit—either directly or indirectly—in sustaining North Korea’s system of slavery and its associated crimes against humanity. Such involvement supports the notorious network of prison camps, where a significant portion of production has been occurring since the 1970s when the system of political prison camps was expanded.

Rising labor costs in China, coupled with consumer demand for cheaper production, have also driven many businesses to close factories and outsource the production to Chinese partners, which subcontract manufacturing to North Korea, including its prison facilities. China’s export of raw hair to North Korea and the import of finished wigs are traceable to a certain extent. It is worth noting that categories for finished wigs (HS6704) also include eyelashes and beards and

their portion cannot be segregated on Chinese customs data. However, looking at the increasing export of human hair from China to North Korea, one can assume that wigs returning from North Korea to China constitute a large portion of that export-import in the category. While North Korean foreign trade companies can possibly operate multiple factories, including those producing machine-made wigs, the production in Chongori prison, like many prison camps, is characterized by manual labor. This labor-intensive method yields hand-hooked wigs that are significantly more expensive on global markets. The only reported machinery used in Chongori prison has been Russian-made sewing machines employed in the textile ward factory.

Our conservative estimates in the previous section of the report regarding Chongori's production capabilities were based on the reported number of female prisoners, which fluctuated between 1,100 and 1,200 annually, and the average size of prison factory wards, typically comprising 100 to 150 individuals. Given these figures, it's conceivable that Chongori prison could account for 42% and 71% of the export of wigs and eyelashes reflected in customs data in 2020 and 2021, respectively. Notably, Chongori is just one of nine known *kyohwaso* prisons, all of which have been reported to produce goods or minerals for export. This suggests that a significant portion of the trade in wigs and eyelashes could have potentially been fulfilled by only a handful of these facilities in the past. Moreover, recent media reports indicate a further expansion of *kyohwaso* prisons near crucial trade hubs with China. If we consider the potential increase in the allocation of prisoners to light industry, this could result in several hundred individuals being forced into slave labor, thereby generating slush funds and military resources for the regime. Due to the closed North Korean border during the Covid pandemics, not only goods, but also people could not easily cross, making it difficult to obtain recent prisoners' and insiders' testimonies. While customs data in 2023 may reflect a sudden release of accumulated goods during the pandemics, the data in 2024 when the borders have opened for trade signify that a large portion of total trade is taken by wigs and eyelashes. By August 2024, North Korean export to China of these goods was valued at US\$ 118,099,810.

1. Manufacturing Goods Through Outward Export Processing

Outsourced export processing is a key aspect of the export-import relationship between China and North Korea, particularly in the trade of wigs and eyelashes. Notably, North Korea is the only country trading with China, where wigs and eyelashes are sourced not through a general trade, but through outsourced export processing, effectively concealing their production origins. This arrangement provides significant political and economic benefits for both states. Unlike typical trade, which applies tariffs to the entire value of imported goods, export processing only

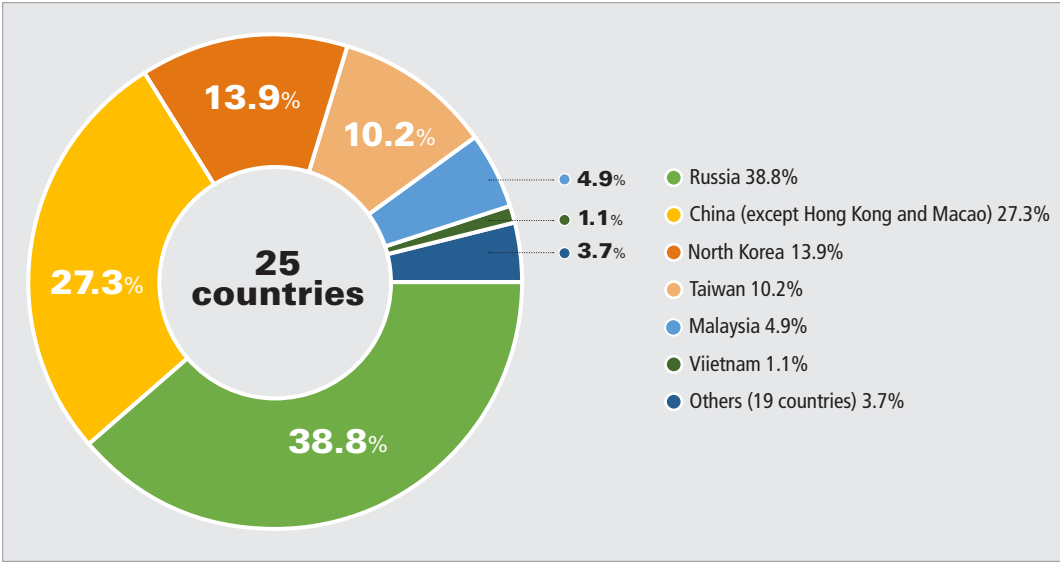


Fig. 5. China's Imports Via Outward Processing With Other Countries

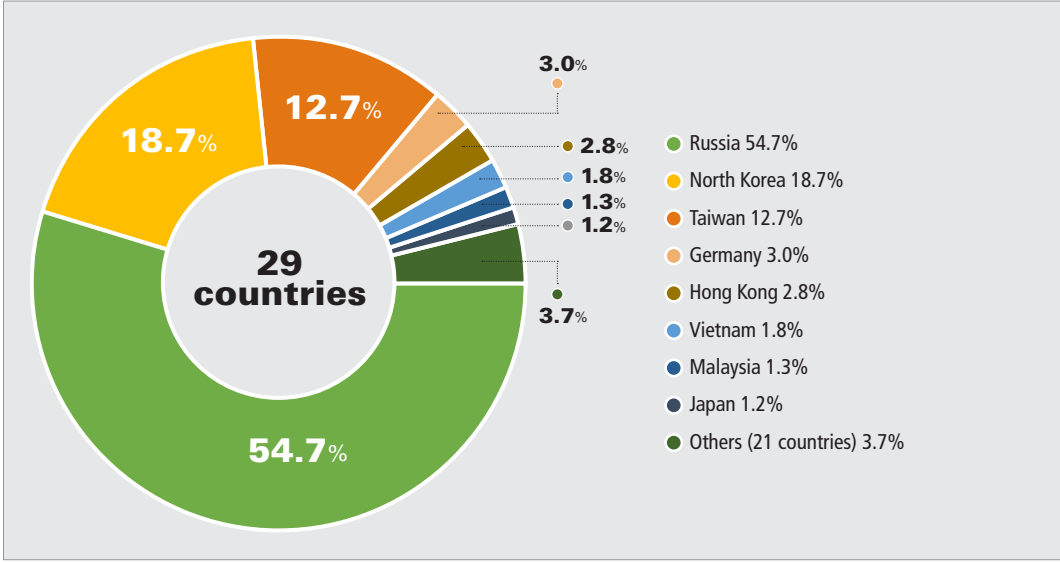


Fig. 6. China's Exports Via Outward Processing With Other Countries

levies tariffs on the portion that is processed in a third country when semi-finished products are re-imported to China. Given that the majority of the manual labor involved in the production of wigs and eyelashes occurs in North Korea, under standard conditions, the country of origin of such products should be indicated as North Korea. However, if the offshore processing method is utilized, both the initial and final stages of processing must occur in China, meaning the wig or eyelashes are ultimately described as “Made in China”. Furthermore, there is no requirement to

detail the processing steps when re-exporting the wigs internationally after completing final tasks, such as packaging, in China. Essentially, any evidence that the wig passed through North Korea during its manufacturing stage is legally obscured.

Until December 30, 2022 companies that engaged in foreign trade had to follow Foreign Trade Operators Beian Registration (对外贸易经营者备案登记 *Duìwài màoyì jīngyíng zhě bèi'àn dēngjì*), often referred to simply as Bian (备案). The registration of foreign trade operators was a crucial document required for applying for export and import licenses, technology import and export contract registration certificates, and state-run trade qualification certificates. To further liberalize foreign trade, Article 9 of the Foreign Trade Law has been abolished, which has been streamlining procedures for Chinese companies engaged in general trade with North Korea.

However, regardless of this legislative change, the outsourced processing trade remains tightly regulated by China's Ministry of Commerce and the Customs. Chinese authorities classify raw materials used in offshore processing as bonded goods. Consequently, companies engaged in offshore processing must report the import and export of materials, including the quantity of materials and processed products, as well as the added value generated through processing, to the foreign trade department via customs to obtain permission. The certificate issued to the export/import company, once customs approval is granted, is the processing trade record book (加工贸易手册 - *Jiāgōng màoyì shǒuzhàng cè*). All outsourced processing trade activities are governed by the details recorded in this book, including quantities of materials and processed products, customs clearance, and taxation.

During our consultations with trade and customs experts, concerns were raised regarding the legitimacy of relying on outsourced export processing for products like wigs, in contrast to standard trade practices. While many countries allow offshore processing for specific components of a product, this method is generally categorized as simple processing. In this approach, the initial four digits of the HS code for imported goods reported to customs remain unchanged, even when the product is re-imported after processing.

In China, products processed through export processing must be re-imported within six months of the materials being exported, unless exceptional circumstances occur. Analyzing the HS codes for materials shipped from China to North Korea reveals that items such as human hair (HS code 67030000) and lace netting (HS code 65050010) are utilized as components in wig production, as indicated by China's customs data. However, when wigs made from these materials are re-imported to China, they are classified under the HS code for wigs, false eyelashes and beards (HS 6704) in customs documentation. If the physical form of the exported raw material

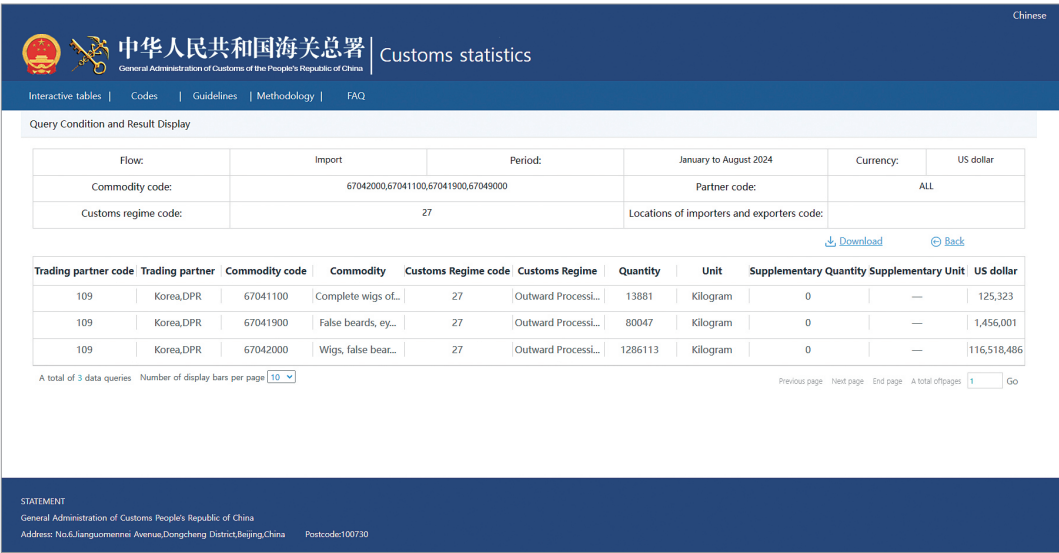


Fig. 7. Chinese Customs Statistics (Chinese customs statistics illustrate that the only country for outsourced processing for wigs and eyelashes is DPRK)

significantly alters during processing, the resulting wigs would typically be regarded as general trade items, indicating that they were “Made in DPRK” in many countries.

The entire outsourced processing export looks fundamentally political in nature, with Chinese authorities required to register and oversee this process. Statistics reveal that the highest percentage of outsourced processing involves China’s trade with Russia and North Korea (DPRK). From January to August 2024, North Korea ranks second for exports and third for imports in this category. When compared to China and other countries in the Asian region that engage in export processing, the share of export processing in North Korea-China trade is notably significant.

North Korea is the only country with which China engages in outward export processing of wigs and eyelashes. The Chinese customs data show that between January and August 2024, China imported 2,422,663 kilograms of wigs and eyelashes from North Korea, valued at US\$134,397,584. This indicates that nearly 87.9% of the trade value in the total HS6704 category for wigs, false beards and eyelashes is conducted through outward processing. The majority of this export category consists of human hair wigs and eyelashes (HS67042000), valued at US\$130,025,039, with 89% imported via outward processing. In the same period, China exported 1,590,592 kg of human hair to North Korea valued at US\$115,494,703. The General Administration of Customs of China reports that wigs and eyelashes comprised 57% of China’s imports from North Korea in 2023, making them the top import category. Data up to August 2024 suggests that these imports are expected to exceed prior figures in 2023. An analysis of China’s import of wigs and eyelashes

from other countries reveals that a significant majority, approximately 80% in value of these products are imported from North Korea.²⁹

2. Dandong and Hunchun: Two Hubs for North Korean Government Activities in Forced Labor and Prison Outsourcing

Chinese border cities have long served as key hubs for the import of North Korean forced labor to various industries in Dandong or Hunchun. These two cities continue to serve as significant hubs for the variety of export of materials and the import of consumer goods manufactured in North Korea, including wigs, eyelashes, textiles, knitted products, and rattan bags. Chinese authorities have been actively promoting this inter-trade relationship between North Korea and China, viewing it as a strategy to foster economic development of some of China's provinces.

Hunchun, situated in Jilin Province, is a significant center for the production of eyelashes and wigs. Over the years, Chinese authorities have completed their investments in the area, which is now well-connected by highway and the New Tumen Bridge to North Korea, providing access to the Rason Economic Zone. Joint venture companies in Rason have emerged as a key outsourcing hub for North Korean Chongori prison camp, playing a crucial role in managing production activities within this facility. Additionally, previous investigations revealed that Chinese companies often obscure the origins of this production by managing sales in Qingdao or Dalian before exporting, thereby concealing the true source of the shipments. Similar operational methods have been found for the export of wigs, eyelashes, bags, and other products manufactured in North Korea, a portion of which originates from Chongori prison camp.

Previous investigations also identified Hunchun and Dandong as a key focal point for China-North Korea cooperation, particularly associated with seafood and textiles produced by North Korean forced labor in China. Recent investigations by journalist colleagues at the Ocean Outlaw Project, have also uncovered human rights abuses related to North Korean forced labor in China, tied to significant seafood exports to numerous Western countries.³⁰

29. All data from General Administration of Customs of the People's Republic of China, Customs Statistics. <http://stats.customs.gov.cn/indexEn>

30. Ian Urbina, "The North Koreans Behind Global Seafood," The Outlaw Ocean Project, February 25, 2024, <https://www.theoutlawocean.com/investigations/china-the-superpower-of-seafood/the-north-koreans-behind-global-seafood/>.

In addition to Hunchun, Dandong also served as a significant textile hub, utilizing forced labor from North Korea. For instance, C4ADS reported that in September 2017, the Dandong municipal government articulated its strategy of leveraging inexpensive North Korean labor to attract textile investments. This approach aimed to support the One Belt One Road initiative.³¹ An investigation by South Korean reporter, titled, “North Korea: Global Clothing Factory”³² uncovered not only the extensive use of forced labor in Dandong and Hunchun, but also the joint ventures between Chinese companies and North Korean state entities, such as Rungra Trading Company. At that time, Professor Remko Breuker from Leiden University called for transparency regarding the human rights violations associated with employing North Korean laborers in the production processes of companies like Nike and Adidas for the U.S. NFL League, criticizing the modern slavery system that exploits individuals.³³ That inquiry covered South Korean brands, associated with CJ and its subcontractors, as well as large sports labels like Adidas, Nike, and Reebok whose production was outsourced to North Korean factories.

The above investigation into textile production outsourced to North Korea between 2010 and 2016 focused solely on the factories linked to Pyongyang, as indicated by export documentation. It also exposed that about 40% of this production was conducted in Rason Economic Zone. It is deeply concerning that testimonies from that era reveal a portion of garment production was carried out in North Korean prison camps that was outsourced through Rason. However, as the international community at the time has primarily focused on textile industry related to North Korean labor force in China or subcontracted to North Korean factories, it has largely overlooked the ongoing production in North Korean prisons, leaving many unaware that a significant portion of garment production has been outsourced to these facilities.

Our research into production in North Korean prisons has revealed that, during the same timeframe when the aforementioned production was outsourced to North Korea, garments—including sports apparel from well-known brands—were produced by prisoners of the Chongori prison camp, which indicates that these items were also produced using slave labor in North Korean prisons. Although the prisoners we interviewed reported English names they couldn’t read, leading to some garments remaining unidentifiable by brand, they associated training sets with well-known sports labels.

31. Jason Arterburn, *Dispatched: Mapping Overseas Forced Labor in North Korea’s Proliferation Finance System*, (CA4ADS, 2018), 14, <https://c4ads.org/wp-content/uploads/2022/05/Dispatched-Report.pdf>.

32. Seung Jae Kim, *North Korea; the Global Clothing Factory <Segyeui otkongjang, Pukhan>*, (Seoul: NulPumPlus, 2020).

33. Ibid, 114-115.

One of the prisoners who worked in sewing unit in Chongori prison in 2014-2015 when asked whether she could read any of the logos or labels of the brands that Chongori was producing reported:

W *I remember Adidas, actually.*

Q *You saw Adidas?*

W *Yes, yes. Adidas.*

Q *Do you remember what the Adidas clothing looked like?*

W *Let's see... This was one of the clothes we worked on together. The pants had an elastic band at the bottom hem. Fabric.*

Q *Was the Adidas logo on those pants?*

W *Yes. The Adidas pants seemed like track pants. They weren't winter clothes. No pockets. I can't remember exactly if there were no pockets because we weren't skilled enough to make them or if they were meant to be pocketless. But anyway, they didn't have back pockets. There was a small zipper as decoration on each side at the back. Like this, a single zipper here.*

Q *About how many pieces of this would you say were made?*

W *We made quite a few of these, around 300-400 pieces. I did so many it's hard to remember, but they were easy to make. I could make around 50 pieces of pants like these a day because they were so simple—no complicated steps, just adding pockets and simple zipper attachments. A person with seven or eight years of sewing experience could easily make 50 pairs a day. That was the case with the pants, but the top had more detailed work, I think, with more parts to attach.³⁴*

The extent to which international companies are aware that their supply chain may be linked to crimes against humanity in North Korea remains unclear. However, there are clear signs of inadequate due diligence among companies. While many South Korean and multinational brands collaborate with partners in China, this does not negate the reality that these partners, through a complex supply chain, often outsource production to North Korea. The practice of companies in Dandong and Hunchun subcontracting various production processes to North Korea is an open secret, known across multiple industries. The fact that Chinese and South Korean traders are aware of the fact was also reported in a recent Reuters investigation on eyelashes from North

34. AC0010.TR2.E, 837-839, 930-931, 936-939

Korea for which NKHR's Team was also interviewed.³⁵

The production of garments, wigs, and eyelashes is also marked by narrow profit margins, prompting companies to seek production options with the lowest labor costs. Currently, the lowest labor costs can be found in North Korean prisons, as we have documented. Even North Korean workers in Dandong, Hunchun, Rason, or Pyongyang who produce goods for China contribute to increased production costs. This is because they still receive about 10% of the salaries contracted between the North Korean government and foreign counterparts.

Furthermore, the absence of these companies in China, particularly due to the closure of factories in response to rising costs there, raises concerns about the oversight of production processes. This situation casts doubt on the feasibility of conducting proper due diligence, especially when Chinese business partners may be involved in illicit trade and falsifying documentation.

Given that exports of textiles and knitted goods from China to North Korea have not only continued but are showing signs of recovery post-pandemic, it raises concerns about the persistence of the slavery system and production in prison camps. As mentioned before Chongori Kyohwaso diversified its production to include garments, knitted items, and woven products such as rattan bags, in addition to exporting wigs and eyelashes since 2009. While the UN Security Council Resolution has restricted textile exports from North Korea, it does not prohibit import of fabrics by North Korea. It is improbable that domestic consumption has suddenly surged, particularly since some fabrics and knitted materials account for 50%-70% of export levels seen before sanctions in 2016-2017, when imports peaked. For instance, the two largest import categories under HS5407—dyed polyester fabrics (HS54075200)—were valued at \$18,462,899 in exports to North Korea in 2023, compared to \$34,490,055 in 2016. Other woven fabrics under HS54076900 also contributed significantly to this trend. The import of knitted and crocheted fabrics to North Korea (HS 60063200) was valued at US\$ 46,918,442 in 2016, but again reached the level of US\$ 35,042,763 in 2023.

Although there are no documented exports from North Korea to China, it's notable that businesses partnering with North Korean firms in the export of wigs and eyelashes publicly advertise their assistance in outsourcing garment production to North Korea. Additionally, Chinese companies promote their collaborations with North Korean entities like Unha/Eunha

35. Ju-min Park and Eduardo Baptista, "How North Korean eyelashes make their way to West as 'made in China'," Reuters, February 4, 2024, <https://www.reuters.com/world/asia-pacific/how-north-korean-eyelashes-make-their-way-west-made-china-2024-02-03/>

(Galaxy) General Trading, which has historically been one of the largest producers and exporters of clothing and footwear. Unha Trading is also involved in the wig and eyelashes trade through its subsidiaries, highlighting a complex network of connections.

The final concern regarding the outsourcing of production and lack of oversight is North Korea's recent expansion of *kyohwaso* prison camps as reported by NK News in June 2024.³⁶ The expansion of these camps is not a new phenomenon; as discussed in the previous section, it reflects a historical trend in North Korea's implementation of new laws or the intensification of existing punishments to justify widespread and systematic attack on the civilian population. Passing of new laws, such as the Law on Rejecting Reactionary Ideology and Culture in late 2020 is reportedly used to crack down on citizens consuming foreign content and pop culture.

However, these prison camps are located near major ports and trade hubs, which gives us reasonable grounds to believe that they cater to expanding North Korea's export. While the Chongori Kyohwaso prison camp located in North Hamgyong Province primarily houses repatriated women from China and has ties to Chinese companies in the nearby Rason Economic Zone and to Hunchun in Jilin Province; the newly expanded *kyohwaso* in Sinuiju is located just across from the Dandong business hub and according to the Committee on Human Rights in North Korea is reportedly involved in producing garments, bicycles, and watches for security forces.³⁷ Additionally, the other camps in Sariwon and Chonnae are situated near the ports of Nampo and Wonsan, with Nampo being the largest import-export port in the country. The trend of expanding prisons dates back to the 1970s when the expansion of political prison camps became a cornerstone of North Korea's slave economy.

3. Thriving Joint-Ventures Between North Korean and Chinese businesses

Ningbo - Unha Trading in Wigs and Eyelashes - a Case Study

Despite the UN Security Council Resolution 2375, which reinforced sanctions by prohibiting all joint ventures and cooperative entities between U.N. Member States and North

³⁶. Colin Zwirco and Ifang Bremer, "North Korea expanding and rebuilding prison camps around country, imagery shows", NK Pro, June 5, 2024, <https://www.nknews.org/pro/north-korea-expanding-and-rebuilding-prison-camps-around-country-imagery-shows/>.

³⁷. Joseph S. Bermudez, Jr., Greg Scarlatoiu, Amanda Mortwedt Oh, and Rosa Park-Tokola, *North Korea's Long-term Prison-Labor Facility, Kyo-hwa-so No. 3, T'osŏng-ni (토성리)*, (Washington D.C., Committee on Human Rights in North Korea, 2021), 8, https://www.hrnk.org/wp-content/uploads/2024/07/Bermudez_KHS3_Updated.pdf.

Korean companies or individuals—applicable to all sectors, including light industries like textiles—investigations from South Korea revealed ongoing connections between several South Korean companies and the outsourcing of production to North Korea via China, even after the resolution was enacted.

North Korean companies are actively pursuing joint ventures in Dandong and Hunchun, leveraging partnerships with Chinese businesses to expand their connections to other provinces for potential processing and shipment opportunities. The North Korean Embassy in Beijing seemingly facilitates these business opportunities. One notable company involved in wigs and eyelashes trade is Unha General Trading Company, with its subsidiaries, Unha 1 and Unha 7. According to various South Korean sources Unha is linked to Bureau 39 of the Korean Workers' Party. Also known as the Central Committee Bureau 39 of the Workers' Party of Korea, or Office/Room 39, it is a clandestine organization within North Korea. Its primary objective is to secure and manage a foreign currency slush fund for the country's leadership through its 120 companies. Bureau 39 is involved in managing foreign currency earnings from hotels both in Pyongyang and internationally, as well as overseeing gold and zinc mining, along with agricultural and fisheries exports. Additionally, it reportedly managed a significant portion of North Korea's textile exports labeled "Made in China," while also overseeing the wages of North Koreans workers sent abroad.

Unha Trading Company is a prominent player in North Korea's light industry, particularly in textiles, and operates several factories across the country. Established as one of the oldest North Korean enterprises, Unha Trading entered into its first joint venture with Japan's Sakura Group. The founders of Sakura Group were instrumental in the passage of North Korea's Joint Venture Law in 1984, which encouraged investments from Chongryon companies in Japan. In recognition of this contribution, Jeon Yeon-sik, the President of Sakura Group, was appointed Vice Chairman of Chongryon, the General Association of Korean Residents in Japan. This organization functions as a de facto North Korean embassy in Japan and is known to be associated with the DPRK's intelligence unit, the United Front Department.³⁸

Jeon additionally held the position of chairman of the Federation of Korean Chambers of Commerce and Industry in Japan and served as a deputy to the North Korean Supreme

38. Chongryon is also implicated in numerous human rights violations. It facilitated the forced relocation of over 90,000 Koreans to North Korea, between 1959 and 1984, many of whom subsequently found themselves in mental wards or political prison camps. The victims of this campaign have been pursuing justice in Japanese courts, while the filing of cases by Citizens' Alliance to the South Korea's Truth and Reconciliation Commission in 2023 has resulted in investigation probe and acknowledgment of the violations faced by this diaspora.

People's Assembly. His brother, Jeon Jin-sik, was pivotal in managing joint ventures between North Korean and Korean companies in Japan, known as "Jojo Joint Ventures." He chaired the Joint Venture Promotion Committee and in 1987, established the "Moranbong Joint Venture Company," marking the first collaboration of its kind with the "Chosun Unha Trading Corporation."³⁹

Unha also operates a subsidiary in Rason known as Unha Clothing Trade Company, alongside other subsidiaries in China. While some sources classify Unha under the Cabinet and Light Industry Ministry, many view it as a front for Bureau 39 operations, a perspective supported by the company's history. A recent source, Kang-il Heo, an embattled manager of 12 workers from the Ryugyong Restaurant in Ningbo, Zhejiang Province, who fled to South Korea in 2021, provides insight into this. He revealed that he worked as a clothing processing manager at Unha General Trading Company, affiliated with Room 39 of the Party. In August 2013, he was dispatched to Korea Baekseol General Trading Company as the manager of the North Korean restaurant "Jindallae Restaurant" in Yanji, Jilin Province, China. From October 2015 onwards, he served as the manager at the "Ryugyong Restaurant" in Ningbo, Zhejiang Province, China.⁴⁰

Whether by coincidence or design, the name Ningbo—specifically in the context of Ningbo Yingsen Import and Export Co., Ltd. (宁波瀛森进出口有限公司)—is linked to North Korean Unha companies, particularly in the trade of eyelashes and wigs, with backing from the North Korean Embassy in Beijing. Du Chinxing (杜春兴), the company's representative, plays a pivotal role as an intermediary between North Korean authorities and various trading firms, including those producing wigs and eyelashes in Henan and Shandong, China. With extensive experience in the trade sector, he has forged strong connections with officials at the North Korean embassy, establishing himself as a reliable broker for customs clearance and processing operations. Correspondence with Chinese sellers indicates that Du Chunxing's promotional efforts are increasingly recognized among Chinese business owners.

His posts reveal the involvement of North Korean authorities, including the DPRK Embassy

39. Myeongsuk Chae, "[Once Upon a Time in Export-25] Sakura Group's Chongryon-affiliated Chairman Jeon Jin-sik's Visit to South Korea in Progress" ([옛날옛적 수출-25] 조총련계 사쿠라그룹 전진식 회장 방한 추진기), Dec.01, 2020, <https://www.seoulwire.com/news/articleView.html?idxno=430919>. ([Once Upon a Time in Export-25] Sakura Group's Chongryon-affiliated Chairman Jeon Jin-sik's Visit to South Korea in Progress), Dec.01, 2020, <https://www.seoulwire.com/news/articleView.html?idxno=430919>

40. Jiyoung Kim and Kyongsik Nam, "Rep. Yoon Mee-hyang and her husband were summoned for questioning by the police on suspicion of violating the National Security Act ([단독] 윤미향 의원 부부 국가보안법 위반 혐의 경찰 소환조사 받았다.)", Ilyo Shinmun, August 05, 2022. https://ilyo.co.kr/?ac=article_view&entry_id=434065.



Fig. 8. Power of Attorney Documents
Two power of attorney documents were posted by Du Chunxing in 2023 : one for the Choson Unha Trading Company 7 and another stamped by the Beijing Representative Office of the Choson Unha Trading.

in Beijing, as well as trading companies like Unha 7 Trading Company, Unha Trading General Company, and Shinsung Company—likely the Chinese name for Saebyeol Trading Company. Additionally, transportation firms such as Jaseong 1 play a role in the toll processing trade between North Korea and China. Notably, the Dandong Xindong Trading Company, and the

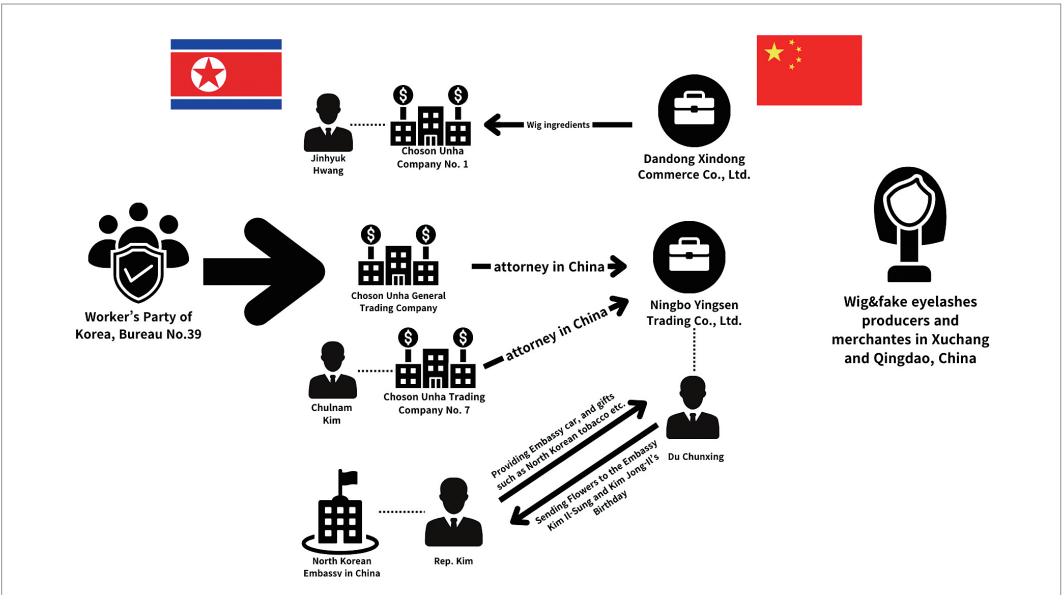


Fig. 9. Connection Between North Korean Authorities and Chinese Companies



Fig. 10. Shipment of Wig Raw Materials

Dandong Xindong Commerce Co., Ltd., was established on August 16, 2022, according to China's National Enterprise Credit Information System. The company primarily focuses on the production and sale of beauty products, and is linked to Choson Unha 1 Trading Company. The photo, posted in 2024, depicts a shipment of wigs from North Korea and wig raw materials to North Korea.

North Korean Unha Company linked to Du Chunxing, suggest a connection to the Unha General Bureau of the Workers' Party of Korea, indicating it may be an affiliated entity.

Two power of attorney documents were posted by Du Chunxing in 2023 : one for the Choson Unha Trading Company 7 and another stamped by the Beijing Representative Office of the Choson Unha Trading.

Furthermore, Du Chunxing's recent change of his Douyin account name from "Choson Processing Trade" to "Russia-Choson Garment Processing Trade" signals his ambition to expand beyond Dandong and engage in processing trade that connects North Korea, China, and Russia. This strategic shift indicates a desire to enhance his business operations across these three nations. While little is known about him, his high-level associations make it unlikely that he is merely a typical businessman.

Companies in Dandong, such as Dandong Xindong Commerce Co., Ltd. (丹东新东商贸有限公司) also advertised export of human hair and import of semi-finished wigs and their affiliation with Unha 1 Trading Company:

Investigative journalists and scholars have previously identified companies that outsource textile production to Rason: "The Hunchun Yunda Knitting Clothing Company in the Yanbian Korean Autonomous Prefecture in Jilin Province had from 2005 engaged in CBP-based outsourcing to North Korean factories, such as those operated by the Unha Clothing Company

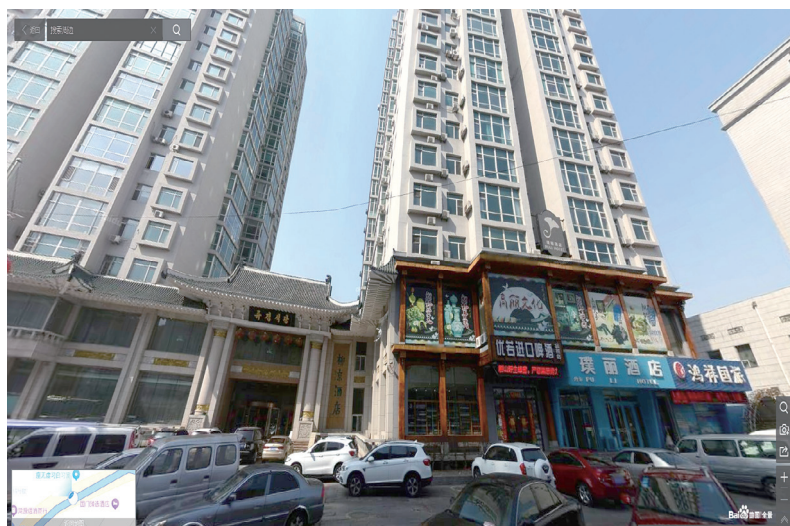


Fig. 11. Liujiing Hotel (Ryugyong Restaurant), Koryo Restaurant in the middle of Jiadi Plaza Complex housing various businesses such as DPRK Sungri Wig Factory

based in Rason, North Hamgyong Province (Lim 2012, 71). By 2015, a total of eleven companies based in Hunchun were outsourcing production to Rason-based clothing factories under CBP arrangements (Bae and Yoon 2015, 170)”⁴¹

We have identified 12 businesses involved in the production of wigs and false eyelashes. Among these, six operate through Rason, which serves as a primary source for outsourcing raw materials and facilitating export of finished goods. A number of businesses located in Hunchun and Dandong trade with wigs eyelashes, but they also have main points of operation elsewhere, such as in the case of Ningbo/Dandong being associated with companies in Henan

This aligns with a pattern observed by witnesses: although raw materials and semi-finished goods were exchanged with Rason, the boxes containing wigs, eyelashes, rattan bags, and other items displayed labels from much more distant cities in China. These locations are either renowned for wig production or serve as transport hubs to other countries.

W In Chinese, it is called Hebei Province. Hebei.

Q Hebei.

W Hebei, Henan.

41. Jong-Woon Lee & Kevin Gray, “North Korea, Apparel Production Networks and UN Sanctions: Resilience through Informality,” *Journal of the Economic Geographical Society of Korea*, Vol.23, No.4, 2020 (373-394), 379.

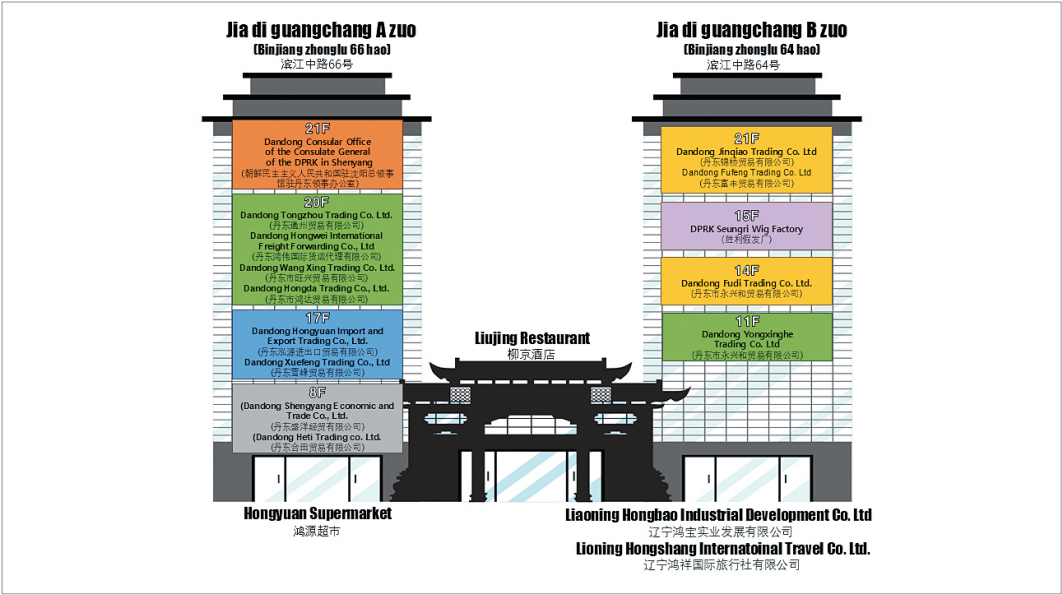


Fig. 12. Jiadi Plaza

- Q Was that written down?
- W Yes, yes.
- Q Were you able to recognize that?
- W Yes, Hebei and Henan. Characters. Chinese characters were written, I cannot forget them.⁴²

Furthermore, Dandong has been involved for some time in operating North Korean hotel-restaurants, such as the Koryo and Liujiang Hotels (Ryugyong Restaurant). These establishments not only employed forced labor but also housed organizations connected to North Korean state enterprises and Bureau 39 operations. The Chinese owners of Liujiang Hotel Ma Xiaohong (馬曉紅), who was the sole director and owner of Dandong’s Liujiang Hotel, was both criminally charged by the US Department of Justice and sanctioned by Office of Foreign Assets Control for assisting the DPRK in its weapons procurement operations: “The Liujiang Hotel shares an email address, phone number, directors, and shareholders with a number of other companies both within and beyond Dandong. One such company is a second North Korean restaurant-hotel in Shenyang called Chilbosan Hotel (沈阳七宝山酒店), an entity that listed Ma Xiaohong and a second Liaoning Hongbao Industrial Development director Wang Haodong (王浩东) as company

42. AC0020.TR1-1.E, 1411-1419

officers. Chilbosan has long been reported as an overseas training site for Bureau 121, an elite North Korean military hacking unit.”⁴³

The Koryo and Liujiang Hotel (Ryugyong Restaurant) operate in a twin-building Jiadi Plaza(佳地广场, Jiadi Guangchang)⁴⁴, where we identified over 30 active companies. The Plaza is just across the bridge with Sinuiju in North Korea and close to the Customs processing office once the goods cross the bridge. One of the offices that operate in the same building as Liujiang Hotel is an office that is suspected to represent North Korean wigs trade, called DPRK Sungri (Victory) Wig Factory. Although this factory is not officially confirmed in China’s sales records, it has been confirmed through numerous Chinese private business information portals that it is located in room 1504, Building B, Zadi Square.

43. Jason Arterburn,(2018), 30-31.

44. Jiadi Plaza is located in Binjiang Middle Road, Zhenxing District, Dandong City, Liaoning Province (辽宁省丹东市振兴区滨江中路64号/66号).

IV Implications

1. Implications for International Community

The limited understanding and investigation into the connections between companies supervised by the North Korean leadership and military company structures—including their chain of command, ties to prison camps, and profits from crimes against humanity—hampers meaningful discussions on the relationship between security and human rights. This report likely represents a first attempt to address these critical links, as there has been little thorough investigations or attempts to explore the matter. As a result, current discussions at the UN, which included human rights and security into the North Korean agenda may seem more like lip service than genuine efforts to tackle these complex issues. Neither the now-defunct 1718 Sanctions Committee of the UN Security Council nor the annual briefings on human rights in North Korea have effectively explored the interplay between human rights atrocities, security, and the Women, Peace, and Security Agenda, all of which are highly relevant to the issue highlighted in this report.

This is why the newly established Multilateral Sanctions Monitoring Team (MSMT), an alternative to the 1718 Committee and comprising 11 countries—including South Korea, the

United States, Japan, France, the United Kingdom, Germany, Italy, the Netherlands, Canada, Australia, and New Zealand—should create a consultative body with civil society and conduct regular briefings on its findings. The MSMT aims to provide accurate and ongoing reporting on the enforcement of sanctions against Pyongyang, particularly in relation to how the regime circumvents these sanctions through its illicit nuclear program and weapons trade. It is crucial not to overlook the profits derived from North Korea's slavery system and crimes against humanity, which significantly contribute to its military initiatives.

While much attention has been directed toward North Korea's forced labor exports, cryptocurrency activities, hacking operations, and the transfer of sensitive technology, it is crucial to acknowledge that illicit financial flows through North Korean foreign trade companies and their numerous joint ventures are integral components of a larger criminal system, which is built upon a slavery machine. This system requires the generation and submission of foreign currency quotas (*waku*). Whether achieved through the export of forced labor, the use of cryptocurrency, or the trade of minerals and goods produced under slavery in detention facilities, all these elements are interconnected within the same quota system and the same institutions that control it. Affiliated foreign trade companies that are target for sanctions for various reasons are complicit in perpetuating slavery and generating revenue for the regime through mass atrocities—a reality that has been largely ignored by the UN and the international community. There has been a growing focus on new legislation, including recent bans on accessing foreign content, which provides a veil of legality to the North Korean regime to detain individuals. Yet, there is a lack of analysis regarding how recent new laws and increased penalties in the North Korean Criminal Code establish a historical pattern that enables the regime to target the civilian population. This strategy enables them to replenish or grow their labor force, thereby increasing the production of goods for export within their detention facilities, some of which are reportedly undergoing expansion once more. The pandemic has brought heightened attention to border closures and the conditions within North Korea; however, there has been insufficient focus on how open borders contribute to the proliferation of slavery. This occurs through the increased deportation of illegal border crossers targeted for detention, the expansion of prison camps, and the access to foreign markets for the goods produced by these individuals.

According to Professor In-ok Kwak, who runs the Pyongyang Watch blog, North Korea's trading companies are classified into five tiers. First-class trading companies, which operate under the Central Party and the Second Economy (weapons program), account for 70% of the country's total trade. These companies are managed by Room 39, a department within the Central Party. In contrast, second-tier trading companies, representing 20% of North Korea's trade, fall under the purview of the Ministry of People's Armed Forces, the Ministry of People's Security, the Ministry

of State Security, and the Cabinet. Professor Kwak notes that the Ministry of Justice, also affiliated with the Central Party, is responsible for developing correctional policies for inmates and engaging in discussions with the Bureau of Corrections (*kyohwaguk*). This is particularly important in view of the light that major exporter of wigs, eyelashes, textiles or shoes, Unha Trading and its subsidiaries are affiliated with Bureau 39. Also as the system was outlined in the earlier part of analysis in our report, the director of the Bureau of Corrections from 2009 to 2023 overseeing *kyohwaso* prison system under the Ministry of People's Safety has been affiliated with the Rason Economic Zone through the Joint Investment Committee, originally chaired by Jang Song Thaek to bring Chinese investments. According to a 2024 report from Daily NK, an alarming 90% of false eyelashes are produced in *kyohwaso* prison camps, managed by the Bureau of Corrections under the Ministry of People's Safety, which also oversees Chongori Prison Camp. According to Daily NK, sources inside the country reported that the Ministry has significantly increased the planned production volume of primary processed products, including false eyelashes, directing three times the amount to each *kyohwaso* production department compared to last year.⁴⁵

Critics contend that sanctions lead to the subcontracting of certain goods' production to North Korea; however, this view neglects the realities of the country's slavery-based economy. Free trade would not render prison camps and the slavery economy obsolete, as these have been foundational to North Korea's economy since the 1970s. Allowing North Korea to engage in unrestricted trade does not promote reform; instead, it facilitates the expansion of the slave labor system within its prison facilities, where production costs are the lowest.

Our previous report, "Blood Coal Export from North Korea," documents a troubling correlation: as summits between North Korea, the United States, and South Korea occurred, coal production surged, accompanied by the expansion of political prison camps dedicated to coal mining. The mining industry is intrinsically tied to intergenerational slavery, particularly influenced by the *songbun* system, leading to heightened violations against generations of individuals forced into this industry, including the descendants of South Korean prisoners of war and political detainees. The anticipation of free trade and the lifting of sanctions spurred this increase in production until the unsuccessful talks in Hanoi, between the U.S. and North Korea.

Similarly, the production of garments, wigs, and eyelashes in North Korean prison camps has been documented since 2009, prior to the imposition of the most severe sanctions. During

45. Tae Joo Jeong, "False eyelashes sold in China are the result of forced labor by North Korean inmates," February 13, 2024, <https://www.dailynk.com/20240213-1/>.

this time, North Korea has only intensified its weapons programs, profiting from its forced labor activities abroad, and slave labor in vast network of prison camps at home. It's important to note that there are no private companies in North Korea; all businesses are state-owned, belonging to the Party, Military Economy, or various ministries, including security forces that manage these detention facilities. Individuals engaging in these business opportunities are merely representatives of state entities tasked with meeting foreign currency quotas (*waku*). Therefore, open trade with North Korea is unlikely to change this dynamic; it will only encourage it. Moreover, the complete lack of oversight in North Korea allows companies and government officials to create a façade of legitimate production in places like Rason or Pyongyang, while the reality is that much of it is outsourced to prison camps.

Victims' testimonies indicate that from 2009, when the production of wigs and eyelashes began at the Chongori Kyohwaso factories, to 2015, the range of products expanded to include knitted hats, rattan bags, and garments, including sports apparel from well-known Western brands. This business model has exacerbated gender-based persecution, resulting in the imprisonment and enslavement of women targeted for this labor. Tragically, it has led to an annual death rate of 25% among the inmate population due to diseases and malnutrition while Chongori prison is self-sustained through cultivation of crops, vegetables and animals and brings profit from export of goods produced by inmates. We have also documented patterns of torture, sexual violence, and extrajudicial killings, which represent heinous crimes against humanity committed in support of this supply chain. The lasting trauma and physical ailments resulting from these experiences have left deep scars on the victims and survivors we interviewed.

2. Implications for Companies and Global Supply Chain and Responsibility of the States

Working alongside investigative journalists, we have verified that certain Chinese companies openly advertise their products as being manufactured in North Korea. These companies are even prepared to send samples to South Korea to secure business contracts for North Korean firms. Previous investigations into the textile industry have revealed a concerning lack of oversight concerning company practices. Many firms mistakenly believe they are not violating any sanctions, as they perceive products like wigs and eyelashes to be exempt from such restrictions. Smaller businesses often remain unaware of the UN Guiding Principles on Business and Human Rights, while larger corporations that subcontract to China frequently fail to thoroughly vet their partners. This situation raises significant concerns about the extent to which products like wigs, eyelashes, garments, and knitted goods sold in South Korea and other countries are not only

manufactured in North Korea, but are also produced in clear violation of international criminal law regarding crimes against humanity, as well as international regulations on slave trade and slavery.

This concern extends to various goods available on e-commerce platforms like Amazon, Temu, and Gmarket, where items such as wigs and eyelashes are labeled as “Made in China” without a requirement to disclose their true origin. This is concerning in view of the fact that the majority of China’s import of these goods comes from North Korea as revealed on China’s Customs Statistics.

In specific cases, such as Xinjiang Uyghur Autonomous Region, reports of Uyghur forced labor involving prisoners have led to a ban on import of goods produced with forced labor in that region to the U.S.⁴⁶ This reflects a growing awareness and response to these serious ethical issues. In the case of North Korea, the Countering America’s Adversaries Through Sanctions Act (CAATSA) created “a rebuttable presumption that significant goods, wares merchandise, and articles mined, produced, or manufactured wholly or in part by North Korean nationals or North Korean citizens anywhere in the world are forced-labor goods prohibited from importation under the Tariff Act of 1930.”⁴⁷ The Tariff Act of 1930 prohibits the importation of all goods produced with forced labor and all goods produced by North Koreans are assumed to be produced with forced labor. The U.S. does possess the regulation to counter forced labor but its strength lies in enforcement, especially by CBP.

However, it is difficult to envision effective enforcement in cases of trade subcontracted to North Korea unless companies voluntarily disclose their practices (one known case in the past),⁴⁸ or if governments, journalists and NGOs provide concrete information on specific instances. This is particularly challenging as many companies frequently change their names to evade scrutiny. Given that North Korea is a major source of wigs and eyelashes imported into China, more robust measures are essential to address this issue immediately and effectively.

46. U.S. Congress. United States Code: Uyghur Forced Labor Prevention Act, Public Law 117-78, Dec. 23, 2021 <https://www.govinfo.gov/app/details/PLAW-117publ78>.

47. U.S. Congress. Section 302A, United States Code: Countering America’s Adversaries Through Sanctions Act, Public L. No. 115-44, 131 Stat. 886 (2017). <https://congress.gov/115/plaws/publ44/PLAW-115publ44.pdf>.; U.S. Congress. Section 1307, United States Code: Tariff Act of , 19 U.S.C. §§ 1201 to 1641 Suppl. 2 1934. 1934. Periodical. <https://www.loc.gov/item/uscode1934-003019004/>.

48. Courtney Reagon, “Elf Beauty pays nearly \$1 million for violating North Korean sanctions—with false eyelashes,” CNBC, February 1, 2019, <https://www.cnbc.com/2019/01/31/elf-beauty-pays-1-million-for-violating-north-korean-sanctions.html>.

Similarly, the UN Security Council Resolution 2375 prohibits all joint ventures and cooperative entities between U.N. Member States and North Korean companies or individuals. This prohibition applies to any sector, including light industries like textiles, which were significant sources of foreign currency for North Korea. The Resolution 2375 was designed to prevent the North Korean regime from using foreign investments and joint ventures to fund its nuclear weapons and ballistic missile programs. It should also apply to the ongoing North Korean joint ventures with China dealing with wigs, eyelashes, rattan bags, knitted goods and other produce, not only because these joint ventures contribute financial resources for the regime, but also because it has been documented that a portion of production occurs in prison camps. As such, no presumption of forced labor is necessary, these goods are in portion produced under conditions of forced labor, slavery and ongoing slave trade, as well as documented crimes against humanity. The ongoing joint ventures in China and their transnational supply chains, including the outsourcing of production to China that ultimately reaches North Korea, highlight a lack of proper enforcement by states. Many businesses, especially in South Korea, are either unaware or unwilling to acknowledge that they not only violate sanctions but may also be implicated in crimes against humanity.

Thus, promoting the agenda of inter-Korean economic cooperation as it was done in the past and encouraging foreign investments in related projects without addressing the risks of perpetuating a feudalistic slavery system in North Korea is an irresponsible endeavor. Without comprehensive oversight of factories operating in the country, there can be no assurance that production does not involve widespread human rights violations that could amount to crimes against humanity, potentially leading to serious legal repercussions for South Korean and foreign companies and individuals involved.

The UN Guiding Principles on Business and Human Rights outline the responsibilities of states to regulate companies, emphasizing the duty to “protect against human rights abuses” within their territory or jurisdiction, including those committed by businesses. This involves taking steps to prevent, investigate, and redress abuses through policies, laws, regulations, and enforcement. States are encouraged to clearly set the expectation that businesses under their jurisdiction respect human rights throughout their operations. To fulfill this duty, the Guiding Principles advise states to enforce laws that compel businesses to respect human rights, periodically review these laws for effectiveness, and provide guidance to companies on maintaining human rights standards. They should also encourage, and where appropriate, require companies to disclose their efforts to address human rights impacts.

International human rights law obligates states to regulate businesses operating within

their territory or jurisdiction regarding any adverse impacts they may have on human rights, even outside national borders. This is especially relevant for states with companies that outsource production to North Korea or maintain direct or indirect relations with North Korean state enterprises through joint ventures and commercial partnerships.

The Organisation for Economic Co-operation and Development (OECD), which comprises 38 member countries—including several in the Asia-Pacific region such as South Korea, Japan, Australia, and New Zealand, as well as the United States and various European nations—stresses the necessity for businesses to implement both proactive and reactive policies and procedures. These measures should ensure that they do not contribute to severe human rights violations and other risks, particularly in countries like North Korea. This is particularly significant for industries such as North Korea's extractive sector or light industry. The OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector addresses risks specific to garment and footwear supply chains, such as poor labor conditions, child labor, forced labor, and sexual and gender-based violence. The guidance advocates for a zero-tolerance policy against forced labor within companies' operations and supply chains. It also encourages enterprises to review existing reports from governments, international organizations, and civil society organizations. Such review should identify materials and production processes linked to forced labor, as well as sourcing regions that have been flagged as higher-risk for such practices. These guidelines also highlight the increased risks associated with prison labor and subcontracting, which are often connected to forced labor in this industry.⁴⁹

The United Nations Global Compact also assumes a parent company's responsibility for its subsidiaries.⁵⁰ Like the Guiding Principles, the Global Compact offers businesses a framework based on ten principles, including a commitment to human rights and the avoidance of complicity in abuses. Complicity occurs when a business aids another entity in human rights violations, knowingly providing assistance, facilitation, or encouragement, whether through actions or omissions.⁵¹

It is crucial for countries to strengthen their regulations and provide clear guidance

49. OECD, *OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector*, (Paris: OECD Publishing, 2018), 129, <https://doi.org/10.1787/9789264290587-en>.

50. UN Global Compact, Official website www.unglobalcompact.org/about/faq

51. See for example: International Commission of Jurists, "Report of the International Commission of Jurists Expert Legal Panel on Corporate Complicity in International Crimes", *Criminal Law and International Crimes*, Volume 2: 2008, 40-41. <https://www.refworld.org/reference/themreport/icjurists/2008/en/69382>.

to businesses against offering direct or indirect support to North Korean joint ventures that subcontract or export products originating from South Korean and multinational companies. South Korea and other nations should raise awareness about the potential involvement in large-scale atrocities if partners are not thoroughly vetted and production is subcontracted to North Korean prison camps, including the risk of criminal liability.

3. Implications for Accountability

A decade has passed since the United Nations Commission of Inquiry released its report on crimes against humanity in the Democratic People's Republic of Korea (DPRK) in 2014. Yet, no cases have been brought before national courts to seek justice for these grave atrocities. This is particularly concerning given that many victims now live in the Republic of Korea, Europe, and other countries where they could pursue justice.

The COI's recommendation for a referral to the International Criminal Court (ICC) has garnered significant attention from the international community, yet many states and civil society organizations remain passive without actively pursuing alternatives that are currently available. Given the current impasse at the UN Security Council, which holds the authority to refer cases to the ICC, a referral of North Korea is unlikely in the foreseeable future. Meanwhile, perpetrators continue to enjoy their impunity, perpetuating a system of slavery as part of a pattern of crimes against humanity. Moreover, potential perpetrators evade accountability by facilitating businesses of the North Korean regime and connect international enterprises with North Korean government entities that are profiting from these heinous crimes.

The ICC serves as a court of last resort, and its jurisdiction is invoked only where a country is unable or unwilling to prosecute at home. Thus, the first path to justice for victims is always in national courts, which are more accessible to them. South Korea, while pledging its support to the ICC, has supported justice efforts in many countries and seconded its legal professionals to assist with the international criminal justice efforts, while it has never tried such cases in its own jurisdiction. In discussions with South Korean prosecutors and attorneys, it became clear that there are no legal barriers preventing the Republic of Korea from prosecuting cases of crimes against humanity committed in North Korea within its national courts. As a signatory to the Rome Statute of the International Criminal Court, South Korea has the authority to prosecute international crimes under its jurisdiction. This is facilitated by the Act on Punishment of Crimes under Jurisdiction of the International Criminal Court (Act No. 8719, Dec. 21, 2007, amended by Act No. 10577, Apr. 12, 2011). Notably, this Act applies to both Korean nationals and foreigners

who commit crimes outlined in the legislation, whether within South Korean territory or abroad. As a result, the Act can be utilized in various contexts related to criminal offenses occurring in the DPRK.

However, our consultations revealed the common problem that has been observed in many national jurisdictions, where domestic justice systems do not have previous experience in handling cases involving grave human rights violations that amount to crimes against humanity. Given the complexity of these crimes, it will take time for these systems to adapt and understand how such cases should be handled within their own jurisdictions. Under the current system in South Korea, victims of the most serious international crimes which are crimes of genocide, crimes against humanity or war crimes are unable to bring their cases directly to the Supreme Prosecutors' Office, as only specific high profile cases qualify for this pathway, such as corruption or economic crimes, investigations into public officials, etc.⁵² It is expected that the victims would bring such cases to the police. However, our discussions with central police attorneys revealed a general lack of awareness regarding the prosecution of crimes against humanity. They suggested that victims could pursue cases related to murder, failing to recognize that a single instance of crimes against humanity differs significantly from a murder case. Such crimes often involve numerous victims—ranging from dozens to hundreds—who have endured murder, torture, enslavement, sexual violence, extermination, or unlawful detention connected to specific location over distinct period of time.

In 2016, the Republic of Korea enacted its North Korean Human Rights Act (Act No. 14070 of Mar. 3, 2016, amended by Act No. 20002, Jan. 16, 2024). Article 13 mandated that the Ministry of Unification establish a center dedicated to investigating and documenting human rights conditions in North Korea.⁵³ This center was tasked with collecting and archiving information about the human rights situation faced by the North Korean people, with archives to be submitted to the Ministry of Justice every three months. However, the Center for North Korean Human Rights Record has yet to leverage these records for accountability purposes. Although prosecutors have been assigned to this repository, they lack the prosecutorial authority necessary to build cases even if they have knowledge and willingness to do so. This situation is akin to a shoemaker who only has shoelaces to make the shoes.

52. *Prosecutors' Office Act*, Act No., 18861, May 9, 2022, article 4 (S.Kor.). https://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=60725&type=part&key=7.

53. *North Korean Human Rights Act*, Act No. 14070, Mar. 3, 2016, Amended by Act No. 20002, Jan. 16, 2024, https://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=67044&type=part&key=1

South Korea should create a specialized unit within the Supreme Prosecutors' Office to investigate serious crimes tied to North Korean atrocities, akin to the existing units focused on terrorism and organized crime that operate proactively. Alternatively, the President could initiate such an investigation. This approach would leverage the extensive access to documentation held by the National Intelligence Service, the Ministry of Unification, and the Ministry of Justice, enhancing the effectiveness of the inquiry.

The evidence gathered through our investigation in Chongori Kyohwaso No. 12 could become a first case of crimes against humanity in the future allowing for empowering justice to North Korean victims. The situation file, while not yet complete, contains powerful evidence, which, after further investigations, could form the basis of a case against low and mid-level officials who operated in and around Chongori Kyohwaso. The evidence also indicates that Party and Ministry officials are complicit in maintaining this oppressive system through the design and enforcement of currency acquisition quotas. They execute these plans by distributing quotas, licensing state-run enterprises for trading, and overseeing prosecutors, judiciary, and security forces. Government enterprises engage in trading goods obtained through detention facilities, sharing profits with higher authorities, perpetuating the system. Multiple businesses may face future criminal trials for aiding and abetting crimes against humanity linked to this trade network. Foreign companies outsourcing production to China may be knowingly neglecting due diligence when their manufacturing is subcontracted to North Korea and from there to prison camps and may be implicated in future crimes against humanity trials.

International law allows states to hold company officials criminally liable for their direct actions or omissions, as well as for collaborating with others in committing international crimes, including genocide, crimes against humanity, and war crimes, if they aid, abet, or otherwise contribute to the commission of such crimes. This is particularly relevant in cases like North Korea, where liability may arise if business officials engage in acts or omissions that assist, encourage, or provide moral support for criminal acts. This assistance can include financial aid and the provision of goods, information, or services.

Many forms of forced labor are crimes. Enterprises should identify (or put in place) a mechanism to report crimes of forced labor to relevant authorities. Where enterprises have caused or contributed to forced labor, they should cooperate with relevant authorities to help provide appropriate forms of remedy.

Given that many North Korean victims residing in South Korea, who provided evidence for this report, have suffered crimes against humanity and forced labor linked to businesses

within the North Korean supply chain, they are entitled to reparations. It is advisable for South Korea, as a global leader, to spearhead these efforts by pledging support for an International Anti-Corruption Court. This Court would facilitate the prosecution and punishment of kleptocrats and their collaborators, while recovering, repatriating, and repurposing ill-gotten gains for the victims of grand corruption.

With no means to refer North Korea (DPRK) to the International Criminal Court (ICC), and since the DPRK is not a party to the ICC, freezing and repurposing the assets of those who commit serious crimes and misuse resources for personal gain could offer a symbolic remedy to victims of grave crimes in North Korea.

Countries in East Asia, such as South Korea and Japan, should join the coalition of governments that have adopted Magnitsky-style human rights sanctions. The National Assemblies of these countries should adopt their own Human Rights Accountability Sanctions Act. These laws should aim to penalize the world's worst human rights abusers and corrupt individuals, thereby deterring and ensuring accountability for serious human rights violations occurring in North Korea.

Furthermore, South Korea currently lacks a process for victim representation and psychosocial support prior to cases reaching the court, a system that has been available in other countries long before such trials commence. As it stands, victims must rely on the robust methodologies and expertise of civil society organizations or any legal professionals connected to this community, both of which are unfortunately scarce.

V Recommendations

1. As a signatory to the Rome Statute of the International Criminal Court, South Korea has the authority to prosecute international crimes under its jurisdiction. This is facilitated by the Act on Punishment of Crimes under Jurisdiction of the International Criminal Court (Act No. 8719, Dec. 21, 2007, amended by Act No. 10577, Apr. 12, 2011). Notably, this Act applies to both Korean nationals and foreigners who commit crimes outlined in the legislation, whether within South Korean territory or abroad. As a result, the Act can be utilized in various contexts related to criminal offenses occurring in the DPRK. Similar to victims in Syria and Myanmar, who pursue justice through universal jurisdiction in countries like France, Germany, or Argentina, there are no legal obstacles for the North Korean victims to pursue justice in South Korea:

- Acts committed in and around Chongori from 2007 onwards could form a first crime against humanity case to bring empowering and transformative justice to the victims.
- We call on the Republic of Korea to create a specialized serious crimes unit within the Supreme Prosecutors' Office to investigate serious crimes tied to North Korean atrocities, akin to the existing units focused on terrorism and organized crime that operate proactively. Alternatively, the President could initiate such an investigation.

This approach would leverage the extensive access to documentation held by the National Intelligence Service, the Ministry of Unification, and the Ministry of Justice, enhancing the effectiveness of the inquiry.

- Engage international legal experts to develop a process that empowers local lawyers to provide legal advice and representation to victims of crimes against humanity and witnesses, including individuals with insider knowledge.

2. We urge South Korea to implement a reparations system for victims. Numerous North Koreans now living in South Korea, including those who provided evidence for this report, have endured crimes against humanity and forced labor tied to individuals, institutions and businesses within the North Korean supply chain. Collaborate with like-minded countries to freeze or seize assets of individuals, companies and institutions connected to crimes against humanity in the North Korean supply chain. These assets could serve as the International Fund for Victims of the North Korean regime.

- We call on the Government of the Republic of Korea to lead efforts, including for North Korean victims of grand corruption by officially pledging support and advocating for an establishment of the International Anti-Corruption Court. This Court would enable prosecution and penalization of kleptocrats and their associates, while recovering, repatriating, and reallocating illicit gains to support the victims of grand corruption.

3. The Citizens' Alliance for North Korean Human Rights calls on all concerned states to recommend that the President of the UN Human Rights Council appoint a panel of experts. This panel, in collaboration with the UN Special Rapporteur on the Situation of Human Rights in DPRK, should examine the institutional framework, individuals involved, and chain of command of the military and security forces in the DPRK, including Ministry of State Security, Ministry of People's Safety, Korea People's Army, Second Economic Committee in charge of nuclear and missile weapons program as well as Bureau 39 that are responsible for and are profiting from commission of mass atrocities, including imprisonment, enslavement, rape and sexual violence, torture, extermination, and persecution based on gender, religious and/or socio-political (*songbun*) grounds. It is important to analyze how these forces are able to sustain themselves through their involvement in these crimes and the international supply chain, business and military networks that support them. Mirroring Myanmar's Fact-Finding Mission, the report should analyze the state's structures, expose the criminal enterprise rooted in a slavery system, and detail all companies profiting from a business model that involves committing crimes against humanity and is linked to weapons program, as these weapons are used to commit war crimes in other countries.

4. The Citizens' Alliance for North Korean Human Rights strongly calls on the UN Security Council member states to convene a special briefing dedicated to the situation in the DPRK to urgently discuss critical links between human rights and security. This briefing should have a primary focus on the connection between the DPRK's military and security forces, their international supply chains tied to mining and light industries, and the associated crimes against humanity. Given that many of these crimes are committed against women involving their enslavement and sexual violence while in detention, and the profits derived from women's production are used to fund the expansion of security and military forces, this topic is also particularly relevant within the Women, Peace, and Security framework, which is one of the UN Security Council's top agendas.

5. United Nations Secretary-General António Guterres and the UN High Commissioner for Human Rights should urge Chinese President Xi Jinping to halt the forced repatriation of North Korean refugees from China. This practice shows elements of the slave trade and state-sanctioned human trafficking, involving cooperation between Chinese and North Korean security forces to arrest, transport, and detain those repatriated in North Korean prison camps for profit. These repatriations benefit Chinese companies producing goods in North Korean prison camps, where crimes against humanity have been documented, implicating those who aid and abet such actions.

6. UN Human Rights Council Resolution 55/21 called for an evaluation of the implementation of the Commission of Inquiry's recommendations, to be presented by the High Commissioner for Human Rights in September 2025. We ask the High Commissioner to include in this ten-year assessment report specific measures to ensure accountability for ongoing crimes against humanity executed by a criminal enterprise of North Korea as a state policy that enslaves civilians to produce export goods generating foreign currency for the regime.

7. Incorporate into the UN Resolution on the Human Rights Situation in the DPRK a call for UN member states to establish a warning system for companies about the increased risk of involvement in severe human rights violations. Emphasize state's obligations to comply with the UN Guiding Principles on Business and Human Rights and UN Global Compact for companies and the necessity of conducting due diligence on human rights and product origin when engaging in trade, directly or indirectly, with the DPRK, its representatives, and intermediaries abroad. This includes trading in minerals and light industry goods such as wigs, eyelashes, textiles, knitted products, and rattan bags, some of which are produced in North Korean prison camps.

8. Under the new Sanctions Mechanism - a Multilateral Sanctions Monitoring Team (MSMT)- establish a task force and an inter-governmental consultative body that should engage with civil society and investigative journalists to thoroughly examine reports and existing evidence of slavery and other crimes against humanity within the DPRK's supply chains and should monitor the export of minerals, light industry products, and other goods originating from prison facilities and political prison camps in the DPRK. These facilities are operated by the Ministry of State Security, the Ministry of People's Safety, and their associated international trade companies, including Bureau 39 and Second Economy trade companies. This examination is crucial as this trade not only supports the country's military and nuclear programs, but also perpetuates human rights abuses.

9. We urge South Korean and other governments to prioritize addressing the crimes against humanity within global supply chains connected to North Korea in their diplomatic engagements with North Korea and China and to create a coalition of like-minded countries to address this issue through bilateral state contacts and multilateral forums.

10. International human rights law mandates that states regulate businesses within their territory or jurisdiction to address any potential negative impacts on human rights, even beyond national borders. This is particularly pertinent for states housing companies outsourcing production to China, which in turn may subcontract it to North Korea, or for those maintaining direct or indirect relationships with North Korean state enterprises through joint ventures and commercial partnerships, such as in special economic zones.

- The UN Guiding Principles on Business and Human Rights advise states to enforce laws that compel businesses to respect human rights, periodically review these laws for effectiveness, and provide guidance to companies on maintaining human rights standards. They should also require companies to disclose their efforts to address human rights impacts.
- The Organisation for Economic Co-operation and Development (OECD), which comprises 38 member countries—including European states, countries in the Asia-Pacific region such as South Korea, Japan, Australia, and New Zealand, as well as the United States offer various Guidelines for specific industries, such as *Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector*, which advocates for a zero-tolerance policy against forced labor within companies' operations and supply chains and highlights the increased risks associated with prison labor and subcontracting, which are often connected to forced labor in this industry.
- The United Nations Global Compact also assumes a parent company's responsibility for its subsidiaries. Like the Guiding Principles, the Global Compact offers businesses

a framework based on ten principles, including a commitment to human rights and the avoidance of complicity in abuses.

11. Countries must enhance regulations and offer clear guidance to businesses, prohibiting direct or indirect support for North Korean joint ventures that subcontract or export products from South Korean and multinational companies. South Korea and other states should highlight the risk of involvement in large-scale atrocities if partners are not thoroughly vetted and production is outsourced to North Korean prison camps, including the potential for criminal liability.

12. The governments should coordinate efforts and enforce laws to prevent goods produced using forced labor and crimes against humanity in North Korea from entering international markets. Countries like South Korea and Japan should enact and enforce laws banning imports linked to forced labor that include a presumption of forced labor for products, including light industry products, from specified countries or regions with high-risks of state-imposed forced labor, including North Korea. They should also adopt Magnitsky-style human rights accountability sanctions legislation.

13. No responsible individual or corporation should source from the Rason Economic Zone or the Dandong and Hunchun economic hubs, which serve as safe havens for the clandestine activities of the North Korean government and its affiliates, many of which connect with numerous dubious Chinese businesses. If companies do not cease their complicity, the governments of South Korea, Japan, the U.S., and Europe should employ all available policy and legislative measures to end this complicity.

14. Garment brands, including sports companies outsourcing production to China, and e-commerce businesses selling wigs, eyelashes, rattan bags, and knitted goods labeled “Made in China,” should require their suppliers to disclose the origins of their products. This includes revealing the locations of the factories where these items are manufactured and should disengage from the supply chain if such information is not provided or cannot be vetted.

15. The European Commission should classify North Korea as a high-risk country due to its use of state-imposed forced labor in prison camps, where goods falsely labeled as “Made in China” enter the EU market. These goods may result from gender-based, political, or religious persecution, linked to imprisonment and forced labor for profit in North Korean prison camps producing items for China-North Korea joint ventures. In light of the EU’s regulation prohibiting products made with forced labor from entering the Union market, an investigation

should be conducted to ban goods labeled "Made in China" if there is reasonable suspicion of involvement by North Korean prison labor.

Furthermore, major garment manufacturers and large e-commerce platform companies selling wigs and eyelashes in the EU market and importing products from China must be required to implement robust due diligence processes to ensure their suppliers are not involved in North Korean prison labor. These processes are vital for identifying, preventing, mitigating, remedying and addressing human rights abuses within their supply chains, some of which may be linked to crimes against humanity in North Korean prison camps.

Shining the Light of Human Rights in North Korea Together with the World

