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MARKTWO

I. NAPSNet

1. DPRK Nuclear Program

Reuters ("NORTH KOREA SEEN READYING FOR NEW NUCLEAR TEST", 2009/05/06) reported that there is increased activity at the DPRK 's known nuclear test site , a ROK news report said on Thursday. " Underground nuclear tests are hard to predict and you can't tell when exactly a nuclear test would be possible, but we think the North is ready to conduct a test in a near future if it wants to," the Chosun Ilbo daily quoted a government source as saying.

Associated Press (Jae-soon Chang, "NKOREA VOWS TO BOOST NUCLEAR ARSENAL", Seoul, 2009/05/08) reported that the DPRK vowed Friday to bolster its atomic arsenal. "Nothing would be expected from the U.S., which remains unchanged in its hostility toward its dialogue partner," the DPRK Foreign Ministry said in a statement. The DPRK "will bolster its nuclear deterrent as it has already clarified."

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2. US on DPRK Nuclear Talks

Kyodo News ("U.S. WANTS BILATERAL, MULTILATERAL ENGAGEMENT WITH N. KOREA: ENVOYS", Beijing, 2009/05/07) reported that the United States hopes to engage bilaterally and multilaterally with the DPRK to solve tensions through dialogue, the top U.S. envoy for the DPRK said Thursday after holding talks with his PRC counterparts. Stephen Bosworth, the U.S. special representative for North Korea policy, said he had "very good" meetings with PRC Foreign Minister Yang Jiechi and Vice Foreign Minister Wu Dawei, the chair of the six-party denuclearization talks.

Agence France-Presse ("CLINTON CALLS FOR 'PATIENCE' WITH NORTH KOREA", Washington, 2009/05/06) reported that US Secretary of State Hillary Clinton said the United States and its negotiating partners may have to "show some patience" before nuclear disarmament talks with the DPRK can resume. Clinton, speaking at a press conference with Russian Foreign Minister Sergei Lavrov , said both the US and Russia want to try to get the DPRK back to the six-party negotiating framework. "We may have to show some patience before that is achieved, but we agree on the goal that we are aiming for," Clinton said.

Reuters (Jack Kim, "U.S. WARNS OF CONSEQUENCES FOR NORTH KOREA NUCLEAR TEST", Seoul, 2009/05/08) reported that U.S. special envoy said on Friday Stephen Bosworth said after meeting officials in Seoul that the United States was leaving the door open for dialogue with the DPRK. "If the North Koreans decide to carry out a second nuclear test, we will deal with the consequences of that. And there will be consequences," Bosworth said. "But we can't control at this stage what North Korea does."

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3. Russia on DPRK Nuclear Talks

Itar-Tass ("RF CALLS FOR RESUMING TALKS ON N KOREA DENUCLEARISATION – BORODAVKIN", 2009/05/06) reported that Russia's deputy foreign minister Alexei Borodavkin said he would meet U.S. envoy for the DPRK Stephen Bosworth in Moscow in early July. Ahead of a visit to Moscow by the U.S. delegation Borodavkin told Itar-Tass: "It is necessary to resume the six-party talks on denuclearisation of the Korean Peninsula. It is necessary to show restraint and be patient in this aspect." "We should jointly study the situation and work out a position on it," Borodavkin added.

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4. ROK on DPRK Nuclear Talks

The Financial Times ("SEOUL EYES BILATERAL ROUTE TO PYONGYANG TALKS", 2009/05/06) reported that the ROK has raised the prospect of bilateral talks between the DPRK and the US or PRC over Pyongyang's nuclear arms programme, suggesting they could help revive stalled international negotiations. Wi Sung-lac, the ROK's chief nuclear negotiator, said in an interview with the Financial Times that a bilateral meeting could be "useful as long as it serves as a conduit for a return to six-party talks". In the past, Washington, Seoul and Beijing had all used bilateral negotiations with the DPRK to good effect, Mr Wi said.

5. ROK Aid to the DPRK

Korea Hearld ("HUMANITARIAN AID TO N.K. FALTERS AMID RESTRICTIONS", 2009/05/05) reported that Seoul appeared lost between its official stance of supporting private groups' humanitarian aid in the DPRK and possible plans of using it to pressure the DPRK. The ROK's Unification Ministry stated last week that it began giving "selective approval" for visits by humanitarian aid groups depending on the urgency of the trips. Seoul has held back aid groups' visits, informally citing the detention of a ROK worker in Gaeseong, according to Kang Young-shik, secretary-general of the Korean Sharing Movement. Kang said that the government was trying to regulate humanitarian assistance to use it as leverage on the DPRK's political stance, something that had never happened for the past 10 years.

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6. Inter-Korean Relations

Agence France-Presse ("SKOREAN POLICE ARREST "PRO-PYONGYANG" ACTIVISTS", Seoul, 2009/05/06) reported that ROK police said they raided the offices of what they called a pro-Pyongyang group Thursday and arrested at least five activists for unauthorized contacts with the DPRK. Investigators raided the Seoul and regional offices of the Alliance for Korea's Reunification, or Pomminryon, and confiscated computers and documents related to its activities, the National Police Agency said. The group's Seoul office head, Lee Gyu-jae, and at least four others were arrested.

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7. Sino-DPRK Relations

Xinhua News ("CHINA, DPRK TO FURTHER STRENGTHEN SCIENTIFIC-TECHNOLOGICAL TIES", Pyongyang, 2009/03/06) reported that the PRC and the DPRK pledged to further strengthen scientific and technological collaborations at a meeting held in Pyongyang on Thursday. The PRC delegation presented office equipment including computers and printers, worth 500,000 yuan (about 72,000 U.S. dollars), as gifts to the DPRK's National Academy of Sciences. The meeting is held every year to enhance collaborations in science and technology between the two countries. The next meeting will be held in latter half of 2010 in Beijing.

China Hospitality News ("CHINA AND NORTH KOREA WILL OPEN TOURIST TRAIN ROUTE IN LATE MAY", 2009/05/05) reported that a cooperation agreement has been signed between the government of Tumen in Jilin province, North Hamgyong Tourism Bureau, Tumen River International Travel Service, and Chongjin Railway Bureau on routes for train tours. Under the agreement, the tourist train route from the Tumen-Nanyang border crossing to Chongjin and Qibaoshan in the DPRK, will be operated jointly by two travel agencies from China and the DPRK. The route is expected to open in late May.

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8. Japan Abductee Issue

Mainichi Shimbun ("LETTER FROM EX-NORTH KOREAN AGENT READ OUT AT ABDUCTEE SUPPORT GROUP RALLY", 2009/05/07) reported that groups supporting Japanese abducted to the DPRK and their families held a "people's rally" in Tokyo on Wednesday, reading out a letter that a former DPRK agent addressed to the older brother of a Japanese abductee. The letter read out at the meeting was from Kim Hyun-hee -- once on death row for the bombing of Korean Air Flight 858 in 1987 -- to Shigeo Iizuka, 70, the brother of Japanese woman Yaeko Taguchi, who was abducted by DPRK agents. Taguchi was abducted in the late 1970s at the age of 22, and is believed to have taught Kim Japanese.

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9. DPRK Economy

Agence France-Presse ("NORTH KOREA STARTS 150-DAY DRIVE TO RAISE PRODUCTION", Seoul, 2009/05/06) reported that the DPRK has launched a 150-day campaign to raise production, state media said Thursday, as the state struggled to boost its economy to usher in a new term for leader Kim Jong II. The ruling communist party's official daily Rodong Sinmun said the campaign represents the party's "firm determination and will" to make a breakthrough in building "a great, prosperous and powerful nation" by 2012. The paper Monday urged workers to raise production in the metal, power, coal, machinery, agriculture and construction sectors.

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10. ROK Civil Society

Yonhap News ("GOV'T SUSPENDS SUBSIDIES FOR ANTI-GOVERNMENT CIVIC GROUPS", Seoul, 2009/05/06) reported that the ROK decided to sever financial subsidies for a number of civic groups accused of participating in illegal anti-government demonstrations, officials said, accelerating its campaign to crack down on such rallies. The decision to strip "anti-government" private organizations of state subsidies was made public after the government finalized a plan to dole out 4.9 billion won (US\$3.89 million) in subsidies to private non-profit organizations this year. Ministry officials said the list of those excluded included six civic groups that received huge sums in state subsidies last year despite their participation in a series of illegal street rallies in protest over the government's resumption of U.S. beef imports.

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11. ROK Climate Change

Korea Times (Kim Rahn, "TEMPERATURE RISES 2-FOLD FASTER THAN AVERAGE", 2009/05/06) reported that global warming on the Korean Peninsula is accelerating at twice the pace of the world average, according to a study released on Thursday. The research predicted that if the current trend continues, coastal areas and Jeju Island may have no winter at all by 2100. The National Institute of Meteorological Research study showed that the peninsula's annual average temperature rose by 1.7

degrees Celsius between 1912 and 2008. It is more than double the world's average of 0.74 degrees recorded during the fractionally shorter period from 1912 to 2005.

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12. Russo-Japanese Energy Trade

Bloomberg News ("RUSSIA, JAPAN TO SIGN NUCLEAR ENERGY ACCORD ON MAY 12", 2009/05/07) reported that Russia and Japan will sign an agreement on peaceful uses of nuclear energy on May 12 during Russian Prime Minister Vladimir Putin 's visit to Tokyo. In addition to the nuclear power accord, five agreements will be signed during Putin's visit, including two memorandums of understanding between OAO RusHydro, Russia's state-owned hydropower utility, and Japanese partners on building hydro- and wind-power plants.

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13. Russo-Japanese Territorial Dispute

Agence France-Presse ("RUSSIA WARNS JAPAN AGAINST 'INFLATED HOPES' IN ISLANDS DISPUTE", Moscow, 2009/03/07) reported that Russia warned Japan not to expect a decades-old territorial row to be resolved ahead of Prime Minister Vladimir Putin 's visit to Tokyo early next week. "I would like to stress our readiness for a calm, constructive conversation on this topic and what's more important, without some sort of inflated expectations and therefore without disappointment," Yury Ushakov, a veteran diplomat and deputy head of Putin's staff, told reporters. "Expectations then cause major disappointments."

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14. US-Japan Security Alliance

Kyodo ("PENTAGON SEEKS \$378MIL. TO PUSH FOR MARINES TRANSFER TO GUAM", Washington, 2009/05/07) reported that the Defense Department said Thursday it has sought \$378 million in budgetary spending for fiscal 2010 to push for the planned relocation of U.S. Marines in Okinawa Prefecture, Japan, to Guam. The request is the first by the Pentagon for specific projects to realize an agreement between the United States and Japan to move 8,000 of some 18,000 U.S. Marines in Okinawa and their 9,000 family members to Guam by 2014.

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15. Sino-Japanese Relations

Agence France-Presse ("CHINA REJECTS JAPAN PM'S COMMENTS ON NUCLEAR POLICY", Beijing, 2009/05/06) reported that the PRC hit back on Thursday at Japan Prime Minister Taro Aso after he said Beijing's defense spending was not transparent and it was modernizing its atomic weapons. "China's nuclear strategy and policy are very clear, and our advocacy of nuclear disarmament is widely recognized," foreign ministry spokesman Ma Zhaoxu told reporters. "I

wonder what aim the Japanese leader is attempting to achieve in the current situation."

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16. Sino-US Security Relations

Agence France-Presse ("US, CHINA DISCUSS SECURITY 'CONCERNS'", Washington, 2009/05/06) reported that President Barack Obama spoke Wednesday with his PRC counterpart Hu Jintao and shared his "concerns" over security issues including the DPRK's nuclear program and deteriorating conditions in Pakistan, the White House said. The phone call is the first publicized direct contact between the leaders of the world's largest economy and the world's most populous nation since the pair met in London April 1 ahead of an economic summit, and the first since a renewed flare-up in PRC-US naval tensions.

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17. Cross Strait Relations

Bloomberg News ("TAIWAN, CHINA MAY ALLOW CROSS-TRADING OF STOCKS", 2009/05/06) reported that Taiwan and the PRC are planning to permit trading of each others' shares for the first time. A so-called trading platform may list as many as 30 stocks from each market, said Schive Chi, chairman of the Taiwan Stock Exchange. Now, investors are restricted from directly investing in each others' equities. An agreement on the dual-listing of exchange-traded funds is also expected this year, he said. "It will be a step further," Chi said in a May 4 interview in Taipei. "Instead of trading exchange-traded funds, it will be trading individual stocks."

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18. Sino-Indian Trade Relations

Business Standard ("INDIA-CHINA TRADE VOLUME DOWN 29%", 2009/05/06) reported that trade volume between India and the PRC has come down by 29 per cent on a year-on-year basis, between January-March, 2009. In spite of the drop, the total trade volume between the two countries was close to \$50 billion last fiscal, against a projected trade of \$45 billion, said Rajiv Yadav, executive director, India Trade Promotion Council (ITPO). With the balance of trade heavily skewed towards the PRC, India's exports to the PRC was barely one-third of the total bilateral trade last fiscal.

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19. Sino-EU Environmental Cooperation

People's Daily online ("EU EXPECTS MORE CO-OP ON ENERGY EFFICIENCY WITH CHINA", 2009/05/06) reported that the EU expects to expand its investment in the PRC's growing efforts on energy efficiency and environmental protection which have paid off well so far. At a press conference in Beijing for the Second EU-China High-level Economic and Trade Dialogue to be held in

Brussels on May 7 and 8, Ambassador Serge Abou, Head of a Delegation for the European Commission to China, said European companies expect to increase participation in the PRC's endeavor on improving the country's energy efficiency and environmental protection. Vice Premier Wang Qishan said China hopes that the EU would "enhance cooperation with the PRC on the development and application of clean energy, new energy and renewable energy".

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20. PRC Unrest

The Associated Press ("VILLAGERS IN CENTRAL CHINA CLASH WITH POLICE", 2009/05/07) reported that more than 1,000 villagers clashed with police in central PRC following a land dispute with construction workers that left one person dead, reports said. Fighting initially broke out Tuesday between villagers in Liling city in Hunan province and construction workers at a building site in the area, according to Radio Free Asia , the U.S.-funded station. A provincial newspaper said the villagers were trying to stop the workers from building on land they say they hadn't been properly compensated for.

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21. PRC Earthquake

The New York Times ("CHINA REPORTS STUDENT TOLL FOR QUAKE", 2009/05/06) reported that provincial officials on Thursday released the first official tally of student deaths from the earthquake in the PRC last May, saying that 5,335 children had been either killed or remain missing. Another 546 were left disabled, they said. Previous estimates placed the number of students who died in the collapse of school buildings as high as 10,000. Overall, government officials say that 70,000 people died during the May 12 Sichuan quake, and another 18,000 are listed as missing but are presumed to be dead.

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22. PRC Public Health

USA Today ("CHINESE HEALTH CARE REFORMERS AIM TO HELP RURAL AREAS BUT FACE HURDLES", 2009/05/06) reported that the PRC government announced a \$124 billion, three-year overhaul of its health care system that calls for building a clinic in each of the country's 700,000 villages, expanding medical insurance and capping the cost of hundreds of prescription drugs. The challenges facing the PRC's health planners are as spectacular. "Shanghai and Beijing are moving ahead very quickly" with the announced changes, says Sarah Barber, a health policy expert at the World Health Organization in Beijing. "But the poorer regions will struggle to come up with the funds" to cover their share. The central government will pay 40% of the promised \$124 billion program, while local governments must come up with the rest.

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II. PRC Report

23. PRC Environment

Xinhua Net (An Pei, Luo Sha, "WORLD BANK FUNDS 150 MILLION U.S.D ON CHINA'S CULTURAL HERITAGE AND ENVIRONMENTAL PROTECTION", 2009/05/06) reported that executive board of World Bank has approved recently two sums of loan altogether 150 million U.S.D, to improve China's cultural heritage and environmental protection. A sum of 19.7 million USD grants of Global Environment Fund was also approved, to help improve efficiency of thermal power plants, according to Chinese office of World Bank.

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24. PRC Earthquake

Sichuan News Net (Zhao Die, "THE NATION'S FIRST PRIVATE EMERGENCY COMMUNICATION TEAM FOUND IN SICHUAN", 2009/05/06) reported that on China Amateur Radio Festival held recently, the newly found Sichuna Private Emergency Communication Team showed rapid build of radio station, emergency communication and other training items to the public. All the members have participated in the earthquake relief work of last year, and were highly praised by related sectors and people in disaster areas.

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25. PRC Civil Society

Xinhua Net (Zhang Jinasong, Li Xiang, "SHANGHAI CHARITY FOUNDATION HELP NEEDY 1.7 MILLION PEOPLE IN FIFTEEN YEARS", 2009/04/06) reported that as of April this year, Shanghai Charity Foundation has raised fund and materials over 4.23 billion RMB in fifteen years on an accumulative basis, and over 170 needy people have benefited from it, said Chen Tiedi, Director of the Foundation, on the 15 th anniversary of Shanghai Charity Foundation.

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III. ROK Report

26. Inter-Korea Relations

Asia Economy ("ESTABLISHMENT OF INTER-KOREAN SOLAR ENERGY CLUSTER, TO BE THE OPTIMAL MODEL OF ECONOMIC COOPERATION", 2009/05/07) reported that experts asserted that the two Koreas should consider establishing a 'solar energy cluster' in order to facilitate the development of solar energy. Investigators of Hyundai Economic Research Institute said in a report called 'search for new growth model, solar energy cluster' that the development of solar energy is

the best item for the two Koreas to combine the ROK's technology and the DPRK's labor.

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27. ROK Climate Change

Hankuk Kyungje ("NO WINTER ON KOREAN PENINSULA?", 2009/05/08) reported that the ROK is heavily pressured by the global society to reduce the amount of greenhouse gases. What is more frustrating is that a global treaty on reduction of greenhouse gas will be signed by the end of this year, and the ROK is likely to be designated as one of the nations that has to reduce the amount of greenhouse gas as an obligation. It is appropriate for the government to provide attractive incentives for corporations to encourage their participation, rather than forcing them to obey certain standards. The public mentality which is so accustomed to the overuse of energy should be shifted also. Inducing empathy of corporate and people is the most urgent task to solve the problem.

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28. ROK Role in Afghanistan

PRESSian (Seo, Jung-min, "DISPATCHING TROOPS TO AFGHANISTAN TO RESULT IN TERRORISM AIMED AT KOREA AND KOREANS", 2009/05/08) said in an op-ed that military aid toward Afghanistan is a risky choice. Re-dispatching troops will only result in showing our willingness to support the US-led war against terrorism. At least, terrorist groups in the Middle-east Asia will view us like that.

Kookmin Ilbo ("WHY SHOULD CONTRIBUTION TO GLOBAL SOCIETY BE COMPELLING?", 2009/05/07) reported that the government decided to provide approximately 500 million dollars of facilities aid and expand the members of the force up to 85 people to support the rehabilitation of Afghanistan. Such actions were appropriate for the ROK, concerning the position of the ROK in the global society. However, the decision-making procedure to aid Afghanistan makes us think whether we have sovereign power or not. The ROK should have made a decision driven from our own will.

Kyunghyang Shinmun ("REFUSAL ON DISPATCHING TROOPS TO AFGHAN SHOULD BE DONE ASAP", 2009/05/07) said in an op-ed that concerning the relationship with the US, it is difficult for the ROK to refuse the request for troops to Afghanistan. However, the public never wants this. The government's current consideration lacks an important principle. The Afghan war was started as a revenge for 9.11, which means the war lacks justice. Moreover, the lives of the people are getting worse, and the war is unpredictable. There is no reason the ROK should dispatch troops.

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29. NPT Prepcom

PSPD ("NUCLEAR-FREE SOCIETY WILL BE ACHIEVED BY NPT?", 2009/05/07) reported that the Preparatory Committee Conference for the NPT to prepare the 2010 review conference will be held from May 4 $^{\rm th}$. As the peaceful resolution of the DPRK's nuclear development is the key task for the establishment of peace on the Korean Peninsula and as Obama Administration has asserted that the

world should be without nuclear weapons, there are two reasons why ROK civil society should pay attention to the NPT prep conference as well as the 2010 NPT Review conference. A number of the ROK's NGOs including People's Solitary for Participatory Democracy will take part in the conference to monitor global society's nuclear discussion.

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30. PRC Currency

PRESSian (Kang Jun-young, "WHEN WILL PRC YUAN REPLACE US DOLLAR?", 2009/05/08) said in an op-ed that the global financial crisis arose last year is providing the PRC with another opportunity for the globalization of Renminbi. Though experimental, Renminbi started to settle its account in Asia. Asian currency market is now changing into a battle ield for the US's Dollar, Japan's Yen, and the PRC's Renminbi. The choice should be more than wise.

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