## **PREFACE**

In early 1992, North and South Korea embarked on an ambitious nuclear nonproliferation agenda that surpassed even their obligations under the Nuclear Non-Proliferation Treaty (NPT). On February 19, the Joint Declaration on the Denuclearization of the Korean Peninsula entered into force, followed one month later by the establishment of the North-South Joint Nuclear Control Commission (JNCC). Under the Joint Declaration, North and South Korea were to develop a bilateral nuclear inspection regime to ensure the peaceful nature of each other's nuclear program. Both Koreas were also to forego any form of uranium enrichment or spent fuel reprocessing technologies.

Despite the optimistic beginning, the momentum did not last long. The two sides had little experience in defining an adequate bilateral inspection regime, and tensions remained high. A decade has since passed, and the Korean peninsula has witnessed dramatic events. North Korea holds a special status under the NPT, it has voluntarily frozen missile testing until 2003, and it has established diplomatic relations with a number of European countries. Most importantly, North Korea's nuclear program was "frozen" by the 1994 U.S.- North Korean Agreed Framework. Meanwhile, U.S.-North Korean relations have wavered back and forth between productive to openly hostile. Likewise, North-South dialogue has experienced periods of relative stalemate to breathtaking velocity, as evidenced by the June 2000 summit between Chairman Kim Jong-il and President Kim Dae Jung.

Despite these difficulties, the two Koreas can be expected to continue trying to resolve their problems and ultimately seek reunification. The Korean people firmly believe that problems on the Korean peninsula should be resolved between the two Koreas. Perhaps that is why bilateral inspections have always been seen as an important part of the denuclearization process on the Korean peninsula, a process that pre-dates and could possibly outlast the Agreed Framework.

This report contains the proceedings of a workshop held in South Korea to discuss how to best renew efforts to implement bilateral inspections on the Korean peninsula. The workshop, entitled "Nuclear Confidence Building in the Korean Peninsula," was held at the Muju resort, South Korea in July 2001. It was sponsored by the Korean Atomic Energy Research Institute's (KAERI's) Technology Center for Nuclear Control (TCNC) and the Korea Institute for National Unification's (KINU's) Center for Unification Data and Resources, in collaboration with the Institute for Science and International Security (ISIS) and the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC).

A key feature of the seminar was the participation of ABACC officials, who shared their unique experiences with nuclear confidence building in their countries. The development and formation of ABACC, which was created as a bilateral inspection regime between Brazil and Argentina, holds key lessons for nuclear confidence building on the Korean peninsula. The seminar also featured presentations by experts from TCNC, KINU, ISIS, and the Korea Institute for Defense Analyses (KIDA).

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Through two days of informal discussions, participants also discussed:

- the applicability of the ABACC model to the Korean peninsula;
- incremental approaches to bilateral inspections on the Korean peninsula;
- the need for North-South bilateral inspections;
- nuclear arms control in the region;
- nuclear confidence-building measures;
- nuclear cooperation between the two Koreas; and
- adequate nuclear transparency on the Korean peninsula.

The workshop confirmed the importance of confidence building and bilateral inspections on the Korean peninsula. Given that frequent delays in implementing the U.S.-North Korean Agreed Framework are risky, bilateral inspections remain a potentially valuable complement to IAEA verification.

ISIS agreed to produce the proceedings that would preserve the many substantive talks and insightful discussions from the workshop. This report contains the papers presented by each speaker and a shortened transcript of the presentations and discussions.

ISIS's collaboration with the TCNC was initiated in 1995. Work on establishing bilateral inspections, as called for in the 1991 North-South Joint Declaration, had stalled by 1995, but the South Korean government had established TCNC to be the institutional basis for a future bilateral regime and charged it with preparing itself for the task.

In their contacts with ISIS, TCNC staff were particularly interested in understanding the experience of Latin America. ISIS's experience dates to the late 1980s and early 1990s, when ISIS President David Albright worked with scientists from Argentina and Brazil to make their nuclear program more transparent. In 1995, ISIS staff traveled to South Korea to conduct workshops in Seoul and at TCNC headquarters in Taejon on the Argentine-Brazilian experience.

In the summer of 2000, as relations between South and North Korea improved, TCNC experts approached ISIS about resuming collaboration. TCNC officials expressed deep interest in developing confidence-building steps that could further reduce tensions on the Korean peninsula and help resolve concerns about North Korea's nuclear program. The main result of these discussions was a decision to hold a workshop in South Korea on nuclear confidence-building on the Korean peninsula—the proceedings of which are presented here.

ISIS and the other organizers would like to thank the speakers and participants who attended the workshop. This transcript would not be possible without their presentations and contributions to the discussions. ISIS would like to thank the Ford Foundation, the New-Land Foundation, the Ploughshares Fund, the Prospect Hill Foundation, and the Scherman Foundation for their financial support for this conference.