Prospects for Denuclearization on the Korean Peninsula and Remaining Tasks after 2018 Inter-Korean Summit Pyeongyang

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The 2018 Inter-Korean Summit Pyeongyang has offered an opportunity for North Korea to reinforce its will for denuclearization and provided a rationale and necessity for officially bringing the behind-the-scene dialogue between the North and the U.S. to the surface. First, the Pyeongyang Joint Declaration of September 2018 is evaluated to contain sophisticated tools to induce North Korea to implement denuclearization steps and for the U.S. to come up with the corresponding measures. Second, it is the first time for Pyeongyang to mention detailed conditions, subjects, and methods for denuclearization. Third, by stressing the spirit of the June 12<sup>th</sup> Joint Statement and corresponding steps, the North presented a common principle of reciprocity to the U.S. from the perspective of equivalent exchange (denuclearization-the guarantee of regime security). What should be noted regarding denuclearization is a change seen in the U.S. attitude. In fact, a viable alternative would be to have a cycle in place of "abolishment  $\rightarrow$  its verification" centered around central facilities-weapons-grade program-so that irreversibility can be secured as soon as possible. What is at stake now is which stance the U.S. would take on sanctions imposed on North Korea when it comes to corresponding steps in addition to the end-of-the war declaration. While sanctions might have been useful as tools of pressure to induce the North into the gateway to denuclearization to some extent, such method is highly likely to become a psychological and political barrier in the actual implementation of denuclearization. To that end, a phased lifting of sanctions to facilitate denuclearization should be considered as a practical approach.



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The stalled talks between the Democratic People's Republic of Korea (DPRK) and the United States of America are entering a new phase since the 2018 Inter-Korean Summit Pyeongyang. What appears to break the impasse of dialogue is North Korean Leader Kim Jong Un's message delivered to U.S. President Donald Trump through South Korean President Moon Jae-in and Chairman Kim's two other letters addressed to Mr. Trump reportedly delivered by North Korea's Minister of Foreign Affairs Ri Yong-ho. Right after the Moon-Kim Summit in Pyeongyang, a series of positive signs have sprung up one after another: a proposal of activating an "empty channel" between North Korea and the U.S., an announcement of U.S. Secretary of State Mike Pompeo's 4th visit to Pyeongyang, and a notice of schedule for the 2<sup>nd</sup> North Korea-U.S. summit. Such swift movement of the U.S. for the resumption of talks has mostly been attributed to South Korea's tireless brokering efforts in a desperate attempt to break the deadlock between Pyeongyang and Washington: 1) through a prompt dispatch of special envoy to North Korea immediately after Pompeo's canceled visit to the North at the end of August; and 2) by holding the inter-Korean summit.

The 2018 Inter-Korean Summit Pyeongyang has offered an opportunity for the DPRK to reinforce its will for denuclearization. In addition, it has also provided a rationale and necessity for officially bringing the behind-the-scene dialogue between the North and the U.S. to the surface. Yet, there remain tensions and uncertainty between North Korea's denuclearization and the U.S. corresponding measures—the issue currently at stake in the stalled talks. There are, however, positive signs that could increase the possibility of striking a package deal between North Korea and the U.S. in October: the former's willingness for dialogue and the latter's swift movement toward the resumption of talks. This paper will evaluate the outcome of 2018 Inter-Korean Summit Pyeongyang regarding denuclearization and make a projection on the expected stance and direction of denuclearization negotiations between Pyeongyang and Washington.

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# The Pyeongyang Joint Declaration of September 2018—Sophisticatedly Designed to Induce Corresponding Measures of the U.S. in Return for Denuclearization Implementation of North Korea

There are largely three messages came out of the 2018 Inter-Korean Summit Pyeongyang. First is an open message revealed in the Pyeongyang Joint Declaration of September 2018. Second is an undisclosed message of Chairman Kim to President Trump. The contents of that letter will be gradually made known to the world through the development and speed of North Korea-U.S. dialogue. Third is a message came out of candid dialogues shared by leaders of the two Koreas on an issue of co-prosperity on the Korean Peninsula. What was contained in that message is highly likely to be revealed in the 4<sup>th</sup> inter-Korean summit in Seoul at the end of this year depending on the progress of the North-U.S. negotiation. After all, the Pyeongyang Joint Declaration can fully be appreciated only after matching the contents of the Declaration with pieces of subsequent messages that will come out thereafter. In particular, an in-depth analysis is required to interpret denuclearization part of the Declaration considering the entire structure and messages hidden between the lines.

The Pyeongyang Joint Declaration contains sophisticated tools to induce North Korea to follow through steps for denuclearization and for the U.S. to come up with corresponding measures. In fact, Article 5 on denuclearization consists of three paragraphs. First, Paragraph 1, Article 5 stipulates "North Korea agreed to permanently dismantle its missile engine test facility and missile launch tower in Dongchang-ri under the observation of experts from related countries." The missile engine test facility in Dongchang-ri is known as the only facility in North Korea capable of conducting a final test on missile engine. "Observation," described in the Declaration, is evaluated as being equal to the U.S. inspection. In fact, dismantling such facilities in Dongchang-ri is North Korea's voluntary action and a prior measure usually taken right before the full entry into the denuclearization process. To that end, it is proper is to have a loose form of open observation with the presence of international experts, rather than a traditional way of "inspection"—a coercive verification and investigation by external experts. The dismantling of Dongchang-ri

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facilities can be evaluated as the North's intent to build trust with good-will gestures to show its continued commitment for denuclearization and the implementation of the Joint Statement of North Korea-U.S. Summit in Singapore. In other words, it is a tool to induce the corresponding measures by making a stark contrast with Washington that has delayed the implementation of an early declaration to end the Korean War as promised.

### The 1<sup>st</sup> Agreement on the Detailed Conditions, Subjects, and Methods for Denuclearization

Paragraph 2, the Article 5 describes "North Korea expressed intent to take further steps, including permanently dismantling the Yongbyon nuclear facility, if the United States takes corresponding steps in line with the spirit of the June  $12^{\text{th}}$  Joint Statement." It is the first time for Pyeongyang to mention the detailed conditions, subject, and methods for denuclearization. However, some still pointed out North Korea's lack of sincerity that it did not submit a full inventory of nuclear arsenals and schedule for dismantlement and that what was promised was a mere conditional dismantlement of the already aging Yongbyon nuclear facility. However, even if the two leaders discussed the detailed arrangements regarding denuclearization, such exchange of opinions cannot be contained in the inter-Korean joint declaration. Rather, it should be done in the North Korea-U.S. agreement. In fact, the Yongbyon Nuclear Complex is a home to nuclear reactors designed to extract nuclear materials, enrichment facilities, and fuel rods-manufacturing facilities, reprocessing facilities, and research laboratories. Considering its sheer size, the North's decision for suspending the operation and disabling and dismantling the facilities in phases alone is a task to be conducted on a massive scale and an unprecedented achievement never seen before. It is something that should not be taken lightly.

One should not make a mistake of interpreting the phrase of the Declaration "If the United States takes corresponding steps" as a conditional clause, taking it at face value. Even though the wording might seem that way, it was actually designed Korea Institute for National Unification

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to emphasize a principle of reciprocity. The intent behind such phrase is that Washington needs to show actions corresponding to Pyeongyang's voluntary measures taken so far and actions for denuclearization that should be made in the future. When shining a light only on the conditional clause, it looks as though the North is still reluctant to denuclearize or lays out conditions in order not to proceed it. However, when viewed from the perspective of equivalent exchange (denuclearization-guarantee of regime security), as stressed in the Joint Statement of Singapore Summit, it could be interpreted as a message of reciprocity requiring an implementation of the U.S.

### The U.S. Corresponding Steps Are Indicative of Phased Implementation of Agreements between Pyeongyang and Washington

"Corresponding measures" do not appear to indicate a simple "end-of-the war declaration." Instead, corresponding measures should be viewed as a series of measures since North Korea declared to continue taking additional steps, such as the permanent dismantlement of Yongbyon nuclear facilities. In particular, the phrase "in line with the spirit of the June 12<sup>th</sup> Joint Statement" refers to phased corresponding measures for the improvement of relations and the implementation of a peace regime, as stipulated in Paragraphs 1 and 2 of the Joint Statement of the Singapore Summit. Actions that can be considered at an early phase is as follows: observation of dismantling a missile engine test facility and missile launch tower in Dongchang-ri simultaneously in conjunction with the end-of-the war declaration; full-fledged implementation of permanent dismantlement of Yongbyon nuclear facilities in connection with the phased lifting of sanctions against the North; and the opening of liaison office between the DPRK and the U.S. In fact, North Korea appears to believe that the end-of-the war declaration should proceed corresponding to their good-will gestures and voluntary actions taken so far and that once dismantled in earnest, there should be sanctions relief and measures for normalizing relations in a phased manner.

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Paragraph 3 sets forth "The two Koreas agreed to engage in close cooperation in the process of pursuing the complete denuclearization of the Korean Peninsula." The two leaders have a mutual understanding that South Korea has now transformed itself into an interested party tasked with the guarantee of denuclearization process, initially from a temporary broker who simply breaks the impasse between North Korea and the U.S. From that perspective, the phrases such as "the spirit of the June 12<sup>th</sup> Joint Statement" and "corresponding steps" described in the Pyeongyang Joint Declaration are a shared message of both Koreas addressed to the U.S. In fact, President Moon reiterated consistently in his public reporting right after the 3<sup>rd</sup> inter–Korean summit in Pyeongyang, at the U.N. General Assembly, and in his interview with Fox News that big progress on denuclearization can be made if the U.S. takes corresponding steps in line with the spirit of the June 12<sup>th</sup> Joint Statement. As such, his remarks contain a message that only corresponding measures of the U.S. will make a prompt denuclearization process possible.

### Expected Direction of Denuclearization: Securing Irreversibility through Cycle of "Dismantlement $\rightarrow$ Its Verification"

What should be noted after the announcement of the Pyeongyang Joint Declaration is a coherent change seen in the U.S. attitude. Secretary of State Pompeo stated in an interview with Fox News on September 23 that talks are underway with North Korea on a specific nuclear facility and weapons system. It is not usual for the U.S. Secretary of State to reveal that the detailed facilities subject to denuclearization are now on the negotiating table. Moreover, he did not even mention a list of full inventory of nuclear arsenals, which was known as the U.S. requirements up until the early July, among others including the transfer and abolishment of some nuclear warheads. The Minister of Foreign Affairs of South Korea Kang Kyung–wha also said in an interview with KBS on September 21 that the process and sequence of denuclearization could unfold differently this time from traditional method and that although the verification process including inspection is a necessary step,

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whether such process is required at an early phase can be put into question.

Her remarks hint that there could be a different process from traditional steps of "declaration of lists  $\rightarrow$  its verification (investigation of actual implementation)  $\rightarrow$  planning for dismantlement  $\rightarrow$  dismantlement  $\rightarrow$  its verification  $\rightarrow$  decontamination." There is a possibility that a negotiation might be going on primarily over some of nuclear arsenals in Yongbyon since Mr. Pompeo mentioned "a specific facility and weapons system." The Yongbyon nuclear facility is likely to become a subject of priority given that it is an essential nuclear facility, including 5MWe reactors, enrichment facility, fuel roads-manufacturing facility, and reprocessing facility. "Weapons system" can include weapons-grade nuclear materials, nuclear weapons, and devices for the development of nuclear weapons), storage and research facility for nuclear weapons, labs for high explosives, and nuclear tests facility. Among them, weapons-grade nuclear materials, nuclear weapons-manufacturing facility to become a subject of priority for denuclear facility could highly likely to become a subject of priority for denuclear facility could highly likely to become a subject of priority for denuclearization.

Phased actions could be taken on main nuclear facilities, including a halt of operation, closing-down, disablement, and dismantlement. In that process, North Korea could voluntarily take phased steps of abandonment, followed by verification of international experts, including the U.S. and the International Atomic Energy Agency (IAEA). Or the North could conduct a low level of disablement and suspend an operation on its own and carry out a high level of disablement and dismantlement jointly with a group of international experts tasked with verification. Considering costs incurred in the process, the latter seems more likely. In fact, Mr. Pompeo said in his interview with CBS that Chairman Kim agreed on international inspection of nuclear facilities.

Meanwhile, another possible scenario is to transfer some weapons system either to some region of North Korea or foreign countries and discard them as a symbolic gesture, including weapons-grade nuclear materials, nuclear warheads, and nuclear weapons-manufacturing facility. For example, the International Partnership

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for Nuclear Disarmament Verification (IPNDV)—multilateral cooperative body for verification of dismantlement of nuclear weapons—has developed procedures and concepts for the dismantlement of nuclear warheads and removal of nuclear weapons, whose members include the U.S. State Department, 30 countries with and without nuclear weapons, international organizations, and NGOs. According to its manual, it is possible to dismantle nuclear warheads inside North Korea and transfer dismantled nuclear materials to the outside. In that case, North Korea and the international verification group could jointly discard nuclear–related facilities.

### Limitation of Traditional Process: Declaration-Verification-Abolishment

Under that scenario, the denuclearization process takes a form of a few rounds of repeated cycle simultaneously of "abolishment  $\rightarrow$  its verification" for nuclear facilities and "abolishment (in North Korea)  $\rightarrow$  transfer" for nuclear weapons. It is not likely for North Korea to easily agree to submit a full inventory of nuclear arsenals in a traditional method. Even if it does agree, conflicts are highly likely to arise, such as the U.S. making demands for additional inspection and the North rejecting inspection when the U.S. finds a discrepancy in the process of inspecting on the field, and comparing the obtained stockpile information with actual facilities in North Korea. In particular, North Korea is highly likely to see an early submission of full inventory as a disarmament given that such submission inevitably reveals its military strategy on all the nuclear programs. In addition, under that scenario, denuclearization will not be achieved within Trump's term in office considering the time-consuming process of verification for declaration of nuclear arsenals.

The traditional process of declaration-abolishment can be swiftly applied to a country equipped with small-scale nuclear facilities, which is still in the developmental state, when certain conditions are met. However, such prompt approach cannot be applied to North Korea with the massive nuclear facilities, which has already entered the final phase of development. At the end of the day, a viable alternative would be to have a cycle in place of "abolishment  $\rightarrow$  its verification"

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centered around central facilities—weapons-grade program—so that irreversibility can be secured as soon as possible. Under such process, one cycle for a specific subject for abolishment could likely to proceed as a package followed by another package of "abolishment-verification" cycle, rather than planning an overall schedule for dismantlement based on verification of the entire list. Such method is quite similar to a "phased and synchronous" cycle claimed by the North given that one cycle of denuclearization will naturally accompany the U.S. corresponding measures.

#### Lifting of Sanctions against North Korea and Costs for Denuclearization

While the end-of-the declaration is a gateway to building trust and a symbolic and political declaration to provide a rationale for denuclearization within North Korea, lifting of sanctions is an essential prerequisite for its economic development. North Korea believes that easing and lifting of sanctions along with the end-of-the declaration should take place either prior to or simultaneously with the denuclearization implementation. In fact, Pyeongyang strongly demanded through the Minister of Foreign Affairs Ri Yong-ho's speech at the U.N. General Assembly on September 29 and Rodong Sinmun on September 30 that sanctions and dialogue cannot go hand-in-hand and that the end-of-the declaration and sanctions relief should proceed prior to denuclearization as a confidence-building gesture. On the other hand, Washington never once officially mentioned a declaration to end the Korean War or the lifting of sanctions except for President Trump's remarks on the end-of-the war declaration. Although the U.S. appears to internally set its stance on the exchange of a declaration of the end-of-the war with denuclearization measures, it has yet to mention anything about a declaration to formally end the Korean War. It could be evaluated as the U.S. strategy to secure denuclearization to the maximum extent as possible by being prudent on the end-of-the war declaration thereby increasing its value in negotiations before a final agreement between North Korea and the U.S. is reached. President Trump said in an address at the U.N. General Assembly on September 25 that "The sanctions will stay in place

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until denuclearization occurs." His remarks hint that the sanctions relief can also be considered as an option not after denuclearization but once denuclearization becomes implemented. In a press conference held after the Trump-Kim Summit in Singapore, Mr. Trump announced that sanctions can be lifted once a certain pattern of irreversibility occurs after denuclearization process begins.

In the meantime, an "empty channel" is expected to be activated soon between the U.S. Special Representative for North Korea Steve Biegun and North Korea's Vice Minister of Foreign Affairs Choi Sun-hee. Mr. Pompeo's visit to North Korea will soon take place. What is at stake now is not only denuclearization but also which stance the U.S. would take on sanctions imposed on North Korea when it comes to corresponding steps in addition to the end-of-the war declaration. The DPRK has already invested heavily in nuclear and missile sophistication. Therefore, it is only natural for the North to expect corresponding rewards that can compensate the costs of such development and the removal of its main security machine and to invest those rewards in the economic development. Moreover, even if North Korea were to begin a process of irreversibility of Yongbyon nuclear facility on its own right away, it has to take up a significant amount of financial and administrative burden. The dismantlement of nuclear facilities and weapons of such massive scale inevitably accompanies a political burden in the form of internal opposition even with the sharing of costs by the international community. In summary, sanctions imposed on North Korea might have been useful as tools of pressure to induce the North into the gateway to denuclearization to some extent, such method is highly likely to become a psychological and political barrier in the actual implementation of denuclearization. To that end, a phased lifting of sanctions to facilitate denuclearization should be considered as a practical approach. ©KINU 2018



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