

# Executive Summary

Just a year ago, many feared the Korean Peninsula may descend into war — but with a fresh start between old enemies at the inter-Korean Summits and the US-DPRK Summit, that fear turned into optimism. Alas, it didn't last, and we are again facing a familiar stalemate. Despite the cycle of mistrust, events on the Korean Peninsula in 2018 have led us to hope for a better future.

For our team in Singapore and Vietnam, which has been promoting economic experimentation in the DPRK using Southeast Asia as a platform, we were heartened to see Kim Jong Un's endorsement of Singapore's path. The North Korean newspaper *Rodong Sinmun* followed up with a full-spread story featuring Singapore's cityscape, and DPRK economist Ri Ki Song explained what his country hopes to learn from the Asian economic powerhouse.

In addition to the excitement around the summits, we continued evolving our entrepreneurship programs in the DPRK. We redesigned the workshops to create three distinct formats: *DPRK Economic Forum*, *Pyongyang Urban Innovation Week* and *Pyongsong Startup Festival*. We launched the first Startup Festival in November, bringing in our largest-ever group of volunteers to mentor 100 participants, working on twelve startup ideas.

We also contributed to demystifying North Korea's entrepreneurship and economy with more than 40 interviews, as well as feature stories in *Wall Street Journal*, *Vice*, *People's Daily*, and *Bloomberg*. We presented a vision to Seoul Mayor Park Won Soon how ASEAN can assist inter-Korean economic integration, contributed to the Presidential Committee for New Southern Policy, and joined the State Dinner during President Moon Jae-In's visit to Singapore.

In 2019, we hope to implement our new program formats in the DPRK, bring more Koreans to Singapore and Vietnam, and lay the groundwork for establishing a *6.12 Singapore Center* in the DPRK — an incubator to aid learning, mentoring, and networking among emerging entrepreneurs in the country.



Geoffrey K. See  
Chairman





**2,321+**

KOREAN PARTICIPANTS

**61**

PROGRAMS IMPLEMENTED

**429**

ORGANIZATIONS JOINED

**157**

IN-COUNTRY VOLUNTEERS JOINED

**140**

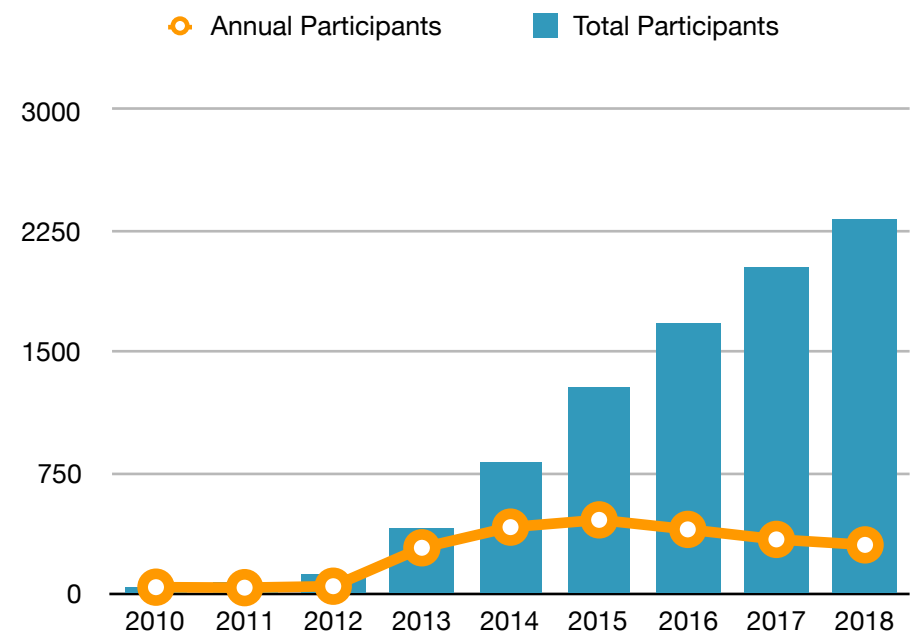
PARTICIPANTS IN LARGEST-EVER WORKSHOP

(all since 2010)



## Our Volunteer Community

Our volunteer network is one of our greatest strengths — high-caliber professionals and entrepreneurs join us to share their knowledge with Koreans. CE volunteers stand out because they make a choice to expose themselves to an issue of global importance. This year, another 27 volunteers joined us in the DPRK, bringing the total of CE volunteers over the past decade to 160. The Choson Exchange experience doesn't end with the trip: Volunteers remain in touch and become part of a closely-knit network of people who share one of the most unusual adventures a seasoned professional can have.





## Programs

For the first time, we launched an overseas workshop in Hong Kong and Guangzhou with partners at *Future Cities Summit*. We also organized three workshops in Pyongyang and Pyongsong. Our in-country workshops saw a record turnout just before the Singapore Summit, driven by significant interest among DPRK participants in Singapore's economic development. After the summit, our *Pyongsong Startup Festival* brought a record number of volunteer workshop leaders who joined us in the DPRK.

The overseas workshop with *Future Cities Summit* allowed us to bring some of the DPRK's leading architects and urban planners to Hong Kong and Guangzhou, continuing our support for entrepreneurship and innovation in infrastructure, real estate, and urban planning. In Hong Kong, we visited the global co-working space *WeWork*, with past Choson Exchange volunteers joining the discussion.

### Urban Infrastructure Map of Pyongyang and 6.12 Singapore Center

Choson Exchange also worked on a research project constructing an urban infrastructure map of Pyongyang, and identified potential sites for a *6.12 Singapore Center*, which we hope to eventually develop as the first incubator in the DPRK. The key findings are summarized below, while the full report be published in 2019.







## About our Urban Research

Given the significant level of urban development in the DPRK over the past six years, we decided to use data-driven, quantitative methods to analyze Pyongyang's urban transformation. Our research aims to assess the socio-economic value of these developments, and assist policy planners in understanding key urban projects for Pyongyang in the future.

The research comprises of four segments: (1) An overview of transformation through local interactions, (2) the construction of a digital Pyongyang map and conducting cartographic mapping and data simulation, (3) questionnaire interviews with local stakeholders, and (4) a proposal of key strategic urban projects for Pyongyang. Each questionnaire consists of 38 factors relating to transportation, energy & environment, educational infrastructure, convenience facilities, public spaces, production spaces, and healthcare infrastructure.

Approximately 60 local participants took part in the survey. Some key findings include a fundamental shift in the design of new residential streets – namely Mirae Street and Ryomyong Street – towards a form of land use that is more dense and efficient. The increased density can potentially provide the justification for urban regeneration rather than urban expansion – building new districts away from the city centre.

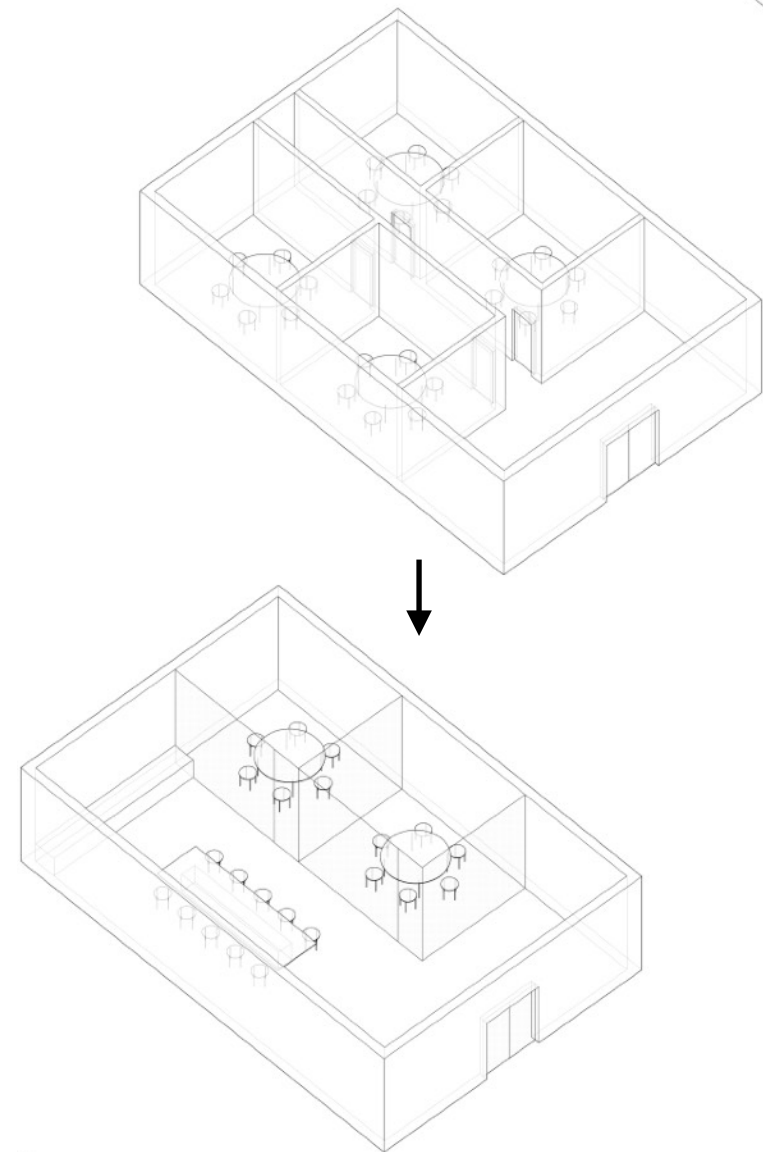
We suggested three major urban projects for Pyongyang based on our research: The regeneration of Kwangbok and Tongil Street residential area through increasing urban density within the blocks to provide a more compact urban and walkable environment, the South Taedonggang Loop (STL) envisioned as a new urban centre that can potentially activate the southern part of Taedong River, and the regeneration of Tongil Street district.

## 6.12 Singapore Centre

Building upon Choson Exchange's training programs, the development of innovation nodes and incubator spaces aims to support an entrepreneurship ecosystem in Pyongyang. Such spaces would formalize business networks and catalyze the development of new business ideas among local entrepreneurs.

Discussions with local participants of CE's Women-In-Business workshops have continuously been reinforcing the importance of a physical space as a way to support business networks. One local restaurant owner has been forging ahead and started organizing networking dinners, as proposed by one of our foreign workshop leaders. The planned incubator aims to respond to this need with a space that could be used to further develop key relationships across the local business community.

Conceived as the *6.12 Singapore Centre*, as tribute to the landmark US-DPRK Summit on June 12, 2018 in Singapore, the incubation space should be located within an existing building. The flexible interior could be designed to accommodate a wide variety of uses, including work spaces, business labs, and presentation halls. In addition, the centre may be adapted to host small exhibitions, a cafe, and more. The team at Choson Exchange and its partners are currently identifying suitable locations and spaces for the centre.



From a hierarchical to an open plan working environment





## Introducing New Program Formats

**DPRK Economic Forum.** This forum is focused on a diverse audience of businesspeople, researchers, and policymakers. Meant to facilitate discussions on economic policy and business development, the event brings together foreign volunteers and locals in Pyongyang to network and exchange ideas exploring the future of the DPRK's economy. We occasionally run a session at this forum supporting emerging female managers and business women.

**Pyongyang Urban Innovation Week.** Starting in 2016, Choson Exchange has been exploring urban infrastructure, design and entrepreneurship in a workshop held every August. The Pyongyang Urban Innovation Week brings together these topics in a design thinking context, allowing volunteers to explore the urban landscape with CE co-founder and architect Calvin Chua. Volunteers will work closely with local participants to promote innovative thinking at the intersections of infrastructure, cities and business ideas.





**Pyongsong Startup Festival.** This event celebrates collaborative learning and knowledge-sharing between foreign professionals, local businesspeople, and local entrepreneurs working on their first startup. Volunteer workshop leaders provide feedback and mentor early stage startups pitching their ideas at the end of a

three- to six-month acceleration program in the Pyongsong and Unjong area. Choson Exchange established this acceleration program in 2015, after bringing Koreans to Singapore and Malaysia to learn how incubators provide structured mentoring, networking and training to potential entrepreneurs.

# Public Outreach

Contributing to the public understanding of how entrepreneurship in the DPRK can lead to better opportunities for ordinary Koreans remains a mainstay of our work.

In 2018, Choson Exchange was cited in the media more than 115 times, up from 80 in 2017. The *Wall Street Journal*, *CNBC*, *Bloomberg*, *Global Times*, *People's Daily*, and *Vice* have all covered our work. While Choson Exchange has always maintained a strong media presence, the meeting between Donald Trump and Kim Jong Un in Singapore contributed to a sustained interest that kept our team particularly busy.

After the summit, public interest in the DPRK's changing economy and its potential to "open up" increased further. Singapore featured prominently as an economic model the DPRK can learn from, and we believe the US suggested Singapore as a summit venue in order to pitch the possibility of bringing prosperity to the DPRK — if Kim Jong Un repaired its relationship with the US. Following the summit, we shared our views on how Singapore, Vietnam, and ASEAN may play a role in contributing to the DPRK's economic development and inter-Korean integration. Members of the CE team spoke at South Korea's Presidential Committee for New Southern Policy, at the Korean Herald inaugural ASEAN Business Summit with visiting Seoul Mayor Park Won Soon, and joined the State Dinner for visiting President Moon Jae-In.

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

[The Economic Aspects of Kim Jong Un's New Year Address](#) - Our brief analysis of Kim Jong Un's 2018 New Year Address.

[CE Brief || The 33rd ASEAN Meet and How ASEAN can help the DPRK rejoin international society](#) - how ASEAN can play a significant role in supporting the DPRK's transition.

[Historic Times - our May 2018 Workshop in Pyongyang](#) - Pompeo's surprise visit to the DPRK was a welcome coincidence, but it was the record attendance of 130 participants that left an indelible impression on us.

[Breaking New Trails in Pyongsong](#) - Our revamped Pyongsong Startup Festival format encouraged greater peer-to-peer learning, and DPRK participants grooved to the Macarena dance.

[Future Cities Summit 2018 - Our trip with the Koreans](#) - Bringing Koreans to Hong Kong and Guangdong provided potential directions for the future of urban conservation and rejuvenation in the DPRK.



## What's Next

For 2019, we are looking to implement and test our three new in-country formats. We also plan to lay the groundwork for the *6.12 Singapore Center*, an incubator that will act as a hub for the entrepreneurial community. We expect and hope that with the improvement in US-DPRK relations and fewer tensions,

we will be able to expand our existing overseas partnerships and programs, allowing more Koreans to join us overseas for learning and exposure. We also hope to continue shaping creative approaches to the DPRK's integration with the international community.

