

DPRK CRUDE PETROLEUM IMPORTS BOTTOM OUT IN 2006

North Korean imports of crude petroleum in 2006 appear to have dropped to the lowest level in recent years, dipping almost to the level imported during 1997~1998, the worst point in the North's economic difficulties.

According to a book of figures recently published by the National Statistical Office, 'Comparison of North and South Korean Socio-economic Circumstances', North Korea's crude imports over the past several years bottomed out at 2,325,000 barrels in 1999, then rose to 4,244,000 barrels by 2001. Since 2001, imports have steadily fallen until only 3,841,000 barrels were imported in 2006, recording the least imports in the last five years. This level of imported crude is similar to the 3,709,000 barrels imported in 1997 and 3,694,000 barrels in 1998, in the midst of mass starvation and the 'arduous march'.

According to statistics compiled using documents from the Ministry of Commerce, Industry, and Energy, the Korea Energy Economics Institute, the National Information Service, and the Korea Electric Power Corporation, North Korea imported 15,393,000 barrels in 1980 and 18,472,000 barrels in 1990. Compared to these amounts, the level of crude imports over the past several years amounts to only a quarter to a fifth of past import levels. While it appears that the North Korean economy has improved somewhat from its low point in the latter half of the 1990s, it does not seem to have found the impetus to fully recover.

While crude imports in 1999 fell to 2,325,000 barrels, imports grew for the next several years, recording 2,851,000 barrels in 2000, 4,244,000 barrels in 2001, and 4,376,000 barrels in 2002. After 2002, however, imports continued to decrease, with 4,207,000 barrels in 2003, 4,156,000

barrels in 2004, and 4,086,000 barrels in 2005. As North Korean crude imports began to slide, the 2nd North Korean nuclear issue raised its head in October 2002, and the misgivings about North Korea that arose struck a blow to the North's economic recovery.

North Korea's 2006 imports of crude amount to a mere .43% of the number of barrels imported by South Korea, or 1/230th. A look at North Korean energy-providing organization shows that the amount of energy provided by oil in 2006 4.4 percent, down from 8 percent in 2006, while energy from 'other' sources, including timber and the burning of trash, grew from 5 percent to 9.3 percent during the same period. Coal and hydropower have not shown a significant change over the last five years, with coal down from 70 percent to 68.7 percent, and hydroelectricity up from 17 percent to 17.6.