

**Statement of Christopher R. Hill
Assistant Secretary of State
Bureau of East Asian and Pacific Affairs**

Before the

Senate Foreign Relations Committee

February 6, 2008

**Status of the Six-Party Talks
for the Denuclearization of the Korean Peninsula**

Introduction

Thank you, Chairman Biden, Ranking Member Lugar, and distinguished Members for inviting me to discuss with your committee recent developments in our efforts to achieve the verifiable denuclearization of the Korean Peninsula through the Six-Party process.

I have had the opportunity to brief many of you on the Six-Party Talks over the last few months. Since that time, we have made progress on implementation of the October 3, 2007 agreement on “Second Phase Actions for the Implementation of the Joint Statement,” particularly on the disablement of the Yongbyon nuclear facility. We continue to have good cooperation with the DPRK on implementation of agreed disablement tasks. These advances notwithstanding, we are again at a critical, challenging point in the Six-Party process, as we and our Six-Party partners work towards the completion of the Second Phase. Specifically, we are working to ensure that North Korea follows through on its commitment to provide a complete and correct declaration of all its nuclear programs, including its nuclear weapons.

Implementation of the October 3 Agreement

The October 3 agreement builds on the February 13, 2007, agreement on “Initial Actions for the Implementation of the Joint Statement,” under which the DPRK shut down and sealed the core nuclear facilities at Yongbyon and invited back the International Atomic Energy Agency (IAEA) to conduct monitoring and verification activities, as provided for in the February 13 agreement. Under the October 3 agreement on Second-Phase actions, the DPRK agreed to disable all existing nuclear facilities subject to abandonment under the September 2005 Joint Statement and February 13 Agreement, beginning by disabling the three core facilities at Yongbyon by the end of the year. The DPRK also agreed to provide a complete and correct declaration of all its nuclear programs by the end of the year.

Disablement

Disablement of the three core facilities at Yongbyon – the 5-MW(e) nuclear reactor, reprocessing plant, and fuel rod fabrication facility – is proceeding well. A rotating team of U.S. experts has been on the ground overseeing the disablement of these facilities since early November and will remain in place throughout the completion of the agreed disablement activities. Upon completion, the specific disablement actions should ensure that the DPRK would have to expend significant effort and time (upwards of 12 months) to reconstitute all of the disabled facilities. This would curtail their ability to produce new weapons-grade plutonium at Yongbyon. Our experts report continued good cooperation with DPRK experts at the site, and most of the agreed disablement tasks at the three core facilities have been completed.

Specifically, all agreed disablement tasks at the reprocessing plant were completed prior to December 31, 2007, including the removal of several key pieces of equipment necessary for the separation of plutonium from spent fuel rods. Similarly, major pieces of equipment at the fuel fabrication plant were disabled and removed prior to December 31. One of the primary disablement tasks at the 5-MW(e) reactor – the discharge of spent fuel – is now underway. Due to health/safety and verification concerns, the parties understood that the fuel discharge (consisting of approximately 8,000 rods in the reactor core) would continue beyond December 31, 2007. In the meantime, other disablement tasks, including the destruction and removal of the interior structure of the cooling tower, were completed prior to December 31, 2007.

At the request of the Six Parties, in addition to leading the disablement activities, the United States is also providing initial funding for these activities. As we look to the tasks ahead in the next phase, dismantlement, we will request additional authorities in order to ensure that the United States is prepared to take timely action to facilitate completion of these important tasks. We are in active discussions within the administration on dismantlement costs and will consult with Congress.

Declaration

The other key element of Phase II – provision by the DPRK of a complete and correct declaration of all its nuclear programs – remains to be implemented. Let me be clear – “complete and correct” means complete and correct. This declaration must include all nuclear weapons, programs, materials, and facilities, including clarification of any proliferation activities. The DPRK must also address concerns related to any uranium enrichment programs and activities. While we have had discussions of a declaration with the DPRK, the DPRK did not meet the December 31, 2007 deadline for this commitment, and we have still not received such a declaration. We and the other parties continue to press the DPRK for completion of this important commitment. A U.S. team was recently in Pyongyang to continue these discussions, and the other parties have also continued to engage with the DPRK to press for it to live up to its commitments. The DPRK, including leader Kim Jong-il, maintains that it is committed to the Six-Party process and to fulfilling all its obligations. Working

closely with our Six-Party partners, we intend to ensure that Pyongyang lives up to its word by submitting to the Chinese chair as soon as possible a declaration that is in fact complete and correct.

As the DPRK fulfills its commitments, the United States remains committed to fulfilling ours. The other Parties agreed to provide the DPRK with one million tons of Heavy Fuel Oil (HFO) or equivalent in return for its actions in the Initial and Second phases. To date, the DPRK has received almost 200,000 tons of HFO, including one shipment each from South Korea, China, Russia and the United States. The Six Party Talks Working Group on Economy and Energy Cooperation has informally agreed to provide half of the energy assistance in HFO and the remaining half in HFO-equivalent, namely materials and equipment related to refurbishing coal mines and thermal and hydro power plants. The United States has thus far only provided HFO, and we are in the process of preparing another shipment. We have also cooperated with the other Parties in ensuring that HFO-equivalent materials and equipment are consistent with U.S. laws controlling exports to the DPRK.

Under the October 3 agreement, the United States also reaffirmed its intent to fulfill its commitments regarding rescinding the designation of the DPRK as a state sponsor of terrorism and the termination of the application of the Trading with the Enemy Act (TWEA) with respect to the DPRK. U.S. action related to the terrorism designation and TWEA application will depend on the DPRK's fulfillment of its Second-Phase commitments on providing a complete and correct declaration and disabling its nuclear facilities, as well as on satisfaction of legal requirements. The legal criteria for rescinding the designation of a country as a state sponsor of terrorism are set forth in U.S. law, and the Administration intends to consult closely with Congress and follow appropriate procedures on any decision to take action on the terrorism designation or TWEA.

At the same time, the United States will also continue to press the DPRK to address other important issues, including questions about Japanese abductees. We will continue to urge the DPRK at every opportunity to address Japan's concerns. Japan is an important friend and ally of the United States, and we will continue to consult closely with the Japanese government as we move forward.

We also remain very concerned about nuclear proliferation – the potential for such proliferation has always been one of our major concerns about the DPRK's nuclear weapons programs. In the October 3 agreement the DPRK reaffirmed its commitment “not to transfer nuclear materials, technology, or know-how,” and we intend to hold North Korea to its word. We have discussed this issue with the North Koreans many times and will remain vigilant about proliferation concerns. The North Koreans are cognizant of the fact that United Nations Security Council Resolution 1718 remains in effect.

Offering the DPRK A Better Future

While we are in a difficult period, we remain confident that the Six-Party process is the best mechanism to address the danger to the United States and the international community posed by the DPRK's nuclear programs. We continue to urge the DPRK to provide a complete and correct declaration and complete the agreed disablement actions. Even once we have completed this phase, however, significant work remains. Following completion of the Second Phase, we hope to move quickly into a final Phase, which will be aimed at abandonment of North Korea's nuclear weapons and existing nuclear programs, dismantlement of all North Korea's nuclear facilities, capture of all fissile material the DPRK has produced, and verification of North Korea's denuclearization.

In exchange, the United States is prepared to transform our relations with the DPRK into a more normal relationship. The United States and DPRK have committed to improving bilateral relations and working toward full diplomatic relations. One way we will seek to do this is by increasing bilateral exchanges between the United States and DPRK aimed at enhancing mutual trust. Our goal through this process will remain improving the lives of the people of North Korea.

On a separate track, to address humanitarian assistance needs, the United States is aware of and concerned about possible food shortages in the DPRK in 2008. We are prepared to help respond to such shortages, subject to appropriate program management consistent with international standards. We assisted U.S. NGOs in providing aid to fight the outbreak of infectious diseases following floods in North Korea last summer. The United States is also working with U.S. NGOs to carry out a plan to improve the supply of electricity at provincial hospitals in North Korea.

We have also made clear to the DPRK how much we value the advancement of human rights in all societies and that discussion of important outstanding issues of concern, including the DPRK's human rights record, would be part of the normalization process.

Full implementation of the September 2005 Joint Statement could also provide a way forward for the transformation of overall security relations in Northeast Asia. We remain committed to replacing the 1953 Armistice with a permanent peace arrangement on the Korean Peninsula. The United States believes that discussions of a Korean Peninsula peace regime could begin among the directly related parties once the DPRK has disabled its existing nuclear facilities, has provided a complete and correct declaration of all of its nuclear programs, and is on the road to complete denuclearization. We can achieve a permanent peace arrangement on the Korean Peninsula once the DPRK fully discloses and abandons its nuclear weapons programs. We also hope to explore the development of a Northeast Asia Peace and Security Mechanism, which could help further solidify the cooperative relationships built through the Six-Party process.

The Road Ahead

While we have made important progress toward the full implementation of the September 2005 Joint Statement, much work remains on the road to verifiable denuclearization of the DPRK. We must continue to move forward in the Six-Party process to realize the DPRK's abandonment of all fissile material and nuclear weapons in accordance with the September 2005 Joint Statement, as well as its return to the Treaty on Non-Proliferation of Nuclear Weapons and to IAEA safeguards. We will continue to work closely with our Six-Party partners as we move forward on the tough tasks that lie ahead.

Thank you for the opportunity to appear before you today. I am happy to answer your questions.