

## Contents

1. Introduction .....	1
2. Literature/Methodology .....	5
3. Background .....	9
3.1 Brief History .....	9
3.2 Politics within DPRK and the July 2002 Economic Reforms .....	10
3.3 Energy assistance in recent nuclear negotiations .....	18
3.4 Energy sector overview .....	19
4. Short-Term Energy Assistance Options and Internal Politics of DPRK .....	29
4.1 Heavy Fuel Oil .....	29
4.2 Rehabilitation of power plants and the grid .....	31
4.3 Renewable Energy .....	32
5. Economics including Externalities: Short-Term Energy Assistance Options .....	35
5.1 Heavy Fuel Oil .....	36
5.2 Rehabilitation of power plants and the grid .....	38
5.3 Renewable Energy .....	43
6. Medium- to Long-term Energy Assistance .....	49
6.1 Nuclear energy .....	50
6.2 Gas Pipeline/Electricity from Russia .....	53
6.3 Electricity from South Korea .....	57
6.4 Renewable Energy .....	58
7. Lessons from Cuba for North Korea .....	63
7.1 Agricultural reform .....	64
7.2 Education .....	67
7.3 Energy efficiency and Renewable Energy .....	71
8. Conclusion .....	75
Bibliography .....	79