
LAW OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA ON THE REGISTRATION OF FOREIGN-INVESTED BUSINESSES

Adopted by Decree No. 1530 of the Presidium of the Supreme Assembly on January 25, 2006, amended by Decree No. 207 of the Presidium of the Supreme Assembly on August 4, 2009 and amended by Decree No. 2049 of the Presidium of the Supreme Assembly on December 21, 2011

Chapter 1 Fundamentals

Article 1 (Objective)

This Law is enacted for the purpose of providing strict guidelines for the registration of foreign-invested businesses, thereby affording facilities for their registration. 1

Article 2 (Definition)

In this Law, *registration of foreign-invested businesses* means the registration of establishment, address, tax affairs and customs matters by the foreign-invested businesses.

Article 3 (Registration institution)

Establishment of foreign-invested businesses shall be registered with the investment management organ, address with the provincial (or municipality directly under the central authority) people's committee in the seat of the business concerned, tax affairs with the financial institution concerned and customs matters with the customs concerned.

Article 4 (Obligation of registration)

Foreign-invested businesses shall obligatorily register their establishment, address, tax affairs and customs matters.

A foreign-invested business shall not carry on its business without conducting registration.

Article 5 (Protection of registered foreign-invested businesses)

The legitimate rights and interests of the registered foreign-invested businesses shall be protected by law.

Article 6 (Fees)

A foreign-invested business shall pay fees for registration.

The fees shall be prescribed by the central financial guidance organ.

Article 7 (Institution in charge of supervision and control of registration of foreign-invested businesses)

Supervision and control of the registration of foreign-invested businesses shall be undertaken by the registration institutions concerned and the supervisory and control institution.

Article 8 (Registration in special economic zones)

Procedures for the registration of foreign-invested businesses in the special economic zones shall be provided separately.

Chapter 2 Registration of Establishment

Article 9 (Basic requirement of registration of establishment)

A foreign-invested business shall, upon obtaining an approval for establishment, register its establishment with the investment management organ.

The investment management organ shall register the foreign-invested businesses by their types, sectors and business categories.

Article 10 (Issuance of business registration certificate, certificate of permission)

The investment management organ shall, upon registration of the establishment of a foreign-invested business, issue a business registration certificate to a foreign-invested enterprise and a certificate of permission to a branch office, representative office or agency.

Article 11 (Legal capacity)

A foreign-invested business shall be a corporate body of the DPRK from the date of registration of its establishment with the investment management organ.

Branch offices, representative offices and agencies shall not be corporate bodies.

Article 12 (Alteration of registration of establishment)

A foreign-invested enterprise that wishes to make changes in the registered items shall file an application to that effect with the investment management organ.

The application shall contain the name, address, particulars of change and the reasons thereof.

Article 13 (Revocation of registration of establishment)

In the event of dissolution or bankruptcy of a foreign-invested enterprise, branch, representative office or agency, the investment management organ shall revoke the registration and confiscate the business registration certificate or the certificate of permission.

Chapter 3 Registration of Address

Article 14 (Address registration institution, name)

A foreign-invested business shall register its address with the people's committee of the province (or municipality directly under the central authority) in the seat of its business. In this case the name of the business concerned shall be as approved by the investment management organ.

Article 15 (Submission of application for address registration)

A foreign-invested business shall file an application for address registration with the people's committee of the province (or municipality directly under the central authority) in the seat of its business within 30 days of obtaining the certificate of registration or certificate of permission.

Article 16 (Contents of application for registration of address)

An application for address registration of a foreign-invested enterprise shall specify its name, address to be registered, business category, term of operation and number of employees, and shall be accompanied by a copy of the certificate of registration.

An application for address registration of a branch, representative office or agency shall contain its name, address to be registered, name of the chief, term of operation and number of employees, which shall be accompanied by a copy of certificate of permission.

Article 17 (Issuance of certificate of address registration)

The people's committee of a province (or municipality directly under the central authority) shall, upon receipt of an application for address registration, review it within the prescribed period of time and either approve or reject it.

Where address registration is approved, certificate of registration shall be issued, and in case of rejection, a notice specifying the reason thereof shall be forwarded to the applicant and the investment management organ.

Article 18 (Conditional provision)

A foreign-invested business that has not registered its address shall not be provided with conditions necessary for its operational activities like water, electricity, communication and the like.

Article 19 (Deferment of application for address registration)

Where a foreign-invested business is unable to make an application for address registration within the prescribed period for unavoidable reasons, an application shall be submitted to the people's committee of the province (or municipality directly under the central authority) in the seat of the business concerned for deferment of address registration.

The application shall specify the name of the business, issuance date of certificate of registration or certificate of permission and the reason for and term of deferment.

Article 20 (Alteration of registered address)

A foreign-invested business that has made changes in its name, address and term of operation shall register within 15 days the particulars of change with the people's committee of the province (or municipality directly under the central authority) in the seat of its business.

Where the seat of a business is to be moved to an area under the control of a different provincial (or municipality directly under the central authority) people's committee, previous registration shall be revoked and registration of new address shall be made with the people's committee of the province (or municipality directly under the central authority) concerned.

Article 21 (Validity of registration certificate of address, extension thereof)

An address registration certificate shall be valid for 3 years.

A foreign-invested business that wishes to extend the term of the certificate shall register the extended term with the people's committee of the province (or municipality directly under the central authority) in the seat of the business 15 days before the expiration of the original term.

Article 22 (Revocation and confiscation of address registration certificate)

Where a foreign-invested business is dissolved or bankrupt, the people's committee of the province (or municipality directly under the central authority) shall revoke the registered address and confiscate the address registration certificate.

Chapter 4 Tax Registration

Article 23 (Application for registration of tax affairs)

A foreign-invested business shall, within 20 days of address registration, submit an application for registration of tax affairs to the financial institution concerned.

The application shall contain the name and address of the business, total amount of investment, registered capital, business category, term of operation and number of employees, and accompanied by a copy of business registration certificate and address registration certificate.

A branch, representative office and agency shall specify the name, address, number of employees and other required items, and shall be accompanied by a copy of certificate of permission and address registration certificate.

Article 24 (Review of application for tax registration)

A financial institution shall review an application for tax registration within 10 days of receipt thereof and either approve or reject it.

In case of approval, a certificate of tax registration shall be issued, and in case of rejection a notice shall be forwarded to the applicant specifying the reason thereof.

Article 25 (Contents of tax registration certificate)

The certificate of tax registration shall contain the name and address of the business, term of operation, business category and the date and number of registration of tax affairs.

Article 26 (Change of registered items)

A foreign-invested business that wishes to make changes in the tax registration shall submit an application to the financial institution with which it is registered.

The application shall specify the name and address of the business, reason for change, and shall be accompanied by the document of approval of change issued by the competent institution.

Article 27 (Re-issuance of certificate of tax registration)

A financial institution shall, upon receipt of an application for change of registered tax affairs, review it within 7 days and issue a new certificate.

Article 28 (Revocation of tax registration, confiscation of certificate)

Where a foreign-invested business is dissolved or bankrupt, the financial institution concerned shall revoke the tax registration thereof and confiscate the certificate.

Chapter 5 Customs Registration

Article 29 (Application for customs registration)

A foreign-invested business shall submit an application for customs registration to the customs institution concerned within 20 days of registration of address.

The application shall specify the name and address of the business, term of operation, business category, the bank with which the business keeps its account and account number, and shall be accompanied by a copy of a certificate of business registration or a certificate of permission, certificate of address registration, financial warranty deed of a bank and other documents required by the customs institution.

Article 30 (Review of application for customs registration)

The customs shall review an application for customs registration within 5 days of receipt thereof, and either approve or reject it.

The approved application shall be registered in the registrar, and as for the rejected one a notice shall be forwarded to the applicant with the reason thereof stated.

Article 31 (Change of registered items)

A foreign-invested business that wishes to make changes in its customs registration shall submit to the customs concerned an application to that effect.

An application for change of registered items shall specify the name and address of the business and the reason for change, and shall be accompanied by a document of approval of change issued by the competent institution.

Article 32 (Cancellation of customs registration)

Where a foreign-invested business is dissolved or bankrupt, the customs shall cancel the customs registration thereof.

Chapter 6 Sanction, Complaints

Article 33 (Sanction)

Where a business is operated without being registered or business registration certificate is fabricated, fine shall be imposed, business suspended or registration revoked.

Article 34 (Complaints, settlement)

Complaints concerning the registration of a foreign-invested business shall be lodged with the competent institution.

The institution shall settle the complaints within 30 days of receipt thereof.