

“From Bait to Plate: How Forced Labor in China Taints America’s Seafood Supply Chain”
A Hearing of the Congressional-Executive Commission on China

Tuesday, October 24, 2023
2360 Rayburn

Greg Scarlatoiu, Executive Director
Committee for Human Rights in North Korea (HRNK)

The witness wishes to thank HRNK team members Ingyu Choe, Mohona Ganguly, Raymond Ha, Doohyun (Jake) Kim, Damian Reddy, as well as Jung Gwang-il, Ko Young-hwan, Lee Hyun-seung and Ri Jong-ho for their invaluable contributions to research, translation, editing, direct testimony, and securing testimony from key witnesses in China and North Korea.

Executive Summary

Mindful of Section 321 of the Countering America's Adversaries Through Sanctions Act (CAATSA), “Sanctions for Forced Labor and Slavery Overseas of North Koreans,” as applied to North Korean workers officially dispatched to Chinese seafood processing plants, HRNK endeavored to make a preliminary determination as to whether the working conditions these workers face are subject to Section 302(b) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9241 (b)). We further endeavored to identify Chinese entities that employ North Korean laborers, with the aim of determining if such entities and individuals in charge meet the criteria under Section 111 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7108) relating to the prevention of trafficking in persons.

Until their repatriation began on August 23 or 29, 2023, there were thousands of North Korean workers officially dispatched to Chinese seafood processing plants. In many cases, these workers processed seafood imported from North Korea. The importation of seafood processed by North Korean workers in China, seafood exported from North Korea to China, or a combination of both, into the United States directly from China or relabeled “Made in Russia” in the Russian Far East would constitute a blatant violation of CAATSA.

Chinese seafood processing plants are notorious for their reliance on forced or indentured labor, including that of North Korean workers. For over three decades, North Korea has been officially dispatching workers to countries such as Russia, China, and the UAE, where they work in factories, restaurants, and in other enterprises to earn hundreds of millions of dollars annually for the regime. This is despite the various sanctions against overseas North Korean labor, and the ban imposed on North Korean overseas workers by the United Nations Security Council in 2019. This ban required the immediate expulsion of North Korean workers from the countries that were benefiting from their labor.¹ However, despite the severity of these measures, they have largely been ignored.

¹ Choe Sang-hun, “North Koreans Trapped in ‘State-Sponsored Slavery’ in Russia,” *The New York Times*, April 3, 2023. <https://www.nytimes.com/2023/04/03/world/asia/north-korea-human-rights.html>.

China continues to utilize North Korean overseas labor to the fullest extent possible. For instance, as claimed by the Chinese government, last year, there were over 80,000 North Korean workers residing in one northeastern Chinese city alone. At least 450 of these workers were working in seafood processing plants, according to HRNK's research. Despite the Chinese government's most ardent efforts to erase any mention of these workers on the internet, numerous posts on Chinese social media have featured them in some capacity.² According to individuals interviewed by HRNK, much of the seafood products that these workers process is exported to the United States, which is a clear violation of CAATSA and other applicable U.S. legislation.

² Ian Urbina, "The Crimes behind the Seafood You Eat," *The New Yorker*, October 9, 2023. <https://www.newyorker.com/magazine/2023/10/16/the-crimes-behind-the-seafood-you-eat>.

*North Korean Workers in Chinese Seafood Processing Plants:
International Legal Implications*

The dispatch of North Korean workers to Chinese seafood processing plants has long been a controversial subject due to its multifaceted legal and human rights implications.

The employment of North Korean workers in Chinese seafood processing plants may raise concerns regarding human rights abuses and labor exploitation. The **International Labor Organization (ILO)** sets internationally applicable labor standards, including the Forced Labor Convention (No. 29) and the Abolition of Forced Labor Convention (No. 105), which prohibit the use of forced labor. These workers often face exploitative conditions, including long working hours, low wages (or wages that are appropriated), inadequate safety measures, and limited freedom of movement. Such practices contravene the principles of various **ILO conventions**, as well as the **Universal Declaration of Human Rights (UDHR)**.

The employment of North Korean workers in Chinese seafood processing plants has raised allegations of forced labor and human trafficking. There have been reports indicating that workers' passports are confiscated by the North Korean authorities, leaving these workers vulnerable to exploitation and restricted movement. These actions violate Article 4 of the **UDHR**, which prohibits any slavery or forced labor. Such conduct also violates the **Protocol to Prevent, Suppress and Punish Trafficking in Person** (also known as the Palermo Protocol), which condemns any behavior amounting to trafficking in persons.

The involvement of Chinese seafood processing plants employing North Korean labor has also evoked questions relating to international economic sanctions imposed on North Korea. These sanctions aim to stifle the North Korean government's sources of revenue, including the exportation of labor. Thus, the presence of North Korean workers in Chinese seafood processing plants could potentially violate these sanctions, demanding further international attention and action. The international community generally condemns the use of forced labor. States and organizations can rely on conventions such as the **UDHR**, the **International Covenant on Civil and Political Rights (ICCPR)**, and the **International Covenant on Economic, Social, and Cultural Rights (ICESCR)** to address labor rights violations and protect the rights of North Korean workers. Both China and North Korea have ratified the ICCPR and the ICESCR. China is a founding member of the ILO, and it has ratified Conventions 29 and 105.

Under the **Countering America's Adversaries Through Sanctions Act (CAATSA)**, the United States has imposed sanctions on various entities involved in North Korean labor exports. The purpose of these sanctions is to prevent North Korea from earning foreign currency through labor exports, which could be used to fund its nuclear weapons and ballistic missile programs. The **CAATSA** sanctions target not only North Korean workers abroad, but also foreign companies and individuals involved in their employment. Under Section 321 of **CAATSA**, the United States imposes sanctions on entities involved in "knowingly employing North Korean laborers." If Chinese seafood processing plants employ North Korean workers, they risk being subjected to U.S. sanctions. This provision serves to deter countries from engaging in these practices due to the potential economic and reputational consequences.

The human rights implications for the above conduct include:

1. **Inhumane Working Conditions:** North Korean workers dispatched to Chinese seafood processing plants often face extremely challenging working conditions. Reports suggest that workers are subjected to long work hours, harsh treatment, and minimal safety measures, posing a risk to their physical and mental well-being. The denial of proper rest and breaks violates the workers' right to safe working conditions.
2. **Lack of Freedom and Communication:** Workers dispatched from North Korea are often isolated. They are allowed limited contact with the outside world and their families. As a result, they are unable to exercise their right to freedom of movement and communication. This isolation also leaves them vulnerable to exploitation and unable to seek assistance or redress for any human rights violations they may face.
3. **Absence of Labor Rights:** The labor rights of these workers, including the right to join a trade union and engage in collective bargaining, are severely curtailed. This lack of representation compromises workers' ability to advocate for fair wages, acceptable working conditions, and access to social security benefits.

Living and Working Conditions for North Korea's Overseas Workers

North Korean workers must undergo a strenuous process before being sent abroad, and suffer from horrific and squalid working and living conditions once they cross the border. Overseas positions are highly coveted by North Koreans, as the average monthly remittance of \$50 to \$100 dollars makes a considerable difference for their families back home, as opposed to the \$3-dollar monthly wage they would receive as factory workers in North Korea. North Korean workers dispatched to Chinese seafood processing plants pocket about \$70 a month (500 Chinese yuan).³

Selection is a particularly competitive undertaking, as prospective workers utilize all available resources to bribe officials into allowing them to work overseas on an “official” contract. These are considered to be “golden opportunities” for North Korean workers, who are catalyzed into attempting to be dispatched overseas by the purported benefits, such as earnings to start businesses in North Korea, and even the allure of obtaining “middle-class status symbols,” such as watches, televisions, and foreign-made rice cookers. The average bribe paid to a government official to be dispatched overseas is \$2,000–\$3,000. The workers often come from the *dong-yo* (“wavering”) class in North Korea's *songbun* system of loyalty-based social classification. For these workers, this is a huge amount of money. The only option is to borrow it from money lenders and pay it back with interest.⁴

One North Korean escapee, Lim Il, recounted his reaction to learning he was to be sent overseas to China:

³ Interview with North Korean escapee, October 8, 2023.

⁴ Interview with North Korean escapee, October 9, 2023.

I felt like I had won the lottery,” he said. “People fantasized about getting overseas labor jobs...Unless you were an idiot, you wouldn’t give up such an opportunity.⁵

Once they reach their destination, their passports and any other official documents are confiscated by their minders. The minders closely monitor them, limiting their freedom of movement and preventing them from speaking to other workers. The laborers sometimes work up to fourteen to sixteen hours a day. They are given no holidays (potentially having one day off a month at most), and they are not paid directly by their foreign employers. According to the North Korean overseas workers, as well as the former officials who used to supervise the process of their expatriation, the North Korean government seized up to 90 percent of their salary, leaving a measly 10 percent for the workers and their families back home to survive on.⁶

Their living conditions are also inhumane, as laborers are often forced to reside in unsanitary and hazardous accommodations provided to them by their employers. They can sometimes also be subjected to excessive fees to pay for this housing.⁷ Laborers whose wages are specifically being used to provide revenue for the North Korean government are placed in collective housing arrangements and purposefully isolated from other workers of different nationalities. After enduring these ruthless conditions, North Korean workers who eventually return home are subject to strict surveillance by the Ministry of State Security (MSS) for three years.⁸

History of North Korean Involvement in China’s Seafood Processing Industry

North Korean workers have long been involved in China’s seafood processing industry. Over 3,000 workers were employed pre-COVID in seafood processing plants in the northeastern city of Hunchun. The major seafood processing companies that have historically employed North Korean labor and have exported their products to the United States include Joint Venture Hunchun Dongyang Seafood Industry & Trade Co. Ltd. and Hunchun Pagoda Industry Co. Ltd., distributed globally by Ocean One Enterprise; Yantai Dachen Hunchun Seafood Products; and Yanbian Shenghai Industry & Trade Co. Ltd.⁹

North Korean laborers have not only suffered from inhumane working and living conditions, but have also been explicitly discriminated against by their Chinese employers. In Dandong, North Korean workers even had to wear blue headbands, allegedly to distinguish themselves from

⁵ Tim Sullivan, Martha Mendoza, and Hyung-Jin Kim, “NKorean Workers Prep Seafood Going to US Stores, Restaurants,” *AP News*, August 21, 2021. <https://apnews.com/article/sports-middle-east-canada-europe-global-trade-8b493b7df6e147e98d19f3abb5ca090a>.

⁶ Greg Scarlatoiu, Raymond Ha, and Hyunseung Lee, “North Korean Workers Officially Dispatched to China & Russia,” *The Committee for Human Rights in North Korea*, September 26, 2022. https://www.hrmk.org/uploads/pdfs/Overseas_Workers_0926.pdf.

⁷ U.S. Customs and Border Protection, “North Korea Sanctions & Enforcement Actions Advisory,” July 23, 2018. <https://www.cbp.gov/sites/default/files/assets/documents/2018-Aug/North%20Korea%20Sanctions%20%20Enforcement%20Actions%20Advisory.pdf>.

⁸ Scarlatoiu, Ha, and Lee, “North Korean Workers Officially Dispatched to China & Russia.”

⁹ Sullivan, Mendoza, and Kim, “NKorean Workers Prep Seafood Going to US Stores, Restaurants.”

Chinese workers.¹⁰ Chinese workers received job protections and were allowed to take days off, while North Korean workers finished their contracts while taking no sick days and filing no complaints. The restrictions these workers face have made them very “valuable” employees in the eyes of Chinese employers. Li Shasha, a sales manager at Yanbian Shenghai Industry and Trade Co, claimed that North Korean laborers were “more stable” than Chinese workers, and that “they won’t take leave for some personal reason.”¹¹

North Korean laborers are also paid considerably less than their Chinese counterparts. For instance, at one seafood processing plant, North Korean workers were reportedly paid about \$300, compared to the Chinese workers’ salary of \$540.¹² However due to “voluntary contributions” demanded by the North Korean authorities, those involved in the seafood processing industry only get to retain about \$70 out of the \$300 they earn.

North Korean workers in China are far more heavily monitored and surveilled than their counterparts in other countries, such as Russia, the UAE, and Malaysia. The North Korean government fears that the workers dispatched to China may be more predisposed towards wanting to escape, as they could potentially follow the example of tens of thousands of North Koreans who escaped to or through China.

Most of the workers at the Hunchun seafood processing plant are women in their twenties. They arrive at the plant already divided into work units, each headed by a North Korean overseer. They are isolated from all others, including their fellow workers, and even their employers.¹³ One supervisor at a Hunchun company that has many North Korean employees stated that, “They’re not allowed to mingle with the Chinese... We can only communicate with their team leaders.”¹⁴

The workers are surrounded by North Korean propaganda. There are even posters featuring political slogans posted all over their living quarters. Because of the constant surveillance, it can be said that there is very little difference, if any, between the workers’ treatment in North Korea and their conditions in China.¹⁵ One medical worker who had treated many North Korean workers corroborated this account, saying, “They only talk about what they need to. They don’t talk about what they might be thinking.”¹⁶

Were Seafood Products Processed with North Korean Labor Exported to the United States?

Seafood products processed by North Korean workers were almost certainly exported to the United States. In “The Crimes Behind the Seafood You Eat,” Ian Urbina and his team discovered that

¹⁰ Choi Woo-jung, “Korean Workers in Dandong All Wearing Blue Bands on Their Heads...Why?” [in Korean], *TV Chosun*, December 20, 2013. Accessed October 10, 2023.

https://www.chosun.com/site/data/html_dir/2013/12/20/2013122003710.html.

¹¹ “How U.S. Seafood Fans May Help Fund North Korea,” *CBS News*, October 4, 2017.

<https://www.cbsnews.com/news/how-us-seafood-fans-may-unwittingly-help-fund-north-korea/>.

¹² Sullivan, Mendoza, and Kim. “NKorean Workers Prep Seafood Going to US Stores, Restaurants.”

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

companies that have employed North Korean and Uyghur workers have exported over 47,000 tons of seafood. Around 17 percent of the squid processed and packaged by Uyghurs and North Koreans was sent to dozens of U.S. importers, which in turn distributed it to destinations including military bases and public schools. North Korean escapees interviewed by the witness, including those who were directly involved in North Korean seafood exports to China or the dispatch of North Korean workers to Chinese seafood processing plants, concurred with Urbina's findings. This blind spot is in part due to the seafood industry being notoriously difficult to monitor and police.¹⁷ These difficulties are compounded by the fact that China has often obstructed the details of its seafood processing industry from the U.S. government.¹⁸

The United States has strict laws banning the importation of all goods made with North Korean labor, the most prominent of which is CAATSA. The implementation of these laws in numerous industries has been documented recently, including the confiscation of products made with North Korean and Uyghur labor. However, seafood processed with the use of North Korean labor has made its way through American import companies, and eventually to the public through supermarkets and restaurants. Some examples of distributors are Sea-Trek, which is based in Rhode Island and ships products to Europe, Central America, Australia, and the Caribbean, and the Fishin' Company, which exports and supplies seafood to supermarkets, retailers, and food companies. Seafood proven to be processed using North Korean labor has, in recent years, been found not only through these suppliers, but through notable supermarket chains as Walmart and ALDI. In 2017, several of these companies moved to address concerns regarding their supply chains.¹⁹ However, these efforts have not halted the importation of "tainted" seafood.

Have Chinese Factories Processed Seafood Imported from North Korea?

According to a report published by South Korea's Korea International Trade Association (KITA), seafood caught on North Korea's east coast is first gathered at the port of Rajin before it is transported overland, passing through North Korean customs at Wonjeong (원정) and Chinese customs at Quanhe (圈河).²⁰

North Korean seafood that has passed through Chinese customs is distributed and sold in cities and counties within China's Yanbian Korean Autonomous Prefecture, Jilin Province. Some of it is processed in seafood processing facilities in Hunchun and then exported as frozen or dried seafood to the United States, Europe, Japan, and other countries.²¹

¹⁷ United Nations Office on Drugs and Crime, "Fisheries Crime," accessed October 9, 2023.

https://www.unodc.org/documents/about-unodc/Campaigns/Fisheries/Fisheries_Leaflet_PRINT.pdf.

¹⁸ Urbina, "The Crimes behind the Seafood You Eat."

¹⁹ Sullivan, Mendoza, and Kim, "NKorean Workers Prep Seafood Going to US Stores, Restaurants."

²⁰ Baek Seong-ho, "North Korea's Seafood Production and Exports" [in Korean], KITA Inter-Korean Trade Report vol. 7 (2020).

https://www.kita.net/cmmrcInfo/internationalTradeStudies/researchReport/northKoreaTradeReportDetail.do?pageIndex=1&no=13&classification=19&searchReqType=detail&pcRadio=19&searchClassification=19&searchStartDate=&searchEndDate=&searchCondition=CONTENT&searchKeyword=&continent_nm=&continent_cd=&country_nm=&country_cd=§or_nm=§or_cd=&itemCd_nm=&itemCd_cd=&searchOpenYn=.

²¹ Ibid.

Additionally, after North Korean seafood clears Chinese customs at the Quanhe (Hunchun) border crossing, a significant portion of it is transported by plane to inland cities, including Beijing. The main North Korean seafood products transported inland in this manner include squid, flounder, snow crab, horsehair crab, and lobster.²²

*Status of Major North Korean Seafood Trading Companies*²³

Company	Affiliation	Year Established	Main products	Notes
Chosun Ryoongseong Trading Company	Korean People's Army (KPA) Rear Service Bureau		Seafood	Major seafood export bases in Chongjin, Sinpo, Wonsan, Onchon, Haeju, and Uiju, with ownership of numerous fishing vessels.
Chosun Chongunsan Trading Company	KPA	1997	Seafood	
Chosun Shinheung Trading Company	KPA (State Security Department)		Seafood	
Chosun Shinjin Trading Company	KPA (General Political Bureau)		Seafood, Processed Seafood Products	
Chosun Birobong Trading Company	KPA (Reconnaissance Bureau)	1988	Seafood	
Chosun Maebong Trading Company	Ministry of the People's Armed Forces	1980	Seafood	
Chosun Gwangmyeong General Trading Company	Cabinet (External Economic Affairs Committee)	1976	Seafood	
Chosun Namsan Trading Company	Nampo Economic & Administration Committee Trade Bureau	1984	Seafood (clams, shellfish, crab, shrimp)	
Chosun Songdowon Trading Company	Wonsan Economic & Administration Committee Trade Bureau	1983	Seafood (pollock, flounder, red snapper, clams, squid, abalone, shrimps, crabs,	

²² Ibid.

²³ Kim Jong-hwa, "The Current Status of North Korea's Fisheries Industry and Ways to Promote Inter-Korean Exchange" [in Korean], Chungnam Institute Issue Report (April 30, 2019), 12. <http://oak.cni.re.kr/handle/2016.oak/5676>.

			sea cucumbers, etc.)	
Chosun Fishing & Vessels Company	Cabinet (Fisheries Committee)		Primarily responsible for seafood-related transportation services	
Chosun Daeseong General Trading Company	Korean Workers' Party (KWP)	1974	Seafood	
Chosun Rungrado General Trading Company	KWP (Pyongyang City Party Committee)	1973	Seafood, Shellfish	

Interview Findings

HRNK interviewed ten individuals, including former officials with direct involvement and experience dealing with the importation of North Korean seafood into China and the dispatch of North Korean workers to Chinese food processing plants, as well as individuals still actively involved in North Korea's seafood trade and the export of labor to Chinese processing plants.²⁴

None of the individuals interviewed by HRNK were aware of North Korean sailors or fishermen dispatched to Chinese fishing vessels. However, all ten interviewees were aware of the presence of North Korean workers at Chinese seafood processing factories. North Korean workers dispatched to Chinese processing plants also process fish and other seafood caught by North Korean vessels and subsequently exported to China.

Thousands of North Korean seafood processing laborers have worked in China, stifled under various tight restrictions and egregious human rights abuses. They have worked in seafood processing plants, such as those in Hunchun, while the Chinese and North Korean regimes continued to grow richer by exporting products processed with North Korean labor to countries including the United States, which would be a clear violation of CAATSA.

Reflecting on his experience, stating that while he never thought of himself as being put through such unbearable treatment, a North Korean formerly dispatched to a Chinese seafood processing plant remarked that "These North Korean workers (today) still don't know they are slaves."²⁵

Selection & Dispatch Procedures

Based on the decisions of North Korean authorities (central and regional) and based on consultation between North Korean and Chinese entities, investment proposals are first publicly announced in China. Subsequently, contracts are signed with Chinese counterparts who meet the requisite conditions.

This is followed by the selection of workers within North Korea. The regime agencies tasked with the official dispatching of overseas workers include the Central Party's Overseas Dispatch Department and the Provincial Party's 2nd Department (Overseas Dispatch Department). The ultimate controlling authorities are typically officials from the Korean Workers' Party (KWP), in particular the Organization and Guidance Department, as well as the Ministry of Social Security with respect to security-related matters.

The KWP's Overseas Dispatch Department sends an official document related to overseas dispatch worker recruitment to the Provincial Party. Then, the Provincial Party's 2nd Department (Overseas Dispatch Department) recruits workers to be dispatched overseas. To be selected as an overseas dispatch worker, one must be employed in a factory or enterprise at the provincial level or above.

Guidelines for selecting personnel are issued to various factories and enterprises. The selection process follows a principle of voluntariness rather than coercion. In principle, worker selection is

²⁴ English and Korean versions of the questionnaire and respondent answers are available upon request.

²⁵ Sullivan, Mendoza, and Kim, "NKorean Workers Prep Seafood Going to US Stores, Restaurants."

done by the relevant unit's trade company, the unit committee, and the city or provincial committee, with approval from the municipal office of the Ministry of Social Security.

The Provincial Party's 2nd Department is supposed to send a recruitment notice to the provincial factory/enterprise to select personnel, but this procedure is not followed. The selection process is rigged. There is already a list of people that will be sent. Those who wish to go abroad have already bribed the relevant officials with the help of brokers, and their identity and background checks are already complete.

The background check can take several months. The Ministry of Social Security thoroughly checks the resident registration documents for each individual, verifying, through authorities at the local level, the *chulsin songbun* (social class assigned at birth), ideological orientation, and family relationships. If even a minor problem is discovered during this process, the individual will be disqualified at the document review stage. Having relatives in China is also a reason for disqualification. Those with relatives in China are considered to be at high risk of defection. During the document review, individuals must also undergo a physical examination to determine if they can work overseas for an extended period. The Ministry of State Security conducts a final review of all the aforementioned items prior to issuing the visa.

Before initiating the clearance process, the individual needs to receive a positive review and evaluation from the organization (Youth League or Party organization) of the factory/enterprise they belong to. If all goes smoothly, the Provincial Party's 2nd Department finally informs the factory/enterprise that certain individuals will be dispatched as overseas laborers to China. The bribe required to go abroad varies by region, and it can range between \$2,000 and \$3,000. In North Pyongan Province, one must pay a \$2,000 bribe in cash.

Generally, the standard duration of overseas work contracts is three years. The standard duration of a work permit issued for dispatch to China is three years. In some cases, workers may be dispatched for shorter periods, such as one-year or three-month intervals for training or internships. When the contract expires, it can be extended by allowing the workers to exit and re-enter customs on the same day, thereby enabling them to continue working in China.²⁶ Workers typically travel by bus and train both when they are dispatched to China and when they return home. This is mainly because they are often assigned to companies near the North Korea-China border, making transportation by bus, train, or sometimes even traveling on foot a viable option.

Due to a lack of transparency regarding their contracts, the North Korean authorities ultimately employ deceptive methods to dispatch workers. For instance, when dispatched to China, the contract stipulates a monthly wage of 2,000 to 2,500 Chinese yuan, i.e., \$280 to \$350, luring workers with false promises. This leads to a climate where workers strive to be dispatched abroad, particularly to China, as foreign currency-earning laborers. However, at the dispatch sites, the workers' wages are heavily poached under various pretexts.²⁷ After excluding food expenses,

²⁶ Contract extensions may occur based on mutual agreements at the local level between the parties involved. However, the North Korean regime is reluctant to allow workers to spend too much time outside the country. More often than not, the teams of dispatched workers are replaced entirely after repatriation. Their chances of being allowed to leave the country again are extremely low.

²⁷ This includes financing projects such as greenhouse construction, construction of hydroelectric power plants, revolutionary historical site construction and renovation in Pyongyang, and construction in Samjiyon. The funds

living expenses, medical expenses, national contributions, and state support funds, the amount paid to workers from the contracted 2,000 Chinese yuan is typically only an average of 200 to 300 Chinese yuan. Moreover, wages are often not paid in full for various reasons, leading to widespread dissatisfaction and an unjust cycle of exploitation.

Working Conditions & Employment Practices in China

The interviewees confirmed that in Dandong, China, the focus is on clothing production and repair rather than fish processing. Seafood processing primarily takes place in the Yanbian, Yanji, Hunchun, and Tumen areas. However, interviewees mentioned the presence of at least three seafood processing factories where officially dispatched North Korean workers are employed in Donggang (東港), Dandong City. One interviewee pinpointed the name of one such factory—Donggang Luyuan Food Co., Ltd.

North Korean workers process a wide variety of fish at the Chinese plants depending on the season: fish caught seasonally, such as cod and pollock; clams during clam season, and crab, including snow crab, during crab season. They also process squid, octopus, shellfish, and package them as Chinese products for export. The interviewees reported instances of processed seafood marked “Made in China” being shipped out to Vladivostok in the Russian Far East, where labels are switched to “Made in Russia” and subsequently exported to third countries.

Working conditions for the North Korean workers dispatched to Chinese seafood processing plants are dire. Wage violations (through compulsory “contributions” extracted by the North Korean authorities), unpaid overtime, precarious safety and health conditions are common.

Wages are not directly handed to the laborers, but are recorded in the company’s books for payment. The Chinese companies pay the North Korean authorities mostly based on production volume, and the payment is made in Chinese currency. Since the company's books are under the control of the company owner or management, there is always a risk of wage arrears, and a significant portion of the wages that laborers are supposed to receive upon returning to North Korea may be appropriated by the state or left unpaid. This has led to significant dissatisfaction among the workers.

Safety is governed by labor safety rules established in cooperation with local Chinese companies, but these rules are often not properly enforced due to the overriding focus on earning foreign currency for the North Korean regime. Due to excessive exploitation, most of the workers are in a severe state of physical and emotional exhaustion. There is insufficient medical coverage for those who fall ill. Minor illnesses are treated with over-the-counter medicine, but for severe cases, workers were taken to a “Welfare Hospital” in Dandong City, which is now closed.

One interviewee mentioned that his cousin often visited the Chinese seafood processing plants as an interpreter, and he also went several times to translate. The first thoughts that came to his mind when he saw the workers’ appearance and their work environment were “prisoners” and “jail.” Men mainly carry frozen fish blocks, and women sit down and peel fish or squid or sort clams and

needed for such projects is often siphoned from the wage statements of overseas workers. As a result, many workers reportedly have nearly empty wage statements even after having worked abroad for several years.

crabs by size. The sorting is done based on size, categorizing the larger ones as first-grade, the smaller ones as second-grade, etc., as there is a price difference based on grade. Most of the workers in seafood processing factories work in cold storage, so they work all day in extremely cold conditions. Additionally, the pungent smell inside is unbearable. Due to such poor working conditions, local Chinese people are unwilling to work there.

North Korean workers at Chinese seafood processing plants usually work about 10 hours a day. However, if production targets are not met, the workday can extend to over 12 hours. If they fail to complete their daily assigned tasks, the workers face collective pressure within the company. Moreover, if deficiencies such as failure to complete one's tasks or any behavior deemed "deviant" persist, their monthly wages may be partially reduced or not paid at all.

According to eight out of ten interviewees, North Korean workers' monthly wages are paid upon their return to North Korea, in North Korean currency, at the official exchange rate. The reason behind that procedure is that the North Korean authorities do not want the workers to be in possession of larger amounts of cash while in China, as that may facilitate their defection. Two interviewees stated that payments to the workers were made monthly while in China. When workers in China want to purchase daily necessities such as toilet paper, cosmetics, toothpaste, toothbrushes, sanitary pads, underwear, and medications, they are required to manage these expenses themselves. When workers request these necessary products from their managers, the managers purchase the items on their behalf and deduct the cost from the workers' wages. This way, a portion of the workers' wages is spent on these personal consumables in China.

North Korean workers at Chinese seafood processing plants make about 500 Chinese yuan a month, i.e. \$70. The average salary of a North Korean industrial worker in North Korea is \$3 per month. Despite severe exploitation, these jobs are highly coveted, as they allow the workers to dramatically increase their families' income in North Korea, by North Korean standards. However, since contracts run for only up to three years, they must moonlight for other companies to have enough to pay back the loan sharks who lent them \$2,000 to \$3,000 to bribe officials in order to be sent to China. Moonlighting must be approved by the three site supervisors (party, security agency, technical manager), who also must be bribed. In rare occasions, their own worksites may pay a limited amount of overtime, according to the interviewees. Overall, a North Korean seafood processing worker in China may make up to 1,500 Chinese yuan a month, or about \$210.

The working conditions involve collective living, where both work and daily life take place within the factory and dormitory facilities. This arrangement can be likened to detention or confinement facilities. Workers are generally not allowed to go outside except for specific instances such as visiting a hospital or buying groceries, which require supervision by a guardian or a fellow worker.

Impact of the COVID-19 Pandemic

Due to the border lockdown during COVID, North Korean workers in China could not return home. As a result, these workers stayed in China for up to five or six years. The workers received no wages during the pandemic, and the interest on loans they had taken from loan sharks in North Korea to bribe officials increased, leading to many female workers taking their own lives. North

Korean authorities reportedly used deception to manipulate families in the aftermath of such incidents.

Beginning on August 23 or August 29 of this year, all or most North Korean workers in China, including workers at the Chinese seafood processing plants, were repatriated. Those who were sick and those over 30 years of age were reportedly the first ones to be sent back.²⁸ According to interviewees, many buses were observed entering North Korea at dawn. From October 1st to October 10th, an eyewitness thought it was due to the Korean Chuseok (Thanksgiving) holiday period, but he witnessed buses going in again on October 12th. The repatriated workers will be replaced by entirely new teams dispatched from North Korea. According to one interviewee, there has been speculation that seafood processing workers will not return to China in the future. Instead, it is expected that China will build such factories in North Korea and employ people there.

Repatriation may come as a great relief to North Korean workers officially dispatched to China, including workers previously stationed at China's seafood processing plants. Their life under COVID was terrible. For several years, they had to seek accommodation within the factory premises. Essentials were provided by the person in charge, who would go shopping once or twice a week. Since the official contracts had ended, they had no work and had to do odd jobs, especially on Chinese farms, to secure even one meal a day. One interviewee spoke about North Korean workers being spotted picking up discarded vegetable clippings at local markets to use as soup ingredients.

Possible Ties to South Korea

None of the interviewees were able to name any South Korean companies involved in trading Chinese seafood processed by North Korean workers, although they were aware of the close association with South Korean businesses in certain sectors, including clothing and electronics assembly. Thus, interviewees thought that collaboration with South Korean entities in the seafood processing sector was not entirely outside the realm of possibility. However, three of them stated that most of the seafood processed in factories in Donggang, Dandong City goes to South Korea. The interviewees also mentioned that all Russian frozen crabs exported to South Korea are processed by North Korean laborers who label them as Chinese or Russian products.

Recommendations

On behalf of the Committee for Human Rights in North Korea (HRNK), the witness respectfully recommends to the Congressional-Executive Commission on China that it consider some, or all of the following:

- Encourage civil society organizations with connections to North Koreans currently or formerly involved in the official dispatching and management of North Korean workers at Chinese seafood processing plants to continue investigating conditions of labor at these

²⁸ There were workers who were diagnosed with cancer during their stay in China. They could not return due to COVID and only recently managed to return to North Korea. The body of a deceased worker was also recently sent back to North Korea.

facilities, as well as the possibility that seafood products processed by North Koreans may end up on the U.S market.

- Propose that new findings regarding violations of internationally accepted labor standards affecting North Koreans at Chinese seafood processing plants be included in the Annual Report on Trafficking in Persons, required under Section 110(B) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 707(B)).
- Seek to determine whether the government of China has made serious and sustained efforts to eliminate severe forms of trafficking in persons, as they relate to the official dispatching of North Korean workers to Chinese seafood processing plants and the working conditions at such facilities.
- Seek to confirm whether seafood exported from China to the United States contains North Korean seafood products, and whether North Korean workers officially dispatched to China processed seafood exported from China to the United States. Should that be the case, such seafood products exported from China to the United States would have to be denied entry at any of the ports of the United States, pursuant to a prohibition under Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

The witness also recommends continuing to seek information pertaining to the following questions, some of them addressed in the current submission:

- Do the working conditions at seafood processing plants in China, as they apply to officially dispatched North Korean workers, qualify for an exemption to the prohibition above? Is there any evidence that such North Korean labor does not qualify as forced or indentured labor?
- Are there any extenuating circumstances that may grant an exception to some of the persons involved in dispatching North Korean workers to Chinese seafood processing plants?
- Does the employment of North Korean laborers result in the direct or indirect transfer of stores of value to the North Korean authorities?
- Are all wages and benefits provided directly to the laborers and held in bank accounts within the Chinese jurisdiction in which they temporarily reside, and are such wages and benefits denominated in Chinese currency?
- Do the North Korean laborers' working conditions conform to internationally accepted standards, in particular to the International Labor Organization (ILO) core conventions?