

# South Koreans Back At Reopened Inter-Korea Factory

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SEOUL, South Korea (AP) — North and South Koreans got back to work Monday at a jointly run factory park after a five-month [shutdown](#) [1] triggered by rising animosity between the rivals, with some companies quickly [resuming production](#) [2] and others getting their equipment ready. South Korean business owners who have lost millions of dollars because of the hiatus say they'll need several months to recover.

"I feel good about the park's resumption, but I also have a heavy heart," said Sung Hyun-sang, president of apparel manufacturer Mansun Corporation, which has lost about 7 billion won (\$6.4 million) because of the shutdown at the Kaesong factory complex. "We've suffered too much damage."

About 800 South Korean managers and tens of thousands of North Korean workers began returning Monday to the factories at the Kaesong park, just north of the Demilitarized Zone.

The [reopening](#) [3] is a sign that relations between the Koreas are warming after a spring that saw threats of nuclear war from Pyongyang.

But for businessmen at Kaesong, many of whom operate small or mid-sized companies, there's a nagging worry about the future. The companies at Kaesong say they've lost a combined total of about 1 trillion won (about \$920 million) over the past five months and will reportedly need up to a year to get their businesses back on track.

About 1,000 of Mansun's 1,350 North Korean employees returned to work Monday and tested factory equipment. They were to start cutting fabric and doing sewing work by machine later in the day, according to Lee Suk-ja, one of the firm's four South Korean managers who went to Kaesong earlier Monday.

"They were pleased to see us again. It was like meeting them for the first time," Lee said in a phone interview from Kaesong. "Everyone here is extremely busy today."

Separately Monday, South Korean soldiers shot and killed a man they believed was trying to cross into North Korea at the heavily armed border.

Officials at South Korea's Defense Ministry said a man dressed in civilian clothes ignored guards' warnings to return to the South and was shot after he jumped into the Imjin River, which runs through the border. The incident occurred near the western portion of the border in Paju, north of Seoul.

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The man's South Korean passport identified him as Nam Young-ho, who was deported from Japan in June, according to Defense Ministry officials, who spoke on condition of anonymity, citing office rules.

Other details, including what the man was attempting to do, were not known.

The industrial park, established in 2004 during a period of warming ties between the Koreas, was considered a test case for reunification. It combined South Korean knowhow and technology with cheap North Korean labor. It was also the last major cross-border cooperation project before Pyongyang withdrew its 53,000 workers in early April to protest annual military drills between Seoul and Washington and alleged insults against the country's leadership.

"We felt disconsolate (about the North Koreans' pullout) at first, but we didn't know that it would last this long," said Yeo Dongkoo, director at Sudo Corporation, which produces handkerchiefs and scarves at Kaesong.

By the end of 2012, the more than 120 South Korean companies with operations at Kaesong had produced a total of \$2 billion worth of goods during the previous eight years.

The South Korean government provided about 150 billion won in insurance payments to 46 of those companies because of the shutdown, but they were required to return the money because the park has resumed operations, according to Seoul's Unification Ministry.

Kaesong's reopening comes as tensions on the peninsula gradually ease, with the North dialing down its war rhetoric and seeking to restart various cooperation projects with South Korea. The two Koreas plan to hold a reunion of families separated by the Korean War next week for the first time in three years, and are pushing to hold talks on resuming lucrative tours to a scenic North Korean mountain.

After weeks of tough negotiations, including one meeting that ended with a scuffle, the Koreas last week agreed to reopen the park after a trial run starting from Monday. Some companies — namely garment factories with relatively simple equipment — don't need a test run and can resume production as early as Monday, officials said.

Sung said his highly skilled laborers "will produce masterpieces at Kaesong."

Some analysts say North Korea takes Kaesong's resumption seriously because it believes it could help draw outside investment and revive its struggling economy, one of leader Kim Jong Un's top stated goals. The park was a rare legitimate source of hard currency for North Korea.

The two Koreas plan to hold an international investors' informational session at Kaesong next month to attract foreign companies. They're also hoping to provide Internet and mobile phone connections to the park within this year. North Korea

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also agreed to exempt South Korean companies at Kaesong from taxation imposed for operations this year.

But some wonder whether non-Korean investors will be willing to risk setting up shop at a park that could be closed again when tensions rise.

An association of South Korean companies at Kaesong issued a statement Monday demanding the two Koreas work out measures to prevent a future "unfortunate incident" at the complex.

Some also remain skeptical because, despite North Korea's recent conciliatory gestures, the country has vowed to continue its nuclear weapons program. A U.S. research institute said last week that a recent satellite image appears to show North Korea restarting a plutonium reactor at its main atomic facility.

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- [2] <http://www.impomag.com/news/2013/09/koreas-set-restart-jointly-run-factory-park>
- [3] <http://www.impomag.com/news/2013/08/n-korea-lifts-ban-joint-factory-park-operations>