

March 11, 1998

MEMORANDUM TO: Carlton R. Stoiber, Director
Office of International Programs

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - SECY-98-023 - PROPOSED
"SUBSEQUENT ARRANGEMENT" TO AUTHORIZE
ARGENTINA TO RECOVER AND USE FOR MEDICAL ISOTOPE
PRODUCTION, TWO KILOGRAMS OF U.S.-SUPPLIED,
UNIRRADIATED HIGH ENRICHED URANIUM (HEU)

The Commission has approved the response to DOE indicating no objection to the proposed subsequent arrangement, contingent on completion of the proposed exchange of diplomatic notes and subject to the following comments.

1. Commission approval is based on the understanding that the staff is satisfied that all applicable criteria are met for the proposed subsequent arrangement.
2. The staff should convey disappointment to the Executive Branch about the quality of the analysis and documentation provided to the NRC, particularly given that this is the first authorization to take place between the U.S. and Argentina in the nuclear area for more than twenty years.

The staff should urge the Executive Branch to clarify the proposed diplomatic notes with regard to the actual amount and intended exclusive use of the altered material.

The Commission should be periodically informed about the proposed Sister-Laboratory cooperation between Argonne National Laboratory and CNEA in Argentina to support and monitor fulfillment of the requirement that the U.S. Government is actively developing an alternative nuclear reactor fuel or target that can be used in that reactor.

(OIP)

(SECY Suspense:

4/24/98)

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
OGC
EDO
CIO
CFO
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR
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