

January 19, 2001

MEMORANDUM TO: William D. Travers
Executive Director for Operations

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

William F. Kane, Director
Office of Nuclear Material Safety and Safeguards

Ashok C. Thadani, Director
Office of Nuclear Regulatory Research

FROM: Janice Dunn Lee, Director /S/
Office of International Programs

SUBJECT: REVIEW OF INFORMATION PAPER ON INTERNATIONAL PRIORITIES

OIP distributed a two-part draft statement on international priorities at the last International Council meeting, requesting comments by the end of December. Comments which we received have been incorporated.

As the next step, OIP has drafted the attached paper which transmits a copy of the statement to the Commission for their information. I would appreciate your review of this draft final package and your concurrence by January 31, 2001.

By copy of this memorandum, I am also requesting the review and concurrence of the CFO and OGC.

Attachment: Draft Information Report w/ attached 2-part
International Priorities Statement

cc: F. Miraglia, DEDR
C. Paperiello, DEDMRS
P. Norry, DEDM
J. Funches, CFO
S. Reiter, Acting CIO
K. Cyr, OGC
J. Craig, EDO/AO

*Previously concurred

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FOR: The Commissioners

FROM: Janice Dunn Lee, Director
Office of International Programs

SUBJECT: PRIORITIES FOR NRC'S INTERNATIONAL ARENA

PURPOSE:

To inform the Commission of a statement of priorities prepared by the Office of International Programs (OIP) in consultation with the International Council (IC).

BACKGROUND:

The FY 2000-2005 Strategic Plan (NUREG-1654, Parts 1&2) discusses and rationalizes NRC's work in the International Nuclear Safety Support arena and provides a basis for examining and updating staff priorities last discussed in SECY-97-256, dated October 31, 1997.

DISCUSSION:

OIP has developed, in consultation with the IC, a brief overview document on international priorities based on the Strategic Plan. It is in two parts. In Part 1, "Setting Priorities for NRC's International Activities," we address the role of the NRC Strategic Plan, and the relationship of NRC's international activities to U.S. government interests. In Part 2, "NRC International Priorities for FY 2001-02," we reiterate standing guidance of the Strategic Plan on international priorities and add certain examples of current or emerging activities which will require special staff support in the FY 2001-2002 time period.

We plan to review the statement of NRC international priorities on a biennial basis. Part 2, especially, is intended as a living document to guide the staff and thus will be annotated and adjusted to reflect new Commission guidance or other significant developments, as appropriate.

CONTACT: R.D. Hauber, OIP
415-2344

COORDINATION:

The EDO, CFO, and CIO have concurred in this paper. OGC has no legal objection.

Janice Dunn Lee, Director
Office of International Programs

Attachments: 1. Setting Priorities for NRC International Programs
2. NRC International Priorities for FY 2001-2002

COORDINATION:

The EDO, CFO, and CIO have concurred in this paper. OGC has no legal objection.

Janice Dunn Lee, Director
Office of International Programs

- Attachments: 1. Setting Priorities for NRC International Programs
- 2. NRC International Priorities for FY 2001-2002

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Statement of International Priorities

Part 1. Setting Priorities for NRC's International Activities

A. NRC's Strategic Plan and Priority Setting

NRC's Strategic Plan provides the basis for prioritizing NRC's international activities. Within the International Nuclear Safety Support arena of the Strategic Plan there is a single Strategic Goal:

Support U.S. interests in the safe and secure use of nuclear material and in nuclear nonproliferation.

This arena encompasses international nuclear policy formulation, NRC's statutory obligations with respect to nuclear nonproliferation matters such as export-import licensing, treaty implementation, international safety and assistance activities, and influence and partnership in the international nuclear community. With regard to safety, NRC participates in a variety of multilateral and bilateral programs in international safety cooperation, safety assistance, information exchange, and safety research. A principal basis for NRC's international activities in the safety support area is their role in facilitating the accomplishment of NRC's domestic regulatory responsibilities. These domestic duties are addressed in the respective Nuclear Reactor Safety, Nuclear Materials Safety, and Nuclear Waste Safety strategic arenas as follows.

Prevent radiation-related deaths and illnesses, promote the common defense and security, and protect the environment in the use of civilian nuclear reactors.

Prevent radiation-related deaths and illnesses, promote the common defense and security, and protect the environment in the use of source, byproduct, and special nuclear material.

Prevent significant adverse impacts from radioactive waste to the current and future public health and safety and the environment, and promote the common defense and security.

As a general matter, the relevant program office (NRR, RES, or NMSS) is responsible for setting priorities for and implementing international activities in the above three areas. For nonproliferation policy-related activities, including export-import licensing, and for activities in support of U.S. foreign policy to assure the safe and secure use of nuclear material in other countries, OIP takes a lead role in assuring coordination and a generally consistent Agency approach. Communication between the program offices and OIP is important to assure basic alignment of the various NRC activities having an international dimension, and to make adjustments in such activities as may be required at any given time to promote NRC's overall best interests. The International Council promotes such communication and coordination.

B. Prioritizing NRC Activities in the Context of Overall U.S. Interests

Although NRC is an independent Agency, the Commission's international activities must conform with U.S. foreign relations policy and must not conflict in any significant way with the programs and activities of other U.S. government agencies. In practice, NRC's international interests and activities have not been adversely affected by these requirements. The National Security Council, the Department of State, and other Executive Branch agencies, which promote U.S. interests abroad, usually inform NRC of international activities in our areas of interest and expertise, and offer (if not urge) our participation. In turn, NRC submits for Executive Branch comment and clearance or approval, its proposed international agreements, planned foreign travel, and requests for funding or support from other agencies.

Interagency consultation is an essential component of the Commission's decision-making process in setting priorities for NRC's international activities and assuring overall conformance with U.S. foreign policy interests. Responsible agencies, including NRC, consult among themselves formally and informally to develop common positions on international nuclear issues and to coordinate their various undertakings. Several USG interagency coordinating groups review nuclear-related international activities. These include:

1. The U.S. Steering Committee for IAEA and its various subcommittees.
2. The U.S. Subgroup on Nuclear Export Controls.
3. The informal U.S. interagency review group for nuclear safety assistance activities.
4. The informal U.S. interagency coordination mechanism for the NEA Steering Committee.

C. General Approach to Priority Setting

The NRC Strategic Plan provides the framework and basic guidance for setting priorities for NRC's international activities. As noted in the Plan, certain international activities are mandated by law or national policy and must be carried out at some level. Other international activities are not mandated but are undertaken as means of facilitating NRC's strategic goals and are supported in that context, within available resources, in the context of Office-level Operating Plans.

At the Operating Plan level, implementation of international activities requires informed judgements of the relative costs and merits, including efficiency and effectiveness considerations, of competing uses of resources in the pursuit of NRC goals. These day-to-day decisions also involve practical considerations, such as the timing of the activity and the availability of key people required for success. Thus, a statement of priorities provides general guidance indicating those activities most likely to help achieve NRC's international goals.

D. Statement of International Priorities for FY 2001-2002

Part 2 of this document has been prepared by OIP and coordinated with the International Council. The statement reiterates relevant information from the Strategic Plan and calls out certain on-going and emerging activities which merit emphasis in the remainder of FY 2001 and in FY 2002. Future updates of the statement of international priorities are planned on a biennial basis to take fully into account new or revised Commission guidance, domestic program requirements, international developments and internal budgetary assumptions and allocations.

Part 2. NRC International Priorities for FY 2001-2002

- A. Carry out export licensing, international safeguards and international reporting and consultative activities mandated by U.S. law, international treaties or international conventions, or required pursuant to Commission-approved agreements or policy directives.
1. Conduct thorough and timely reviews of proposed nuclear exports and imports, as required by statute.
 2. Consult with Executive Branch agencies on proposed U.S. Agreements for Cooperation in the Peaceful Uses of Nuclear Energy, retransfers of U.S. obligated nuclear materials and equipment, and nuclear technology transfers.
 3. Implement IAEA safeguards at licensee facilities and submit international safeguards data to the IAEA.
 4. Submit required reports under the terms of the Convention on Nuclear Safety.
- B. Gain access to non-U.S. safety information that will alert the NRC to potential safety problems, help identify possible accident precursors, and provide accident/incident analyses, including lessons learned, directly applicable to the safety of U.S. nuclear power plants and other facilities.
1. Renew OIP-administered arrangements with Argentina, Armenia, Canada, Finland, Germany, Hungary, Japan, and Netherlands.
 2. Maintain and extend NRC research cooperation with France, Japan, and other nuclear power countries, directly or through the IAEA and NEA, to leverage NRC resources to investigate key technical questions in regulating the safety of existing and proposed U.S. commercial nuclear facilities.
 3. Assess foreign nuclear accidents or incidents, including all those rated two or higher on the International Nuclear Events Scale, to understand implications for NRC and its licensees.

4. Exchange information with countries having nuclear power and fuel cycle experience of special relevance to current licensing and regulatory issues in the U.S.
 - a. For example, examine and learn from foreign experience in licensing and inspecting MOX fuel fabrication facilities, with emphasis on the experience of France.
 - b. Develop a program of regulatory interaction on advanced reactor designs and concepts with countries such as Finland, France, and South Africa which are investigating such reactors.
 5. Participate in selected activities of the IAEA and the NEA which will help maintain or increase the safety or security of NRC-licensed facilities and materials in the U.S. In general, NRC will support NEA in activities related to resolution of safety issues, regulatory matters and research. NRC will support IAEA in activities related to development of standards, guidance and good practice.
- C. Assist other countries to prevent accidents and the loss or diversion of sensitive nuclear materials, and to develop or improve associated foreign regulatory capabilities and nuclear safety/safeguards cultures.
1. Assure that NRC's publicly available safety reports and documents are readily available to foreign regulatory and safety agencies.
 2. Upon request, meet with representatives of foreign regulatory agencies which are parties to NRC bilateral information exchange agreements, to discuss substantive safety and/or safeguards concerns and regulatory issues.
 3. Carry out selected training and assistance activities for foreign regulatory and safety agencies.
 - a. Continue to offer selected on-the-job assignments at NRC and training at the Technical Training Center to qualifying foreign personnel on a space-available basis.
 - b. Continue bilateral regulatory assistance activities funded by AID and other outside sources for countries of the former Soviet Union and of Central and Eastern Europe.
 - c. Provide any Commission-approved regulatory training and assistance to the Korea Peninsula Energy Development Organization (KEDO) project.
 - d. Participate in selected technical assistance and training activities of the IAEA which are especially relevant to NRC's mission and institutional expertise, using precedent, past level of effort, and resource availability as guides to determine the reasonable limits of such participation. Upon request, and within the above

limitations, provide NRC participants, or identify equivalent experts outside NRC, to participate in IRRT, OSART, and other IAEA safety missions in countries or areas of interest to the U.S. and the Commission.

- D. Influence international safeguards and nuclear safety regulatory standards, policies and practices.
1. Take pro-active steps, in collaboration with other U.S. Government agencies, to identify and frame U.S. interests and, in cooperation with foreign regulatory, safety and safeguards agencies, to help assure that international outcomes are consistent with U.S. goals.
 - a. Represent the U.S. in positions of influence at the IAEA, NEA, and other international organizations, including the IAEA governing board and standing advisory groups and the NEA steering committee and standing technical committees.
 - b. Participate in IAEA and bilateral meetings and consultations on international safety standards, codes and guides for nuclear power and research reactors, fuel cycle facilities and activities, waste management, transportation, and radioactive material handling, to include activities to define and approve international clearance standards and to address radiological safety problems arising from orphan sources.
 - c. Participate in IAEA and bilateral meetings and consultations on international safeguards and physical security activities, including work on a proposed Physical Security Convention and U.S. and foreign acceptance and implementation of the Expanded Safeguards Protocol.