

April 18, 2001

MEMORANDUM FOR: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

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

SUBJECT: APRIL 24 MEETING WITH AMBASSADOR NORMAN A. WULF,
STATE DEPARTMENT, ON IMPLEMENTATION OF IAEA
ADDITIONAL PROTOCOL IN THE U.S.

Ambassador Wulf will meet with the Commission at 10:30 a.m. on April 24 to discuss U.S. Government preparations for implementing the International Atomic Energy Agency (IAEA) safeguards "Additional Protocol" in the U.S. After covering the genesis of the Additional Protocol and why the U.S. accepted it, including its foreign relations importance, Ambassador Wulf is expected to address the following topics:

- A. The implementation responsibilities already accepted by NRC.
- B. Additional tasks under the Additional Protocol that the Executive Branch is requesting NRC to accept, including the rationale for so doing.
- C. Funding options for NRC implementation work.
- D. How the proposed legislative approach will provide NRC with the needed statutory authority.

In regard to the first topic, in SECY-98-106 (May 13, 1998), staff informed the Commission of responsibilities for implementing strengthened safeguards measures assigned to the NRC by the IAEA Steering Committee. Staff estimated that 2 full-time equivalents (FTEs) would be required during the first year of implementation of the measures affecting licensee facilities. By the Staff Requirements Memorandum dated June 30, 1998, the Commission accepted the new responsibilities provided that the Executive Branch (1) makes arrangements for clarifying legislative authority, (2) provides NRC the needed resources, and (3) develops and funds an interagency coordinated system for information processing and reporting. The NRC's conditional acceptance of the responsibilities was transmitted to the State Department on July 14, 1998. No formal response has been received from the State Department on the conditions; however, topics C and D are expected to address the first two conditions. With respect to the third condition, the Department of Energy is currently developing the information system.

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With regard to topic B, in a memorandum to the Commission dated June 5, 2000, staff informed the Commission that the State Department was considering requesting the NRC to accept additional responsibilities for implementing the Additional Protocol. These additional responsibilities include collecting declarations from and providing IAEA access to various activities not licensed by the NRC, such as establishments conducting listed nuclear fuel cycle-related research and development activities (not involving nuclear materials) and facilities manufacturing listed nuclear fuel cycle-related equipment and materials, among others. It was acknowledged that legislation would be required to establish NRC statutory authority to implement the responsibilities. Staff has estimated that these additional responsibilities would increase the NRC's level of staff effort by approximately 1 FTE above that previously estimated for the initial responsibilities.

The Executive Branch has provided the attached briefing papers in advance of the meeting.

Attachment: State Department Briefing Papers

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