

September 14, 2001

The Honorable William B. Taylor, Jr.  
Coordinator of U.S. Assistance  
to Europe and Eurasia  
U.S. Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520

Dear Ambassador Taylor:

Congratulations on your recent designation by President Bush as Coordinator of U.S. Assistance to Europe and Eurasia. The Memorandum of July 25, 2001, for Heads of Executive Departments and Agencies from President Bush that transmitted your new Charter notes that the ultimate success of reform efforts across the region is by no means assured, but that it is imperative that our assistance be as targeted, relevant and efficient as possible. NRC strongly supports this approach.

As you know, NRC has actively participated in U.S. bilateral and international efforts to improve the safety of Soviet-designed reactors in the countries of the New Independent States (NIS) and of Central and Eastern Europe (CEE) since the early 1990s. Our efforts have focused on strengthening the capabilities of the nuclear safety regulatory authorities in these countries. The NRC staff has concluded that the nuclear safety regulatory authorities in Hungary, the Czech Republic and the Slovak Republic have effectively utilized U.S. assistance and, as a result, our AID-funded activities can now be terminated. In contrast, continuation and expansion of assistance activities is warranted with the nuclear safety regulatory authorities in Armenia, Bulgaria, Kazakhstan, Lithuania, Russia and Ukraine. These countries have substantial nuclear power programs or unique nuclear safety problems stemming from the Soviet era, and their nuclear safety regulatory authorities continue to face significant challenges. If NRC is to contribute to this important effort, it will be necessary for NRC to continue to receive Freedom Support Act (FSA) and Support for East European Democracies Act (SEED) funding through FY 2006. The enclosure to this letter provides a summary of NRC's desired FY 2002 FSA and SEED funding levels. I intend to discuss with you the prospects for NRC receiving such FSA and SEED funding support during our October 5 meeting.

The July 25, 2001 Memorandum from President Bush also requested that NRC designate a lead official to work with you in accomplishing the objectives of your mandate.

William B. Taylor, Jr.

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Janice Dunn Lee, Director of NRC's Office of International Programs, will continue to serve in this capacity for NRC. Ms. Dunn Lee can be reached on (301) 415-1780.

Sincerely,

***/RA/***

Richard A. Meserve

Enclosure: As stated

ENCLOSURE

USNRC FY 2002 FUNDING REQUEST  
AUGUST 2001

Freedom Support Act (FSA)	Initial Transfer	After Reprogramming 60% of Russia Funds
Russia	\$2.5 million	\$1 million
Ukraine	\$0.5 million	\$1 million
Armenia	\$0.75 million	\$1 million
Kazakhstan	\$0.75 million	\$1.5 million
<b>Total FSA</b>	<b>\$4.5 million</b>	<b>\$4.5 million</b>

Support for East European Democracies (SEED) Act	
Lithuania	\$0.5 million
Bulgaria	\$0.25 million
<b>Total SEED</b>	<b>\$0.75 million</b>