



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

PP

Declassified On: AUGUST 28, 2013  
By Authority Of: JANICE DUNN LEE  
By: [Signature]

May 10, 1984

The President  
The White House  
Washington, D. C. 20500

Dear Mr. President:

The U. S. Nuclear Regulatory Commission has reviewed the proposed Agreement for Cooperation with the People's Republic of China, including the accompanying "Agreed Minute", and notes, without objection, the Executive Branch's recommendation that the Agreement be approved.

Commissioner Gilinsky adds: It is unclear whether the proposed Agreement for Cooperation gives the United States the consent rights over enrichment or reprocessing that are required by the Atomic Energy Act. Additionally, while the law does not require IAEA safeguards for exports to nuclear weapons states, it is unfortunate that this Agreement does not provide for such safeguards on U.S. exports to China. International safeguards would be required for exports to the United Kingdom or France.

Commissioner Asselstine adds: I have reservations about three aspects of the proposed Agreement for Cooperation with the People's Republic of China. These are: the reliance on oral assurances that the PRC will not help other countries to develop nuclear explosives; the addition of new language, which is not found in previous U.S. Agreements for Cooperation, that would expressly qualify the authority of the Congress to enact subsequent legislation affecting the activities covered by this Agreement, and the failure of the Agreement to provide a clear and unambiguous resolution of the question of U.S. consent rights for the subsequent reprocessing or enrichment of U.S. - supplied nuclear reactor fuel or fuel used in a U.S. - supplied reactor. Whether or not they meet the legal requirements of the Atomic Energy Act, these weaknesses in the proposed Agreement have two serious disadvantages. First, they defer firm resolution of some of

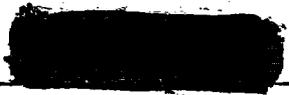
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DECLASSIFY ON: (x) Presidential approval and transmittal to Congress.  
(Date or Event)

( ) Originating Agency's Determination Required

~~NATIONAL SECURITY INFORMATION~~  
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The President

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the more difficult issues until some point in the future, creating the potential for conflicts regarding the parties' compliance with the Agreement such as have occurred in other cases. Second, they set an unfortunate precedent that could hinder our efforts to obtain strong nonproliferation commitments from other countries both in the negotiation of new Agreements for Cooperation and the ongoing renegotiation of existing Agreements.

Sincerely,



Nunzio J. Palladino