



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

ACC

JUN 20 1979

Memorandum to the File

STAFF CONCLUSIONS REGARDING LICENSE TO EXPORT SOURCE MATERIAL TO THE  
UNITED KINGDOM (XU08455)

In March 1979, the United Kingdom Treasury and Supply Delegation applied for a license to export 750 kilograms of depleted uranium to the UK for research into the use of high-density, high-strength materials for the manufacture of penetrators.

In response to our April 6, 1979 request for views, the Executive Branch (1) concluded that issuance of the license would not be inimical to the common defense and security of the United States; (2) confirmed that the proposed export may be made without being subject to an Agreement for Cooperation since source material may be licensed under Section 64 of the Atomic Energy Act without the prerequisite of a Section 123 Agreement; and (3) concluded that the proposed export is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the NNPA of 1978. These views and license application analysis by the Executive Branch were forwarded by a letter from the Department of State dated June 6, 1979.

The June 6 letter also noted that the Executive Branch is currently reviewing the question of appropriate assurances, conditions, and controls which could be applied to large exports of source material for the manufacture of penetrator munitions abroad. However, it is the view of the Executive Branch that additional assurances are not necessary in this case on the basis of the end-use statement which specifies that the material is to be used solely for research within the U.K.

Depleted uranium for a non-nuclear end-use is not subject to the export licensing criteria in Section 127 of the Act and 10 CFR 110.42. Furthermore, the quantity of material involved in this case does not fall within the categories of materials listed in 10 CFR 110.40 which are normally reviewed by the Commissioners.

The staff has concluded that there are no material changed circumstances concerning exports to the U.K. which would affect the Commission's consideration of licensing criteria and which have occurred since export license XU08423 for similar material to the U.K. was issued on May 3, 1979.

Upon review of the Executive Branch analysis and the supportive documentation (refer: SECY-79-242), the staff has independently concluded that the requirements of the Atomic Energy Act and the NNPA of 1978 have been met and that the proposed license would not be inimical to the common defense and security of the U.S. or constitute an unreasonable risk to the public health and safety.

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