



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

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OFFICE OF
INTERNATIONAL
PROGRAMS

JUN 21 1979

Mr. James R. Shea
Director
Office of International Programs
United States Nuclear Regulatory Commission
Washington, DC 20555

XCOM0136

Dear Mr. Shea:

I refer to your letter dated January 10, 1979, request-
ing Executive Branch views as to whether issuance of an ex-
port license in accordance with the application hereinafter
described would be inimical to the common defense and security
of the United States, and whether the proposed export meets
the applicable criteria in the Atomic Energy Act of 1954, as
amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XCOM0136--Application by World
Wide Import/Export Services, Ltd. for
authorization to export to Brazil one
uncompensated and one compensated ioni-
zation chamber (2 units) for maintenance
and control of Reactor IEA-R1-Cidade
Universiaria, owned and operated by the
Instituto de Energia Atomica of Sao
Paulo, Brazil.

It is the judgment of the Executive Branch that the ex-
port contemplated will not be inimical to the common defense
and security of the United States, and that this export is
consistent with the provisions of the Atomic Energy Act of
1954, as amended by the Nuclear Non-Proliferation Act of
1978.

The Embassy of Brazil has provided written assurances
(copy enclosed) that the proposed export will be subject to
all the terms and conditions of the Agreement for Cooperation
Between Brazil and the United States. The Agreement includes,
inter alia, commitments regarding maintenance of IAEA safe-
guards, no nuclear weapons use and no retransfer of a US
nuclear export without prior US consent.

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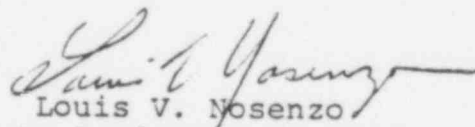
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The Brazilian Government in a statement made before the IAEA on March 8, 1972, confirmed acceptance of the US understanding that materials and equipment furnished under US-Brazil Agreements for Cooperation would not be used for any nuclear explosive device regardless of purpose. During my visit to Brasilia with Ambassador Smith in June 1978, the Brazilian Foreign Minister reaffirmed Brazil's commitment not to use any US nuclear supplies for nuclear weapons or for any nuclear explosive device and stated that Brazil no longer had any interest in developing or using peaceful nuclear explosives. It is, therefore, the view of the Executive Branch that the three criteria of Section 109 b. of the Atomic Energy Act, as amended, have been met.

On the basis of the foregoing, the Executive Branch recommends that the license be issued.

Sincerely,


Louis V. Nosenzo
Deputy Assistant Secretary

Enclosure
As stated

BRAZILIAN EMBASSY

GH/Keston
Webos^{OS}
not
seen

Washington, D.C., June 7, 1979

Mr.
Louis V. Nosenzo
Deputy Assistant Secretary
Bureau of Oceans & Int.
Environmental & Scientific Affairs
Department of State
Washington, D.C. 20520

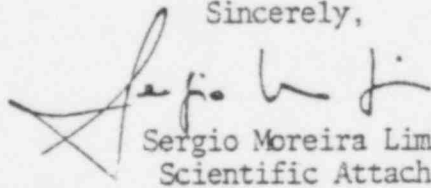
Dear Mr. Nosenzo,

This letter is in reference to yours of April 3rd, 1979, in which you request that the Brazilian Government confirms that, with respect to the pending export application XCOM-0136, it will meet the criteria provided in the Nuclear Non-Proliferation Act of 1978.

2. According to the instruction of my Government, I would like to inform you that the instrument which rules the nuclear cooperation between Brazil and the United States of America is the bilateral agreement of September 17, 1972, which is still in force. Furthermore, the Brazilian Government is ready to give written guarantee that the material, as identified on the license application NR XCOM0136, will be subject to all of the terms and conditions of the aforementioned Agreement for Cooperation as it has been done in other previous cases.

I avail myself of this opportunity to renew the assurance of my consideration and remain,

Sincerely,


Sergio Moreira Lima
Scientific Attaché

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