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DEPARTMENT OF STATE

Vashington, D.C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFICERS PROGRAMS

MAR 26 1979

Mr. James R. Shea Director of International Programs United States Nuclear Regulatory Commission Room 6714 - MNBB Bethesda, Maryland

Dear Mr. Shea:

I refer to your letter dated January 25, 1979, for Executive Branch views on whether issuance of an export license in accordance with the application hereinafter described would be inimical to the common defense and security of the United States:

NRC No. XB001011 -- Application by Industrial Nucleonics Corporation for authorization to export to the Soviet Union via Finland 0.5 curie of Krypton-85 in a sealed source for industrial gauging.

It is the opinion of the Executive Branch that the proposed export may be made without being subject to the terms of an Agreement for Cooperation since byproduct material may be licensed under Sections 81 and 82 of the Atomic Energy Act without the prerequisite of a Section 123 Agreement. Further, it is the judgment of the Executive Branch that the byproduct material export contemplated will not be inimical to the common defense and security of the United States. The Executive Branch has concluded that this export is consistent with the provisions of the Atomic Energy Act of 1954, as amended, and with the Nuclear Non-Proliferation Act of 1978. A detailed analysis is believed unnecessary in this case because of the small quantity of material involved.

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

Sincerely,

Deputy Assistant Secretary

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