## DEPARTMENT OF STATE



Washington, G.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS 23 8% 2 21

JUN 2 4 1980

SFERDS

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 31, 1980 requesting Executive Branch views as to whether amendment of an export license in accordance with the application bereinafter described would be inimical to the common defense and security of the United States, and whether the proposed export meets the applicable criteria of the Atomic Energy Act, as amended by the Nuclear Non-proliferation Act of 1978:

NRC No. XB001012 -- Application by Radium Chemical Company Incorporated for amendment of license No. XB001012 to permit a change in the intended distribution of the remaining 50,000 curies authorized for export to Switzerland under the existing license. 23,000 curies of tritium will be used by the applicant for manufacture of luminous compounds, and 27,000 curies will be distributed for resale in gaseous form, in lots ranging from 100 to 1,000 curies, to firms in Switzerland, Belgium and Federal Republic of Germany for research and labelling purposes.

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; provided that: 1) the validity of the license amendment is limited to twelve months from the date of issuance; 2) no increase is authorized for the remaining total export of 50,000 curies; 3) no individual shipment exceeds 30,000 curies; and 4) not more than one shipment per month is authorized. Moreover, it is the understanding of the Executive Branch that with regard to the largest planned retransfer, to NUKEM in the Federal Republic of Germany, the inventory at NUKEM does not exceed 10,000 curies of tritium at any given time and no sales of unprocessed tritium gas are ever made by NUKEM.

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 conditions attached to the export, the destinations involved and the non-nuclear and-use.

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

Sincerely,

Louis V. Nosenzo Deputy Assistant Secretary