



DEPARTMENT OF STATE

Washington, D. C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL '80 JUN 26 P4:45
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

OFFICE OF
INTERNATIONAL
PROGRAMS

June 26, 1980

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

Dear Mr. Shea:

I refer to the letter from your office dated August 10, 1978, requesting Executive Branch views as to 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, and whether the proposed export meets the applicable criteria in the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XMAT0003 (formerly XMAT0012) -- Application by Tech Aid Inc. for authorization to export 8,613.343 kilograms of D₂O (heavy water) for use in research in heavy water moderated reactor development.

It is the understanding of the Executive Branch that the Taiwan Institute of Nuclear Energy Research has cancelled its plans to develop a heavy water moderated power reactor and has therefore abandoned its request of May 29, 1978 for 8.5 metric tons of heavy water. According to the Supplementary Statement of End-Use signed by Kuang-Chi Liu, Deputy Director of INER, on April 29, 1980 (see enclosure), the only active application for heavy water to Taiwan is case no. XMAT0103 which is still under review by the Executive Branch.

Sincerely,

Gerard F. Helfrich
Gerard F. Helfrich
Director

Office of Export and Import Control

Enclosure:
As stated

Copy to FDR and ACC 7-3-80 .

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SHIMMEN 245
BLE: "NUCLINST" SHIMMEN
TELEX: 34154: CAEC
YOUR REF

Institute of Nuclear Energy Research

ATOMIC ENERGY COUNCIL
REPUBLIC OF CHINA

P. O. BOX 3
LUNG-TAN TAIWAN

OUR REF

STATEMENT OF END USE

This is to certify that the 4,000 kilogram heavy water being placed in order by this Institute is to be used exclusively as moderator for the Taiwan Research Reactor (TRR) which has been under safeguard of the International Atomic Energy Agency (IAEA) ever since its construction.

To secure nuclear safety, adequate heavy water in spare is of great importance to the operation of TRR which has never had replenishment in heavy water since its commissioning.

We pledge that the material in question, upon receipt, shall immediately be entered into inventory of appropriate Material Balance Area (MBA) of TRR for IAEA safeguard and shall not be used for any purpose other than as moderator in the TRR.

Signed by: Kuang-Chi Liu

Kuang-Chi Liu
Deputy Director

enclosure