



DEPARTMENT OF STATE

Washington, D.C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

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

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REPORT  
NRC RECORDS

Dear Mr. Shea:

I refer to the letter from your office dated March 19, 1980, 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. XCOM0378 -- Application by Metal Bellows Corporation for authorization to export to Spain flexible metal hose and hose assemblies, specially designed or prepared for nuclear reactor use, to be used in the ASCO 1 and 2 Nuclear Power Plants at Tarragona. Total value of these parts is \$42,013,00.

It is the judgment of the Executive Branch that the export 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.

As stated in my letter to you dated January 31, 1979, it is the view of the Executive Branch that the generic assurances provided by the Spanish Government by letter to U.S. Embassy, Madrid, January 23, 1979, meet the criteria under Section 109 B. for exports of reactor components by

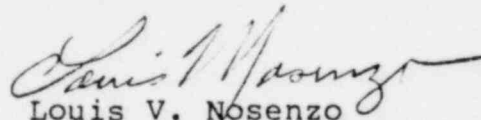
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confirming that the items specified in Appendix A of 10 CFR 110 will be included under the definition, "material including equipment and devices" cited in Article X of the 1974 U.S.-Spain Agreement for Cooperation, and are therefore subject to the guarantees in that article, including: 1) IAEA safeguards; 2) no nuclear explosive use; and 3) no retransfer without prior U.S. consent.

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

Sincerely,



Louis V. Nosenzo  
Deputy Assistant Secretary