



DEPARTMENT OF STATE

Washington, D.C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

MAY 20 1980

EXPORT  
CONTROL SIGNS

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

XSNM01640  
11000983

Dear Mr. Shea:

This letter is in response to Mr. Moore's letter dated January 11, 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 of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 (P.L. 95-242):

NRC No. XSNM01640 -- Application by Nissho-Iwai American Corporation for authorization to export to Japan 145.685 kilograms of U-235 contained in 7,587.75 kilograms of uranium in the form of uranium hexafluoride enriched to a maximum of 1.92 percent. This low enriched uranium is to be converted into UO<sub>2</sub> by Sumitomo Metal Mining Co., Ltd. and fabricated into fuel assemblies by Nuclear Fuel Industries, Ltd., Tokai Mura, for reload of the FUGEN prototype heavy water moderated reactor.

The proposed export would take place pursuant to the Agreement for Cooperation Between the United States and Japan as confirmed in a letter from the Embassy of Japan, a copy of which is enclosed. Japan has adhered to the provisions of its Agreement for Cooperation with the United States.

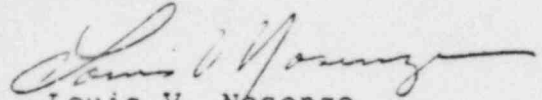
The Executive Branch has reviewed this application and concluded that the requirements of the Atomic Energy Act, as amended by P.L. 95-242, have been met and that

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the proposed export will not be inimical to the common defense and security of the United States. A detailed analysis for Japan was submitted April 30, 1979, for NRC license application No. XSNM01435. There has been no material change in circumstances since that submission.

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

Sincerely,



Louis V. Nosenzo  
Deputy Assistant Secretary

Enclosure:  
Assurance letter

EMBASSY OF JAPAN

2520 MASSACHUSETTS AVENUE, N.W.  
WASHINGTON, D.C. 20008  
(202) 234-2266

May 14, 1980

Colonel Vance H. Hudgins  
Assistant Director for  
Politico-Military Security Affairs  
Division of International Security Affairs  
Department of Energy  
Washington, D.C. 20545

Dear Colonel Hudgins:

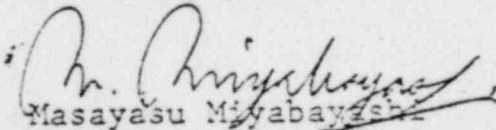
Concerning import of the special nuclear material for the facility noted below, this will confirm that the Government of Japan appointed Power Reactor & Nuclear Fuel Development Corporation (PNC) as an authorized person under the terms and conditions pursuant to Article VI of the Agreement for Cooperation between the Government of the United States of America and Government of Japan concerning Civil Uses of Atomic Energy which entered into force on July 10, 1968, amended by the Protocol on December 21, 1973.

Reload fuel for the Fugen, the prototype heavy water reactor of PNC: 145.685 kgs of U-235 (1.92 % maximum enrichment) contained in 7587.75 of uranium

Further, it is confirmed that the transfer of the special nuclear material identified above will take place under all the terms and conditions of the Agreement for Cooperation between our Governments, and that the appointee(s) named above have been authorized to receive and possess the material by both Governments.

Also, the Government of Japan confirms that the safeguards and guarantees of the Agreement for Cooperation will always apply to this special nuclear material, except for that material subsequently retransferred with the written approval of the United States.

Sincerely yours,

  
Masayasu Miyabayashi  
First Secretary (Scientific)

Ref: This is in reference to the case number of XSNM-1640 stated in your letter dated January 22, 1980.

The intermediate consignee, Sumitomo Metal Mining Co., Ltd. and Nuclear Fuel Industries, Ltd. are also authorized to receive and possess the material.