

#### DEPARTMENT OF STATE

Washington, D.C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

### JUN 1 2 1980

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

Dear Mr. Shea:

This letter is in response to the letter from your office dated September 27, 1979, 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, as amended by the Nuclear Non-Proliferation Act of 1978 (P.L. 95-242):

NRC No. XSNM01598 -- Application by General Atomic Company for authorization to export to Taiwan 1.035 kilograms of U-235 contained in 5.2 kilograms of uranium enriched to 19.9 percent maximum in the form of 8 TRIGA fuel elements for the Taiwan THOR reactor.

The proposed export would take place pursuant to the applicable Agreement for Cooperation entered into pursuant to Section 123 of the Atomic Energy Act as amended as confirmed in a letter from the CCNAA, a copy of which is enclosed. Taiwan has adhered to the provisions of the applicable Agreement for Cooperation.

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 the proposed export will not be inimical to the common defense and security of the United States. A detailed

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XSNIA01592 11000 841 TRIGA Fuel analysis is believed unnecessary in this case because the application involves a relatively small quantity of low-enriched uranium in the form of fabricated fuel elements intended for the refueling of a safeguarded nuclear facility.

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

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WARNINGTON, D.C.

December 7, 1979

Mr. Gerard F. Helfrich, Director Office of Export and Import Control Bureau of Oceans and International Environmental and Scientific Affairs Department of State Washington, D.C. 20520

Dear Mr. Helfrich:

Enclosed is a letter from CCNAA dated December 6, 1979 concerning NRC application No. XSNM-01598 for export of nuclear material to the Atomic Energy Council in Taiwan. The letter confirms the requirements set out in my letter to CCNAA dated November 19, 1979.

Sincerely,

David Dean Chairman of the Board and Managing Director

Enclosures:

- 1. Copy of CCNAA letter
- dated December 6, 1979.
- Copy of my letter dated November 19, 1979.

### 北美事務協調委員會駐美國辦事處

Coordination Council for North American Affairs Office in U.S.A. 5161 River Road, W shington, D.C. 20016

December 6, 1979

Mr. David Dean Chairman of the Board and Managing Director American Institute in Taiwan 1700 N. Moore St., 17th Fl. Arlington, Virginia 22209

Dear Mr. Dean:

I wish to refer to your letter dated November .), 1979 and my letter dated November 26, 1979, concerning the NRC application No. XSNM-01598 for export of nuclear material to the Atomic Energy Council in my country.

I have been authorized to confirm that:

- (1) transfers of the above-mentioned materials will be subject to all terms and conditions of the agreement for Cooperation on Civil Uses of the Atomic Energy signed between our two countries on April 4, 1972, and entered into force on June 2, 1972, and amended on March 15, 1974.
- (2) physical security measure comparable to that set forth in IAEA INFCIRC/225/Revision I will be strictly maintained; and
- (3) Atomic Energy Council is authorized to possess and receive the materials.

I shall appreciate it very much if export license can be issued against the application as soon as possible.

Sincerel" yours,

Konsin C. Shah Representative

### November 19, 1979

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Mr. Konsin C. Shah, Representative Coordination Council for North American Affairs 5161 River Road Washington, D.C. 20016

Dear Mr. Shah:

We have received the enclosed application XSNM-01598 from the United States Nuclear Regulatory Commission concerning the export of nuclear material to Taiwan. In order to process this application, the American Institute in Taiwan needs to receive written confirmation from the Coordination Council for North American Affairs that:

a. The transfer of material, as identified on the license application will be subject to all terms and conditions of an applicable agreement for cooperation entered into pursuant to Section 123 of the U.S. Atomic Energy Act, as amended;

b. The ultimate consignee, as identified on the application, is authorized to possess and receive the materia.

To facilitate the processing of this application, we would appreciate receiving an early response to this letter. This request for written confirmation of the particulars noted above is a normal requirement of the licensing process and should not be construed as indicating favorable action on the licensing application.

Sincerely,

David Dean Chairman of the Board and Managing Director