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DEPARTMENT OF STATE

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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 4, 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. XCOM0432 -- Application by General Atomic for authorization to export to Belgium an electronic control console including instrumentation and power level control components valued at \$400,000. This equipment will be used in the GENT 250 kw research reactor in Brussels.

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 the export is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978.

As an NPT party, Belgium has committed itself to maintaining IAEA safeguards on all of its peaceful nuclear activities and has pledged not to use any nuclear export for production or research and development of any nuclear explosive device, two of the three criteria required to be met for exports of reactor components under Section 109 of the Atomic Energy Act, as amended.

Moreover, as noted in my letter dated February 1, 1979, the United States received assurances, by letter dated January 25, 1979, from the Delegation of the Commission of the European Communities for all EURATOM Member States. The Delegation letter confirms that U.S. exports to the European Community of nuclear components specially designed or prepared for use in a nuclear facility, deuterium (including heavy water) and reactor grade graphite (as detailed in 10 CFR 110): A) fall within the category of "material, including equipment and devices" in Article XI of the Agreement for Cooperation Between the United States and EURATOM, as amended; B) will be transferred under the U.S.-EURATOM Cooperation Agreement and thus be subject to the guarantees in that article; and C) therefore, the criteria set forth in Section 109 b. of the Atomic Energy Act, as amended, are met. These guarantees include a pledge of no explosive use and no retransfer beyond the jurisdiction of the Community without prior U.S. approval.

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

Sincerely,

Louis V. Nosenzo

Deputy Assistant Secretary