



DEPARTMENT OF STATE

Washington, D.C. 20520

ACC XU0 8503
1100 2156

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

SEP 4 PM 2 07
DATE EXPORT
AND
ATC SFORDS

SEP 03 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 13, 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. XU08503 -- Application by the U.S. Department of the Navy for authorization to export to Singapore 5,076 kilograms of depleted uranium in the form of 20 mm ammunition for the Phalanx close-in weapon system to be used by the Singapore Navy.

It is the opinion of the Executive Branch that the proposed export may be made without being subject to the terms of an Agreement for Cooperation since source material may be licensed under Sections 62 and 64 of the Atomic Energy Act without the prerequisite of a Section 123 Agreement. Further, it is the judgment of the Executive Branch that the source material export contemplated will not be inimical to the common defense and security of the United States. The Executive Branch has concluded that this export is consistent with the provisions of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978. A detailed analysis is believed unnecessary in this case because of the non-nuclear end-use, adherence to the NPT by the recipient country and the end-use and retransfer controls that apply to U.S. Government military sales.

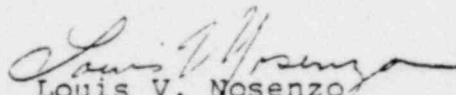
*Copy to FDR and ACC 9-4-80

Devine, Shea, Peterson, Cohen

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Louis V. Nosenzo".

Louis V. Nosenzo
Deputy Assistant Secretary