



DEPARTMENT OF STATE

Washington, D.C. 20520

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BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

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EXPORT/IMPORT
AND
INTERNATIONAL SFGRS

OCT 20 1980

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

XSNM01388
amend. 1

Dear Mr. Shea:

I refer to the letter from your office dated September 22, 1980, requesting Executive Branch views from your office as to whether amendment 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 criteria of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XSNM01388 -- Application by Monsanto Research Corporation to amend license XSNM-01388 to add New Zealand to the list of various countries to which export of plutonium-238 is authorized for use as neutron, gamma, alpha and heat sources for industrial, medical, nuclear educational and research applications. Individual shipments will be limited to a maximum of 10 grams and no more than 100 grams will be shipped to any one country in any one calendar year.

Section 54 b. of the Atomic Energy Act provides that, "Notwithstanding the provisions of sections 123, 124, and 125, the Commission is authorized to distribute to any person outside the United States (1) plutonium containing 80 per centum or more by weight of plutonium-238..." The Act further provides that "The Commission shall not distribute any plutonium containing 80 per centum or more by weight of plutonium-238 to any person under this subsection, if in its opinion, such distribution would be inimical to the common defense and security." According to Section 54 c., "The Commission is authorized to license or otherwise permit others to distribute special nuclear

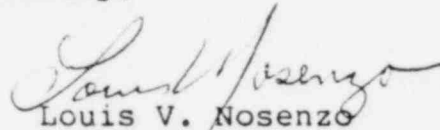
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material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission." Therefore, the Executive Branch has concluded that this export of plutonium-238 may be licensed without requiring that it be pursuant to an agreement for cooperation.

The Executive Branch has concluded that the export contemplated will not be inimical to the common defense and security of the United States and is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978, provided that: 1) individual shipments do not exceed 10 grams; 2) annual totals to any one country do not exceed 100 grams; and 3) shipments will be made only to those countries listed in the existing license plus New Zealand. A detailed analysis is believed unnecessary in this case because of the small quantity of material involved, per country, per year.

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

Sincerely,



Louis V. Nosenzo
Deputy Assistant Secretary

Enclosure:
List of Countries

Countries To Which Pu-238 Sealed Radiation

Sources May Be Exported By M.R.C.

West Germany

Denmark

United Kingdom

France

Netherland

Italy

Belgium

Ireland

Luxembourg

Australia

Austria

Canada

Finland

Japan

Norway

Sweden

Switzerland

New Zealand