



DEPARTMENT OF STATE

Washington, D.C. 20520

RECEIVED  
OCT 17 1980

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

17 OCT 1980

EXPORT  
NAT'L SEC AFFS

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

*XSNM 01721  
FRM Reactor at  
Garching  
45.4% enr.*

Dear Mr. Shea:

This letter is in response to the letter from your office dated August 29, 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. XSNM01721 -- Application by Transnuclear, Inc. for authorization to export to the Federal Republic of Germany 3.409 kilograms of U-235 contained in 7.508 kilograms of uranium enriched to a maximum of 45.4 percent. This medium-enriched uranium in the form of uranium hexafluoride will be shipped to NUKEM, FRG, for fabrication into 10 prototype fuel elements for use in the FRM research reactor at Garching.

The proposed export to the Federal Republic of Germany would take place pursuant to the Additional Agreement for Cooperation Between the United States and the European Atomic Energy Community (EURATOM) as confirmed in a letter from the Delegation of the Commission of the European Communities. EURATOM has adhered to the provisions of its Agreement for Cooperation with the United States.

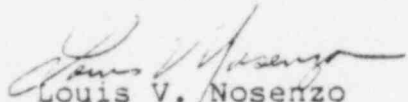
The proposed export of medium-enriched uranium is pursuant to the US-FRG cooperative program to reduce the enrichment level of research reactor fuels.

8011000303

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 analysis for the FRG was submitted December 8, 1978 (NRC No. XSNM01241). In view of Executive Order 12193, extending the duration of the period specified in the first proviso to Section 126A(2) of the Atomic Energy Act of 1954, as amended, to March 10, 1981, that detailed analysis remains valid. There has been no other 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

DELEGATION OF THE COMMISSION OF THE EUROPEAN COMMUNITIES

EURATOM SUPPLY AGENCY

September 19, 1980

Mr. Vance H. Hudgins  
Director, Division of Politico-  
Military Security Affairs  
Office of International Security Affairs  
Department of Energy  
Washington, D. C. 20585

Subject: Transnuclear Inc. application NUK-339 80-180/01  
dated August 25, 1980, for FRM Reactor, Garching,  
Munich, West Germany - XSNM-1721.

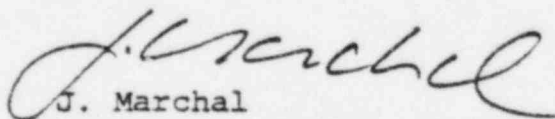
Dear Mr. Hudgins:

We certify that the material mentioned in this application, namely 7.508 kg of U, enriched to 45.4% U 235, and the transfer of this material, will be subject to all terms and conditions of the Additional Agreement for Cooperation, dated July 25, 1960, as amended.

We further certify that Nukem GmbH, Hanau, West Germany, as intermediate consignee, and FRM- Reaktorstation Garching, Munich, West Germany, as ultimate consignee, are authorized by EURATOM to receive and possess this material (as delineated in above referenced application) pursuant to the aforementioned Agreement for Cooperation.

The material will be used as fuel in the FRM reactor at Garching, West Germany.

Sincerely,

  
J. Marchal  
Secretary, Nuclear Supply

cc: ✓ Mr. Robin De LaBarre, State Department  
Ms. Betty Wright, Nuclear Regulatory Commission  
Mrs. Vicki Matson, Transnuclear Inc.