

UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

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Mr. G. F. Helfrich, Director
Office of Program Implementation
Bureau of Oceans and International
Environmental and Scientific Affairs
U.S. Department of State
Washington, D.C. 20520



Dear Mr. Helfrich:

Enclosed for your review is an export license application and an accompanying letter from Gerard Kluyskens Company, Inc. The company requests that a broad license be issued to cover their exports of Cerium Oxide polishing compounds containing uranium and thorium in rare earth compounds to various countries for a number of years. The rare earth polishing compounds are used world-wide for polishing operations on glass. The maximum contained uranium/thorium content does not exceed .25 percent and is a natural constituent of the rare earth compounds. The applicant has advised us that it is not economically feasible to extract the uranium/thorium from the polishing compounds. Last year the company exported almost 250,000 pounds of Cerium Oxide (625 pounds uranium/thorium), and they expect to export greater quantities in the coming years.

To cover these anticipated orders, we propose that a 10-year license be issued which allows unlimited exports of uranium/thorium contained in Cerium Oxide polishing compounds to all countries except Section 110.28 embargoed destinations.

Before taking action on this broad license request, we would appreciate your views, in accordance with established procedures as to whether the proposed exports meet the applicable criteria in the Atomic Energy Act as amended by the Nuclear Nonproliferation Act of 1978.

Sincerely,

James B. Devine, Assistant Director
Export/Import and International Safeguards

Office of International Programs

Enclosure: Appl. & Ltr. dtd. 04/02/81 (XM08522)

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cc w/enclosure:

Mr. Michael McDonough, DOE

Mr. Richard L. Williamson, ACDA/NP/NX

Ms. Sheila Buckley, DOD Ms. Nataly Martin, DOE

Mr. Dan Cook, DOC

Mr. Robin DeLaBarre, DOS