

DEPARTMENT OF STATE

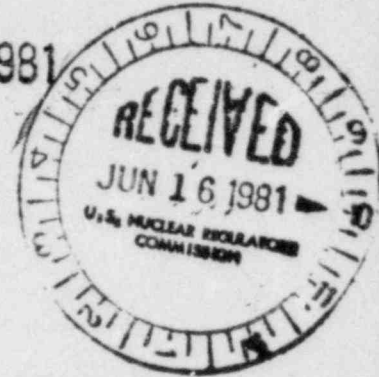
Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

AC

XU08523
11002452

12 JUN 1981



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 May 7, 1981 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 of 1954, as amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XU08523 — Application by Edlow International Company, as agent for the British Embassy, for authorization to export to the United Kingdom 200 metric tons of UF₆ containing 152,000 kilograms of depleted uranium alloyed with 2 percent molybdenum for the manufacture of penetrator munitions.

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 of 1954, as amended by the Nuclear Non-Proliferation Act of 1978.

The British Embassy has confirmed that the proposed export is essentially the same material covered under license No. XU08517, after alloying in the U.K. and extrusion in the U.S. and is to be returned to the U.K. for fabrication of depleted uranium penetrator munitions exclusively for the use of the British Armed Forces.

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

Sincerely,

John P. Boright
Acting Deputy Assistant Secretary

Copy to PDA and ACC 6-15-81.

Mr. Shea, Mr. Devine,

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