



DEPARTMENT OF STATE

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BUREAU OF OCEANS AND INTERNATIONAL  
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

OFFICE OF  
INTERNATIONAL  
PROGRAMS



29 JUL 1981

XCOM0541  
11502530

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 July 2, 1981, requesting Executive Branch views as to whether issuance of an export license in accordance with the application hereinafter described meets the applicable criteria in the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978:

**NRC No. XCOM0541** — Application by General Electric Company to authorize export to Japan of a nuclear fuel magnetic and passive scanner, valued at \$840,000, for non-destructive inspection of completed nuclear reactor fuel rods in the fuel fabrication facility at the Japan Nuclear Fuel Company.

It is the judgment of the Executive Branch that the export contemplated will not be inimical to the common defense and security of the United States, and 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.

As an NPT party, Japan has committed itself to maintaining IAEA safeguards on all of its peaceful nuclear activities and has pledged not to produce or otherwise acquire any nuclear explosive device. It is therefore the judgment of the Executive Branch that Criteria (1) and (2) for exports of reactor components under Section 109 of the Atomic Energy Act, as amended, are met. The remaining criterion, agreement not to retransfer any U.S.-supplied component without prior U.S. consent, has been satisfied by the receipt of an assurance letter from the Embassy of Japan, the subject of Mr. Nosenzo's letters to you dated October 20, 1978 and March 13, 1979.

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

Sincerely,

John P. Boright  
Acting Deputy Assistant Secretary

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\*Copy to PDR and ACC 8-4-81.\*

Mr. Shea, Mr. Levine, Mr. Peterson, ELO/Becker