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MEMORANDUM FOR: James R. Shea, Director

Office of International Programs

FROM:

Robert F. Burnett, Director Division of Safeguards, NMSS

SUBJECT:

SAFEGUARDS COUNTRY ANALYSIS - ROMANIA

Enclosed for transmission to the State Department is a draft Safeguards Country Analysis for Romania. In accordance with established arrangements, we would appreciate State's review of the document to assure that it properly reflects the most complete and current information available to the U.S. Government as well as to assure that it is not inadvertently misleading. As has been recently agreed, no sensitive foreign intelligence information (e.g., ORCON) was used in the preparation of the document, although nonsensitive foreign intelligence information from State Department sources was employed. Further, we have considered your comments on the draft analysis which you provided to us earlier. As a result, the enclosed final draft contains several revisions.

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Robert F. Burnett, Director Division of Safeguards, NMSS

Enclosure: Romanian Safeguards Country Analysis (Final Draft)

cc w/o encl: J. G. Davis, NMSS

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## A's and Q's for June 2 Commission Meeting

## Question:

- (U) SECY-82-210 concludes that "... many of the areas of IAEA safeguards in need of improvement have been well identified and are currently addressed in either the Action Plan or POTAS, although limited Executive Branch resources have resulted in little or no progress in several specific areas."
- (U) What are the specific areas in which there has been little or no progress?

## Question:

(U) What further steps could the Commission take at this time?

## (U) Answer:

As our staff paper notes, many of the areas needing further improvement have been well identified. However there are several areas in which the NRC could make additional contributions, including the following:

- NRC financial support for the RECOVER (Remote Continual Verification System) program would be a useful contribution to further development of the system;
- 2) The NRC belongs to several interagency groups that are responsible for reviewing and improving the U.S. Government's effort to improve IAEA Safeguards. The NRC considers these groups to be important to the U.S. Government's efforts in this regard, has

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participated actively, and to the extent its resources have permitted, has undertaken a considerable share of the tasks important to the groups. Nonetheless, more needs to be done (e.g., design features to facilitate IAEA safeguards and evaluation of inspection data) and additional manpower and financial assistance from the NRC would help the U.S. achieve many of the objectives that NRC has supported;

- 3. There are numerous technical tasks identified by the IAEA, the U.S. and other Governments that are important to the improvement of IAEA safeguards that cannot be undertaken due to the lack of technical expertise available to the IAEA. The NRC has such expertise by virtue of its domestic safeguards responsibility (e.g., material control and accounting) and has in recent years been requested to make this expertise available to the IAEA. To the extent that NRC has been able, consistent with its mission and within its existing resources, the NRC has made these experts available. Still the NRC could do more in this regard if additional travel funds were made available and if staffing levels were established which would permit the prospect of one or two NRC experts being released for extended periods of time to provide assistance; and
- 4. The State Department has noted to the Interagency Steering
  Group for International Safeguards (ISG) that there is a serious
  deficiency in the reporting of information on the activities of the
  IAEA and that there is a need for additional staff support at
  the U.S. Mission in Vienna to remedy the situation. The ISG
  members have been asked to consider if their agencies could
  provide the needed support in terms of providing or funding
  a position. As the NRC has over the years urged the State
  Department to obtain more information on IAEA activities, in
  particular in the area of safeguards, and has raised its
  concerns to the Congress concerning the lack of information
  the U.S. Government is receiving in the area of safeguards,
  it would be a significant contribution if the NRC could

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support the stated need.

- (U) The efforts outlined in SECY-82-210 and which we are discussing today, are longer-term in nature and are important to the overall improvement of the IAEA safeguards system. Additional technical NRC contributions in these areas are important to continuing the overall development of IAEA safeguards.
- (U) Question:

Should the Commission write to senior Executive Branch officials or to the Congress reiterating its support for U.S. efforts to improve IAEA Safeguards?

(U) Answer:

No. The Commission has, on two occassions, written the Executive Branch, expressing the importance which it attaches to U.S. efforts to upgrade IAEA safeguards. The

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Commission wrote to Ambassador Gerard Smith in August 1978 and to Assistant Secretary of State Pickering in February 1979. Both letters noted that, "... the upgrading of international safeguards should be a key U.S. objective." With regard to writing the Congress, our recent correspondence has noted our concerns and indicated our interest in improving the implementation of IAEA safeguards. I believe the Executive Branch and the Congress are well aware of the importance which the NRC attaches to the continued improvement of IAEA safeguards.

The Commission may of course wish to write the Congress should the safeguards situation change significantly in the near future.