United States Department of State

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

November 26, 1990

DCS/DFØ2 J. Becker, OGC G. Sanslow, OROO B. Stout, MM

Mr. James R. Shea Director of International Programs United States Nuclear Regulatory Commission Rockville, Maryland

Dear Mr. Shea:

I refer to the letter from your office dated August 21, 1990, 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. XCOM1045 - Application by the General Atomics to authorize export to Yugoslavia of components for the TRIGA Mark II research reactor at the Josef Stefan Institute. The components consist of a detector assembly and control rod parts, including: regulating motor assemblies, motors, a drive mechanism assembly, connecting assemblies, and a grid plate assembly. These components have a total value of \$69,500.

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, Yugoslavia 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 nuclear 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 assurances in the form of a diplomatic note from the Ministry of Foreign Affairs of Yugoslavia, reported by telegram from U.S. Embassy Belgrade. A copy of the telegram is enclosed.

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

Sincerely,

Richard J. K. Stratford Deputy Assistant Secretary Nuclear Energy & Energy Technology Affairs

Enclosure: U.S. Embassy Belgrade telegram

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DEPT FOR DES/NEC DELABARRE

N/A E. D. 12386: TAGS: ENRG, KNNP, YO SUBJECT: ASSURANCES FOR PROPOSED NUCLEAR COMPONENT EXPORT TO YUGOSLAVIA

11 8) STATE 2885221 ATED 8/15-80 A) BELGRAD REF: CI DES/NF

PRESENTED TO GOY VIA & LETTER ON SEPTEMBER 19, 1998.

2. DRIGINAL COPY OF YUGOSLAV NOTE NO. 7781 IS BEING AIRPOUCHED TO DES/NEC. ROBIN DELABARRE.

3. FOLLOWING IS A VERBATIM TEXT (MINUS STANDARD COMPLIMENTARY OPENING AND CLOSING SENTENCES) OF THE GOY

NOTE 7751: AND HAS THE HONOR TO ACKNOWLEDGE THE RECEIPT OF THE EMBASEY'S LETTER OF SEPTEMBER 18, 1988. IN CONNECTION WITH THE ABOVE-MENTIONED LETTER, THE FEDERAL SECRETARIAT, ACTING ON THE AUTHORIZATION OF THE FEDERAL EXECUTIVE COUNCIL OF THE ASSEMBLY OF SFR OF YUGOSLAVIA, WISHES TO MAKE THE FOLLOWING STATEMENT, ON BEHALF OF THE GOVERNMENT OF YUGOSLAVIA, THE FEDERAL SECRETARIAT FOR FOREIGN AFFAIRE HEREBY CONFIRMS THAT THE NUCLEAR REACTOR COMPONENTS PROPOSED FOR EXPIRT BY GENERAL ATOMIC FROM THE UNITED STATES TO YUGOSLAVIA WILL NOT BE RE-TRANSFERRED TO THE JURISDICTION OF ANY CTHER NATION OR GROUP OF NATIONS WITHOUT THE PRIOR CONSENT OF THE UNITED STATES. END GUOTE. ZIMMERMANN ZIMMERMANN

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No. 7751

The Federal Secretariat for Poreign Affairs of the Socialist Federal Republic of Yugoslavia presents its compliments to the Embassy of the United States of America and has the honour to acknowledge the receipt of the Embassy's letter of September 19, 1990.

In connection with the above-mentioned letter the Federal Secretarist, acting on the authorization of the Pederal Executive Council of the Assembly of the SFR of Yugoslavis, wishes to make the following statement.

On behalf of the Government of Yugoslavia, the Federal Secretariat for Foreign Affairs hereby confirms that the nuclear reactor components proposed for export by General Atomics from the United States to Yugoslavia will not be retransferred to the jurisdiction of any other nation or group of nations without the prior consent of the United States.

The Federal Secretariat for Foreign Affairs avails itself of this opportunity to renew to the Embassy of the United States of its high

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