

JUN 19 1978

Mr. Arthur W. Rovine
Assistant Legal Advisor for
Treaty Affairs
Department of State
Washington, D. C. 20520

Dear Mr. Rovine:

The Background Statement on the NRC-Israel Atomic Energy Commission regulatory information exchange and cooperation Arrangement signed in Bethesda, Maryland, on May 9, 1978, and in Tel Aviv, Israel, on May 19, 1978, is enclosed.

Sincerely,

Original Signed by
Joseph D. LaFleur, Jr.

Joseph D. LaFleur, Jr.
Deputy Director
Office of International Programs

Enclosure:
As stated (w/cy of Arrangement)

cc w/encl and copy of Arrangement: (cert'd cy)
Mr. Dixon Hoyle,
Department of State

bcc w/encl:
JRShea
JDLafleur
JACooke, ELD
HJFaulkner
DMChenier

✓ Israel Arrangement File (w/cert'd cy)
Case Act File
RWhipp, SEC
ASpano, RES (w/cert'd cy)

9203170393 910905
PDR FOIA
WINDREM91-143 PDR

OFFICE	IP					
SURNAME	DMChenier:kf	JDLafleur				
DATE	6/19/78	6/17/78				

STATEMENT REGARDING ARRANGEMENT BETWEEN THE UNITED STATES NUCLEAR REGULATORY COMMISSION (U.S.N.R.C.) AND THE ISRAEL ATOMIC ENERGY COMMISSION (I.A.E.C.) FOR THE EXCHANGE OF TECHNICAL INFORMATION AND COOPERATION IN NUCLEAR SAFETY MATTERS, BETHESDA, MARYLAND, MAY 9, 1978, AND TEL AVIV, ISRAEL, MAY 19, 1978.

Explanation of Arrangement

The Arrangement provides a vehicle for the timely exchange of nuclear regulatory information, including current light water reactor (LWR) safety research results, cooperation in ongoing standards development, and possible cooperation in future LWR safety research projects. Exchange of information will take the forms of technical and operating experience reports, news releases, correspondence, visits, and such other means as the parties agree. Training and temporary assignments of personnel are permitted within the limitation of available resources. Nonproprietary information exchanged will be subject to unrestricted dissemination; proprietary information, except as agreed, will be protected from disclosure and will be exchanged under existing national policies, laws, regulations, and agreements. Patents rights of the parties are covered in the provisions of the Patent Addendum.

The Arrangement remains effective for five years from the date of inception, unless terminated by either party upon written 30-day notice. It may be extended by mutual consent.

Background Information on Negotiations

The Israel AEC informally broached the subject of a bilateral regulatory exchange arrangement with NRC during 1976 negotiations on the Agreement for Cooperation, which at that time appeared near conclusion. The NRC staff understood that they planned to wait until the Agreement was signed to provide a more clear-cut framework in which to work. When final U.S. action was suspended, however, pending resolution of nonproliferation issues, the Israel AEC, during a March 24, 1977 meeting in Bethesda, Maryland, requested and was given a sample Arrangement text (the NRC-Atomic Energy Organization of Iran draft) for consideration. On May 5, 1977, NRC received a letter from the IAEC indicating the general acceptability of the text. The Israelis proposed, however, to extend the training and assignments provisions (reserved for permanent regulatory staff members) to include organizations permitted or licensed by the IAEC to construct or operate nuclear production or utilization facilities or to use nuclear materials and radiation sources. NRC explained that the program is small and that we must devote all available resources to assisting government regulatory agencies, after which the IAEC withdrew its request.

Background Information on Negotiations (Continued)

The other IAEC comment reflected Israel's current concern with siting nuclear power plants. The IAEC proposed adding to the Arrangement a new appendix entitled "Site Licensing Principles and Problems." NRC recommended instead -- and the Israelis agreed -- that this item be accommodated as a separate entry under "Technical Information Exchange," which lists specific topics on which information is to be exchanged.

The text of the Arrangement was settled on January 18, 1978, after which final NRC and Executive Branch notifications were made. Commission approval of suggested signing details cleared the way for signature at this time.

Effect of the Arrangement

The Arrangement establishes formal communication and cooperation channels through which NRC and the IAEC can exchange regulatory and safety research and development information. It is another link (number 14) in the NRC effort to establish reciprocal bilateral exchanges with developed and developing nuclear countries, with the aim of assuring the continued safe operation of power reactors throughout the world.

Legal Authorities

This background statement summarizes certain arrangements and understandings that were entered into under the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, as amended.