



United States Department of State

Washington, D.C. 20520

PDR

DCS/DFO 23

NMSS

DOE/OR

NAC/NMMSS

December 17, 1998

Mr. Carlton R. Stoiber  
Director, International Programs  
United States Nuclear Regulatory Commission  
Rockville, Maryland

XCOM 1107  
Argentina

Dear Mr. Stoiber:

I refer to the letter from your office dated January 9, 1998 requesting the views of the Executive Branch as to whether issuance of an export license in accordance with the application hereinafter described meets the applicable criteria of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978:

NRC No. XCOM1107 -- Application by Honeywell Inc. for authorization to export to Argentina a process control system, with a total value of \$432,724, for the Arroyito Heavy Water Production Plant.

It is the judgment of the Executive Branch that the proposed export will not be inimical to the common defense and security of the United States, and is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978.

As a party to the NPT, Argentina has committed itself to maintain IAEA safeguards on all of its peaceful nuclear activities and has pledged not to produce or otherwise acquire any nuclear explosive device, therefore satisfying criteria (1) and (2) of Section 109b of the Atomic Energy Act, as amended, for exports of nuclear components, substances and items. The remaining criterion, agreement not to retransfer any U.S.-supplied component, substance or item without prior U.S. consent, has been satisfied by the receipt of written assurances December 9, 1998 from the Government of Argentina.

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

Sincerely,

Richard J. K. Stratford  
Director  
Office of Nuclear Energy Affairs

JA-1-1 EXP + IMP

Enclosures: assurance certificate and MFA transmittal note

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PDR XPORT  
XCOM-1107 PDR



United States Department of State

Washington, D.C. 20520

BUREAU OF POLITICAL-MILITARY AFFAIRS  
OFFICE OF NUCLEAR ENERGY AFFAIRS

December 18, 1998

TO: BETTY WRIGHT  
Division of Non-Proliferation, Exports and Multilateral Cooperation  
Office of International Programs  
United States Nuclear Regulatory Commission  
PH: 301 415 2342; FAX: 301 415 2395

FROM: PM/NE - ROBIN DELABARRE  
PHONE: 647 3978  
FAX: 647 0775

SUBJECT: XCOM1107 - Honeywell Application to Export to Argentina Process  
Control Equipment for Arroyito Heavy Water Plant

Transmitted as discussed is a better translation (done by Dept of State Language Services) of the Argentine Foreign Ministry note transmitting the GOA assurances for the subject case.

1998 DEC 18 PM 4:07

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**U.S. Department of State  
Office of Language Services  
Translating Division**

LS No. 1290501  
HKE/JPM  
Spanish

**Ministry of Foreign Relations,  
International Trade, and Worship**

No. DIGAN 1447/98

The Ministry of Foreign Relations, International Trade, and Worship, Office of International Security and Nuclear and Space Affairs, presents its compliments to the Embassy of the United States of America and is pleased to enclose a note from the Executive Secretariat of the National Control Commission for Sensitive Exports and War Materiel and the attached copy of the certificate of importation issued to the *Empresa Neuquina de Ingenieria Sociedad del Estado* (ENSI, S.E.) [Neuquina Engineering, Government Corporation] upon request by Honeywell, Inc., to authorize importation of a control room console with six Gus Z double-monitor stations, one Gus Z single-monitor station, and two Gus Desktop stations; three high performance process managers (HPM), and various supplies for this equipment.

The above-mentioned certificate of importation reflects the input of the Ministries of Defense; Foreign Relations, International Trade, and Worship; and Economy, Public Works and Services, as members of the National Control Commission for Sensitive Exports and War Materiel.

Embassy of the United States of America,  
Scientific Section,  
Attn: Mr. D. Covington.

The Ministry of Foreign Relations, International Trade, and Worship, Office of  
International Security and Nuclear and Space Affairs, reiterates to the Embassy of the United  
States of America the assurances of its most distinguished consideration.

Buenos Aires, December 9, 1998

[Initialed]

[Ministry stamp]



Ministerio de Relaciones Exteriores,  
Comercio Internacional y Culto

Letra: DIGAN  
Nro: 1447/98

EL MINISTERIO DE RELACIONES EXTERIORES, COMERCIO INTERNACIONAL Y CULTO -Dirección de Seguridad Internacional, Asuntos Nucleares y Espaciales- presenta sus atentos saludos a la EMBAJADA DE LOS ESTADOS UNIDOS DE AMÉRICA, y tiene el agrado de remitirle nota de la Secretaría Ejecutiva de la Comisión Nacional de Control de Exportaciones Sensitivas y Material Bélico adjuntando copia del Certificado de Importación que le fuera emitido a la Empresa Neuquina de Ingeniería Sociedad del Estado (ENSI S.E.) a solicitud de la Empresa HONEYWELL INC, para autorizar la importación de una consola de sala de control con seis estaciones Gus Z de monitor doble, una estación Gus Z monitor simple y dos estaciones Gus Desktop; tres High Performance Process Manager (HPM) y repuestos varios para dichos productos.

Dicho Certificado de Importación conforma la intervención de los Ministerios de Defensa, Relaciones Exteriores, Comercio Internacional y Culto y de Economía y Obras y Servicios Públicos, como integrantes de la Comisión Nacional de Control de Exportaciones Sensitivas y Material Bélico.

EL MINISTERIO DE RELACIONES EXTERIORES, COMERCIO INTERNACIONAL Y CULTO, -Dirección de Seguridad Internacional, Asuntos Nucleares y Espaciales- reitera a la EMBAJADA DE ESTADOS UNIDOS DE AMÉRICA, las seguridades de su consideración más distinguida.-



Buenos Aires, 9 de diciembre de 1998

EMBAJADA DE ESTADOS UNIDOS DE AMÉRICA  
Dto. Científico  
At. Sr. D. Covington  
S / D

## INFORMAL TRANSLATION

The Ministry of Foreign Relations, International Commerce and Religion, Directorate of International Security, Nuclear and Space Affairs, presents its compliments to the Embassy of the United States of America and has the honor to transmit the note from the Executive Secretary of the National Commission for Control of Sensitive Exports and Munitions together with copies of the Import Certificate issued by Neuquina Engineering Company S.E. (ENSI S.E.), regarding the application by the company Honeywell Inc. to authorize the import into Argentina kof a control room console with six Gus Z workstations with double monitors, a Gus Z workstation with single monitor, two Gus desktop workstations, three High Performance Process Manager (HPM) units and replacement parts for the referenced equipment.

The referenced Import Certificate was issued by the National Commission with the concurrence of the Ministries of Defense, Foreign Affairs, International Commerce and Religion, and Economy, Labor and Public Works.

The Ministry of Foreign Relations, International Commerce and Religion, Directorate of International Security Affairs, Nuclear and Space Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

Buenos Aires, 9 December 1998

SEAL (initials)

Embassy of the United States of America  
Office of the Counselor for Scientific Affairs  
Attn: Mr. D. Covington

1998 DEC 18 PM 12:42

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Ministerio de Relaciones Exteriores,  
Comercio Internacional y Culto

Letra: DIGAN  
Nro: 1447/98

EL MINISTERIO DE RELACIONES EXTERIORES, COMERCIO INTERNACIONAL Y CULTO -Dirección de Seguridad Internacional, Asuntos Nucleares y Espaciales- presenta sus atentos saludos a la EMBAJADA DE LOS ESTADOS UNIDOS DE AMÉRICA, y tiene el agrado de remitirle nota de la Secretaría Ejecutiva de la Comisión Nacional de Control de Exportaciones Sensitivas y Material Bélico adjuntando copia del Certificado de Importación que le fuera emitido a la Empresa Neuquina de Ingeniería Sociedad del Estado (ENSI S.E.) a solicitud de la Empresa HONEYWELL INC, para autorizar la importación de una consola de sala de control con seis estaciones Gus Z de monitor doble, una estación Gus Z monitor simple y dos estaciones Gus Desktop; tres High Performance Process Manager (HPM) y repuestos varios para dichos productos.

Dicho Certificado de Importación conforma la intervención de los Ministerios de Defensa, Relaciones Exteriores, Comercio Internacional y Culto y de Economía y Obras y Servicios Públicos, como integrantes de la Comisión Nacional de Control de Exportaciones Sensitivas y Material Bélico.

EL MINISTERIO DE RELACIONES EXTERIORES, COMERCIO INTERNACIONAL Y CULTO, -Dirección de Seguridad Internacional, Asuntos Nucleares y Espaciales- reitera a la EMBAJADA DE ESTADOS UNIDOS DE AMÉRICA, las seguridades de su consideración más distinguida.-

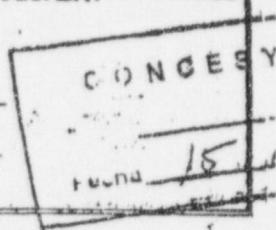
Buenos Aires, 9 de diciembre de 1998



EMBAJADA DE ESTADOS UNIDOS DE AMÉRICA  
Dto. Científico  
At. Sr.D. Covington  
S / D

ITEM 4

- INFORMACION COMPLEMENTARIA - ADDITIONAL INFORMATION: LOS MATERIALES SERAN UTILIZADOS BASICAMENTE PARA EL CONTROL DE ALARMAS Y VARIABLES REGULATORIAS DEL PROCESO DE PRODUCCION DE AGUA PESADA.



ITEM 5

El abajo firmante manifiesta que la importación se destina a la República Argentina, dejando expresa constancia que los productos descritos en el Item 3 no serán transferidos ni reexportados a otro destino, sin autorización expresa de las autoridades del país de origen, comprometiéndose a notificar a la Comisión Nacional de Control de Exportaciones Sensitivas y Material Bélico de la República Argentina si se producen cambios en los hechos o intenciones aquí expuestas. Asimismo se compromete a aceptar los procedimientos de verificación de entrega de los productos ingresados a la República Argentina, permitiendo la realización de las inspecciones requeridas por las autoridades argentinas, con la participación de un funcionario del país exportador, previo a otorgarse la licencia y posterior a la recepción, para verificar las instalaciones y posterior uso de acuerdo con los términos de la autorización de exportación para los productos y tecnologías importadas.

The undersigned declares that the import is to be destined to the Argentine Republic, under the statement that the goods described in the Item 3, will not be transferred nor reexported to another destination, without explicit authorization of the country of origin. He commits himself to notify the "Comisión para el Control de Sensitive and War Material Exports" about any changes in the facts set forth herein. In the case of goods already within the territory of Argentina, the undersigned will accept the concerning verification procedures allowing the inspection that the Argentine authorities might require with the participation of an official of the exporting country. The verification could be held before the granting of the license or after the entrance of the goods. Both the installations and final use will be due to verification under the terms of the export authorization for imported goods and technologies.

DO  
Firma impresa  
Impresso Signature  
  
D. RODRIGO MAS  
Gerente de Administración  
ENEX S.E.

Lugar y Fecha  
Place and Date

CERTIFICACION FEDUNTA  
Maria Luisa Gómez  
Agosto 1981

CERTIFI

Comisión Nacional de  
Control de Exportaciones  
Sensitivas y Material Bélico

BUENOS AIRES.

G. E. TERIBI  
JEFE DEPARTAMENTO  
RELACIONES INSTITUCIONALES

Firma y fechas  
Signature and date

MILTON VILLACONA DELGADO  
DIRECTOR DE SEGUIMIENTO INTERNACIONAL  
AGENCIA NUCLEAR Y ENERGÉTICA

OSCAR A. POLVERINI  
DIRECTOR  
AGENCIA NUCLEAR Y ENERGÉTICA

Firma y fechas  
Signature and date

DRA. GLADYS FORTÁ PELLEJO  
DIRECCIÓN GENERAL DE ESTADÍSTICAS

Dra. C. G. FORTÁ PELLEJO



# Autoridad Regulatoria Nuclear

DEPENDIENTE DE LA PRESIDENCIA DE LA NACION

ARN-C05/97.-

Messrs  
Honeywell Inc.  
14505 Commerce Way, Suite 500  
Miami Lakes, FL 33016-1556  
UNITED STATES OF AMERICA

BUENOS AIRES, October 21<sup>st</sup> 1997.-

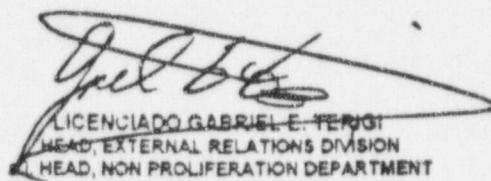
## CERTIFICATE

For its presentation to the export control authorities of the Government of the United States of America, in accordance with the regulations stating that the granting of an export permit is subject to presentation of a certificate indicating end use, this Nuclear Regulatory Authority, as a part of the Government of the Argentine Republic, hereby confirms that the equipments delivered by Honeywell Inc. and detailed in Annex I to this certificate, are to be used in alarms and regulatory control in the process for the production of heavy water in Arroyito's Plant. The equipments are to be operated by the firm Empresa Neuquina de Servicios de Ingenieria S.E. (ENSI S.E.) at Ruta 237, Km.1278, Arroyito, Provincia del Neuquén.

We declare that the equipments are to be used solely for peaceful and non explosive purposes, therefore not contributing to any military purpose.

We also declare that the equipments shall not be re-exported to third countries.

ARN
HDM

  
LICENCIADO GABRIEL E. TERESI  
HEAD, EXTERNAL RELATIONS DIVISION  
HEAD, NON PROLIFERATION DEPARTMENT

Ministry of Defense

Buenos Aires  
September 16, 1998

EMPRESA NEUQUINA DE SERVICIOS DE  
INGENIERIA SOCIEDAD DEL ESTADO (ENSI) S.E.  
To the President:

Dear Sir,

I am writing to you in connection with File CONCESYMB N° MS 219, by which this Company requests authorization to import, from the United States of America, one (1) control room console with six (6) double monitor Gus Z stations, one (1) single monitor Gus Z station and two (2) Gus Desktop stations, three (3) High Performance Process Manager (HPM) and spare parts for the said products.

We hereby inform you that the National Commission for Control of Sensitive and War Materials Exports (Comisión Nacional de Control de Exportaciones Sensitivas y Material Bélico) has duly authorized the business transaction according to the terms of the Import Certificate in Exhibit 1, the original documents being hereto attached in four (4) sheets.

Dr. Gladys Mirta Rield  
General Directorate of Planning



Nº M. S. 219

Fecha 7.1.98

Ministerio de Defensa

C.I.y P. Nro. 3063

Fecha 21/12/98

BUENOS AIRES, 7 de diciembre de 1998.

SEÑOR DIRECTOR:

Tengo el agrado de dirigirme a usted, con relación al Expediente CONCESYMB N° MS 219, por el cual la EMPRESA NUQUINA DE SERVICIOS DE INGENIERIA SOCIEDAD DEL ESTADO (FNSI S.E.) solicita autorización para importar una (1) consola de sala de control con seis (6) estaciones Gus 2 de monitor doble, una (1) estación Gus 7 de monitor simple y dos (2) estaciones Gus Desktop; tres (3) High Performance Process Manager (HPPM) y repuestos varios para dichos productos desde ESTADOS UNIDOS DE AMERICA.

Al respecto, y atento a lo solicitado por la Embajada de los Estados Unidos de América, según Nota N° 1393 Letra DIGAN del 20 de noviembre de 1998, se remite copia del correspondiente Certificado de Importación, emitido el 15 de setiembre de 1998, y la cual fuera cursada con anterioridad, por Nota C. I. y P. N° 2919 del 17 de setiembre de 1998, en cuatro (4) fojas.

Saludo a usted con atenta consideración.

Dra. GLADYS MINTZ FIELD  
DIRECCION GENERAL DE PLANEAMIENTO

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DIRECCION DE DIFUSION	GENERAL
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AL SEÑOR DIRECTOR DE  
SEGURIDAD INTERNACIONAL, ASUNTOS NUCLEARES  
Y ESPACIALES DEL MINISTERIO DE RELACIONES  
EXTERIORES, COMERCIO INTERNACIONAL Y CULTO  
Ministro D. Pedro VII LAGRA DELGADO  
S. / D.

IMPORT CERTIFICATE

ITEM 3

GOODS: DETAILED IN ITEMS 1, 2 AND 3 OF PRODUCT DESCRIPTION.  
ITEMS 1, 2, AND 3: 9032.89.89

DESCRIPTION OF GOODS: ITEM 1: ONE (1) CONTROL ROOM CONSOLE WITH SIX (6) DOUBLE MONITOR GUS Z STATIONS, ONE (1) SINGLE MONITOR GUS Z STATION AND TWO (2) GUS DESKTOP STATIONS. ITEM 2: THREE (3) HIGH PERFORMANCE PROCESS MANAGER (HPM). ITEM 3: SPARE PARTS FOR ITEMS 1 AND 2.

ADDITIONAL INFORMATION: MATERIALS WILL BE BASICALLY USED FOR CONTROL OF ALARMS AND REGULATORY VARIABLES OF THE HEAVY WATER PRODUCTION PROCESS.