



United States Department of State

Washington, D.C. 20520

April 26, 1999

PDR  
DCS/DFO2  
NMSS  
DOE/OR  
NAC/NMSS

Ms. Janice Dunn Lee  
Acting Director, International Programs  
United States Nuclear Regulatory Commission  
Rockville, Maryland

XCOM 1126  
Docket 11005101

Dear Ms. Lee:

I refer to the letter from your office dated March 23, 1999 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. XCOM1126 - Application by Ameren Corporation for authorization to export to Slovenia main flange bolts for reactor coolant pumps for use at the Krsko Nuclear Power 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, Slovenia 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 a letter from the Ministry of Foreign Affairs to the Secretary of State dated February 21, 1992, which confirmed the commitment of the Republic of Slovenia to fulfil and implement all treaty and other obligations related to the transfer of the Krsko reactor and fuel, particularly the IAEA - Yugoslavia Project Agreement and the U.S. - IAEA - Yugoslavia Supply Agreement of July 24, 1974. Included in those arrangements is the Yugoslavia-EXIM Agreement of July 24, 1974, which includes an undertaking by the Government of Yugoslavia that "no equipment or materials supplied by the United States to the Krsko Power Plant will be exported to or used in any other country, leased, sold or otherwise disposed."

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

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