



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 27 1986

NOTE TO: Stanley Turel
RES

SUBJECT: RULEMAKING ACTION TO 10 CFR PART 110

This refers to the October 17 memorandum IP forwarded to EDO seeking the EDO approval for IP to proceed with a rulemaking action to 10 CFR Part 110. With respect to the rulemaking, this is the information you requested to assist your office in its independent review of whether to proceed with the rulemaking action.

1. IP must prepare a draft NRC Regulatory Agenda Entry

A copy is attached.

2. IP's staff recommendation concerning whether and how to proceed with rulemaking

IP believes NRC should proceed with the rulemaking action promptly because it is mandated by law. (Section 309(a) of Public Law 99-440 takes effect January 1, 1987.)

3. Preliminary judgments by IP staff concerning:

a. The issue to be addressed, i.e., the problem to be corrected.

Issue:

Section 309(a) of the Comprehensive Anti-Apartheid Act of 1986, Public Law 99-440, specifically prohibits the import into the United States of uranium ore and uranium oxide that is produced or manufactured in South Africa.

The problem:

The NRC's import regulations in 10 CFR 110.27 currently permit a person to import byproduct material or unirradiated source or special nuclear material, including uranium ore and uranium oxide, from any country (including South Africa) under general license if the consignee in the United States is authorized to possess the material.

b. The necessity and urgency for addressing the issue.

It is necessary for NRC to address the problem because our current regulations allowing the import of South African uranium ore and uranium oxide directly conflict with the law banning such imports from South Africa.

The issue should be addressed promptly because Section 309(c) of the law takes effect January 1, 1987.

3703150389 870312
PDR PR
110 51FR47207 PDR

c. Alternatives to Rulemaking

There are no alternatives to the rulemaking action.

d. How the issue will be addressed through rulemaking:

NRC will amend its regulations in 110.27 to delete the general license to import uranium ore and uranium oxide produced or manufactured in South Africa.

e. How the public, industry, and NRC will be affected as a result of rulemaking, including benefits and costs (risk, occupational exposure, and resources)


NRC could be affected because any imports of South African uranium ore and uranium oxide will now require specific licenses, therefore the workload may increase slightly to process such requests. In addition, the public will be making inquiries involving the interpretation of the law including the scope and applicability of the law to which NRC must respond.

The rulemaking action will affect industry, i.e., Allied Chemical and Kerr-McGee. These companies convert uranium oxide U3O8 to UF6 for enrichment purposes. The ban will prohibit imports of South African material which the companies would normally be converting, therefore, their businesses would be affected. Also domestic commercial power reactors with current contracts to receive South African material will be affected.

f. NRC resources and scheduling for the rulemaking.

Since NRC must implement this Section of the law, normal NRC resources will be involved. It will not be necessary for NRC to contact industry or the public. We are required to obtain final Executive Branch recommendation on this rule. In addition, we have requested the Executive Branch to assist the NRC with the language in the Statement of Considerations concerning the interpretation of the law and the impact of the rule on industry and the public.

4. A copy of the draft final rule is enclosed. You will note that IP has specifically requested the Executive Branch to provide additional information concerning the scope and applicability of Section 309(c) of the Public Law 99-440 and how the law will affect the public and industry. Finally, this rulemaking action is mandated by law; therefore NRC must act promptly to implement the law.



Elaine O. Hemby, OIP

Enclosures:
As stated

DRAFT REGULATORY AGENDA ENTRY

TITLE:

- + Revised Licensing Requirements for the Import of South African-Origin Uranium Ore and Uranium Oxide

CFR CITATION:

10 CFR 110

ABSTRACT:

The rule would implement Public Law 99-440, the Comprehensive Anti-Apartheid Act of 1986, which imposes a wide range of sanctions against South Africa. Section 309(a) of that Act, "Prohibition on Importation of Uranium and Coal from South Africa", specifically prohibits the import into the United States of uranium ore and uranium oxide that is produced or manufactured in South Africa.

NRC's general license for imports in §110.27 now permits the import of unirradiated source or special nuclear material, including uranium ore and uranium oxide, from any country if the consignee in the United States is authorized to possess the material. The amendment to Part 110 would revise §110.27 to delete the general license for import of South African-origin source or special nuclear material contained in uranium ore and uranium oxide.

TIMETABLE:

Final Rule Published _____

Final Rule Effective 1/1/87

LEGAL AUTHORITY: Public Law 99-440

EFFECTS ON SMALL BUSINESS AND OTHER ENTITIES: No

AGENCY CONTACT:

Elaine. O. Hemby
Nuclear Regulatory Commission
Office of International Programs
Washington, DC 20555
301-492-7984

Presidential Documents

Title 3—

The President

Executive Order 12571 of October 27, 1986

Implementation of the Comprehensive Anti-Apartheid Act

By the authority vested in me as President by the Constitution and statutes of the United States of America, including the Comprehensive Anti-Apartheid Act of 1986 (Public Law 99-440) ("the Act"), and section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

Section 1. *Implementation of the Act.* All affected Executive departments and agencies shall take all steps necessary, consistent with the Constitution, to implement the requirements of the Act.

Sec. 2. *Functions of the Department of State.* The Secretary of State shall be responsible for implementing Sections 208, 302 (to the extent it relates to temporary imports), 303(b), 307(a)(2), 317, 318, 401(b)(2), 501(b), 504, 506, and 508 of the Act. Responsibility for transmitting the report required by Section 509 of the Act is delegated to the Secretary of State.

Sec. 3. *Functions of the Department of the Treasury.* The Secretary of the Treasury shall be responsible for implementing Sections 301, 302 (to the extent it relates to permanent imports), 303, 305, 308, 309, 310, 319, 320, 323(a)(1), and 510 of the Act.

Sec. 4. *Functions of the Department of Commerce.* The Secretary of Commerce shall be responsible for implementing Sections 304, 321, and 502(b) of the Act.

Sec. 5. *Functions of the Department of Defense.* The Secretary of Defense shall be responsible for implementing Section 322 of the Act.

Sec. 6. *Functions of the United States Trade Representative.* The United States Trade Representative shall be responsible for implementing Sections 323 (a)(2) and (b) of the Act and Section 402 (except for the imposition of import restrictions).

Sec. 7. *Functions of the Agency for International Development.* The Administrator of the Agency for International Development shall be responsible for implementing Sections 210 (to the extent of determining the existence of food shortages only) and 505 of the Act.

Sec. 8. *Functions of the Department of Transportation.* The Secretary of Transportation shall take the steps specified in Sections 306(a) (2) and (3).

Sec. 9. *Definition of Strategic Minerals.* The Secretary of State shall be responsible, in consultation with the Secretary of Commerce and the Secretary of Defense, for determining which articles are strategic minerals within the meaning of the Act.

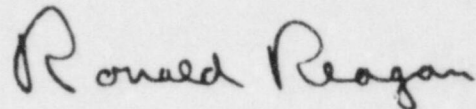
Sec. 10. *Regulatory and Enforcement Authority.* The head of each agency assigned functions by this Order is delegated authority under Sections 601 and 603 of the Act to the extent that they relate to functions delegated by this Order or conferred by the Act.

Sec. 11. *Coordination and Policy Guidance.* The Secretary of State is responsible for ensuring that implementation of the Act is effectively integrated with and is supportive of the foreign policy of the United States. In carrying out their respective functions and responsibilities, the head of each agency assigned responsibility under this Order shall consult with the heads of other affected agencies.

Sec. 12. *Inter-Agency Coordinating Committee.* An Inter-Agency Coordinating Committee on South Africa is hereby established, under the Chairmanship of the Secretary of State. The Committee shall also include the Secretary of the Treasury, Secretary of Defense, Attorney General, Secretary of Commerce, Secretary of Transportation, Secretary of Agriculture, the United States Trade Representative, and other members as appropriate. The Committee shall serve as a forum for consultations on United States policy concerning South Africa and shall monitor implementation of the Act to ensure consistency with United States policy objectives.

Sec. 13. *Reservations of Functions.* All authority not expressly delegated or granted herein is retained by the President. The President retains the authority to exercise any of the authority delegated or granted in this Order.

Sec. 14. *Effective Date.* This Order shall be effective immediately.



THE WHITE HOUSE,
October 27, 1986.

[FR Doc. 86-24645

Filed 10-28-86; 12:06 pm]

Billing code 3195-01-M