

March 28, 1997

MEMORANDUM TO: Carlton R. Stoiber, Director  
Office of International Programs

L. Joseph Callan  
Executive Director for Operations

Ronald Scroggins  
Acting Chief Financial Officer

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - COMSECY-96-064 -  
INTERNATIONAL ACTIVITIES (DSI 20)

The Commission agrees that option 4, which fundamentally allows the Commission to conduct international activities of importance and benefit to the NRC's domestic mission or U.S. national interests is a desirable goal. However, modifications are expected to be required because of expected continued reductions in the NRC budgets. Therefore, we need to examine individual international activities with respect to budget and priority to provide the basis for an orderly reduction and/or sunseting of certain activities to meet expected future constraints on the program.

Option 4 reaffirms the NRC's current policy basis for participation in international activities. Under option 4, the NRC would continue to perform its current statutory role in matters related to export-import licensing and its current and prospective role in treaty implementation and would, in addition, actively participate in international activities that support and benefit the NRC domestic safety and security responsibilities or U.S. national interests. In this regard, the NRC should interact with the Executive Branch agencies (e.g., State Department, DOE, ACDA) to seek and subsequently maintain a larger NRC role in international nuclear regulatory policy formulation. Also, the NRC would participate in exchange activities of benefit to its domestic responsibilities or U.S. national interests and would provide a wide but carefully selected range of safety and safeguards assistance. With respect to such assistance, the NRC should assume a larger role in leading the U.S. government's efforts to assist foreign regulators, especially those in the FSU

and CEE countries, in developing their nuclear regulatory programs.

The Commission believes that NRC's international activities provide important support for U.S. national interests. In this regard, the Commission strongly supports the NRC role in export licensing, a function Congress gave to the agency in the 1978 Nuclear Nonproliferation Act as a check on Executive Branch decision-making in this area to ensure U.S. nonproliferation interests were protected. This role in export licensing also has direct impact on overall U.S. commercial interests. In addition, the NRC's international regulatory assistance programs often are part of larger U.S. government foreign policy and security goals.

Notwithstanding the above, we must also address the issue of future constraints on the NRC's international program. Therefore, staff should conduct a comprehensive review and develop criteria which would address the basis for prioritizing the NRC's non-mandated international activities, using the criteria for defining mandated and non-mandated activities developed by the staff in response to the SRM on COMSECY-96-065 (DSI 21). Such a review should consider the international activities and capabilities of other organizations such as the Department of Energy, IAEA, NEA, and WANO to assure that the NRC does not undertake tasks that are best funded by, or are better performed by other entities. The review should also identify areas where efficiencies can be considered and develop criteria for sunseting certain activities. This will assist the Commission in determining where appropriate programmatic expansion or reductions may be made, depending on future budget constraints.

All non-mandated NRC international activities, except for international research, should be evaluated by the Office of International Programs for effectiveness, program of work, structure and budget, accomplishment of stated objectives, and should include a sunset provision. The programmatic review should be coordinated with the Executive Council.

(OIP/EDO/CFO)

(SECY Suspense: 9/30/97)

Since the NRC is licensee fee based, careful consideration of international programs and of their primacy to the NRC's mission is important. As noted with regard to DSI 21 - Fees, consideration should be given to removing some international activities, such as assistance to foreign regulatory bodies where the NRC's role will increase, from the fee base. There should be no diminution of domestic nuclear regulatory safety activities, including those in support of State and local radiation safety programs.



cc: Chairman Jackson  
Commissioner Rogers  
Commissioner Dicus  
Commissioner Diaz  
Commissioner McGaffigan  
K. Cyr (OGC)  
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