

MAY 23, 1996

FOR: The Commissioners  
 FROM: Carlton R. Stoiber, Director /s/  
 Office of International Program  
 SUBJECT: PROPOSED LICENSE TO EXPORT MAJOR REACTOR COMPONENTS (XR164) AND SPECIAL NUCLEAR MATERIAL (XSNM02858) TO COLOMBIA

**PURPOSE:**

To request Commission review of the proposed issuance of two licenses to the Department of Energy involving the export of major reactor components and special nuclear material. The applications are being referred to the Commission in accordance with 10 CFR §110.40(b)(1) and §110.40(b)(5).

**DISCUSSION**

On January 31, 1995, the Department of Energy (DOE **EXIT**) applied for a license ([Attachment 1](#)) to export to Colombia 3.12 kilograms of uranium-235 in 15.8 kilograms of uranium enriched to a maximum of 19.9 percent in the form of TRIGA fuel elements for replacement of the highly enriched uranium core of the IAN-R1 Research Reactor operated by the Instituto de Asuntos Nucleares in Bogota.

On March 28, 1996, the DOE applied for a license ([Attachment 2](#)) to export nuclear components which are needed to convert the core of the Colombian IAN-R1 Research Reactor from the use of high enriched uranium fuel to the use of low enriched fuel. The components include "major components" (a control rod system and a primary coolant pump) which must be exported pursuant to an agreement for cooperation, and various "minor components". The conversion of the core supports the U.S. Reduced Enrichment for Research and Test Reactors (RERTR) program and is in furtherance of U.S. non-proliferation policy.

In response to NRC's request for views on the proposed export of the low enriched uranium (XSNM02858), the Executive Branch, in a letter dated March 11, 1996 ([Attachment 3](#)), recommends that the license be issued to DOE. The letter notes that the proposed export would be subject to the terms and conditions of a 1994 U.S.-IAEA-Colombia exchange of diplomatic notes concluded pursuant to the Agreement for Cooperation Between the United States and the IAEA ([Attachment 4](#)). The response also notes that the IAEA and Colombia have adhered to the provisions of these Agreements with the U.S. The Executive Branch concluded that the requirements of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978, have been met and that the proposed export will not be inimical to the common defense and security of the United States.

The Executive Branch, in their views, dated April 4, 1996, regarding the proposed export of the reactor components (XR164), ([Attachment 5](#)), recommends that the license be issued to DOE. The Executive Branch notes that the proposed export would be subject to the terms and conditions of the Agreement for Cooperation between the Government of the United States and the Government of Colombia Concerning Civil Uses of Nuclear Energy, and was confirmed in a letter from the Colombian Ministry of Mines and Energy dated March 29, 1996, and reported by U.S. Embassy Bogota in telegram no. 3348 dated April 3, 1996. They note that Colombia has adhered to the provisions of this agreement with the United States. They conclude that the requirements of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978, have been met and that the proposed export will not be inimical to the common defense and security of the United States.

With regard to physical protection of nuclear materials and facilities in Colombia, an evaluation was performed by a U.S. Government team during an initial visit to Colombia in June 1994. A follow-up visit to Colombia was performed in February 1996. The conclusion of these reviews is that the physical protection program is consistent with the recommendations of IAEA INFCIRC/225/Rev. 3.

**CONCLUSION:**

The staff concurs with the Executive Branch judgment that the proposed exports would not be inimical to the common defense and security of the United States and concludes that all criteria required for the issuance of licenses XSNM02858 and XR164 are met. The Office of the Executive Director for Operations concurs. The Office of General Counsel has no legal objections.

**RECOMMENDATION:**

That the Commission authorize the issuance of export licenses XSNM02858 and XR164 to Department of Energy.

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**Attachments:**

1. 01/31/95 DOE License Application (XSNM02858)
2. 03/28/95 DOE License Application (XR164)
3. 03/11/96 Executive Branch views EBusick to CStoiber
4. 07/17/94 Project and Supply Agreement between the U.S.-IAEA-Colombia
5. 04/04/96 Executive Branch views RStratford to CStoiber