



# Audit of the Nuclear Regulatory Commission's Management Controls for Material Export Licensing

OIG-22-A-11  
August 3, 2022



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## **MEMORANDUM**

**DATE:** August 3, 2022

**TO:** Chairman Christopher T. Hanson

Nader Mamish  
Director, Office of International Programs

**FROM:** Eric Rivera /RA/  
Acting Assistant Inspector General for Audits

**SUBJECT:** AUDIT OF THE NUCLEAR REGULATORY COMMISSION'S  
MANAGEMENT CONTROLS FOR MATERIAL EXPORT LICENSING  
(OIG-22-A-11)

Attached is the Office of the Inspector General's (OIG) audit report titled *Audit of the Nuclear Regulatory Commission's Management Controls for Material Export Licensing*.

The report presents the results of the subject audit. Following the July 5, 2022, exit conference, NRC staff indicated that they had no formal comments for inclusion in this report.

We appreciate the cooperation extended to us by members of your staff during the audit. If you have any questions or comments about our report, please contact me at (301) 415-5915 or Mike Blair, Team Leader, at (301) 415-8399.

cc: Daniel H. Dorman  
Executive Director for Operations

Attachment: As stated



# Results in Brief

## Why We Did This Review

The NRC is authorized to license the export of special nuclear material, source material, and byproduct material. The NRC reviews each application to ensure the proposed material export will not be inimical to the safety and security of the U.S. and will be consistent with applicable agreements for peaceful use.

Within the NRC, the Office of International Programs (OIP) carries out the agency's export licensing responsibilities. The Office of Nuclear Material Safety and Safeguards (NMSS) and the Office of Nuclear Security and Incident Response (NSIR) share export licensing responsibilities by providing evaluations which contribute to the OIP's ultimate licensing decision.

The audit objective was to assess the effectiveness of the NRC's management controls of material export licensing.

## *Audit of the Nuclear Regulatory Commission's Management Controls for Material Export Licensing*

OIG-22-A-11

August 3, 2022

### What We Found

The OIG did not identify any ineffectiveness in the management controls over the material export licensing process.

The OIG conducted an internal control analysis of the material export licensing process to identify whether the agency's licensing program meets all five internal control components and seventeen internal control principles, as outlined in the U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government*. The OIG concluded the OIP, and its partner offices, address the internal control components and underlying principles.

### What We Observed

While controls are in place, this report conveys two observations that could further enhance the effectiveness of the NRC's management controls of material export licensing. Specifically, NRC management could (1) share a relevant training course with external stakeholders, and (2) update internal procedures for the applicable branches in the NMSS and the NSIR.

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## ABBREVIATIONS AND ACRONYMS

ECNP	Export Controls and Nonproliferation
NMSS	Office of Nuclear Material Safety and Safeguards
NRC	U.S. Nuclear Regulatory Commission
NSIR	Office of Nuclear Security and Incident Response
OIG	Office of the Inspector General
OIP	Office of International Programs
U.S.	United States

# I. BACKGROUND

The mission of the United States (U.S.) Nuclear Regulatory Commission (NRC) is to license and regulate the U.S. civilian use of nuclear material in order to protect the public health and safety, promote the common defense and security, and protect the environment. As part of its mission, the NRC licenses the export of radioactive material.

The NRC reviews applications to export nuclear materials to ensure that such exports will not be inimical to the safety and security of the U.S. and will be consistent with applicable agreements for the peaceful use of nuclear materials.

## Material Export Licensing Regulations

The *Atomic Energy Act of 1954*, as amended, authorizes the NRC to license the export of special nuclear material,<sup>1</sup> source material,<sup>2</sup> and byproduct material<sup>3</sup> for peaceful purposes.

The NRC's export regulations are found in Title 10 of the Code of Federal Regulations Part 110, "Export and Import of Nuclear Equipment and Material." These regulations govern the export of nuclear material by prescribing licensing criteria, rulemaking procedures, and enforcement procedures.

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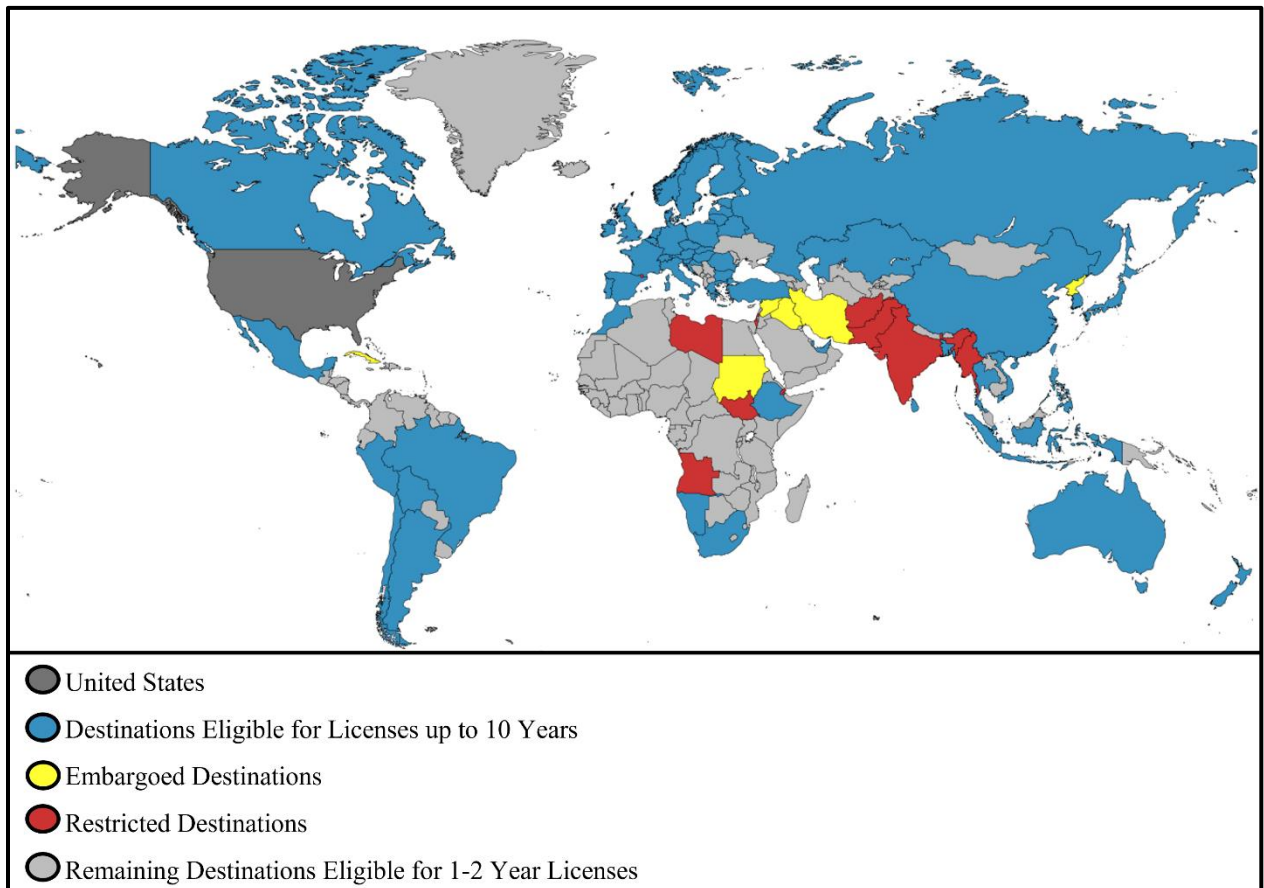
<sup>1</sup> Special nuclear material is plutonium, uranium-233 or uranium enriched above 0.711 percent by weight in the isotope uranium-235.

<sup>2</sup> Source material is natural or depleted uranium, or thorium, other than special nuclear material; or ores that contain by weight 0.05 percent or more of uranium, thorium or depleted uranium.

<sup>3</sup> Byproduct material, in general, is nuclear material (other than special nuclear material) that is produced or made radioactive in a nuclear reactor or particle accelerator.

Under Part 110, there are currently 58 countries eligible for export licenses valid for up to 10 years.<sup>4</sup> Part 110 also includes 6 embargoed<sup>5</sup> destinations and 10 restricted<sup>6</sup> destinations. The remaining destinations are eligible for 1- or 2-year authorizations.<sup>7</sup> See Figure 1 for a world map of export destinations.

**Figure 1: Export Destinations**



Source: OIG created

<sup>4</sup> <https://www.nrc.gov/about-nrc/ip/export-import/appendix-p.html#list>.

<sup>5</sup> Title 10 Code of Federal Regulations Part 110.2 (Definitions) and 110.28 (Embargoed destinations). Embargoed destinations are countries where no nuclear material or equipment may be exported under an NRC general license. Exports to embargoed countries must be pursuant to a specific license issued by the NRC and require Executive Branch review.

<sup>6</sup> Title 10 Code of Federal Regulations Part 110.2 (Definitions) and 110.29 (Restricted destinations). Restricted destinations are countries that, based on recommendations from the Executive Branch, may receive exports of certain materials and quantities under a general license. Some exports to restricted destinations will require issuance of specific licenses by the NRC including Executive Branch review.

<sup>7</sup> <https://www.nrc.gov/about-nrc/ip/export-import/appendix-p.html#list>.

## **Types of Export Licenses**

Licenses for the export of nuclear material under Part 110 consist of two types of licenses—general and specific licenses. To export material to foreign destinations, licensees must have authorization from the NRC to export under a general license or a specific license.

### **General Licenses**

General licenses are issued as a regulation through rulemaking by the NRC and may be used as authority to export nuclear material when certain criteria specified in Part 110 are met. General licenses are effective without the filing of an application or issuance of licensing documents. Only certain lower thresholds and types of material can be exported under a general license, as specified in Part 110, and only certain countries are eligible destinations for material exported under some general licenses. Persons exporting nuclear material under a general license are required to comply with NRC, federal, and state requirements, such as reporting requirements to the NRC, and can face enforcement action if the general license terms are not followed.

### **Specific Licenses**

Specific licenses are issued to a named party and authorize the export of specified nuclear material. Specific licenses are issued on a case-by-case basis following the review and acceptance of an NRC Form 7, “Application for NRC Export or Import License, Amendment, Renewal, or Consent Request(s).” NRC Form 7 is used for the initial export application, license amendment applications, and renewal applications. The form requires the applicant to provide licensee contact information, anticipated shipping dates, parties to the export, and a description and quantity of the material being exported, among other information. The completed form is reviewed by internal NRC offices, such as the Office of International Programs (OIP) and, depending on the nature of the application, may be reviewed by other federal agencies in the Executive Branch.<sup>8</sup> See Appendix B for a copy of Form 7, and Figure 2 for the types of material export licenses the NRC issues.

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<sup>8</sup> These Executive Branch agencies typically include the Departments of Commerce, Energy, State, and Defense.



**Figure 2: Types of Material Export Licenses**

General License	Both License Types	Specific License
Issued by the NRC as a regulation in 10 CFR Part 110	Subject to all applicable provisions of the Atomic Energy Act and to all applicable rules, regulations, decisions, and orders of the Commission	Issued on a case-by-case basis
Form 7 does not need to be submitted to the NRC	Authorizes export of the nuclear material and accompanying packaging and fuel element hardware	Form 7 needs to be submitted to the NRC
Do not need to obtain a specific license or paper documentation from the NRC	May be revoked suspended or modified	Must obtain license document authorizing the export of specified nuclear materials

Source: OIG created

## Responsible Entities

### Office of International Programs

The OIP implements programs to carry out policies in the international arena, including export licensing responsibilities. Within the OIP, the Export Controls and Nonproliferation (ECNP) Branch licenses exports of radiological material and provides oversight of licenses issued under Part 110, among its other responsibilities.

### Partner Offices

The Office of Nuclear Material Safety and Safeguards (NMSS) and the Office of Nuclear Security and Incident Response (NSIR) share responsibilities with the OIP for managing NRC export licensing activities. Each office's evaluation contributes to the OIP's ultimate licensing determination.

The NMSS is responsible for evaluating issues associated with the application of international safeguards.

The NSIR is responsible for evaluating issues associated with counterproliferation, illegal procurement, diversion or malicious acts, and potential inimicality.

In December 2020, the OIP director issued a guidance document that clarified the roles and responsibilities of the OIP, the NMSS, and the NSIR in evaluating export and import licensing applications. The document was created through coordination between representatives of the OIP, the NMSS, and the NSIR to ensure mutual understanding and agreement on each office's equities in the process.

## **External Stakeholders**

The Department of State develops the U.S. policy related to peaceful nuclear cooperation and nuclear export controls. Various other agencies in the Executive Branch are also involved in the export licensing process, namely the Departments of Energy, Commerce, and Defense. Collectively, the Executive Branch provides its judgment as to whether certain proposed exports would be inimical to the common defense and security. The Department of State is tasked with coordinating the interagency reviews.

## **Export Licensing Process**

When the OIP receives an application, the licensing assistant conducts a preliminary review of the application to make sure the Form 7 is properly filled out. The senior licensing officer, senior policy analyst, and the ECNP branch chief also review the application and assign it to a licensing officer in the ECNP. This licensing officer performs an acceptability review of the application to verify its completeness.

The licensing assistant uploads the application and any associated documentation into the web-based licensing system.<sup>9</sup> Throughout the license review process, the licensing assistant and licensing officer populate the required fields in the web-based licensing system for each milestone in the licensing process.

The licensing assistant simultaneously sends the application package to the NMSS and the NSIR, for their review of the safeguards and security aspects of the material to be exported and the export recipient, and to the Department of State or the Department of Energy for the interagency review, as applicable,<sup>10</sup> to determine if the export will be inimical to the common defense and security of the U.S.

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<sup>9</sup> The web-based licensing system is an NRC system that maintains information on materials licensees and helps manage the licensing lifecycle from the initial application through license issuance, amendment, reporting, and termination. The OIP utilizes the web-based licensing system to assist in managing the export licensing process.

<sup>10</sup> Part 110 outlines the requirements governing when an application requires Executive Branch review.

The OIP forwards all export license applications to the NMSS and the NSIR.<sup>11</sup> The NMSS reviews the application from an international safeguards perspective. Which NMSS branch is responsible for the review depends on the export type, such as special nuclear material, source material, byproduct material, or radioactive waste. The NSIR reviews the export license application from a security perspective. Two branches within the NSIR are responsible for these reviews. Both of these NSIR branches review every material export licensing application. NMSS and NSIR staff typically provide their views to the OIP within 1 to 2 weeks.

The results of any Executive Branch review are communicated to the OIP in a written response. The length of this review, and the time it takes to obtain foreign government assurances, can vary significantly depending on unique factors associated with the application, as well as the country involved, and can take anywhere from 3 months to 5 years.

Upon receiving Executive Branch views, as applicable, the OIP uses insights from the NMSS and NSIR evaluations and determines whether the licensing criteria have been met. The OIP makes a licensing determination, and if it is favorable, the license is issued.

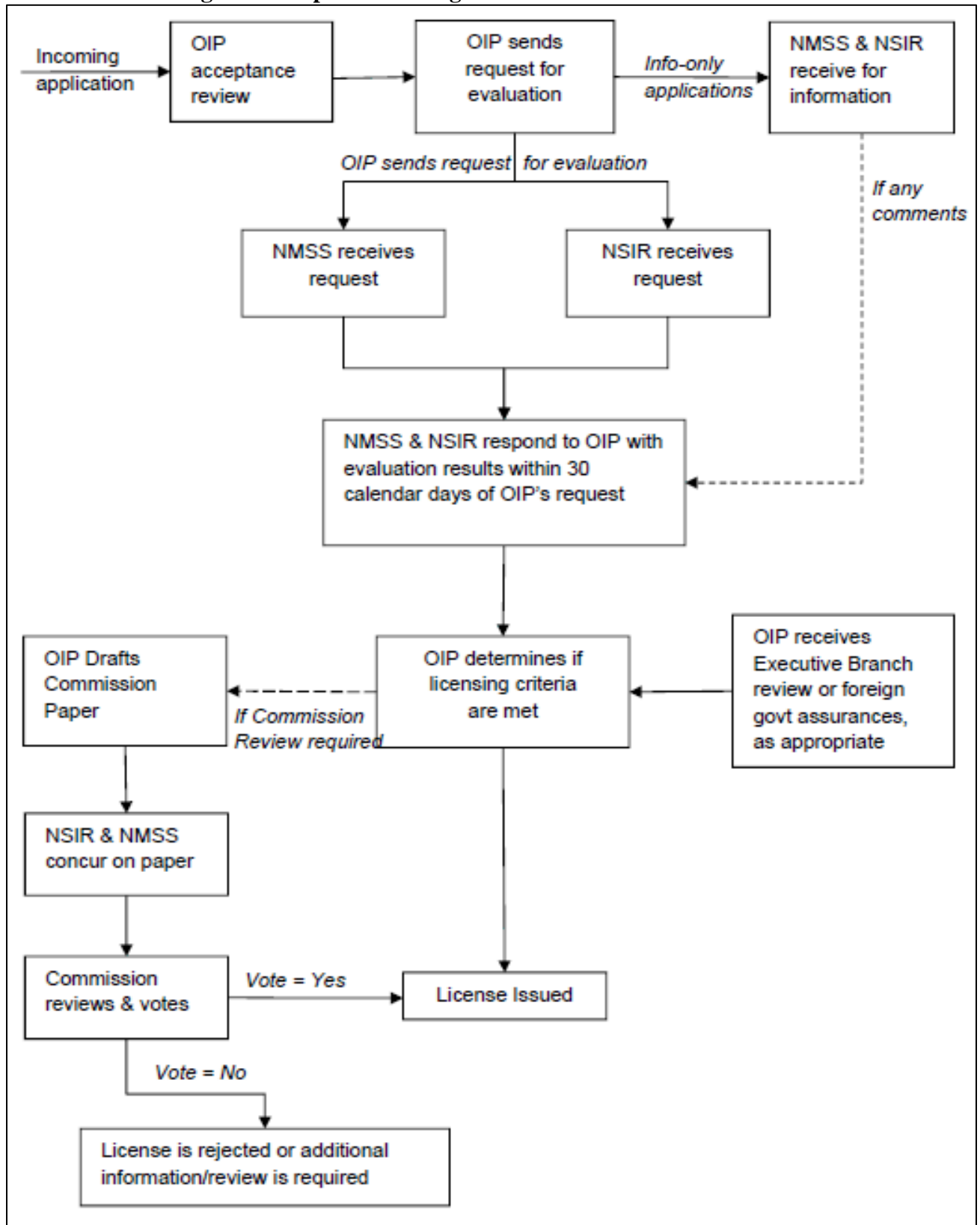
Commission review is required for export applications that meet certain criteria, as outlined in Part 110, such as certain exports to embargoed or restricted countries, or those applications that raise significant policy issues. The OIP is responsible for drafting a Commission paper, which incorporates insights from the NMSS and the NSIR evaluations. The NMSS and the NSIR provide their concurrence on the paper. The Commission then votes to approve or deny the license application.

Figure 3 depicts the export licensing review process from the time the NRC receives the application to the licensing decision.

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<sup>11</sup> For minor license amendment applications, the OIP might not request an NMSS or NSIR evaluation, but the OIP still forwards every application to the NMSS and the NSIR for their awareness.

Figure 3: Export Licensing Process Flowchart



Source: NRC

## Material Export Licenses Issued

Between 2016 and 2021, the NRC issued a total of 444 material export licenses. This includes licenses authorizing the export of special nuclear material, source material, byproduct material, and radioactive waste.

**Figure 4: Number of Material Export Licenses Issued**

Year	Total of Material Export Licenses Issued
2016	40
2017	80
2018	92
2019	122
2020	50
2021	60

Source: OIG created

## Full-Time Equivalents

For fiscal years 2021 through 2023, the OIP ranges between 5 and 5.5 full-time equivalents annually for the licensing of exports and imports for special nuclear material, source material, and byproduct material.<sup>12</sup>

## II. OBJECTIVE

The audit objective was to assess the effectiveness of the NRC's management controls of material export licensing. The audit focused on the NRC's material export licensing process up to the licensing decision and did not include vendor verification of licenses.

## III. RESULTS

The OIG did not identify any ineffectiveness in the management controls over the material export licensing process. While controls are in place, this report conveys

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<sup>12</sup> While the scope of this audit is focused on the export of materials, the NRC tracks business line information for both exports and imports. Therefore, the actual full-time equivalents dedicated to only material export licensing is less than the numbers provided.



two observations that could further enhance the effectiveness of the NRC's management controls of material export licensing.

To answer the audit objective, the OIG conducted an internal control analysis of the material export licensing process to identify whether the program meets all five internal control components and seventeen internal control principles, as outlined in the U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government*.<sup>13</sup> The OIG concluded the OIP, and its partner offices, address the internal control components and underlying principles.

The material export licensing process's internal controls are addressed through:

- The layers of internal and external review built into the export license application review process;
- The web-based licensing system;
- Multiple levels of management concurrence prior to license issuance;
- Regulations, procedures, and guidance;
- The licensing officer qualification program;
- Training;
- Communication and coordination with internal and external stakeholders; and,
- The ECNP's internal control plan, among other things.

For additional information on the OIG's audit methodology, see Appendix A.

The OIG makes the following two observations that could further enhance the effectiveness of the NRC's management controls of material export licensing.

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<sup>13</sup> U.S. Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014.

## **Observations for Agency Consideration:**

1. **Share the “NRC Export and Import of Nuclear Equipment and Material” training course with external stakeholders.** On April 5, 2022, the OIP released a training course on “NRC Export and Import of Nuclear Equipment and Material” and issued an accompanying agencywide NRC announcement. The OIG reviewed the training course and concluded the training provides a comprehensive overview of the NRC’s internal process related to nuclear material export and import licensing. While the training course is available to NRC staff, the course has not been shared with external stakeholders. The OIP should share this training course with the Executive Branch agencies with whom it coordinates, to help them better understand the NRC’s internal process related to material export licensing. Further, the OIP should encourage NRC staff who are directly or tangentially involved in the material export licensing process to take the training.
2. **Develop or update internal procedures for the applicable branches in the NMSS and NSIR.** Some branches within the NMSS and the NSIR do not have internal procedures, or do not have updated procedures, related to their branch’s role in the material export licensing process. The OIG recognizes that a staff document that provides high-level overarching guidance exists, and there are only a few staff within these branches involved in the materials export licensing review process. However, internal procedures should exist and be up-to-date. Those branches within the NMSS and the NSIR without procedures, or without updated procedures, should develop or update, as appropriate, their internal procedures to reflect process changes that have been implemented.

## IV. NRC COMMENTS

An exit briefing was held with the agency on July 5, 2022. Prior to this meeting, NRC management reviewed a discussion draft and later provided comments that have been incorporated into this report as appropriate. As a result, NRC management stated their general agreement with this report and chose not to provide formal comments for inclusion in this report.

## OBJECTIVE, SCOPE, AND METHODOLOGY

### Objective

The audit objective was to assess the effectiveness of the NRC's management controls of material export licensing.

### Scope

This audit focused on evaluating the effectiveness of the controls in place for the material export licensing process up to license issuance. The OIG conducted this performance audit from January 18, 2022, through May 24, 2022, at NRC Headquarters in Rockville, Maryland.

Internal controls related to the audit objective were reviewed and analyzed. Specifically, the OIG reviewed the components of control environment, risk assessments, control activities, information and communication, and monitoring. Within those components, the OIG reviewed the principles of:

- Commitment to integrity and ethical values;
- Oversight of the internal control system;
- Organizational structure, responsibilities, and delegation of authority;
- Recruiting, developing, and retaining competent individuals;
- Evaluating individual performance;
- Defining objectives to clearly identify risks;
- Identifying, analyzing, and responding to risk;
- Assessing fraud risk;
- Identifying, analyzing, and responding to changes;
- Designing control activities;
- Designing activities for the information system;
- Implementing control activities through policies;
- Quality information;
- Communicating internally and externally;
- Performing monitoring activities; and,
- Evaluating issues and remediating deficiencies.

## Methodology

The OIG reviewed relevant criteria for this audit, including, but not limited to:

- U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014;
- Atomic Energy Act of 1954, as amended;
- Nuclear Non-Proliferation Act of 1978;
- 10 Code of Federal Regulations Part 110;
- LIC-01, Rev. 1: Processing Applications for Export of Category 1 and 2 Radioactive Material (Appendix P);
- LIC-02, Rev. 1: Processing Applications for Exports of Nuclear Equipment and Material (Non-Appendix P);
- NMSS's Import/Export Licensing Checklist; and,
- NSIR's Physical Protection Reviews of Special Nuclear Material Export License Applications, Rev. 1.

The OIG analyzed export licenses issued between fiscal years 2016 and 2021 to determine the total number of material export licenses issued in those years. The OIG also analyzed internal controls related to the material export licensing process.

Additionally, the OIG interviewed 27 NRC staff members and managers, and two senior leaders from the Departments of State and Energy, to understand the material export licensing process.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.


Throughout the audit, auditors considered the possibility of fraud, waste, and abuse in the program.

The audit was conducted by Mike Blair, Team Leader; Regina Revinzon, Audit Manager; Janelle Davis, Senior Auditor; and, Julie Corwin, Senior Management Analyst.



# NRC Form 7

Page 1 of \_\_\_\_\_

<b>NRC FORM 7</b> (07-2019) 10 CFR 110		<b>U. S. NUCLEAR REGULATORY COMMISSION</b>		<b>APPROVED BY OMB: NO. 3150-0027</b>		<b>EXPIRES: 02/28/2022</b>	
		<b>APPLICATION FOR NRC EXPORT OR IMPORT LICENSE, AMENDMENT, RENEWAL, OR CONSENT REQUEST(S)</b> <i>(See Instructions on Pages 4 and 5)</i>		<small>Estimated burden per response to comply with this mandatory collection request: 2.4 hours. This submittal is reviewed to ensure that the applicable statutory, regulatory, and policy considerations are satisfied. Send comments regarding burden estimate to the Information Services Branch (T-6 A10M), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by e-mail to <a href="mailto:infocollections.Resource@nrc.gov">infocollections.Resource@nrc.gov</a>, and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202, (3150-0027), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.</small>			
<b>PART A. FOR NRC USE ONLY</b>		<input type="checkbox"/> Public <b>OR</b> <input type="checkbox"/> Non-Public		Date Received			
License Number		Docket Number		Adams Accession Number			
<b>PART B. TO BE COMPLETED FOR ALL LICENSES, AMENDMENTS, RENEWALS, OR CONSENT REQUESTS</b> <small>(If more space is needed to complete any of the items, use Pages 3-4 first, and then attach additional sheets, if necessary.)</small>							
1. Name and Address of Applicant/Licensee		1a. Name of Applicant's Contact		1b. Applicant's Reference Number			
		1c. Office Telephone Number		1d. Office Facsimile Telephone Number			
		1e. Applicant's E-mail Address					
2. Type of Action Requested (Check one)		<input type="checkbox"/> Export (Parts B, C, E)		<input type="checkbox"/> Amendment/Renewal		Current License Number:	
		<input type="checkbox"/> Import (Parts B, D, E)		<input type="checkbox"/> Consent Request (Parts B, C)		Current License Number:	
3. Contract Number(s)		4. First Shipment Date		5. Last Shipment Date		6. Proposed Expiration Date	
<b>PART C. TO BE COMPLETED FOR EXPORT LICENSES, AMENDMENTS, OR RENEWALS</b> <small>(If more space is needed to complete any of the items, use Pages 3-4 first, and then attach additional sheets, if necessary.)</small>							
7. Name(s)/Address(es) of U. S. Suppliers and/or other U. S. Parties to the Export		8. Name(s)/Address(es) of Intermediate Foreign Consignee(s)		9. Name(s)/Address(es) of Ultimate Foreign Consignee(s)			
7a. Function(s) Performed/Service(s) Provided		8a. Intermediate Use(s)		9a. Ultimate End Use(s)			
10. Description of Radioactive Materials, Sealed Sources, Nuclear Facilities, Equipment, or Components, for Nuclear Equipment include Total Dollar Value of Equipment for Export		10a. Maximum Total Volume/Element WGT (KG), or Total Activity (TBq)		10b. Max Enrichment or WGT%		10c. Max Isotope WGT (KG)	
11. Foreign origin (or obligations by country and, if known, by percentage of maximum total volume)							

NRC FORM 7 (07-2019)

<b>NRC FORM 7</b> (07-2019) 10 CFR 110		<b>U. S. NUCLEAR REGULATORY COMMISSION</b>			
<b>APPLICATION FOR NRC EXPORT OR IMPORT          LICENSE, AMENDMENT, RENEWAL, OR CONSENT REQUEST(S) (Continued)</b>					
License Number		Docket Number		Adams Accession Number	
				<input type="checkbox"/> Public OR <input type="checkbox"/> Non-Public	
<b>PART D. TO BE COMPLETED FOR IMPORT LICENSES, AMENDMENTS, OR RENEWALS</b> (If more space is needed to complete any of the items, use Pages 3-4 first, and then attach additional sheets, if necessary.)					
12. Name(s)/Address(es) of Foreign Suppliers and/or other Foreign Parties to Import		13. Name(s)/Address(es) of Foreign or U. S. Intermediate Consignee(s)		14. Name(s)/Address(es) of Ultimate U. S. Consignee(s)	
12a. NRC Export License Number(s) (if applicable)		13a. License Number(s) / Expiration Date(s)		14a. License Number(s) / Expiration Date(s)	
		13b. Intermediate Use(s)		14b. Ultimate End Use(s)	
15. Description of Radioactive Materials, Sealed Sources, Nuclear Facilities		15a. Maximum Total Volume/ Element WGT (KG), or Total Activity (TBq)		15b. Max Enrichment or WGT%	
				15c. Max Isotope WGT (KG)	
16. Foreign obligations (By country and by Percentage of Maximum Total Volume)					
<b>PART E. TO BE COMPLETED FOR ALL LICENSES, AMENDMENTS, RENEWALS OR CONSENT REQUEST(S)</b> (If more space is needed to complete any of the items, use Pages 3-4 first, and then attach additional sheets, if necessary.)					
17. Additional information provided on pages 3, 4, and/or separate sheets?			17a. Copies of Recipient's Authorizations Provided?		
<input type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Yes <input type="checkbox"/> No		
18. Certification:					
I, the applicant's authorized official, hereby certify that this application is prepared in conformity with Title 10, Code of Federal Regulations, and that all information provided is correct to the best of my knowledge.					
18a. Print Name and Title of Authorized Official		18b. Signature -- Authorized Official		18c. Date	

<b>NRC FORM 7</b> (07-2019) 10 CFR 110			<b>U. S. NUCLEAR REGULATORY COMMISSION</b>	
<b>APPLICATION FOR NRC EXPORT OR IMPORT LICENSE, AMENDMENT, RENEWAL, OR CONSENT REQUEST(S) (Continued)</b>				
License Number	Docket Number	Adams Accession Number	<input type="checkbox"/> Public	OR <input type="checkbox"/> Non-Public
Additional Information (Reference applicable block numbers from page 1 and/or page 2 for each entry)				

NRC FORM 7 (07-2019)

**U. S. NUCLEAR REGULATORY COMMISSION  
INSTRUCTIONS FOR PREPARATION OF NRC FORM 7, APPLICATION FOR  
NRC EXPORT OR IMPORT LICENSE, AMENDMENT, RENEWAL OR CONSENT REQUEST(S)**

General Instructions: A completed, signed original NRC Form 7 may be mailed to the Deputy Director, Office of International Programs, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or hand-delivered to the Deputy Director at 11555 Rockville Pike, Rockville, Maryland 20852.

Refer to Title 10 of the Code of Federal Regulations, Part 110, for specific NRC export/import licensing requirements. For each license, amendment or renewal application, identify all foreign and domestic locations where exports or imports will be handled, sorted, repackaged and/or processed in any way. Provide information on quantities, forms, and other characteristics of the radioactive materials, sealed sources, nuclear facilities and equipment to be exported or imported and indicate how they will be used by each of the parties listed. If more space is needed to complete any of the items on this form, use the continuation pages first, and then attach additional sheets. Reference appropriate BLOCK number(s) for each entry on all additional sheets. All applicants should avoid submitting proprietary information unless absolutely necessary, as NRC is required to make copies of all applications received available to the public. If proprietary information must be submitted, follow procedures in 10 CFR 2.390, otherwise, such information could be publicly disclosed and/or processing of an application could be significantly delayed.

An application for a specific license to export or import or a request for an exemption from a licensing requirement must be accompanied by the appropriate fee in accordance with 10 CFR Part 170. The fee schedules are provided in §§ 170.21 and 170.31. The reference "IMEX" should be included on your form of payment. A license application will not be processed unless the specified fee is received.

**NOTE: FOR CONSENTS FILL OUT BLOCKS,  
(1a-,2,8,9,10,10a,17,18)**

**PART A. FOR NRC USE ONLY**

**PART B. TO BE COMPLETED BY ALL APPLICANTS FOR  
ALL LICENSES, AMENDMENTS, RENEWALS, OR CONSENT  
REQUEST(S)**

BLOCK 1. Enter name and complete physical address of the corporation or other entity with direct control over distribution of proposed export(s) or import(s), and where required records will be maintained and can be inspected. Post Office Box Numbers or names of divisions or departments within a legal entity are NOT acceptable entries for this BLOCK.

BLOCKS 1a-e. Provide name and contact information identifying the best party to answer questions about an application. Applicants should use BLOCK 1b to assign their own reference number to identify application documents.

BLOCK 2. Indicate the TYPE OF NRC LICENSING ACTION requested by checking:

- EXPORT if applying for a new export license.
- IMPORT if applying for a new import license.
- AMENDMENT OR RENEWAL if applying to modify or extend an export or import license previously issued by NRC (and not yet expired). Include NRC license number in space provided. If NRC receives an amendment/ renewal application at least 30 days or more before the license expires, its terms will remain valid and, if circumstances permit, it can continue to be used until NRC completes action on the amendment or renewal application.
- CONSENT REQUEST if submitting a request for the NRC to obtain government-to-government consent to authorize shipment(s) of Category 1 quantities of byproduct material. Include NRC license number in space provided.

BLOCK 3. If known, provide contract number(s), which may be useful references for example, if reviewers need to contact recipients or other parties listed on the application.

BLOCK 4. Enter the anticipated date of the first shipment (MM/DD/YYYY).

BLOCK 5. Enter the anticipated date of last shipment (MM/DD/YYYY).

BLOCK 6. Enter a proposed license expiration date (MM/DD/YYYY), to accommodate export activities. Note that NRC licenses are typically issued for 1-5 years.

NOTE: For amendments and renewals, provide only the new or changed information, as appropriate, in PART C and/or PART D. (For example, enter names and addresses of parties or consignees, only if they need to be added to, deleted from, or their information needs to be changed. If seeking to increase the volume or quantity of material or equipment, specify the additional increment, and, if applicable, indicate what the new, combined cumulative total will be.)

**PART C. TO BE COMPLETED BY APPLICANTS FOR EXPORT  
LICENSES, AMENDMENTS, RENEWALS, OR CONSENTS**

BLOCK 7. Enter names of U. S. supplier(s) and other U. S. parties to export not listed in BLOCKS 1, 8, OR 9. Provide complete physical address(es) where correspondence should be sent and where export(s) can be inspected. Post Office Box Numbers are NOT acceptable entries for this BLOCK.

NOTE: U. S. transport/shipping service provider and/or commercial carrier; do not need to be listed as "Other" U. S. Parties on the application. These entities are not parties-in-interest to an export license. They serve only as transporters of the nuclear material or commodity being exported and their legal responsibility from a regulatory standpoint is limited to complying with NRC's and the Department of Transportation's transportation requirements. If applicants list transport/shipping service providers or commercial carriers on their applications, they can be identified on the export license if issued, but that does not convert them into legally responsible formal parties-in-interest to the license. Carriers are not relevant to the NRC's review of an export application to determine whether the statutory nonproliferation criteria have been met.

**U. S. NUCLEAR REGULATORY COMMISSION  
INSTRUCTIONS FOR PREPARATION OF NRC FORM 7, APPLICATION FOR  
NRC EXPORT OR IMPORT LICENSE, AMENDMENT, RENEWAL OR CONSENT REQUEST(S) (Continued)**

BLOCK 7a. Describe functions to be performed and/or services to be provided by any U. S. parties listed in BLOCK 7.

BLOCKS 8-9. Enter names and physical address(es) for each intermediate and each ultimate foreign location. Post Office Box Numbers are NOT acceptable entries for these BLOCKS.

BLOCKS 8a and 9a. Describe how each consignee will use export(s), including functions to be performed and/or services to be provided.

BLOCK 10. Describe key characteristics including physical and chemical forms, etc., of radioactive materials (i.e., source, special nuclear or byproduct materials including sealed sources or devices and radioactive waste), nuclear facilities, or equipment, uranium, or thorium, and provide chemical form (e.g., U3O8, Th-227). Identify and provide total volume in kilograms of ores containing 0.05% or more of source material (e.g., tantalum, niobium) and specify source material contained. Identify special nuclear material as plutonium, high enriched uranium (> 20% U-235) or low enriched uranium (<20% U-235) and specify chemical form (e.g. UF6, UO2).

Identify Appendix L byproduct materials by name and form, including maximum total activities and types of sealed sources and/or devices to be exported over the license life. Identify Appendix P materials by name and form, including maximum total quantities activity in Terabecquerels (TBq) and types of sealed sources and/or devices to be exported on a per shipment basis. For radioactive waste, identify and provide maximum total volume in kilograms for each non-radioactive material involved, physical and chemical forms for each radioactive material, if exported for the purposes of disposal in a land disposal facility as defined in 10 CFR Part 61, a disposal area as defined in Appendix A to 10 CFR Part 40, or an equivalent facility; route(s) of transit, forms of management and ultimate disposition. For nuclear facilities, provide total quantity; types; names, design power or annual capacity rating; and the estimated combined total dollar value. For nuclear equipment, identify all items by name, total quantity and function and provide the estimated combined total dollar value.

BLOCK 10a. For source material, provide maximum total volume/element weight over license life in kilograms. For special nuclear material, provide maximum total element weight over license life in kilograms. For each Appendix L byproduct material listed, provide maximum total activity over license life in Terabecquerels (TBq). For each Appendix P material listed, provide maximum total activity per shipment in TBq.

BLOCKS 10b-c. For special nuclear material including as radioactive waste, provide maximum weight % (enrichment) and total isotope weight over license life in kilograms.

BLOCK 11. For proposed exports or imports (of source or special nuclear material or nuclear facilities or equipment). Identify each country of origin of equipment or materials, and any other countries that have processed the material prior to its import into the United States, and, if known, the percentage of the maximum total volume that may be obligated to a foreign country (requires U. S. Government action, e.g., prior notification).

**PART D. TO BE COMPLETED BY APPLICANTS FOR IMPORT LICENSES, AMENDMENTS OR RENEWALS**

BLOCK 12. Enter name(s) and address(es) of foreign supplier(s) or exporter(s).

BLOCK 12a. For import(s) originally exported under a specific NRC license, enter that license number.

BLOCKS 13a and 14a. Enter NRC or Agreement State Materials License number(s) including expiration date(s) (MM/DD/YYYY) for each U.S. consignee, authorizing receipt, possession, use or distribution.

BLOCK 15. Describe key characteristics including physical and chemical forms, etc., of radioactive materials (i.e., source, special nuclear or byproduct materials including sealed sources or devices and radioactive waste), and nuclear facilities. For radioactive waste, identify and provide maximum total volume in kilograms for each non-radioactive material (e.g., contaminated steel) involved, and for each radioactive material contained, including its physical and chemical forms for each radioactive source, special nuclear or byproduct material. Identify responsible, and provide industrial process, route(s) of transit, as well as the status of arrangements for disposition in the U.S., e.g., any agreement by a low-level waste compact or State to accept for management or disposal. For nuclear facilities, provide total quantities; types; names, design power or annual capacity rating; and the estimated combined total dollar value.

BLOCK 15a. For source and/or special nuclear material, provide maximum total volume/element weight over license life in kilograms. For Appendix L byproduct material, including that which is in the form of radioactive waste, provide maximum total activity over license life in TBq.

BLOCKS 15b-c. For special nuclear material including that which is in the form of radioactive waste, provide maximum enrichment/weight % and maximum total isotope weight over license life in kilograms.

BLOCK 16. Identify each country and the percentage of the maximum total volume that may be obligated to them (require U. S. Government action, e.g., prior notification).

**PART E. TO BE COMPLETED BY ALL APPLICANTS**

BLOCK 17. Check YES or NO to verify whether or not additional information is being provided using the space provided on the continuation pages and separate sheets.

BLOCK 17a. Check YES or NO to verify whether or not copies of domestic recipients' authorizations required for Appendix P materials (see Part 110.32 requirements) are included with the application.

BLOCKS 18a-c. An authorized official of the legal entity applying for the License, Amendment or Renewal, must certify.



## TO REPORT FRAUD, WASTE, OR ABUSE

### **Please Contact:**

Email: [Online Form](#)

Telephone: 1-800-233-3497

TTY/TDD: 7-1-1, or 1-800-201-7165

Address: U.S. Nuclear Regulatory Commission  
Office of the Inspector General  
Hotline Program  
Mail Stop O5-E13  
11555 Rockville Pike  
Rockville, MD 20852

## COMMENTS AND SUGGESTIONS

If you wish to provide comments on this report, please email the OIG using this [link](#).

In addition, if you have suggestions for future OIG audits, please provide them using this [link](#).