

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

August 4, 2017

Subject: Export License XSNM3776

Dear Sirs and Madams:

Thank you for your letters dated August 18, 2016, and September 7, 2016, responding to the U.S. Nuclear Regulatory Commission's (NRC) August 15, 2016, *Federal Register* notice regarding export license application XSNM3776. The letters express concern about the U.S. Department of Energy/National Nuclear Security Administration's application for a license to export high-enriched uranium (HEU) to France to be fabricated into targets that will be irradiated in reactors in the Netherlands and elsewhere, and then ultimately processed to produce medical isotopes at the Institute for Radioelements in Belgium. Although the license application requested the export of 7.2 kg of HEU, the NRC is issuing a license to export a reduced quantity of 3.7 kg. This is reflective of a Subsequent Arrangement for 3.5 kg of HEU already in the possession of the French facility to be used to fabricate a portion of the necessary targets.

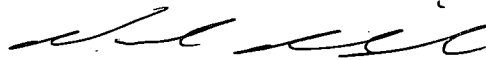
In your letters, you stated that approving this export would violate the commitment made by the United States, Belgium, the Netherlands, and France at the 2012 Nuclear Security Summit to support conversion of European production industries to non-HEU-based processes by 2015, subject to regulatory approvals. The NRC currently has no information that suggests that approving this export will undermine the nuclear security enhancements achieved to date as a result of commitments made during the Summits or reduce the incentive to proceed with the planned conversions from HEU to low enriched uranium targets.

The NRC's role in export licensing is defined in the Atomic Energy Act of 1954, as amended (AEA). In accordance with the AEA, the NRC forwards most export applications to the Executive Branch (EB) for review, analyzes the EB's views, and independently verifies that all applicable export licensing criteria are met. For exports of HEU to non-nuclear weapon states, the applicable licensing standards are provided in sections 57, 127, 128 and 134 of the AEA.

For this licensing action, the EB provided its views that all of the required statutory determinations are satisfied, and that the proposed export would not be inimical to the common defense and security of the United States. Based on NRC's review of the application and its independent assessment of the EB's views, the NRC found that all relevant licensing criteria are satisfied for this export application. Therefore, the NRC is issuing a license to export 3.7 kg of HEU.

Thank you again for sharing your concerns on this important issue as the Commission welcomes and considers all public comments, as part of the export license review process. If you have any questions, please contact me or Andrea Ferkile, the responsible Office of International Programs Export Licensing Officer.

Sincerely,



Nader L. Mamish
Director of the Office of International Programs
Nuclear Regulatory Commission

Identical letter sent to:

Dr. Alan Kuperman
Mr. Miles A. Pomper
Dr. Frank von Hippel
Mr. Henry Sokolski
Mr. Victor Gilinsky
Mr. Andrew K. Semmel
Dr. Catherine Thomasson
Lt. Gen. Robert Gard
Mr. Daryl G. Kimball
Dr. Edwin Lyman
Dr. Matthew Bunn
Dr. Ira Helfand
Ms. Elena K. Sokova
Dr. James J. Walsh
Mr. Tom Clements
Dr. Laura H. Kahn
Dr. William C. Potter
Dr. Paul F. Walker
Mr. Huber K. Foy
Mr. David Culp
Dr. Naeem Salik
Ms. Jennifer Smyser
Ms. Irma Arguello
Dr. Thomas B. Cochran
Dr. Arslan Chikhaoui
Ms. Susi Snyder
Ms. Sharon Squassoni
Dr. Maria Sultan
Mr. Jack Boureston
Mr. Rodrigo Alvarez Valdez