POLICY ISSUE (Notation Vote)

<u>August 15, 2003</u> <u>SECY-03-0140</u>

FOR: The Commission

FROM: Janice Dunn Lee, Director

Office of International Programs /RA/

SUBJECT: PROPOSED ARRANGEMENT FOR THE EXCHANGE OF TECHNICAL

INFORMATION AND COOPERATION IN NUCLEAR SAFETY

MATTERS WITH THE STATE NUCLEAR REGULATORY COMMITTEE

OF UKRAINE

PURPOSE:

The purpose of this memorandum is to obtain Commission approval to develop an arrangement for the exchange of technical information and cooperation in nuclear safety matters with the State Nuclear Regulatory Committee of Ukraine (SNRCU).

BACKGROUND:

The NRC currently has in place over 35 arrangements for the exchange of technical information and cooperation in nuclear safety matters with foreign regulatory authorities. Recent arrangements allow for the exchange of reactor safety-related research results and computer codes (if the research organizations of both parties agree) as well as reports on operating experience (such as reports on nuclear incidents, accidents and shutdowns), training of personnel, and the exchange of technical and safety-related information of a more general nature. These arrangements are widely recognized as the procedural and administrative "backbone" for dissemination of relevant nuclear safety-related information to fellow regulatory authorities worldwide.

NRC actively participates in both U.S. and international efforts to strengthen the regulatory authorities of the former Soviet Union (FSU) and Central and Eastern Europe (CEE) with regulatory oversight of operating Soviet-designed reactors. OIP recognizes that nuclear safety assistance-related activities to these regulatory authorities (activities for which NRC receives funds from USAID) will not continue indefinitely. As such, OIP has systematically pursued arrangements (as described above) as a mechanism for continuing the exchange of technical information and cooperation in nuclear safety matters with the regulatory authorities in these countries after NRC's USAID-funded assistance activities end. This effort has resulted in the establishment of arrangements between the NRC and the regulatory authorities of Armenia, the Czech Republic, Hungary, Kazakhstan, Lithuania and the Slovak Republic for the exchange of technical information and cooperation in nuclear safety matters. OIP now desires to expand this effort to the regulatory authority of the Ukraine.

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DISCUSSION:

OIP staff has informally discussed the proposed arrangement with representatives of the State Department's Office of the Senior Coordinator for Nuclear Safety. They have indicated that they support establishment of such an arrangement. Current U.S. policy towards Ukraine supports nuclear safety strengthening efforts with the Ukrainians (including SNRCU). Thus, establishment of an arrangement for the exchange of technical information and cooperation in nuclear matters with SNRCU is consistent with current U.S. policy and (as indicated above) would both complement the existing NRC nuclear safety assistance program for SNRCU and establish a mechanism for maintaining and sustaining cooperative activities after NRC's USAID-funded assistance activities end. OIP has been informally advised by the State Department's Coordinator of U.S. Assistance to Europe and Eurasia that phase-out of USAID-funded assistance activities in Ukraine is not expected to occur before 2010.

OIP believes that establishment of such an arrangement will have a minimal impact on NRC resources. The Ukrainians are expected to request NRC thermal hydraulic and other computer codes under the provisions of the arrangement. Training in the use of these computer codes would be performed by contractors as part of the NRC's USAID-funded assistance program for SNRCU.

The proposed text of an arrangement for the exchange of technical information and cooperation in nuclear safety matters with SNRCU is attached. This text contains the standard terms and conditions reflected in most of NRC's other arrangements for the exchange of technical information and cooperation in nuclear safety matters.

RECOMMENDATION:

I recommend that the Commission approve development of an arrangement for the exchange of technical information and cooperation in nuclear safety matters with SNRCU. Commission approval will allow OIP to then seek and obtain interagency approval (Circular 175 process) to negotiate and develop such an arrangement.

COORDINATION:

The EDO has concurred in this recommendation. OGC has reviewed this recommendation and has no legal objection.

Janice Dunn Lee, Director Office of International Programs

Attachment: As stated

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