Report of the Independent External Review Panel

Thomas E. Hill, Chairman
Benjamin W. Nerud
Michael T. Ryan

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Overview

- **7 meetings**
- **Federal Advisory Committee Act**
- **Opportunity for public input**
- **Stakeholder participation and comment**
- **Staff cooperation**

Security

Benjamin W. Nerud

Culture of Security

- **Incorporate security into the culture of NRC and Agreement States**
  - **Focus on health, safety, and environmental protection**
  - **Security must have equal consideration**

Security Strategy

- **Three types of countermeasures provide full spectrum of protection from adversary**
  - **Affect the behavior**
  - **Affect the operational capability**
  - **Limit courses of action available**

Recommendation 1a

- **Suspend "good faith presumption" until a record of credible performance is established**

Recommendation 1a

- **For "new applicants" specific recommended actions include:**
  - **On-site visits to all licensed locations**
  - **Plans and procedures tailored to operation**
  - **Background investigations of key personnel**
  - **Requested materials comport with planned activities**

Recommendation 1b

- **Develop a process and establish criteria to allow recognition of new licenses as having a record of credible performance leading to establishment of trust**

Recommendation 2

- **Include licensing guidance in current NRC Operational Security Program**
  - **Exploitable information**
  - **Benefits of release**
  - **Measures to safeguard and control**

Recommendation 4

- **Develop detailed physical security standards using risk-informed, graded approach**
  - **Identify threats**
  - **Determine appropriate actions**
  - **Implement protective measures**

Recommendation 8

- **Re-evaluate pre-licensing guidance**
  - **Eliminate "good faith presumption"**
  - **Rely on on-site visits for verification**

Web-based Licensing and National Source Tracking System (WBL/NSTS)

Michael T. Ryan

Recommendation 3a

- **Integrate Web-based Licensing and National Source Tracking Systems**
- **Goal: real-time tracking of risk-significant sources**
- **Specific features for licensees and vendors**
- **A single system for NRC and Agreement States**

Recommendation 3b

- **Until the system is available, all licenses governing transfers of risk-significant sources should be verified**

- **Where trust has been established, exceptions could be considered**

Recommendation 3c

- **Develop and test system**
- **Involve Agreement States in development**
- **Plan rollout and implementation**

Recommendations 3 a, b, & c

- **Respond directly to the vulnerability identified in GAO report**
- **Provide a risk-informed response to the vulnerability**

Other Recommendations

Thomas E. Hill

Recommendation 5a

- **Incorporate security into culture of NRC and Agreement State licensing programs**

Recommendation 5b

- **Provide tools and training for making risk-informed licensing decisions**
  - **Threat awareness program**
  - **Investigation of suspicious applications**
  - **Information management databases**

Recommendations 6 a & b

- **Office of International Programs should follow Recommendation 1**
  - **Increased review for first-time import/export applicants**
- **Importers and exports under General Licenses should use WBL/NSTS system when available**

Recommendation 7

- **Continue to encourage "as needed" possession limits**
  - **Approximately 10 percent of licenses do not have upper bounds on possession limits**
  - **Exclusions may apply to 10 CFR 35.100, 200, and 300 uses**

Questions/Comments

- **Thank you for your time**
- **We are happy to take your questions**

Acronyms Used

- **NSTS – National Source Tracking System**
- **WBL – Web-based Licensing**