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Dear Rachel,

Expert Finance Working Group

In December 2017, I commissioned the Expert Finance Working Group (EFWG) on Small Reactors. The remit of the group was to provide independent advice to Government on the potential for small nuclear reactor projects to raise private investment in the UK; private investment that could enable their future commercial deployment.

I am pleased to share with you that the Group has finalised their report, entitled 'the Market Framework for Financing Small Nuclear'. This is the result of months of effort by the chair, members and secretariat for which I am grateful. The group assessed a wide variety of potential financing structures for small nuclear projects and developed a risk allocation process, incorporating external advice from specialist nuclear insurers.

The Group has put forward a series of recommendations, which include how it believes Government can support technology, manufacturing capability and new build project lifecycle development. I look forward to considering how these recommendations might inform the new framework for SMRs set out in the Nuclear Sector Deal.

The House of Lords Science & Technology Committee has also been made aware of the report.

I have deposited a copy of the Market Framework for Financing Small Nuclear and a copy of this letter in the Libraries of the House.

RICHARD HARRINGTON MP
Minister for Business and Industry