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## Facilitating SMR Deployment through Sustainable Project Financing: Perspective of a Developer

Financing nuclear projects is one of the major impediments to SMR fleet deployment. There is much conversation about the role of governments in supporting financing of SMR projects. Many governments, including in the US and EU, have launched grants, tax credits, and other financing initiatives to facilitate at least initial demonstration projects of FOAK reactor technologies. While government support for successful nuclear projects has been essential, sustainable commercial fleet deployment of SMRs will require an innovative project financing approach to fund nuclear projects. Our proposed project finance model utilizes the best approaches common to the energy and mining commodity sector.

We assert that the bankability of the Small Modular Reactor (SMR) sector and the widespread deployment of hundreds of SMR reactors hinges upon securing long-term offtake agreements with clear industrial end-users boasting strong balance sheets, as well as the availability of private funds and debt financing. Lenders may require guarantees from project proponent until commercial production begins. To mitigate this risk, project proponent must adhere to industry best practices for timely and cost-effective project delivery. Additionally, initial support from financial investors or, until a substantial number of SMRs are operational, governmental entities could facilitate the provision of guarantees to maintain the momentum of SMR deployment.

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YES

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