UK Government

Nuclear Third Party Liability for Advanced Nuclear Technologies

Call for evidence

Closing date: 1 June 2026

Department for Energy Security and Net Zero (2026)

Contents

Introduction

International Nuclear Third Party Liability (NTPL) treaties are a key part of the framework that ensures safe operation of nuclear power stations by providing effective routes to compensation in the unlikely event of a nuclear incident. To date, NTPL treaties have focused on traditional large-scale reactors, given they are the most prevalent nuclear technologies that have currently been deployed. However, it is increasingly likely that newer technologies, including Small Modular Reactors (SMRs) and Advanced Modular Reactors (AMRs), will be operational in the coming decades. This call for evidence seeks inputs on NTPL arrangements for these advanced nuclear technologies (ANTs). This will inform future policy development to ensure the NTPL regime remains as effective as possible and to support the future rollout of SMRs and AMRs.

As a clean, stable and reliable power source, nuclear power is crucial to the UK's future energy system and supporting the government's mission of turning Britain into a clean energy superpower. In the recent Spending Review, the government committed to funding £14.2 billion to support the development of Sizewell C, providing over £2.5 billion for the Great British Energy – Nuclear (GBE-N) SMR programme, and developing a pathway for privately-led ANT projects. The government also recently confirmed that Wylfa in Anglesey, North Wales, will be home to the UK's first SMR project. The Budget went further and accepted, in principle the recommendations of the Nuclear Regulatory Taskforce, the first stage in a radical reset of nuclear regulation for the UK, and confirmed increased investment and innovation in the nuclear sector through the Green Financing Network. This call for evidence builds on these commitments, and is a further vital step in achieving the government's nuclear ambitions.

The Nuclear Third Party Liability (NTPL) regime

Nuclear Third Party Liability (NTPL) treaties are international agreements which ensure that in the unlikely event of a nuclear incident there is a compensation available to victims and that claims are channelled to the operator of the nuclear installation (and not the supply chain). Operators are required to have sufficient financial coverage to meet claims up to their liability limit in order to ensure that compensation would be available to victims in the event of an incident. These agreements also ensure that claims are heard in the country in which the incident occurs, which gives clarity to victims regarding the appropriate jurisdiction for bringing claims. Further, the agreements provide for strict liability, so that claimants need only prove harm and not fault. This brings benefits to potential victims, while encouraging investment by limiting the potential liability of operators (who are then able to cover their liability through private insurance) and protecting the supply chain from claims.

The UK is currently party to the Paris Convention on Third Party Liability in the Field of Nuclear Energy (the Paris Convention) and the Brussels Convention Supplementary to the Paris Convention on Third Party Liability in the Field of Nuclear Energy (the Brussels Convention), which are under the auspices of the Nuclear Energy Agency (NEA). In addition, on 1 January

2026, the UK acceded to another international treaty, the Convention on Supplementary Compensation for Nuclear Damage (CSC), under the auspices of the International Atomic Energy Agency (IAEA). These conventions are implemented domestically via the Nuclear Installations Act 1965 (NIA 65).

A key aspect of these NTPL treaties is the operator liability limit, which is the amount of financial cover an operator must be able to make available in the unlikely event of a nuclear incident. In domestic legislation, the operator liability amount in respect of claims made under the Paris Convention and/or CSC is set at €700m. In addition to this, a further €500m of operator liability satisfies UK obligations under the Brussels Convention. For joint Paris/Brussels Convention claims, the total liability limit is increasing annually from €700m in 2022 to reach the combined total of €1.2bn in 2027. Operators of electricity generating nuclear reactors are expected to have cover up to the highest amount (so €1.2bn in 2027), and most operators secure this cover through nuclear insurance.

The Conventions also enable party states to set lower liability limits for operators, but where they choose to do so, the state is required to make up any difference between that lower liability limit and the total liability limits set out in the Conventions. The UK has chosen to do this for certain lower-risk nuclear sites, with the classifications and criteria set out in the Nuclear Installations (Prescribed Sites and Transport) Regulations 2018[1] ("the Regulations"). These lower limits were set due to the lower amounts or types of radioactive material on-site as well as the risk these sites would therefore pose in the unlikely event of an off-site release. This enables NTPL arrangements to be proportionate for differing nuclear installations.

By default, sites would fall under the total liability limits set out above, unless they meet the requirements listed within the classifications in these regulations for lower-risk sites. The actual liability limit depends on the site classification or activities being undertaken, with the Regulations setting out the specific purposes and/or amount of different types of fissionable material that would mean a nuclear installation falls into a non-default classification. The current liability limits and examples of the types of nuclear installation that would typically fall within each classification are as follows:

- Standard sites (such as operating nuclear power stations) and higher risk transport (such as transport of nuclear fuels): these are at the default liability limit, so for Paris/Brussels €700m in 2022, increasing by €100m annually to €1.2bn in 2027; for CSC/Paris only claims €700m.
- Intermediate sites (such as a reactor being decommissioned, uranium enrichment or fuel fabrication facilities): €160 million
- Low-level sites (such as research reactors): €80 million
- Low risk transport (such as transport of lower-level waste): €80 million

[1] The Nuclear Installations (Prescribed Sites and Transport) Regulations 2018 are available at https://www.legislation.gov.uk/uksi/2018/42/contents/made

- Low-level waste facilities (for disposal of waste with low radioactivity): €70 million[2]

Another important benefit of NTPL treaties is the channelling of claims to the jurisdiction in which an incident occurs. This provides a clear process for claims and reduces complexity and risk for victims, operators, the nuclear supply chain, and treaty member governments. Claims channelling was an important reason for the UK's accession to the CSC in January 2026, as acceding to the CSC expanded the number of countries that the UK now has treaty relations with. Where there are no treaty relations, there is no agreed mechanism to channel claims, meaning that claims could be made in jurisdictions beyond where an incident takes place, exposing the supply chain and investors to greater risk and impacting the potential viability of nuclear projects. We are not proposing to make any changes to claims handling as a result of this call for evidence.

Application of NTPL regimes to Advanced Nuclear Technologies (ANTs)

ANTs are a collective term for the wide range of innovative small and advanced reactors under development in the nuclear sector, including Small Modular Reactors or SMRs (Generation III), Advanced Modular Reactors or AMRs (Generation IV) and Micro Modular Reactors or MMRs, which are a subset of SMRs and AMRs with a lower output. ANTs are likely to be smaller in size, both in terms of power output and land footprint, than large Gigawatt-scale reactors. Both SMRs and AMRs are designed so that much of the plant can be fabricated in a factory environment and transported to site, reducing construction risk and making them less capital-intensive. Factory fabrication can distribute jobs to multiple locations and provides opportunities to learn from repetition. Small, distributed power stations are easier for National Grid to manage and increase system resilience.

The Paris Convention applies to all nuclear installations, with "nuclear installation" being defined in Article 1(ii) of the Convention as including:

- Reactors other than those comprised in any means of transport;
- Factories for:
    - the manufacture or processing of nuclear substances;
    - the separation of isotopes of nuclear fuel;
    - reprocessing of irradiated nuclear fuel;

[2] Following previous amendments to the Paris and Brussels Conventions in 2022, all disposal sites that accept nuclear waste from the nuclear sector were required to hold NTPL cover, which was considered by UK Government and international experts to be disproportionate for disposal sites that only accepted low level radioactive waste. The UK Government has since laid legislation (the Nuclear Installations (Prescribed Conditions and Excepted Matter) Regulations 2025) which will allow the Secretary of State to exempt disposal sites from the requirement to hold NTPL cover, provided that they meet prescribed safety conditions. This exclusion was fully implemented and site operators were allowed to apply from December 2025. Any sites that meet the requirements will be exempt from the requirement to hold NTPL cover from the date the exclusion is issued, and the exemption will last for as long as the sites continue to meet the same requirements.

- Facilities for the storage of nuclear substances other than storage incidental to the carriage of such substances;
- Installations for the disposal of nuclear substances;
- Any such reactor, factory, facility or installation that is in the course of being decommissioned; and
- Other installations in which there are nuclear fuel or radioactive products or waste as determined by the Steering Committee for Nuclear Energy of the OECD.

The Article also states that "any Contracting Party may determine that two or more nuclear installations of one operator which are located on the same site shall, together with any other premises on that site where nuclear fuel or radioactive products or waste are held, be treated as a single nuclear installation."

The CSC defines a nuclear reactor as any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

These Conventions are implemented by the NIA65. As such, ANTs, except those comprised in any means of transport, will be covered by the UK's NTPL regime, bringing greater certainty and security for ANT projects. By default and without any policy intervention, ANTs would be classed as standard sites, with sites having a liability limit of €1.2 billion from 2027 (or €700m where only the Paris or the CSC is engaged). A key benefit of the NTPL regime for ANTs is that the principle of exclusive operator liability will apply, meaning that, in the event of a nuclear incident, all claims would be channelled to the operator of a nuclear installation. This protects investors, developers, and the supply chain from claims. Additionally, as the operator of a nuclear installation would be required to have a level of financial security in place, compensation would be available in the highly unlikely event that a nuclear incident takes place. Finally, claims for compensation would be channelled to the jurisdiction in which an incident occurs, thus significantly reducing the risk of forum shopping by victims and streamlining the process for any claims.

Applicability of NTPL arrangements to ANTs is increasingly becoming a prominent consideration internationally, though few changes have been made to existing approaches to date. The most significant change in NTPL arrangements has been made by the United States, where the current NTPL regime is covered domestically by the Price-Anderson Act. This sets a two-layered system where each reactor site has its own level of insurance cover and an additional industry pool provides coverage beyond this in the event of an incident. In 2024, the Price-Anderson Act was extended through to 2065 to continue covering ANTs. The US has also introduced provisions so that multiple SMR modules located on a single site are treated as one installation for liability purposes, and very small reactors below a certain power level are subject to lower insurance requirements, with the federal government acting as a backstop if compensation exceeds the operator's cover.

Beyond this, other countries, including Canada, Japan, Korea and other Paris-Brussels Convention nations, have yet to make changes to the existing NTPL arrangements for ANTs, meaning that ANTs elsewhere are currently subject to the same liability level applied to other

Gigawatt-scale generating stations. There is potential that certain countries may change approach in the coming years. Canada, for example, has committed to periodically reviewing existing arrangements as new technologies are deployed, and we are aware of other countries starting to consider this question further as well.

The scope of this call for evidence

This call for evidence seeks input to inform policy development regarding the appropriate operator third party liability limit (or limits) for SMRs and AMRs, collectively known as ANTs. We are seeking evidence and input on what the liability limit(s) for SMRs and AMRs should be, and justification for this. The evidence gathered will be used to inform policy development in this area.

The call for evidence is split into two parts. The first part focuses initially on SMRs for electricity generation. The second part focuses on:

- SMRs for other end uses (including heat generation, hydrogen production or bespoke electricity generation for off-grid infrastructure such as data centres); and
- Advanced Modular Reactors (AMRs).

As we are at the early stages of our policy development, this call for evidence does not propose a specific policy position.

We are not proposing or considering any amendments to existing NTPL arrangements for current site classifications, including Gigawatt-scale reactors, intermediate sites, low level sites, or nuclear transport, as part of this call for evidence. We are also not exploring any changes to policy regarding existing NTPL treaties.

Next steps after this call for evidence

Following closure of the call for evidence, the government will analyse responses received and publish a government response. This call for evidence does not propose a particular policy position but this evidence will inform development of a policy on liability limits for SMRs for electricity generation, as well as SMRs for other end uses and AMRs. In the response to the call for evidence, we will aim to set out the next steps in our approach to considering the liability limits for ANTs. Where relevant, evidence received may also be used more widely by the Department to inform other policy development for ANTs.

General information

Call for evidence details

Issued: 23 March 2026

Respond by: 1 June 2026 (before midnight)

Enquiries to:

Email: ntpl-ant@energysecurity.gov.uk

Call for evidence reference: NTPL for ANTs

Audiences:

While this call for evidence is open to all, we are particularly keen to receive evidence from members of the nuclear and insurance industries to help inform policy development in this area.

Territorial extent:

The territorial extent of this publication is UK-wide, while recognising that certain energy policy areas are devolved in some jurisdictions.

This call for evidence will inform future policy development by government in areas where it is responsible for energy policy and related matters, and engagement with devolved governments in relation to devolved policy.

How to respond

We encourage respondents to use the online e-consultation platform wherever possible as this is government's preferred method of receiving responses. Please respond online at:

energygovuk.citizenspace.com/nuclear/nuclear-3rd-party-liability-advanced-tech-cfe

However, responses by email will also be accepted. If you wish to submit your main response on the e-consultation platform, but provide supporting information by email, please be clear that this is part of the same response.

Email to: ntpl-ant@energysecurity.gov.uk

When responding, please use the reference "NTPL limits for ANTs" and clearly state whether you are responding as an individual or representing the views of an organisation.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

Confidentiality and data protection

Information you provide in response to this call for evidence, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable data protection laws. See our privacy policy. Artificial intelligence (AI) may be used in the analysis of responses to this call for evidence.

We will summarise all responses and publish this summary on GOV.UK. The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This call for evidence has been carried out in accordance with the government's consultation principles.

If you have any complaints about the way this call for evidence has been conducted, please email: bru@energysecurity.gov.uk.

Area of enquiry 1: Small Modular Reactors (SMRs) for electricity generation

Context

Generation III water-cooled SMRs are fission reactors with power output less than ~500MWe. They are similar to existing nuclear power station reactors but on a smaller scale. SMRs use standard, readily available 4% enriched uranium fuel. This fuel is also used in most commercial nuclear reactors around the world. The government uses the term SMRs to refer specifically to Generation III. To note, this definition differs to the definition used by the IAEA, which only classes reactors up to 300MWe as SMRs.

As set out in the background, unless a site meets the criteria set out in out in 'The Nuclear Installations (Prescribed Sites and Transport) Regulations 2018', the default liability limit is €700m in 2022, increasing by €100m annually to €1.2 billion in 2027 (or €700m where only the Paris or the CSC is engaged). All electricity generating nuclear reactors, regardless of reactor size, are unlikely to meet the criteria for a lower-risk site and the default liability limit would apply. This is in line with the current approach taken for Advanced Gas-Cooled Reactors, which have an approximate capacity of 500MWe each. When a lower liability limit applies to a site, there is an obligation on the government to meet the difference. As we continue our progress to SMR deployment in the UK, we are considering the liability limits for SMRs for electricity generation.

The three key areas of enquiry are:

- whether this default liability limit remains appropriate and proportionate for electricity-generating SMR projects;
- whether a fixed lower liability limit would be more appropriate for electricity-generating SMR projects; and
- whether an alternative approach, for example a sliding scale or multiple tiers based on reactor output, generic features affecting site risk, and/or other characteristics would be the most appropriate for electricity-generating SMR projects.

For informing consideration of this issue and in response to the following questions, it would be helpful if respondents could, where possible, provide evidence and details on:

- Factors of SMRs that would be of material consideration when setting the liability limits, including relevant specific details about SMR technologies, design, safety measures and risk factors where possible to share.
- Any shareable market considerations, including how NTPL arrangements are (or are not) affecting consideration of deployment of SMRs in the UK and any international market considerations that would be beneficial for the government to be aware of.

- Details of any potential NTPL insurance arrangements for SMRs currently being considered in the UK market, as well as any relevant international comparisons.
- Details of the cost of NTPL cover up to €1.2bn and the impact of costs of cover on the affordability of SMR projects.
- Thoughts on alternative approaches for applying the NTPL regime to SMRs for electricity generation, with any recommended alternative approaches supported by evidence.

Call for evidence questions: Area of enquiry 1

1. **What do you think would be an appropriate liability limit for SMRs for electricity generation, and why? Should all SMRs be treated the same or should there be differentiations between SMRs based on capacity, risk or end use, for example?**

2. **What is your view on having a fixed liability limit for SMRs for electricity generation or adopting an alternative approach, such as a sliding scale or multiple tiers depending on capacity or output, and why?**

3. **Do you have any views or evidence on approaches taken by other countries for NTPL arrangements for SMRs for electricity generation or international market considerations that may be beneficial for the government to consider (noting that the UK is bound by the Conventions outlined above)?**

Area of enquiry 2: SMRs for other end uses and AMRs

Context

Generation IV, and beyond, AMRs use novel cooling systems, novel fuels, and/or novel reactor physics to offer new functionality (such as industrial process heat) and potentially a step change reduction in costs. Many designs have the potential for a range of applications beyond low-carbon electricity generation, including the production of hydrogen and direct heat for industrial or domestic use. The government uses the term AMRs to refer specifically to Generation IV.

The Nuclear Installations Act 1965 and the classifications set out in the Nuclear Installations (Prescribed Sites and Transport) Regulations 2018 focus on nuclear generating infrastructure being used for electricity generation, as well as on other non-generating infrastructure such as transport and waste storage.

This focus raises questions about how to incorporate:

- Novel technologies: proposals for AMRs, both for electricity generation and for other end uses, to date include a range of novel reactor designs, fuel types and fuel transport approaches. We are seeking evidence on how these should be treated in respect of the NTPL regime.
- Novel end uses: there is increasing potential of future deployment of nuclear generating infrastructure that would seek to directly use the heat produced instead of or in addition to converting it to electricity. These alternative end uses include heat for district heating or industry or for hydrogen production. These end uses create additional complexities and risks, such as potentially creating a need for a Power Purchase Agreement (PPA) or another arrangement between the operator and the end-use customer or involving the construction of economically-significant ancillary infrastructure (such as a hydrogen plant or data centre) adjacent to or within the site boundary. The government is keen to seek inputs and evidence on whether these complexities have an impact from an NTPL perspective – for example, it would be helpful to understand whether ancillary infrastructure should be included within a site's NTPL arrangements and, if so, how should this be incorporated.

To date, proposals for SMRs for other purposes and AMRs have been at an earlier stage than SMRs for electricity generation, and therefore our understanding is that evidence to inform policy consideration may also be more limited or hypothetical. This may mean that a policy decision on this issue will be taken at a later stage. However, the government is committed to ensuring deployment of SMRs and AMRs, including for non-electricity generating purposes, as part of the future pathway to net zero. We therefore would welcome respondents input and evidence into the questions below to inform initial policy considerations. In particular, it would

be helpful if respondents could provide details on any considerations of SMRs for non-electric purposes and AMRs done to date, including details on reactor designs and end uses, market considerations and international comparisons, where appropriate and relevant to share in response to the questions below.

Call for evidence questions: Area of enquiry 2

4. **What do you think would be an appropriate approach to defining NTPL liability limits for SMRs used primarily or solely for non-electricity end uses (e.g. district heat, industrial heat, hydrogen production) and for AMRs, and why? Where proposing an alternative approach to the current arrangements (i.e. default NTPL limits applying in line with other nuclear generating sites), please provide details of what the approach would consist of and how the approach would be applied to SMRs for other end uses and AMRs.**

5. **What is your view on having fixed liability limits for SMRs being used primarily or solely for purposes other than electricity generation and for AMRs, or adopting an alternative approach, such as a sliding scale or multiple tiers depending on capacity or output, and why?**

6. **Do you have any views or evidence on how ANT reactor design, including output, fuel and transport, or end uses may or should affect NTPL approaches, and why?**

7. **Do you have any shareable industry or insurance market considerations on how NTPL arrangements (including liability limits and financial security requirements) are being considered for non-electric SMR applications and AMRs in the UK? If so, please provide details.**

8. **What is your view on how associated developments (e.g. hydrogen generation plants, heat networks equipment, or data centres) should be included within NTPL arrangements, and why?**

9. **Do you have any views or evidence on approaches taken by other countries to NTPL arrangements for both SMRs used for non-electric purposes and AMRs? Please highlight any shareable international market considerations that may be beneficial for the government to consider and whether you believe they would be applicable within a UK context (noting that the UK is bound by the Conventions outlined above).**

This publication is available from: www.gov.uk/government/calls-for-evidence/nuclear-third-party-liability-for-advanced-nuclear-technologies

Any enquiries regarding this publication should be sent to us at: ntpl-ant@energysecurity.gov.uk

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