



## **Reviewing the section on the Financial crisis on the eventual bankruptcy, it appears there was also a crisis with another SMR company, NUWARD, and a review of the nuclear program by the National Assembly. And you further research how those events impacted NAAREA?**

You are right that Naarea's crisis unfolded in a broader moment of stress and re-prioritisation in the French SMR program, including turbulence around NUWARD and tighter parliamentary scrutiny of nuclear policy, but the causal impact on Naarea is mostly indirect and political-financial rather than regulatory in a narrow sense.<sup>[1]</sup> <sup>[2]</sup>

### **NUWARD's "crisis" and shift in SMR strategy**

- NUWARD, EDF's SMR vehicle, was initially conceived as a dual-reactor 2×170 MWe design (340 MWe) with significant innovative features and an aggressive timetable (concept 2019-2022, licensing/pre-licensing 2023-2025, first unit around 2030).<sup>[3]</sup> <sup>[1]</sup>
- In mid-2024 EDF effectively abandoned the original innovative design after investor and utility feedback (Vattenfall, ČEZ, Fortum) expressing scepticism about cost and schedule guarantees, and pivoted to a more conventional 400 MWe PWR-based SMR using "well-known and perfectly mastered" technologies.<sup>[2]</sup> <sup>[4]</sup> <sup>[3]</sup>
- Analyses of France's nuclear program note that this pivot signalled a political-industrial choice to privilege large or quasi-conventional reactors (EPR2 and a "big" SMR) over more radical innovation, and that France showed "little to no significant interest in smaller SMRs and microreactors," where numerous private US players are active.<sup>[1]</sup>

**Implication for Naarea:** This shift made NUWARD less a technology rival and more a symbol of a state-backed, low-risk path; it reinforced a policy narrative that favoured proven light-water technologies over fourth-generation, molten-salt microreactors like Naarea's XAMR.<sup>[5]</sup> <sup>[1]</sup>

### **Parliamentary and institutional review of nuclear policy**

- A parliamentary information report on France's energy sovereignty in 2023 raised concerns about governance complexity, oversight weaknesses and cost overruns in the nuclear sector, leading to calls for tighter control and prioritisation of projects.<sup>[6]</sup> <sup>[1]</sup>
- The Nuclear Policy Council (Conseil de politique nucléaire), chaired by the President, used its March 2025 meeting to formalise financing for EPR2 but also to delay timelines and implicitly concentrate state support on a limited number of large projects.<sup>[1]</sup>

- Commentators underline that this centralisation and “big nuclear first” orientation left little institutional bandwidth and political appetite for riskier, deeply innovative SMR and micro-SMR ventures, despite slogans around innovation.<sup>[6]</sup> <sup>[1]</sup>

**Implication for Naarea:** The overall review of the nuclear roadmap pushed decision-makers toward capital-intensive flagship projects (EPR2, re-focussed NUWARD) and away from multiple parallel bets on experimental designs, which made it harder for Naarea to argue for substantial additional public support beyond France 2030 grants.<sup>[7]</sup> <sup>[8]</sup> <sup>[1]</sup>

### Direct vs. indirect impact on Naarea’s crisis

What is documented clearly for Naarea is:

- By September 2025 Naarea requested suspension of payments/redressement as a “protective measure” while it sought new financing, despite being in advanced talks with two investors.<sup>[9]</sup> <sup>[10]</sup>
- The company had raised roughly 60–65 M€ in private capital plus about 10 M€ of France 2030 support, but this proved insufficient for its fourth-generation molten-salt program, leading to a cash crunch and about 15 M€ of debt.<sup>[11]</sup> <sup>[12]</sup> <sup>[13]</sup>
- In early 2026, after the court-ordered takeover by Eneris, that group publicly spoke of a “technological impasse” of Naarea’s concept and refused to carry it further, precipitating liquidation.<sup>[13]</sup> <sup>[14]</sup> <sup>[15]</sup>

On NUWARD and the parliamentary review, available sources do **not** show:

- Any regulatory decision explicitly targeting Naarea because of NUWARD.
- Any formal National Assembly recommendation to stop or slow Naarea specifically.

However, three indirect channels are plausible and consistent with the documentation:

1. **Capital allocation and crowding-out.** With EDF and the state re-centring their SMR strategy around a single 400 MWe NUWARD design and EPR2, both public instruments (France 2030 follow-on, quasi-sovereign investors) and large strategics likely prioritised these “national champions,” leaving Naarea more dependent on a thin pool of family offices and specialised funds.<sup>[8]</sup> <sup>[7]</sup> <sup>[1]</sup>
2. **Investor risk perception after NUWARD’s pivot.** NUWARD’s retreat from an innovative SMR concept because investors doubted cost and timing sharpened broader scepticism about first-of-a-kind SMR economics. For Naarea, which was even more radical (fast-spectrum molten-salt microreactor), this reinforced the perception of high technology and execution risk at the very moment it was trying to raise ~150 M€ in new capital.<sup>[16]</sup> <sup>[17]</sup> <sup>[2]</sup> <sup>[5]</sup>
3. **Policy signalling on microreactors.** Analytical work on France’s nuclear strategy explicitly notes the weak institutional interest in “smaller SMRs and microreactors,” in contrast with the US ecosystem. Naarea’s XAMR sat precisely in this category, so the combination of parliamentary scrutiny, CPN prioritisation of EPR2 and the NUWARD pivot effectively signalled that micro-SMRs were not a strategic priority, undermining Naarea’s narrative as a policy-aligned national champion.<sup>[5]</sup> <sup>[1]</sup>

## Bottom line for your report section

- The NUWARD “crisis” was less a collapse than a strategic redesign toward a safer, more conventional SMR, driven by investor and utility concerns about cost and schedule.<sup>[4]</sup> <sup>[3]</sup> <sup>[2]</sup>
- Parliamentary and high-level policy reviews steered the French program toward a narrow set of large, relatively low-innovation projects, which structurally reduced room for highly innovative private actors.<sup>[6]</sup> <sup>[1]</sup>
- For Naarea, there is no evidence of a direct regulatory blow from these processes, but they contributed to: harsher fundraising conditions, weaker public backing beyond initial grants, and a political-industrial environment that favoured EDF/NUWARD and EPR2 over fourth-gen micro-SMRs, exacerbating a funding crisis that was already acute by 2025.<sup>[12]</sup> <sup>[9]</sup> <sup>[11]</sup> <sup>[13]</sup> <sup>[1]</sup>

If you like, I can draft a short subsection you can insert after “Financial crisis” that synthesises this as “Macroeconomic and policy context: NUWARD and parliamentary review” with 3–4 tightly argued paragraphs.

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