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A New Chapter for Nuclear Exports: Nuclear Energy in NDAA

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Congress seeks to strengthen American capabilities in international civil nuclear competition in the National Defense Authorization Act for Fiscal Year 2026 (NDAA) through two amendments: the International Nuclear Energy Act of 2025 (INEA) and the DFC Modernization and Reauthorization Act of 2025. Both amendments allow the US to better compete with adversaries like China and Russia, whose competitive state-backed financing and robust investment in advanced reactors and small modular reactors (SMRs) has grown their influence around the world and generated billions of dollars. If the US is serious about capturing the global nuclear market, passing INEA and the DFC Reauthorization is essential.

What's in the International Nuclear Energy Act (INEA)?

INEA (NDAA, Section 8366) is a bipartisan bill first introduced by Senators Joe Manchin (I-WV) and Jim Risch (R-ID) in 2022. The bill was reintroduced in 2025 by Senators Risch, Mike Lee (R-UT), Chris Coons (D-DE), and Martin Heinrich (D-NM). The bill enables a more integrated and efficient nuclear export process through two mechanisms: robust interagency coordination and capacity building in potential export markets.

Interagency Coordination

- **Establishes Nuclear Exports and Strategic Infrastructure Working Groups.** The working groups bring together senior-level staff from across the federal government to coordinate US reactor and technology exports with private industry and potential export markets. The US's export process is comparatively complex, making it more challenging for new projects to ensure adequate financing, sufficient workforce development, and a robust nuclear fuel supply. The introduction of Nuclear Export and Strategic Infrastructure Working Groups will facilitate both interagency collaboration and public-private communication and, in so doing, create a more effective, whole-of-government approach to nuclear exports. The Nuclear Exports Working Group is also responsible for providing a 10-year nuclear exports strategy with biennial targets for the export of US nuclear technology, providing clear goals for the government and private industry to work toward.

Capacity Building in Potential Export Markets

- **Increases support for international civil nuclear programs.** Federal programs such as the Department of State's Foundational Infrastructure for Responsible Use of Small Modular Reactor Technology (FIRST) Program and the Department of Energy's Clean Energy Training Centers are efforts that support the workforce, regulatory, and policy

development crucial to emerging export markets in regions like [Central and Eastern Europe](#), [Africa](#), and [Asia](#). INEA authorizes additional federal funding to deepen early-stage cooperation between the public and private sectors to build capacity in embarking nuclear nations and get US industry into those markets at the ground floor.

What's in the Reauthorization of the United States International Development Finance Corporation (DFC)? Why Modernize the DFC?

The [US International Development Finance Corporation](#) (DFC) is the federal government's development finance institution. It mobilizes capital to advance US foreign policy, national security, and development priorities. It is the only US international finance tool that offers direct equity investments, a critical component of [capital stacks](#) for large energy projects like nuclear power plants. The Corporation [lifted its moratorium on nuclear projects](#) in 2020 and has plans to invest in multiple nuclear-related projects, such as [Poland's first nuclear power plant](#) and [uranium mining in Niger](#).

DFC will play an [important role](#) in commercializing US SMRs and advanced reactor designs by supporting the financing of first-of-a-kind (FOAK) deployments in more mature nuclear markets. This can [spur cost reductions](#) that make future deployments cheaper, particularly for the developing world which cannot afford nuclear energy at current price levels. The [DFC Modernization and Reauthorization Act of 2025](#) (NDAA, Title LXXXVII) reauthorizes the Corporation for another seven years and greatly strengthens its competitiveness in the global market. The bill more than triples the Corporation's maximum contingent liability from \$60 billion to \$205 billion and allows up to 10 percent to be invested in [high-income countries](#) (HICs). Wealthy countries, defined as the top 20 countries with the highest gross domestic product at purchasing power parity (excluding [Five Eyes](#) nations), are eligible for investment in energy, critical mineral, and information technology projects. DFC can leverage this new authority to finance innovative FOAK nuclear projects in countries that can handle higher costs.

With continued and rigorous oversight, these new authorities allow for both flexibility and accountability. Reports to Congressional committees of jurisdiction, project notification thresholds for HIC investment, and narrow presidential waiver authority limit political interference in DFC's investment decisions and ensure the Corporation is using its capabilities to advance US priorities, not partisan interests.

Why are they included in NDAA?

The US must compete in the new nuclear era now. INEA and DFC reauthorization address two of the biggest problems facing US nuclear exports: a lack of integration in the export process and difficulty securing early-stage financing for projects.

Both of the US's main competitors, China and Russia, operate large state-owned enterprises (SOEs) that act as "one-stop-shops" for prospective buyers that dominate US capabilities. They take care of financing, construction, operation, and fuel supply through a single entity. The US has failed to provide attractive alternatives, ceding control of one of the most geopolitically important energy sectors to its most bitter rivals. A strengthened DFC should be a primary tool for competition, as Chinese and Russian SOEs are not bound by OECD financing guidelines and can offer early-stage equity investments, unlike American reactor developers. To lead in the international nuclear market, the US must be able to offer comprehensive and competitive export and financing packages for international civil nuclear deployments. China and Russia already have the advantage, and the more time that passes with US inaction, the more the gap continues to widen.

International civil nuclear competition is a bipartisan national security issue. NDAA is a must-pass bipartisan bill in an increasingly polarized Congress. The inclusion of both amendments reflects bipartisan consensus that international civil nuclear energy is a national security priority, imperative to American global leadership. The bills strengthen American competitiveness in one of the most important energy sectors of the next century and create a strong framework for other export tools, such as the Export-Import Bank and the United States Trade and Development Agency. Interest and investment in nuclear energy are growing rapidly, and the US must be ready to compete on a global scale or face a nuclear energy market dominated by Chinese and Russian technology.
