FRESHFIELDS

November 2024

Foreign investment monitor

EDITION 09

Welcome to our ninth Foreign investment monitor

In this edition, we delve into the evolving landscape of foreign direct investment (FDI) and national security regulations worldwide.

Foreign investment is becoming increasingly complex as governments worldwide reassess their national security priorities, reshaping FDI regimes. Investors need to be proactive, staying abreast of evolving regulations to navigate both challenges and opportunities.

Foreign investment is undergoing a rapid transformation, driven by political shifts in key markets such as the US, UK, and France, along with rising national security concerns. From tighter scrutiny by CFIUS in the US to the UK's expanding National Security and Investment regime, and France's balancing act between market openness and protecting critical sectors, investors are faced with an increasingly complex regulatory landscape. At the same time, evolving FDI regimes in China and the EU are adding further layers of complexity. In this environment, staying agile and understanding these changes is essential for managing risks and seizing new opportunities in a fast-evolving global market.

This issue covers key developments that every investor needs to know:

1. **Elections redefine FDI regimes: strategic adaptation is key.** Shifts in the US, UK, and France are reshaping FDI frameworks, requiring businesses to adapt to new political priorities.
2. **The new CFIUS reality: non-Chinese investors face growing challenges.** CFIUS expands its scrutiny beyond China, creating new hurdles for non-Chinese investors.
3. **China's foreign investment regimes balance openness and security.** Investors must navigate the evolving dynamics between China's liberalized FDI regime and tighter national security regulations.
4. **Spain derails an intra-EU deal on FDI grounds: reasonable concerns or protectionism?** Spain's block of an acquisition highlights rising scrutiny within the EU over national security concerns.
5. **The UK's national security regime matures amid new government priorities.** With a new government focus on growth and security, the UK's National Security and Investment regime is evolving.

We also showcase the new Foreign Investment Regulation publication featuring contributions from Freshfields.

This edition of Foreign investment monitor provides actionable insights to help your business stay ahead of regulatory changes, ensuring you are well-equipped to make informed decisions in a rapidly shifting global market. Freshfields is here to support you every step of the way.

Elections redefine FDI regimes: strategic adaptation is key

In brief

The results of recent elections in the US, UK, and France are driving significant shifts in foreign direct investment (FDI) regimes, with each country adapting its approach to align with new political and economic priorities. In the US, Donald Trump's return to power signals a more assertive stance on national security, with the Committee on Foreign Investment in the United States (CFIUS) expected to intensify scrutiny, particularly of Chinese-linked transactions. The UK, under its new Labour government, is integrating national security considerations into its broader industrial strategy, creating an FDI landscape focused on resilience and economic growth. Meanwhile, France continues to navigate political instability while maintaining its status as Europe's top FDI destination, balancing regulatory oversight with market attractiveness. For investors, these developments highlight the importance of understanding the evolving regulatory environments in these key markets and preparing for the challenges and opportunities they present.

Donald Trump's return to the White House could bring some relief but also introduce significant new challenges for businesses navigating US foreign investment controls. With CFIUS at the center of an increasingly complex and politicized regulatory landscape, investors must be prepared for heightened scrutiny, evolving priorities and potentially unpredictable outcomes. Drawing on the patterns of his first term, Trump's leadership is likely to reinforce CFIUS's role as a gatekeeper for national security, with significant implications for deal-making in key sectors.

CFIUS during the first Trump administration (Trump I) had three key features: diverging views on whether CFIUS should prohibit all Chinese investments; a shift within the Committee whereby trade agencies often acted more like security agencies; and process improvements allowing for reduced withdraw/refile rates and mitigation, notwithstanding historically high case numbers. Trump's second term (Trump II) could build on these trends – or take them in new directions.

Much will depend on the political appointees leading the Treasury Department. CFIUS will likely remain a primarily career-staff-led, bottom-up process, resulting in general continuity. However, the priorities and approaches of senior officials across CFIUS's member agencies have come to exert greater influence in the process over the past two administrations.

The appointment of a more traditional Treasury Secretary with financial sector experience (like Trump I Secretary Steven Mnuchin), could signal a return to a process governed by a narrower conception of national security, potentially reducing skepticism toward investments from US allies and partners. It could also refocus the process on efficient review of transactions, after a period in the Biden Administration notable for extended timelines and frequent requests that parties withdraw and refile their notices. On 22 November 2024, President-Elect Trump nominated Wall Street investor Scott Bessent to be Treasury Secretary. If he is confirmed, he would likely represent a return of some stability and predictability to the process. On the other hand, if a more protectionist Treasury Secretary is ultimately confirmed, he or she could broaden the scope of CFIUS reviews, creating greater uncertainty and unpredictability for transactions involving sectors with trade sensitivities.

One notable shift could be an even more aggressive posture with respect to Chinese investment, with CFIUS treating such investment as presumptively incompatible with US national security interests and defaulting to prohibition of such transactions. Transactions involving Chinese acquisitions of non-US companies with a US presence will also need to carefully consider whether the US operations are non-critical and can be carved out to prevent CFIUS action from derailing the broader deal.

Strategic investors, even from allies, may face increased risk, particularly if Trump II moves further in a protectionist direction. During Trump I, outside the CFIUS process, national security considerations were extended to trade issues, with the administration, for example, imposing tariffs on steel and aluminum imports and actively considering imposition of tariffs on European and Japanese automakers,

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in each case using national security authorities. If trade considerations become embedded in CFIUS reviews, strategic investors from allied countries may find themselves facing unexpected challenges. While financial investors may get some relief, all strategic investors will need to stay attuned to evolving and sensitive policy and political dynamics in Washington.

CFIUS's growing prominence has occasionally led to politicization of transactions – and this trend could continue under Trump II. While the actual CFIUS process was generally disciplined under Trump I, certain high-profile cases were subject to public commentary and – in certain circumstances – leaks, which appeared intended to generate external pressure on the Committee. The extent of politicization will likely – and significantly – depend on the personalities in key positions, but companies engaging in high-profile or potentially controversial transactions should anticipate the need for government relations and communications strategies.

The impact of national security-based trade and investment regulations more generally is likely to intensify. Trump I saw the passage of the Foreign Investment Risk Review Modernization Act, significantly expanding CFIUS's powers, along with a series of executive orders and rules targeting Chinese strategic and economic threats. The Biden Administration built on these efforts, introducing new CFIUS rules and non-CFIUS national security-based rules with far-reaching compliance implications. Trump II is likely to continue this trend, particularly with bipartisan Congressional support for measures aimed at decoupling sensitive US supply chains from China. Businesses will need to closely monitor regulatory developments to stay ahead of potential risks. As Trump's second term takes shape, continuity in CFIUS's core processes is likely, but shifts in leadership priorities, politicization, and integration with broader trade policy could create a more complex and unpredictable landscape. For investors, early assessment and strategic decision making will be critical to navigating this evolving environment.

National security and economic ambitions: Labour's strategic approach to investment

While the US election has set the stage for a more assertive approach to foreign investment screening, the UK's political landscape under the new Labour government presents a contrasting focus. Here, national security considerations remain central, but they are increasingly integrated with a broader industrial strategy aimed at fostering economic resilience and growth. As the UK's NSI regime matures, its approach reflects a delicate balance between maintaining scrutiny and encouraging investment in strategic sectors.

The UK's National Security and Investment (NSI) regime underpins the Labour government's approach to attracting international investors and facilitating safe investment to drive economic growth. With a modern industrial strategy in play and a Strategic Defence Review underway, investors face a landscape where protecting critical sectors and promoting investment are increasingly intertwined.

The third NSI annual report highlights the regime's growing maturity. Between April 2023 and March 2024, the Investment Security Unit (ISU) screened a record 906 transactions, while the number of rejected notifications fell sharply, reflecting better investor understanding of the rules. Final orders also decreased significantly, from 15 to five, indicating a regime that is both efficient and targeted but with no softening of approach. Chinese investors remain a focus, with 41 percent of deals called-in for in-depth review and eight of the ten deals withdrawn post call-in associated with China. Notably, the Labour government's approach remains nationality-agnostic in deals where the sensitivity of the target alone merits intervention. Investors from the UK and US accounted for the largest number of final orders in 2023-24.

Labour's October 2024 green paper on industrial strategy emphasizes the government's commitment to advancing strategic sectors like clean energy, advanced manufacturing, and life sciences while safeguarding national security. Investors should anticipate further alignment between the NSI regime and broader policy objectives, with possible updates to mandatory notification sectors in early 2025.

While the NSI regime remains predictable in many respects, the Labour government's focus on economic resilience and geopolitical challenges suggests an environment of heightened scrutiny for high-impact deals. For investors, understanding the shifting regulatory priorities will be crucial for navigating the UK's evolving investment landscape.

Balancing scrutiny with stability in France

Following elections in the US and UK, attention turns to France, where political instability is shaping the outlook for foreign investment. Despite the challenges of a fractured government and growing economic pressures, France's ability to balance regulatory scrutiny with investment stability continues to make it a magnet for foreign direct investment.

Following the recent elections, Prime Minister Michel Barnier is steering a coalition government without a parliamentary majority, a precarious position that has heightened political instability and raised questions about the country's economic direction. Debates over tax policy, driven by concerns around excessive public debt, have cast doubt on the fiscal predictability that has been a hallmark of French policy since 2017.

Despite these pressures, France remains Europe's top destination for FDI, a position it has held for five consecutive years, according to a May 2024 Ernst & Young study. This status reflects not only the country's economic fundamentals but also the French Treasury's steadfast commitment to a foreign investment screening regime that balances control with market attractiveness. Investors can expect the Treasury to maintain its pragmatic approach, ensuring that regulatory oversight does not undermine the country's appeal as an investment destination.

However, the protection of national interests is central to France's foreign investment policy. While significant changes to the FDI regime are unlikely, enforcement of the existing framework is expected to be applied consistently, particularly in transactions involving critical sectors or perceived risks to national security or more broadly national interest. Amendments introduced in January 2024, including a permanent threshold for acquiring control, expanded coverage of sensitive sectors and enhanced exemption for intra-group transactions, signal, despite the unprecedented political and economic situation, a mature and predictable regime for most investors.

The more immediate risks for foreign investors lie not in the FDI review process itself, which remains relatively stable, but in the broader context of political and tax or economic instability. The risk of increased politicization of certain high-profile deals, fueled in part by the government's emphasis on "re-industrialization," could add complexity to transactions that are seen as strategically significant. Deals with heightened visibility may face additional scrutiny or become entangled in political narratives, potentially complicating the review and approval process.

For investors, understanding these dynamics will be critical. While the regulatory landscape offers predictability, the interplay of political pressures and economic priorities requires careful navigation. By staying attuned to France's evolving political and economic environment, investors can better position themselves to seize opportunities while managing potential risks.

Looking ahead

The CFIUS process could become more efficient, but also risks a potentially more expansive conception of national security, under Donald Trump's second term, depending on key appointments. Investors should anticipate heightened scrutiny and potentially unpredictable outcomes for transactions involving sensitive industries.
In the UK, the Labour government is emphasizing economic resilience and strategic growth, aligning its National Security and Investment regime with its industrial priorities. Updates to mandatory notification sectors and further alignment with strategic goals are likely in the months ahead. France's foreign investment screening regime remains stable and mature, but political uncertainty and a focus on re-industrialization are adding complexity for high-profile transactions. Investors operating in these markets need to stay ahead of regulatory developments and assess how shifting priorities could impact their strategies. Freshfields is ready to help clients navigate these challenges, offering tailored guidance to support informed and confident decision-making in this dynamic environment.

With thanks to Freshfields' Aimen Mir, Jérôme Philippe, Sarah Jensen, Brian Reissaus, Andrew Gabel, and Géraldine Gaulard for contributing this update.

The new CFIUS reality: non-Chinese investors face growing challenges

In brief

As the Committee on Foreign Investment in the United States (CFIUS) increasingly shifts its focus beyond direct Chinese investment, companies worldwide are encountering unexpected challenges in their transactions. Non-Chinese investors – including those from US allies and partner nations – are now facing longer reviews, increased mitigation requirements, and heightened unpredictability. This shift underscores the importance of understanding CFIUS's evolving approach as you seek to safeguard your investments and navigate the complex regulatory landscape effectively.

The firestorm around Nippon Steel Corporation's proposed acquisition of U.S. Steel Corporation might seem like an isolated incident, driven by the political sensitivity of the target company and the dynamics of a Presidential election year. However, this controversy risks overshadowing a more significant trend affecting a broader range of companies: transactions not involving Chinese investors are increasingly being swept up by lengthy and unpredictable CFIUS reviews, even when the target company isn't politically high-profile.

While data from the US Treasury Department's 2023 CFIUS Annual Report (Annual Report) indicates that aspects of its process are becoming more efficient, a deeper analysis reveals a significant shift in focus. Traditionally, CFIUS skepticism was primarily directed at Chinese investments due to national security concerns. However, the latest data indicates that this skepticism is now expanding to include investors from US allies and partner nations.

It's important to note that the Annual Report treats each CFIUS filing as a separate transaction. This means that if a single corporate transaction undergoes multiple filings – such as starting with a declaration and then proceeding to a notice, or if a notice is withdrawn and refiled – it is counted multiple times. This approach can be misleading, inflating the apparent number of transactions under review.

Our adjusted analysis reveals that transactions involving non-Chinese investors are increasingly subject to extended reviews with a higher risk of material mitigation. This highlights a significant broadening of CFIUS' focus and underscores the necessity for companies to carefully assess CFIUS risks early in the deal-making process to reduce the likelihood of any unwelcome surprises.

At a glance

- **Decline in CFIUS filings:** Transaction volumes are dropping, partly due to familiarity with regulations and fears of CFIUS unpredictability.
- **Declarations are viable again:** Suitable for straightforward cases, making them a realistic option once more.
- **Notices lead to investigations:** Filing a notice often results in an investigation and a chance of needing to withdraw and refile.
- **Chinese investments remain risky:** Such investments continue to decline and are considered high-risk.
- **Increased scrutiny for non-Chinese investors:** Even investors from allies like Singapore and the UAE face higher withdraw/refile rates and more mitigation, though most deals ultimately succeed.
- **DOJ involvement means delays:** If the Department of Justice is your co-lead agency, expect longer timelines and potential mitigation requirements; proactive planning is crucial.
- **Heightened enforcement:** CFIUS imposed four penalties in 2023, highlighting the need for strict compliance with filing requirements and mitigation obligations.

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Unmasking CFIUS trends: efficiency or hidden complexities?

To better understand these shifting dynamics, we delve into the key findings of the latest CFIUS Annual Report. This deep dive will reveal the nuances behind the data and what they mean for your investment strategies.

Declining transaction filings and rising unpredictability

The number of distinct transactions filed with CFIUS continued to drop from an estimated peak of 343 transactions in 2021, to 322 in 2022, and 279 in 2023. While some of this decrease may be attributed to a greater familiarity with the CFIUS rules since the enactment of the Foreign Investment Risk Review Modernization Act regulations, a notable factor is the growing unpredictability of the CFIUS review process. Companies are becoming cautious, fearing delays and complications that can arise from extended reviews.

Short-form declarations: an effective strategy for straightforward cases

The use of short-form declarations in the CFIUS process has experienced a notable shift. A declaration is a concise filing that allows parties to potentially receive a decision more quickly than with a full notice. Upon reviewing a declaration, CFIUS may:

i. Issue a clearance letter that provides safe harbor.

ii. Issue a no-action letter that does not provide safe harbor.

iii. Request that a full notice be submitted.

iv. Initiate a unilateral review.

Between 2020 and 2022, an estimated 48 percent of distinct transactions were filed as declarations. In 2023, this rate dropped to 39 percent. This decline likely reflects concerns from parties due to the significantly increased rate at which CFIUS had been requesting notices at the end of the declaration process – in 2022, 32 percent of declarations resulted in such requests. This trend led many parties to perceive filing declarations as riskier and potentially less efficient.

However, despite the decrease in the number of transactions filed as declarations, the effectiveness of declarations improved significantly in 2023. Only 18 percent of declarations that year resulted in a request for a full notice. This marked improvement suggests that filing a declaration is once again a realistic and efficient option for certain transactions.

This shift is likely due, in part, to parties adjusting their strategies. Recognizing the previous risks, they began reserving declarations for the most straightforward cases – transactions unlikely to raise material national security concerns. By carefully selecting which transactions to submit as declarations, parties increased the likelihood of receiving clearance without the need for a more time-consuming full notice.

Another contributing factor is the role of lead agencies in the CFIUS process. Various US government agencies participate in CFIUS reviews, with certain agencies designated as lead agencies based on their specific interests in a transaction. The choice of lead agency can materially impact the process and outcome of a review.

We estimate that the US Department of Defense (DOD) and US Department of Energy (DOE) are the co-lead agencies in a majority of declarations. Improvements in efficiency within these agencies may have streamlined the declaration process, contributing to the reduced rate of declarations ending with a request for a full notice.

Increased investigations signal heightened scrutiny

The rate at which transactions filed as notices proceed to the investigation phase remains notably high, signaling sustained scrutiny from CFIUS. In 2023, we estimate that 45 percent of distinct transactions filed as notices went to investigation (assuming any transaction withdrawn/refiled involved two investigation periods) – slightly above the 2022 rate of 44 percent and well above the 2021 rate of 32 percent.

Under CFIUS regulations, the Committee has up to 45 calendar days to complete its initial review of a notice. If additional time is needed to assess potential national security risks, CFIUS can initiate an additional 45-calendar-day investigation, extending the total review period to up to 90 calendar days. Entering the investigation phase can therefore significantly prolong the review process, impacting transaction timelines and introducing uncertainty.

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The high rate of notices advancing to investigation is expected to persist. This is partly because parties are more likely to file short form declarations for straightforward, low-risk cases – especially if CFIUS continues to clear transactions efficiently through that process. As a result, more complex transactions that raise national security considerations are funneled into the notice process and are likely to take more than 45 days.

Chinese transactions continue to decline, a trend that is likely to continue

Chinese transactions are disproportionately likely to be withdrawn and refiled. When adjusting for distinct transactions – taking into account that a single corporate transaction may undergo multiple filings due to withdrawals and refilings – we estimate that no more than 14 unique transactions involving Chinese investors were reviewed by CFIUS in 2023, as opposed to the 33 transactions reported in the raw data.

Furthermore, transactions involving Chinese investors are significantly more likely to be the subject of CFIUS's non-notified process. This process occurs when CFIUS seeks to review a transaction that had not been notified. Consequently, a significant portion of Chinese transactions reviewed in 2023 likely involved transactions completed over several years prior to 2023.

Given that CFIUS has likely now identified and reviewed through the non-notified process most legacy Chinese transactions of interest that are subject to its jurisdiction, and considering that new Chinese direct investment at levels with CFIUS jurisdiction has substantially decreased, we anticipate that the number of Chinese transactions subject to CFIUS review will continue to decline.

Non-Chinese investors under the microscope

We estimate that approximately 75 percent of CFIUS investigations in 2023 involved a non-Chinese investor. This clearly indicates that the expanded CFIUS bureaucracy remains highly active despite the decline in Chinese direct investment.

This heightened scrutiny likely stems in part from CFIUS examining non-Chinese investor ties to China. The fact that the risk is indirect has not lessened the intensity of CFIUS scrutiny.

Notably, we estimate that of the 35 mitigation agreements CFIUS required in 2023, at least 32 – and possibly more – were with non-Chinese investors. This suggests that while non-Chinese transactions are subject to rigorous scrutiny, they are more likely to be resolved through mitigation agreements rather than prohibitions. In contrast, the overwhelming majority of abandoned transactions in 2023 involved Chinese investors.

Increased scrutiny reflected in higher withdraw/refile and mitigation rates

The intensified examination of non-Chinese transactions is evident in the increased rates of withdrawals, refilings, and mitigation requirements. Before 2020, the vast majority of withdraw/refiles likely involved Chinese investors. However, after 2020, the withdraw/refile rate for non-Chinese transactions became at least as high as, if not higher than, that for Chinese transactions.

We estimate that in 2021, non-China transactions accounted for at least 51 percent of withdraw/refiles, at least 65 percent in 2022, and at least 49 percent in 2023. This shift underscores that non-Chinese investors are now experiencing heightened scrutiny during the CFIUS review process, similar to or exceeding that faced by Chinese investors.

Perhaps the most notable trend over the past few years is the increasing rate at which transactions are requiring mitigation. Adjusted for withdraw/refiles, we estimate that the rate rose from 12 percent in 2021 to 19 percent in 2022, and reached 23 percent in 2023. The vast majority of these are non-Chinese transactions.

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Limited transaction failures under CFIUS

The estimated 190 notices of distinct transactions filed with CFIUS in 2023 resulted in 9 transactions – 5 percent – being withdrawn and abandoned or subject to a divestment requirement due to national security concerns, effectively the same rate of failure as the prior few years.

Singapore and the UAE have had the most interesting trends beyond China

While investors from the UK, Canada, and Japan accounted for the most transactions filed with CFIUS in 2023 – 19, 16, and 15 respectively – this aligns with their historical investment levels in the United States and is not unexpected. While these statistics are raw numbers of notices filed by investors from these countries, it is unlikely that many, if any, of these filings involved withdrawals and refilings. Therefore, these numbers likely reflect the actual number of distinct transactions reviewed by CFIUS from these countries through the notice process.

In contrast, the trends involving Singapore and the United Arab Emirates (UAE) have been particularly noteworthy and indicative of shifting dynamics.

Singapore continued to be a significant participant in CFIUS filings, but at a much lower rate than the previous year. In 2022, Singapore accounted for more distinct transactions filed as notices than any other country, with an unadjusted count of 40 reported notices. This number dropped to 19 in 2023, with some portion of the reported transaction count in each year likely tied to withdraw/refiles.

The UAE experienced a significant increase in CFIUS filings, coupled with heightened scrutiny. Notices involving UAE investors jumped from zero in 2021, to 11 in 2022, and further to 22 in 2023.

In the case of both Singapore and the UAE, the fluctuations could be driven by rates of investment, increased willingness to invest in more sensitive targets, risk-tolerance of the investors for proceeding without a CIFUS filing, and other geopolitical considerations.

Transactions with DOJ as co-lead face higher risks of withdrawal/refiling and mitigation

Transactions where DOJ serves as a co-lead agency have been disproportionately more likely to be withdrawn, refiled, or subjected to mitigation measures. According to DOJ's FY 2025 budget request, in FY 2023 (October 1, 2022-September 30, 2023), DOJ led approximately 16 percent of cases in which a joint voluntary notice was filed, with CFIUS. Notably, these cases resulted in prohibition, abandonment, or mitigation based on national security risks roughly 82 percent of the time – a significant increase from 40 percent in FY 2022.

It's unclear whether these figures are adjusted for withdrawals and refilings; if they are not, the effective percentages could be even higher in reality. Historically, CFIUS mitigates approximately 15 percent of discrete transactions (adjusting for withdraw/refiles). The data from DOJ's budget request, regardless of these adjustments, demonstrates a significant divergence from CFIUS's typical trends. This indicates that even transactions involving seemingly benign investors are more likely to be subject to mitigation if DOJ co-leads the review.

Among the DOJ's equities in the CFIUS review process is data protection. Transactions involving the acquisition of a target that has access to, or collects, or maintains data would be most subject to this risk. However, we will be looking to see whether and how much this DOJ inclination to use CFIUS for general data protection purposes, regardless of investor, continues with the change in administration.

Increased enforcement, high compliance

Biden Administration political officials in the Treasury Department made enforcement a clear priority, and CFIUS imposed four penalties in 2023 and four in 2024, which is four times the number it has imposed since gaining penalty authority under the Foreign Investment and National Security Act of 2007. CFIUS has also used its subpoena authority for the first time in the past year.

This uptick in enforcement underscores CFIUS's commitment to enforcing compliance and should drive greater attention to adhering to mandatory filing requirements and complying with mitigation agreements. However, the relatively low number of enforcement actions suggests that most companies are taking their compliance responsibilities seriously. This high rate of compliance indicates that transaction parties are effectively navigating CFIUS's regulations and are committed to upholding national security considerations.

Looking ahead

As the CFIUS landscape continues to evolve, the heightened scrutiny on non-Chinese investors signals a new era of complexity in cross-border transactions. Companies must proactively assess CFIUS risks early in the deal-making process, anticipate longer review periods, and prepare for potential mitigation requirements. Staying informed about regulatory shifts and understanding CFIUS's expanding focus will be crucial for safeguarding your investments.

With thanks to Freshfields' Aimen Mir, Christine Laciak, Colin Costello, Brian Reissaus, and Andrew Gabel for contributing this update.

China's foreign investment regimes balance openness and security

In brief

Foreign investors in China must navigate the complexities of two key regulatory regimes: the Foreign Investment (FI) regime and the National Security Review (NSR) regime. The generally applicable FI regime continues to liberalize, offering growing opportunities for foreign investments, with fewer restrictions and no prior approval required outside designated sectors. However, the NSR regime is tightening, particularly in military-related sectors and other sensitive sectors like technology and infrastructure. Investors must take a proactive approach to assess national security risks early and tailor their strategies accordingly. This piece provides actionable insights to help investors stay ahead in China's evolving regulatory landscape.

Today, foreign investors looking to invest in China should look out for two separate regimes that regulate foreign investments: the FI regime and the NSR regime. As their names suggest, the FI regime applies to all foreign investment activities, while the latter only focuses on those that potentially give rise to national security concerns.

As China seeks to further open up and liberalize its domestic market amid a complex geopolitical landscape, the two regimes are heading into seemingly contradictory directions: while foreign investments in most sectors are welcome under the FI regime, the NSR regime does have teeth when national security is at the stake.

The FI regime continues to be further relaxed

China's commitment to opening its market to foreign investors remains strong. The FI regime dates back to the 1980s when China first opened its door to foreign investments. The regime has gradually been relaxed in the past decades. Most notably, the regime fully adopted the "negative lists" approach in 2016, essentially abolishing the requirement for prior approval on foreign investments in sectors not listed as restricted or prohibited.

Under the current Foreign Investment Law, any foreign investments in sectors outside of the "negative lists" are now treated equally to domestic investments, without any prior and suspensory scrutinization. Since 2016, China has been shortening its national "negative list" year by year, with the most recent update in 2024 eliminating the remaining restrictions in the manufacturing industry. This approach reflects China's ongoing efforts to liberalize its market and position itself as a more open environment for foreign investment.

The growing influence of the NSR regime

The relaxation of the FI regime is mirrored by a growing focus, expansion and strengthening of the NSR regime, which has become more stringent in recent years. While Chinese authorities continue to be cautious in intervening on national security grounds, the NSR regime's growing influence cannot be ignored. Its impact on deal timelines and certainty makes it a critical factor for investors to watch closely.

The NSR regime, established in 2011 and expanded in 2020 with the introduction of Measures on Security Review of Foreign Investment (NSR Measures), has been increasingly applied to foreign transactions that might affect China's national security. An NSR Working Mechanism was established, with the National Development and Reform Commission (NDRC) being the lead authority coordinating the inter-ministerial review mechanism.

The expanded NSR regime now covers more types of transactions and sectors, including both direct and indirect foreign investments as well as greenfield investments. We've seen an uptick of transactions being filed to NDRC or NDRC calling in transactions for NSR review, often triggered by third-party complaints and sometimes leading to companies abandoning a transaction. A notable example of this occurred in 2019 when Jardine Matheson-backed Yonghui Superstores abandoned its proposed acquisition of a controlling stake in Zhongbai Holdings, a Chinese state-owned supermarket operator, reportedly due to concerns raised by the NDRC during the NSR process.

With both the FI and NSR regimes evolving, investors must stay alert. The general expectation is that the NSR reviews will play a more prominent role in China's foreign investment regulatory framework, given the relaxed FI regime and the shift of the Chinese merger control regime towards focusing on genuine competition issues. Nevertheless, even though western countries have intensified their examination of Chinese investments, the Chinese authority has managed to apply significant caution when scrutinizing foreign investments in sectors involving national security.

Navigating the uncertainty of NSR reviews

While the NSR regime is designed to protect national security, its implementation can be opaque and unpredictable, posing significant challenges for foreign investors. The broad scope of the NSR Measures – ranging from the types of transactions to the sectors involved – combined with the limited availability of publicly disclosed precedents, means that many aspects of the review process remain uncertain. This includes key factors such as the scope of notifiable transactions, review timelines, substantive concerns, and the standards of review and outcomes.

The NDRC exercises considerable discretion throughout the process, and its views can shift in response to evolving national security priorities, public policies or geopolitical dynamics. As cautious as the NDRC may be in applying the NSR regime, the unpredictability of the process – combined with the NDRC's evolving stance – makes managing NSR-related risks complex. Investors must recognize that what is deemed "critical" or "sensitive" can change over time, making early and ongoing legal guidance crucial to navigating this uncertain terrain.

Proactive – and tailored – risk management

Given the unpredictability of the NSR process, foreign investors should take a proactive approach to assess potential risks early in the deal-making process. Here are some key steps to consider:

Under the NSR Measures, a mandatory and suspensory filing to NDRC is triggered in two key situations:
(i) investments in military or military-related industries, or investments located near military facilities; or
(ii) acquisition of control over a Chinese target active in a "key" or "critical" sector, including critical agriculture, critical energy and resources, significant equipment manufacturing, critical infrastructure, critical transportation services, critical cultural products and services, critical IT-related or internet products and services, critical financial services, key technologies and other critical sectors. A foreign investor will be deemed to have acquired control if, post-transaction, it holds 50 percent or more of the shares, has sufficient voting rights to materially influence resolution of shareholders' meetings and the board or directors, or can exercise material influence over key decisions of the target.

The NSR Measures do not provide clear guidance on what constitutes "critical," giving NDRC considerable discretion in setting filing thresholds. Of course, NDRC's perspective on what is critical may evolve based on factors such as, but not limited to, shifting industrial policies, social concerns and geopolitical dynamics.

As a result, foreign investors must adopt a holistic approach when assessing whether a filing obligation is triggered. This involves considering all aspects of the target's business in China (including its controlled subsidiaries), such as its business relationship with military-related sectors or entities, proximity to military bases, relationships with public entities, and the broader geopolitical context. NDRC has shown particular interests in sectors such as artificial intelligence, automation, infrastructure and the automobile industry. While not explicit in the NSR regime itself, tightened regulation on data protection in China has led to regulators' increased interest in transactions involving target businesses having access to substantial amount of personal data or important data. Additionally, the reactions of third-party stakeholders are an important consideration in assessing potential risks.

Given the uncertainty and broad discretion involved, this is ultimately a risk-based assessment that cannot be guided by a simple checklist or fixed rules. To effectively manage the risks from the outset, foreign investors should seek legal advice to conduct a comprehensive evaluation early in the deal-making process.

Strategize your interaction with the regulator

Another key to navigating the NSR regime is understanding how to interact effectively with NDRC. While the agency is cautious in applying the NSR regime, its process is not always transparent, and timelines can vary widely. Foreign investors can request a pre-notification consultation with NDRC to clarify whether their transaction will require a formal NSR filing. This can help address some of the uncertainty about filing thresholds and regulatory expectations.

However, keep in mind that the consultation process itself is subject to NDRC's discretion and can take anywhere from one to three months or even longer depending on the complexity of the situation. In addition, NDRC is generally unlikely to provide views on any substantive issues during the consultation. Given the uncertainties related to the consultation process itself, it is crucial for foreign investors to carefully strategize their interaction with the regulator, including whether to apply for a pre-consultation.

Prepare for unpredictability: managing NSR Reviews

Once a filing is made or a consultation is initiated with NDRC, transaction parties must be ready for the uncertainty surrounding timelines and outcomes.

Review timeline: NDRC operates within statutory review periods, but these can be extended if the authority requests additional information, as the review clock will be stopped while NDRC awaits the parties' response. The review process consists of three phases: a preliminary review of 15 business days, a general review of 30 business days, and a special review of 60 business days. However, the overall timeline is often unpredictable due to delays in receiving responses and the interdepartmental consultations that will occur.

Possible outcomes: The outcome of an NSR review can range from unconditional clearance to prohibition. In some cases, NDRC may clear a transaction subject to conditions, which could include changes to the structure of the deal or to the target's operations. These conditions can impact the transaction value and may affect the overall deal strategy.

Failure to notify consequences: While there is no monetary penalty for not notifying a transaction under the NSR regime, the authorities can call in a transaction, which is not time-barred. In some cases, they may require the transaction to be unwound or impose specific remedies if substantive concerns arise.

Looking ahead

As China's regulatory landscape evolves, staying informed about the shifting dynamics between the FI and NSR regimes is critical for making strategic investment decisions. Understanding these changes will help you spot opportunities and mitigate risks.

Given the tightening of the NSR regime, early risk assessments are essential to avoid delays or deal disruptions. A tailored legal approach is key, as the NSR review process is unpredictable and complex. Engaging strategically with the NDRC can help clarify uncertainties and reduce regulatory risks.

At Freshfields, we are ready to guide you through these complexities with insights that are tailored to your specific needs and business context. Whether you're exploring investment opportunities in China or addressing potential national security concerns, we ensure you are well-prepared to navigate this evolving regulatory landscape.

With thanks to Freshfields' Ziqi Zhou and Hazel Yin, and Wenting Ge, RuiMin Law Firm, China*

*RuiMin is an independent PRC law firm that is part of our global StrongerTogether Network.

Spain derails an intra-EU deal on FDI grounds: reasonable concerns or protectionism?

In brief

Spain's recent decision to block the acquisition of Talgo S.A. by Hungarian consortium, Ganz-MaVag, signals an assertive stance on national security, reflecting a broader trend among EU Member States to scrutinize foreign investments, even from within the EU. This move underscores Spain's heightened focus on protecting critical technologies and national interests, emphasizing that even intra-EU investments may encounter barriers under evolving FDI rules. Ganz-MaVag's planned appeal could also shape future decisions by testing the balance between national security and EU market freedoms, marking an important moment for investors navigating Spain's regulatory landscape.

Ganz-Mavag's investment was scrutinized under Spain's so-called provisional FDI regime for European Union (EU) investors, implemented in November 2020.

This regime, set up amidst the heavy economic impact of the early days of COVID, was subsequently extended on three occasions. The current temporary FDI regime is set to expire at the end of 2024, though Spain's Minister of Economy has already announced another extension.

This transaction shows Spain's continuous willingness to scrutinize foreign investments in some sectors of the Spanish economy (and intervene, if required), even if such investments come from elsewhere in the EU. Ganz-Mavag has nevertheless announced its intention to appeal the prohibition before the Spanish Supreme Court.

This appeal should shed light on the boundaries of Spanish FDI rules and compatibility with EU fundamental freedoms, as well as on the balance between confidentiality and parties' access to the case file in FDI reviews.

Background on the Talgo deal

Talgo is a Spanish listed company mainly active in the manufacturing, renovation and maintenance of rolling stock, auxiliary machines and related products and services. Talgo has traditionally been one of the key suppliers of the incumbent railway operator in Spain, Renfe. Talgo's railway solutions and services are not only offered in Spain, but also exported worldwide, making it a significant player in the global railway industry.

Nevertheless, in recent years, Talgo has faced economic distress, with stakeholders open to potential investors able to inject capital to ensure the company's longer-term viability. The announcement of

Ganz-Mavag's takeover offer in March 2024 was, therefore, welcomed by shareholders as a route to tackle the company's financial challenges.

Ganz-Mavag is a Hungarian consortium, whose shareholders are Ganz-Mavag Holding Kft. (55 percent) and Corvinus (45 percent). Ganz-Mavag Holding Kft. belongs to the Magyar Vagon Group, active in the railway sector, and based in Hungary. This is ultimately controlled by MOL Hungarian Oil and Gas Public Limited Company, also based in Hungary. In turn, Corvinus Zrt., based in Hungary, is a management company established for the purposes of holding interests of the Hungarian State, its sole shareholder.

Spain derails an intra-EU deal on FDI grounds: reasonable concerns or protectionism?

Why was Ganz-Mavag's investment in Talgo blocked?

From the outset, it was clear the Spanish government has reservations about the transaction. Talgo was publicly labelled a strategic operator and the government openly signaled a preference for other bidders. The Spanish Minister for Transport and Sustainable Mobility even declared that the government would do "everything possible" to prevent a takeover.

Following a lengthy review under the above-mentioned temporary FDI regime for EU investors, the Spanish government prohibited the transaction following a negative report from the Foreign Investment Board, which is a public body comprised of representatives of different ministries and the Spanish secret services in charge of reviewing investments prior to final consideration by the Council of Ministers.)

The decision of the Council of Ministers, although technically confidential and addressed only to the applicant, was made public in the context of the review of the takeover offer by the National Securities Market Commission (CNMV).

Consistent with the customary practice of the Council of Ministers when issuing a decision regarding a request for FDI approval, the decision at stake is succinct and contains minimum details regarding the review. However, despite its relevance, the decision lacks any meaningful reference to the grounds for the prohibition.

In detail, pursuant to the decision, the Spanish government considered that the activities of the target would fall within two of the strategic sectors foreseen in the applicable FDI rules, thus requiring prior FDI approval, namely: (i) critical technologies and dual-use items; and (ii) supply of critical inputs, foreseen in Article 7 bis 2(b) and (c) of Law 19/2003 on the legal regime of capital movements and economic transactions abroad.

However, no further reference is made to the specific activities of Talgo falling within such strategic categories. The decision simply highlights Talgo's "commercial relationships with Renfe" and "the company's technology," that can amount to "dual-use items, key technologies for industrial leadership and capacity building, and technologies developed under programmes and projects of particular interest to Spain."

Most notably, there is no reasoning as to why such activities could be jeopardized as a result of Ganz-Mavag's investment or why the investment entails a risk from a public order, security and health. In this respect, Ganz-Mavag noted in a communication to the CNMV that the decision "lacks the slightest motivation and produces the offeror the most absolute defencelessness."

A press release published by the Spanish Government on 27 August 2024 offered limited additional details on its decision, reportedly adopted seeking the "protection of Spain's strategic interests and national security." The prohibition would be warranted due to the "risks to national security and public order," and the fact that Talgo is "a strategic company in a key sector for economic security, territorial cohesion and industrial development of Spain."

No additional information on the decision was officially published, and the case file has been declared as classified by the Spanish government.

Media reports national security concerns

Despite the lack of official details, international and Spanish media has reported that the decision was influenced by reports from the Spanish secret service and the national security unit. The reports apparently expressed concerns over the consortium's ties to the Hungarian government and Russia. Reportedly, Magyar Vagon Group had ties with the Russian railway company Transmashholding until 2022 (with Politico reporting reputational and national security concerns).

Media (including the FT) has also reported Spanish government wariness of an investor with potential ties to Russia gaining control over allegedly critical technology, in particular Talgo's patented variable gauge technology. This technology allows trains to travel across railway networks with different track gauges and could potentially be useful in Ukraine's reconstruction, according to press sources. (The Spanish government has not officially confirmed any details.)

What's next for Ganz-Mavag and Talgo?

Following the prohibition decision, Ganz-Mavag withdrew the takeover offer and announced to the CNMV that it would appeal the decision of the Council of Ministers, both at national and EU levels. In particular, and without prejudice to other actions, Ganz-Mavag intends to directly file an appeal before the Spanish Supreme Court following the contentious administrative jurisdiction. It has also been reported by Reuters and other Spanish media that the Spanish Association of Minority Shareholders also intends to file an appeal against the decision and challenge the temporary FDI regime for EU investors. Nevertheless, latest news indicates that such appeals may not be filed ultimately.

While there are no public details yet on any such appeals, it is likely that applicants would seek, among other things: (i) to trigger a preliminary ruling request in order to challenge the validity of the temporary FDI regime for EU investors in light of the freedom of establishment and the free movement of capital enshrined in the Treaty on the Functioning of the EU; (ii) from a substantive perspective, to challenge the boundaries of the definition of the relevant strategic sectors foreseen in the applicable FDI rules as well as the Spanish Government's discretionary powers in limiting the freedom of establishment of EU investors (in line with the Court of Justice's case law in the Xella case); and (iii) at a procedural level, to protect their rights of defense and due process, including parties' right to access the case file and the authority's duty to state grounds for its decisions.

Looking ahead

Judicial review of FDI decisions in Spain has been very exceptional so far, making this case a potential milestone that could contribute to enhanced legal certainty and transparency in Spanish FDI review processes.

Regardless of the outcome of any appeals, the Spanish government's move reflects a broader trend within the EU, where Member States including Spain, France or Italy, among others, are increasingly invoking national security concerns to scrutinize foreign investments even from within the EU. Consequently, it remains essential for investors to carefully consider FDI regimes even for intra-EU deals, as well as the broader geopolitical context and its impact on FDI regulators.

With FDI rules evolving, staying informed on regulatory shifts will be crucial for navigating potential risks and opportunities. If you have questions on how these changes could impact your investment strategy, feel free to reach out for a discussion.

With thanks to Freshfields' Álvaro Puig and Javier Fernández for contributing this update.

The UK's national security regime matures amid new government priorities

In brief

With a new government focused on growth and security, the UK's National Security and Investment (NSI) regime is poised to take on fresh significance. We look at what the latest NSI report reveals and explore how the Labour government's plans for investment in critical sectors could impact you, as investors prepare for shifts in the regulatory landscape in the year ahead.

Just three years in, the UK's NSI regime may be young compared to global counterparts, but it's already showing clear signs of maturity. Now operating under a new Labour government that is prioritizing investment in key sectors that drive growth and bolster economic security, the regime is set to evolve further in the months ahead.

The latest NSI annual report, published on September 10, 2024, provides valuable insights into how the regime operated during the final reporting year of the previous government. But the real focus is on the future: how will the government's industrial strategy, Strategic Defence Review and audit of UK-China relations shape the scrutiny of investments in 2025 and beyond?

Key insights from the latest NSI report

The third annual report offers clear data on how the NSI regime functioned from April 2023 to March 2024. Here's what stands out:

1. **High volume of transactions reviewed.** The Investment Security Unit (ISU) was busy, screening 906 transactions, up from 865 the previous year. As businesses and investors become more adept at navigating the regime's requirements, the number of rejected notifications fell significantly, from 42 to just 24.
2. **Fewer call-in notices but a higher proportion followed a voluntary notification.** While the percentage of notified deals called in for in-depth review fell slightly from 7.2 percent to 4.4 percent, a higher proportion of these had been notified voluntarily (37 percent, up from 26 percent last year). This is a timely reminder for investors that acquisitions falling outside the mandatory notification regime can (and do) give rise to national security concerns, underlining the importance of carefully assessing the merits of voluntary notification to close off a (potentially lengthy) period of uncertainty. Investors should not assume that non-notified deals will fly under the radar. The ISU's active market monitoring led to four non-notified deals being called in for in-depth review in 2023-24, and one resulting in a final order (remedies).
3. **Fewer final orders.** The number of final orders (remedies) fell significantly from 15 to five in 2023-24. Notably, none of these involved investors with links to China, contrasting with eight out of 15 in the previous year. However, as the new government's most recent final order shows, this does not indicate a softening of approach towards Chinese investment but instead suggests that Chinese investors are steering clear of sensitive sectors or withdrawing from deals where remedies – and unwelcome publicity – appear likely. In 2023-24, there were 10 cases where parties withdrew from an acquisition after it had been called in for detailed review, eight of which involved Chinese investors.
4. **Diverse sector focus.** Defense and military, as well as dual-use sectors continue to attract the most scrutiny, but communications, advanced materials and academic research are not far behind. Defense sector deals accounted for most final orders (four), followed by military and dual-use (two) and communications (two). However, deals in a wide range of sectors are reviewed: in 2023-24, call-in notices were issued across 16 of the 17 sectors subject to mandatory notification.

5. **A nationality-agnostic approach.** The regime remains focused on national security regardless of the nationality of investors. Although Chinese investors remain a key focus (making up 41 percent of deals called in), investors from the UK (39 percent) and US (22 percent) also feature high on the list. In 2023-24, final orders were imposed on investors from the UK (two), the US (two) and one each from Canada, France and the UAE, illustrating how, in some cases, the sensitivity of the target alone can merit intervention.

Will Labour change the UK's approach to investment screening?

After fourteen years of Conservative-led rule, the new Labour government took office in July 2024 with national security and economic growth high on the agenda.

Already, the government is actively assessing threats through a Strategic Defence Review and a separate audit of UK-China relations, which will, as per the Labour Party's pre-election manifesto, "improve the UK's capability to understand and respond to the challenges and opportunities China poses." Both reviews are expected to report in the first half of 2025.

The publication of Labour's green paper for a modern industrial strategy in October 2024 further underscores the government's approach towards critical industries and supply chains. It makes one thing clear: promoting investment and building economic resilience in priority growth sectors are intrinsically linked. In fact, five of the eight sectors identified for investment and growth – advanced manufacturing, clean energy, defense, digital technologies, and life sciences – are also core areas of focus for the NSI regime. However, what this means in practice for NSI reviews remains to be seen.

The green paper highlights Labour's commitment to:

- promoting key sectors such as emerging technologies (including AI), life sciences and clean energy to drive growth and strengthen economic security;
- reducing vulnerabilities in supply chains that could affect the UK's access to critical inputs such as minerals, semiconductors and batteries; and
- ensuring that national security risks inform the government's growth agenda.

The strong connections between removing barriers to investment and growth, building resilience and protecting national security highlight the ongoing alignment of policy priorities. However, as the industrial strategy begins to play out, further clarification will be needed. The government has confirmed that the NSI regime underpins its approach to attracting investment in growth sectors. But as we look ahead, we could see the regime evolve in ways that further enhance the government's growth objectives with more targeted and proactive interventions to protect and strengthen core capabilities while also working to establish more secure supply chains for critical inputs.

In the meantime, the new government continues to enforce the regime, imposing remedies that appear broadly consistent with the previous administration. Since July 5, 2024i, the new NSI decision maker, the Rt Hon Pat McFadden MP, has already imposed five final orders – one in each of the defense and semiconductor sectors and three in energy – aimed at safeguarding strategic assets and capabilities, while restricting the sharing of sensitive information. The new government's first (and only so far) prohibition concerns Chinese investment in the UK's semiconductor industry, indicating a consistent approach towards protecting UK-developed technology to that taken by the previous government.

The first court judgment on the regime underlines the high bar for parties trying to challenge remedy decisions. In LetterOne's judicial review of the government's order requiring it to divest its entire shareholding in fibre broadband company Upp rather than impose less intrusive measures, the court confers consideration discretion on the government: "the court will treat as axiomatic that Parliament has entrusted the assessment of risk to national security to the executive and not to the judiciary." The judgment of November 20, 2024 confirms that the regime allows the Secretary of State to take measures that he or she reasonably considers will prevent, remedy or mitigate the risk to national security and "that question involves matters of judgment and policy which the court is not equipped to decide."

The UK's national security regime matures amid new government priorities

What should investors expect next?

Several potential developments, which we highlighted in our previous edition of FI Monitor, are worth watching.

The government is due to review and report on the mandatory sectors by January 2025. This long-awaited consultation could lead to important updates in areas such as advanced technologies and materials, which require adjustments to address technological advancements and new risks from supply chain dependencies. Additionally, there is potential for critical infrastructure sectors to be expanded, with proposals from the previous government suggesting that water be included alongside other regulated industries.

Other reforms proposed by the previous government include the implementation of technical exemptions for the appointment of liquidators. However, the jury is still out on whether the current government will introduce more reforms to streamline the process, including exemptions for internal reorganizations or fast-tracks for UK-based or established investors from "friendly nations." As the government looks to promote investment in strategic sectors, the case for exemptions and fast-tracks is growing but at a time of heightened geopolitical tensions the evidence will need to show that the benefits of reforms for investors outweigh any risks for the UK.

The early actions of the Labour government indicate that its approach towards national security investment screening is not softening but may sharpen. With a modern industrial strategy and a renewed focus on promoting investment and building resilience of strategic sectors, investors are now looking for more clarity on what this means in practice for the NSI regime in the months and years ahead.

The long-awaited consultation on mandatory notification sectors could signal a refresh, which supports the government's growth mission. The government's targeted plans for the eight growth sectors outlined in the industrial strategy, coupled with insights from the Strategic Defence Review and the UK-China audit, will also be pivotal for shaping investor certainty and confidence. Understanding which types of deals will attract more (or less) scrutiny is essential for making informed investment decisions.

Ultimately, however, investors should not expect a loosening of the rules. The government has made it clear that its strategy for attracting international investment is firmly anchored in the NSI regime and other protective mechanisms, aimed at ensuring secure investments and cultivating a more resilient UK economy.

Looking ahead

The UK's NSI regime is positioned to adapt under Labour's new industrial strategy, aligning closely with economic resilience and security priorities in key sectors. Expected reforms to notification requirements and a potential expansion in covered sectors could mean added scrutiny for high-impact industries. Staying up to date on regulatory changes and understanding their implications will be essential for navigating future investments. As developments unfold, we'll keep you informed. If you have any questions about how these changes could impact your investments, we're here to help.

With thanks to Freshfields' Sarah Jensen for contributing this update.

New *Foreign Investment Regulation* offers insight on stricter foreign investment regimes

In the wake of recent geopolitical tensions, foreign investment reviews by government bodies across the globe are becoming increasingly more stringent, with heightened scrutiny of transactions in sensitive sectors such as technology, infrastructure and natural resources.

The newly launched 2025 edition of In-depth: Foreign Investment Regulation (formerly Foreign Investment Regulation Review) comprises a comprehensive overview of the laws, regulations, policies and practices governing foreign investment in key international jurisdictions.

This 12th edition, co-edited by Alex Potter and featuring Freshfields contributors, includes:

- analysis of recent regulatory changes in 23 jurisdictions,
  11 of which have been authored by Freshfields;
- expert commentary from leading practitioners; and
- in-depth case studies and practical guidance.

Business leaders and legal counsel alike can stay informed of complex, practical and strategic FDI considerations with In-depth: Foreign Investment Regulation.

To discuss issues raised in this year's guide or foreign investment regulation in general, please reach out to your usual Freshfields contact or our antitrust and regulatory group.

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November 2024, 489374

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