

# NATIONAL SECURITY INVESTMENT ACT REGIME

Latest trends – August 2023

 **ADDLESHAW  
GODDARD**

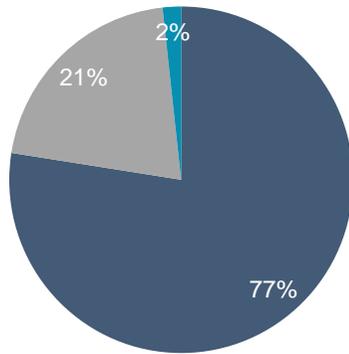
MORE IMAGINATION **MORE IMPACT**



# NSIA SCRUTINY NOT QUITE AS BURDENSOME AS ANTICIPATED

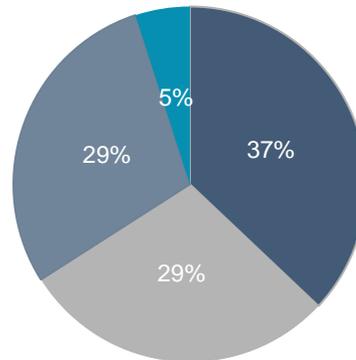
## FIRST TAKEAWAY

### NOTIFICATIONS SUBMITTED



■ Mandatory ■ Voluntary ■ Retrospective validation

### CALL-IN NOTICES BY SECTOR



■ Military and dual use ■ Defence  
■ Advanced materials ■ Other

# 866

### NOTIFICATIONS SUBMITTED

Lower than the 1,000-1,830 anticipated in the Government's NSI Bill Impact Assessment

# 93%

### OF NOTIFICATIONS REVIEWED CLEARED WITH A NO FURTHER ACTION NOTICE

Vast majority of deals are cleared within 30 working days and without detailed assessment

### CAVEATS



Power to stop the clock routinely used



5% of form rejections (43) – lack of process certainty



Higher number of blocking/ remedies orders than anticipated (15 vs. 8-10)



No fines yet imposed

# 65

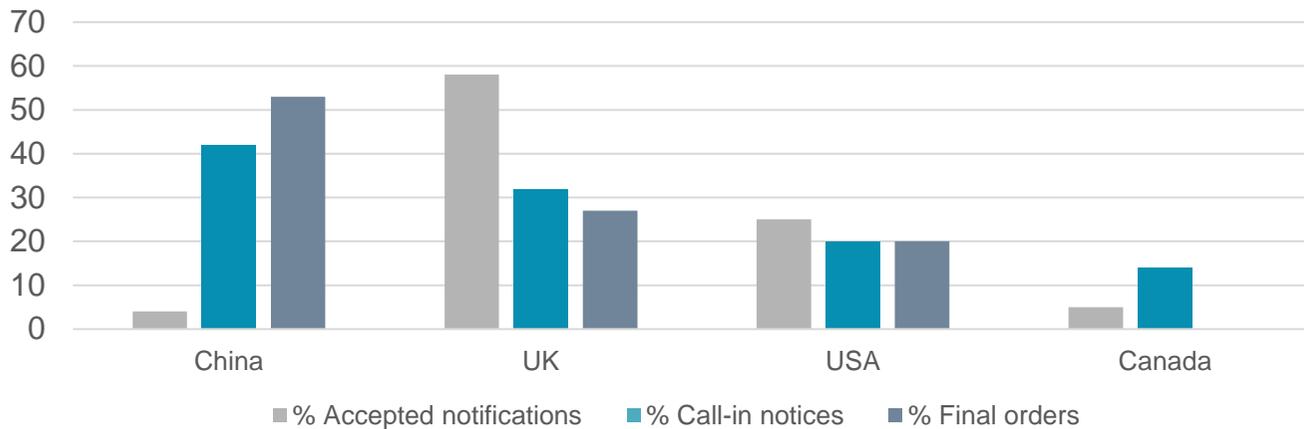
### CALL-IN NOTICES

Lower than the 70-95 anticipated in the Government's NSI Bill Impact Assessment

# FOCUS ON DEFENCE/ MILITARY SECTORS AND LINKS TO CHINA, BUT NOT THE ONLY AREAS

## SECOND TAKEAWAY

ASSOCIATED ORIGIN OF INVESTMENT



21%

OF INTERVENTIONS LED TO A FINAL ORDER IMPOSING REMEDIES OR BLOCKING THE TRANSACTION

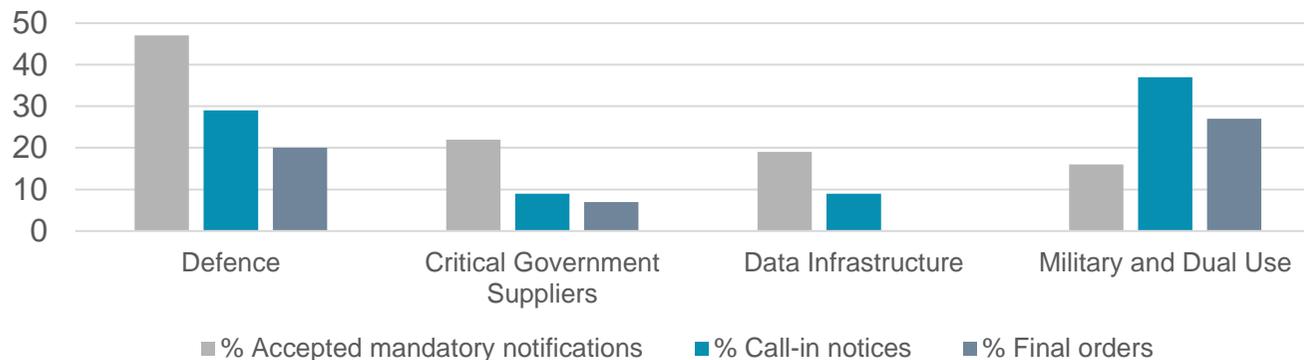
15 out of 72 transactions reviewed during the relevant period

£

UK INVESTORS BEWARE

Significant scrutiny – do not assume preferential treatment

AREA OF THE ECONOMY



5

NUMBER OF FINAL ORDERS INVOLVING A BLOCKING/ UNWINDING OBLIGATION

# LIMITED TRANSPARENCY BUT EMERGING TRENDS ON TYPES OF REMEDIES IMPOSED

## THIRD TAKEAWAY



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**11**

FINAL ORDERS INVOLVING CLEARANCE  
SUBJECT TO REMEDIES

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**3**

FINAL ORDERS VARIED  
To reflect clarifications/ change of circumstances

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**1 PAGE**

TYPICAL LENGTH OF NOTICES OF FINAL  
ORDER ISSUED BY THE CABINET OFFICE

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# KEY CONTACTS



## AL MANGAN

Partner

+44 (0) 20 7544 5352

+44 (0) 7725 781720

al.mangan@

addleshawgoddard.com



## MARK CRANE

Partner

+44 (0) 16 1934 6508

+44 (0) 7768 554954

mark.crane@

addleshawgoddard.com



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