

National Security and Investment report shows new system is working

Press release

The first report on the UK's new national security and investment system has been published.



- Report shows operational success of new system for screening investments for national security concerns
- new system has been providing certainty for businesses, with all assessments completed within their legal deadlines
- businesses and investors encouraged to explore the guidance available to ensure they fulfil their legal obligations

The first report on the UK's new national security and investment system has been published by Business Secretary Kwasi Kwarteng today (Thursday 16 June). It covers the period from 4 January 2022, when the system came into place, to 31 March 2022.

The government's new powers under the National Security and Investment (NSI) Act provide it with the ability to intervene in qualifying acquisitions across the economy that could harm the UK's national security.

It also requires businesses and investors to notify the government of certain acquisitions across 17 sensitive areas of the economy.

The new system is providing businesses with clarity and speed, with all assessments completed within deadlines and many completed sooner.

Modern threats are being tackled, with deals involving cutting-edge technology such as artificial intelligence and the space sector being closely scrutinised. The conflict in Ukraine is an example of the instability that the government is guarding against.

Business Secretary Kwasi Kwarteng said:

The government is laser-focused on growing our economy and levelling up every part of the UK, but this will not come at the cost of our national security.

This report shows our new investment screening process is working. It's simple and quick, giving firms speed and certainty to do business in a way that protects the security of the UK.

The new system is more efficient as government has to call-in a deal for further assessment within 30 working days of accepting a notification, while under the previous system the government had had up to 4 months to intervene following the completion of a deal.

Key findings of the report include:

- the average time to inform parties that a notification has been accepted as complete is 3 working days. This is line with international partners, such as the USA's system taking 5 days
- where the government has called-in a deal, on average this has been decided in 24 working days. The shortest time the government took was 11 working days and all have been decided within the deadline of 30 days
- the government has received 222 deal notifications in the 3-month period
- of these deals, 17 were called-in by the government for further assessment
- of the 17 called-in, 3 were cleared with the other 14 cases still being assessed at the end of the reporting period

Acquisitions called-in for further assessment included businesses from areas of the economy such as artificial intelligence, advanced materials, and satellite and space technologies.

The government has published extensive [guidance](#) which includes the process for submitting notifications. The government encourages businesses to explore this platform to ensure they are fulfilling their legal obligations.

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