

# New laws to strengthen national security come into effect

The National Security and Investment (NSI) Act – the biggest shake-up of the UK's national security regime for 20 years – has fully commenced today (4 January 2022).

From today, the government will be able to scrutinise and intervene in certain acquisitions made by anyone, including businesses and investors, that could harm the UK's national security, better reflecting the threats we face today.

The government will also be able to impose certain conditions on an acquisition or, if necessary, unwind or block it – although it is expected this will happen rarely and the vast majority of deals will require no intervention and be able to proceed without delay.

The NSI Act will give investors additional certainty and clarity and cement the UK's world-leading reputation as a global champion of free trade and investment as well as an attractive place to invest, with more transparency and more simple, efficient clearance processes for relevant acquisitions.

Business Secretary Kwasi Kwarteng said:

The UK is world-renowned as an attractive place to invest but we have always been clear that we will not hesitate to step in where necessary to protect our national security.

The new investment screening process in place from today is simple and quick, giving investors and firms the certainty they need to do business, and giving everyone in the UK the peace of mind that their security remains our number one priority.

The vast majority of acquisitions will require no intervention and will be able to proceed quickly and with certainty in the knowledge that the government will not revisit a transaction once cleared unless false or misleading information was provided.

The new regime is even more transparent about the types of deals the government could examine, and requires businesses and investors to notify the government of certain acquisitions across 17 sensitive areas of the economy, including Artificial Intelligence and Civil Nuclear.

The government has published [comprehensive guidance](#) to help businesses and investors to understand their obligations under the new rules, including how to assess whether the government must be notified of an acquisition, and what to expect when going through the NSI notification and assessment process.

- On 2 November 2021, the Business Secretary published a [statement setting out the risk factors](#) that he will take into account when making a decision about calling in an acquisition, and the areas of the economy where a call-in is more likely to take place. Businesses and investors can use the statement to assess how likely it is that their acquisition may be called in
- the Act applies to acquisitions made from 12 November 2020, which is the day after the legislation was introduced in Parliament. The government will not re-examine any acquisitions that have already been examined under the Enterprise Act 2002 and current investigations under the Enterprise Act 2002 will continue under the Enterprise Act 2002
- the government has 30 working days to review acquisitions after it has accepted a notification as complete (not after the government has been notified). Find out more about [the review period](#)