

UK to Adopt New Powers Over M&A Activity to Protect National Security

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by Mark Taylor

Draft legislation currently being debated in the UK Parliament will introduce a new regime similar to that of the Committee on Foreign Investment in the United States (“**CFIUS**”) while maintaining the UK’s position as an attractive forum for business and an openness to foreign investment. While the National Security and Investment Act (“**NSIA**”) will not come into effect until later this year, it will have retroactive effect from November 12, 2020. It is therefore important that entities contemplating any transaction which has a UK element and is likely to come within the ambit of the new law obtain advice now to assess whether that transaction may be at risk of challenge once NSIA becomes law. The Secretary of State for the UK has implemented some procedures to assist clients and advisers in determining whether a deal completed prior to NISA coming into force may be at risk of challenge once the new law comes into effect. More information about the draft legislation is available [here](#).

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