## Our thinking

As regulatory scrutiny intensifies and geopolitical developments reshape cross-border investment, understanding the evolving global foreign direct investment landscape has become increasingly important.

# Introduction

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Now in its second decade of publication, White & Case's **2026 Foreign Direct Investment Reviews** continues to provide a comprehensive overview of foreign direct investment ("FDI") laws and regulations across jurisdictions worldwide.

In this edition, we offer key datapoints to help inform parties and their advisors as they evaluate the evolving challenges presented by FDI screening requirements in cross-border transactions spanning multiple countries. National security-based FDI regimes continue to proliferate globally, with many jurisdictions adopting broader definitions of investments and the sectors subject to review continuing to expand.

FDI screening regimes are entering a more mature phase, and regulators are developing a more sophisticated approach to detecting and reviewing foreign investments. It is therefore critical to consider applicable FDI requirements as transactions, whether mergers and acquisitions, joint venture agreements, public equity offerings or financial restructurings, are negotiated. A clear understanding of potential challenges, the remedies that may be required for approval and the appropriate allocation of FDI risk can help avoid unwelcome surprises related to timing, deal certainty and the execution of business plans.

With a renewed US commitment to open foreign investment from allied countries, ongoing EU cooperation on FDI screening and evolving geopolitical dynamics, FDI screening will increasingly influence the selection of investors in cross-border transactions. New initiatives by the European Commission may also result in increased coordination among FDI authorities in EU Member States, all of which have adopted their own national FDI regimes by 2026.

We continue to believe that most cross-border transactions will be successfully completed in 2026, but understanding the regulatory and institutional parameters, as well as the evolving risks associated with FDI screening, will be critical to maintaining deal certainty and timing.

# Americas

## Canada

The Canadian government continues to scrutinize foreign investments by state-owned enterprises and state-linked private investors, especially if from "non-like-minded" countries.

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## Mexico

Foreign direct investment, whether undertaken directly or indirectly, is generally allowed without restrictions and without the need to obtain prior authorization from an administrative agency.

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# United States

The landscape of foreign direct investment in the United States continues to evolve under the Trump administration. With expanded jurisdiction and authorities, mandatory filings applying in certain cases, an enhanced focus on a broad array of national security considerations, further attention and resources dedicated to monitoring, compliance and enforcement, and a substantially increased pursuit of non-notified transactions, the FDI apparatus in the United States is more empowered now than perhaps at any time in its history.

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# EMEA

## European Union

The European Union continues to be a driver of foreign direct investment screening, with coordinated and mandatory enforcement now on the horizon.

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## Austria

The wide scope, low trigger thresholds and broad interpretation of the Austrian Foreign Direct Investment regime require a thorough assessment and proactive planning throughout the mergers and acquisitions process.

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# Belgium

The Belgian foreign direct investment screening regime entered into force in July 2023. Investors and authorities alike are still coming to grips with the regime and the limited guidance available to help parties navigate it.

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# Bulgaria

On July 22, 2025, the Bulgarian Foreign Direct Investment screening mechanism entered into effect. According to information provided by the Screening Council, during its first two months of operation (September and October 2025), the Screening Council approved 10 screening applications out of 11 filed during that period. The investment in all of the above instances originated from so-called "low-risk" countries, and the applications were cleared within a short time frame. As of January 1, 2026, the Screening Council does not yet have an online register, and at present there is no information about the number of filed or pending applications. There is also no information indicating that any FDI has been prohibited or approved subject to conditions.

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## Croatia

Croatia introduced a foreign direct investment screening regime on November 13, 2025. As of January 1, 2026, the regime is not yet operational but expected to be implemented soon.

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## Republic of Cyprus

The Republic of Cyprus' new Foreign Direct Investment Screening Law will reshape the investment landscape from April 2, 2026, introducing look-back provisions, a screening remit, internal change trigger points, and relatively low notification thresholds.

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## Czech Republic

The Czech Foreign Investments Screening Act took effect in May 2021, establishing the rights and duties of foreign investors and setting screening requirements for Czech targets.

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# Denmark

The scope of the Danish foreign direct investment regime is comprehensive and requires a careful assessment of investments and agreements involving Danish companies.

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# Estonia

The relevance of Estonia's foreign direct investment screening mechanism has remained modest since its inception at the end of 2023 but is expected to grow in light of the geopolitical situation, on account of increased activity in the defense sector.

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# Finland

Foreign direct investment deals are generally not blocked in Finland, but the government is able to monitor and, if necessary, restrict foreign investment.

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# France

French foreign direct investment screening continues to focus on foreign investments involving medical and biotech activities, food security activities or the treatment, storage and transmission of sensitive data. The nuclear ecosystem is subject to very close scrutiny. Around half of the transactions reviewed every year are subject to conditions or remedies, which is an important French specificity. Recent trends also show a growing number of transactions being reviewed, suggesting a shift toward increased scrutiny of foreign investments in France.

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# Germany

Following numerous amendments over the past years, Germany's foreign direct investment review continued in full swing, with further significant updates expected in the coming years.

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# Greece

Greece's mandatory and suspensory foreign direct investment screening regime became fully operational on November 11, 2025. Foreign investors must comply with notification requirements and consider review timelines in deal planning.

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# Hungary

Hungary's foreign direct investment regimes faced temporary headwinds in 2025, but no lasting regulatory changes ultimately took hold.

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# Ireland

Ireland's Screening of Third Country Transactions Act entered into force on January 6, 2025.

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# Italy

Italy's "Golden Power Law" review: Over a decade old, yet continuously expanding its reach.

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# Latvia

The Latvian foreign direct investment regime applies to companies of significance to national security, as well as companies owning or possessing critical infrastructure. While the law does not provide a general notification obligation, specific rules establish sectoral FDI regimes for certain corporate mergers and acquisitions, real estate transactions, and gambling companies.

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# Lithuania

All investments concerning national security are within the scope of review in Lithuania.

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## Luxembourg

Two years after its entry into force, the Luxembourg foreign direct investment screening regime has reached a solid level of maturity, and its requirements are now well understood by market stakeholders. The year 2025 proved to be particularly active and dynamic for mergers and acquisitions transactions in Luxembourg, notably involving targets in the financial sector, with multiple FDI filings submitted.

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## Malta

Malta's foreign direct investment regime regulates specific transactions that must be notified to the authorities and may, in some instances, be subject to screening.

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## Middle East

The Middle East continues to welcome foreign investment, subject to licensing approvals and ownership thresholds for certain business sectors or in certain geographical zones.

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## Netherlands

The Netherlands is set to expand its investment screening regime by extending the general mechanism to more sectors and by introducing additional sector-specific regulations.

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## Norway

Norway's foreign direct investment screening regime is anchored in the Norwegian Security Act, which imposes mandatory filing requirements for transactions involving companies designated as security sensitive. The Act also confers wide discretionary authority on Norwegian authorities to review and intervene in transactions involving non-designated companies where national security interests may be at risk.

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## Poland

In 2025, Poland's foreign direct investment regime was made permanent, and responsibility for its enforcement was transferred to the Ministry of Finance and Economy.

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## Portugal

In Portugal, transactions involving the acquisition of control over strategic assets by entities residing outside the European Union or the European Economic Area may be subject to foreign direct investment screening.

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## Romania

While far-reaching in its scope, compared with other countries in the European Union, the Romanian foreign direct investment regime is generally perceived as investor friendly.

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## Russian Federation

The year 2025 was not marked by any major changes in the sphere of regulation of foreign investments in Russia, and the regulator continues to implement the course on strengthening control taken earlier.

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## Slovakia

The year 2025 continued with the implementation of the course set earlier in 2023 and 2024, with few substantial updates to cybersecurity legislation extending FDI regulation to new fields of business critical for the Slovak Republic.

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## Spain

Since 2020, certain foreign direct investments have been subject to scrutiny in Spain. Additional formalities have since been introduced through developing FDI regulations that entered into force on September 1, 2023. As a result, FDI analysis is becoming increasingly important in the context of investments in Spain.

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## Sweden

Entering its third year, Sweden's foreign direct investment Act remains a key consideration in a significant share of transactions involving Swedish companies.

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## Switzerland

Switzerland is set to introduce its first cross-sector foreign direct investment screening regime. On December 19, 2025, the Swiss Parliament approved the new FDI Act, Investitionsprüfgesetz, establishing a review mechanism focused on foreign state-controlled investors and security-sensitive sectors. The regime is expected to take effect in 2027 at the earliest.

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## Türkiye

Sustaining economic stability and building on the strong foreign direct investment momentum of 2025, Türkiye continues to prioritize policies that strengthen its position as an attractive and competitive investment hub.

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## Ukraine

During September and October 2025, the Ukrainian Parliament introduced an updated foreign investment screening framework, marking a significant step toward strengthening national security controls over inbound investments.

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## United Arab Emirates

Foreign direct investment is permissible in the United Arab Emirates, subject to applicable licensing and ownership conditions.

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## United Kingdom

Foreign direct investment in the United Kingdom is covered by the National Security and Investment Act of 2021 (which equally applies to UK purchasers), and in 2025 the government continued to update information and guidelines concerning the legislation.

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# Asia-Pacific

## Australia

Australia's foreign direct investment regime underwent significant changes in 2025, including measures to streamline the process for assessing investment applications. Australia's new mandatory merger clearance regime also commenced January 1, 2026.

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## China

China continues to optimize its foreign investment environment by reducing investment restrictions, improving market access, and lowering investment thresholds for listed companies.

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## India

The Indian government has liberalized foreign direct investment rules in certain sectors, such as the space sector, in recent years and is laying the groundwork for 100 percent foreign investment in the insurance sector, while maintaining existing restrictions on investments from sensitive jurisdictions. This reflects the government's approach toward foreign investment: welcoming foreign capital where it aligns with India's strategic goals, while continuing to protect core interests.

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## Japan

The Japanese government is expanding the business sectors subject to Japan's foreign direct investment regime, which covers not only investment but also voting and other actions, to secure stable supply chains and mitigate the risk of technology leakage and diversion of commercial technologies into military use.

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# Republic of Korea

The Republic of Korea is entering a more security-focused era of foreign direct investment regulation, with proposed amendments to the Foreign Investment Promotion Act and longer screening processes requiring foreign investors to adopt proactive regulatory planning and heightened compliance.

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# New Zealand

Significant changes to the New Zealand overseas investment regime were passed into law in December 2025 and came into force on March 6, 2026. A number of these changes have made it considerably simpler and faster for overseas investors to acquire certain classes of New Zealand assets.

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# Taiwan

Taiwan continues to promote foreign direct investment under a two-track screening mechanism for foreign investors and People's Republic of China investors.

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