

The CFIUS Review Process

By law, deliberations among CFIUS members during a review are confidential. However, the review process itself follows a strict protocol. Here's a rundown of how the CFIUS review process plays out:

Informal Review

- Informal consultations could render the formal review unnecessary
- Conducted privately, prior to the official submission for review
- No deadline or set timeframe

STEP 1



STEP 2



National Security Review

This is the first step of the formal review process after a submission. Moves to the next phase if the following conditions are met:

- No other laws apply
- Threatens to impair national security or critical infrastructure; is state-controlled



STEP 3

National Security Investigation

- Occurs if issues raised in prior stage go unresolved
- Negotiation of conditions takes place with parties to the deal
- Timeframe for an amended resubmission can be set



STEP 4



Presidential Determination

- Reviews are normally approved or withdrawn prior to this stage
- POTUS takes recommendation of CFIUS, but retains the ultimate authority to clear or block the deal at this stage



STEP 5

Continuous Monitoring

Since 2006 CFIUS has had the ability to reopen a review at any time, and potentially overturn its approval if the companies "materially fail to comply" with the terms of the arrangement.

