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Report from Washington

Key Takeaways from the CFIUS Annual Report to Congress Covering Calendar Year 2024

August 11, 2025

Introduction

On August 6, 2025, the U.S. Department of the Treasury (“Treasury”), as Chair of the Committee on Foreign Investment in the United States (“CFIUS” or the “Committee”), released its Annual Report (the “Report”) to Congress, highlighting key indicators of CFIUS’s activities and providing statistics on transactions that CFIUS evaluated in calendar year 2024. CFIUS is an interagency body of the U.S. Government that is authorized by law to review and address national security risks arising from certain transactions involving foreign investment in the United States. The data and analysis included in the Report provide insights into the state and significance of investor engagement with the Committee, the Committee’s substantive and procedural priorities, and the sectoral and geographic focus of the Committee’s activities, among other matters.

(I) Continued Caseload Decline

As was the case in 2023, the Committee’s caseload continued to decline in 2024. According to the Report, the total number of covered transactions reviewed or assessed in 2024 by the Committee was 325, including 209 notices and 116 declarations. Two presidential decisions were also issued in 2024, a rare occurrence that only occurs in situations where the U.S. government assesses that there is a meaningful national security risk. In comparison, the Committee reviewed or assessed 342 transactions in 2023 and 440 transactions in 2022 (zero presidential decisions were issued during both years). The rise in declarations—a short-form alternative for certain transactions that has a 30-day assessment period—filed in 2024 may be attributed to cost and timing considerations as these types of filings offer an expedited and more cost-effective review process. That said, the number of notices and declarations subject to CFIUS jurisdiction has generally increased over the last ten years, with a notable rise in activity in 2021 and 2022. These trends indicate that although there was a minor decline in the number of transactions reviewed or assessed during 2024, the Committee continues to remain focused on its enforcement and compliance priorities.

(II) Prioritization of Diligence, Compliance, and Enforcement

CFIUS monitoring agencies actively monitor transaction parties' compliance with risk mitigation measures that CFIUS adopts under Section 721 of the Defense Production Act of 1950, as amended, and the Report demonstrates the Committee's continued commitment to diligence, compliance, and enforcement. In August 2024, the Committee [issued](#) its largest penalty to date and announced its new enforcement [website](#) with an updated list of penalty actions and information regarding the Committee's enforcement approach. Treasury subsequently issued a [rule](#) in November 2024 to:

- enhance the Committee's authority to require the submission of certain information,
- expand capabilities to set response timelines for mitigation proposals, and
- increase maximum civil monetary penalties available for violations of the CFIUS statute and regulations.

By the end of 2024, the Committee had monitored 242 mitigation agreements and conditions (all mitigation agreements effective in 2024 have compliance plans). Of these, four were materially modified and 25 were terminated. The Committee also imposed four civil monetary penalties for breaches of material provisions in mitigation agreements.

In addition to these penalties, the Committee used several methods to identify non-notified and undeclared transactions (*e.g.*, public tips, interagency referrals, media reports, etc.). The Committee formally identified 76 non-notified transactions and requested that parties file notices in 12 instances. There were also five instances where parties that received non-notified outreach, voluntarily filed a declaration or notice prior to receiving a request from the Committee. Moreover, the Committee completed two investigative actions regarding CFIUS's mandatory filing provisions under 31 C.F.R. § 800.401. The Committee also received and acted on "voluntary self-disclosures" of potential failures to file a mandatory declaration. In 2023, the Committee also received its first "voluntary self-disclosure" of a potential failure to file a mandatory declaration. These developments illustrate the Committee's efforts to devote resources and strengthen its monitoring and enforcement activities.

(III) Emphasis on Improving Transaction Review Efficiency

The Report emphasized the Committee's continued commitment to improve efficiency in its review of transactions. Parties may withdraw a notice after approval of a written request by the Committee. The Committee may then inform parties that a transaction poses national security risk. Of the 209 notices reviewed, 42 notices were withdrawn and refiled (thereby restarting the CFIUS review period) in 2024 and 2025. In seven instances, parties withdrew their notice and abandoned the transaction. Reasons for withdrawal and abandonment of a

transaction include commercial reasons, failure to accept the Committee's proposed mitigation measures, or that the Committee was unable to identify mitigation measures that would resolve a national security risk posed by a transaction.

In 2024, 56% of the notices reviewed and assessed by the Committee went into the 45-day investigation phase following the 45-day review phase, consistent with 55% in 2023 and 57% in 2022. On average, the Committee completed reviews in 46.5 calendar days and investigations in 87.5 calendar days in 2024 (accounting for non-working days). In sum, the Committee remains focused on efficiency, presenting an area for continued observation in 2024 and beyond.

(IV) Filing Concentration in Finance, Information and Services Sector

2024 and 2023 further confirmed the Finance, Information and Services sector as the focal point of CFIUS filing activity. From 2015 to 2024, over 80% of non-real estate notices were in the Finance, Information and Services sector (993 notices or 45%) or the Manufacturing sector (760 notices or 35%). Since 2021, most transactions occurred in the Finance, Information and Services sector with the Manufacturing sector accounting for the second most filed notice sector. The shift is supported by the Committee's increasing focus in recent years on information technology and "big data," with more U.S. businesses swept under the Foreign Investment Risk Review Modernization Act of 2018's expanded jurisdiction for businesses that maintain or collect sensitive personal data on U.S. citizens.

(V) Filing Activity by Region

Consistent with filing activity in 2023, the most significant filing activity occurred from the People's Republic of China (PRC) (26 notices) suggesting the Committee's continued focus on PRC-related investments. Significant filing activity also occurred France and Japan (23 notices each) as well as the United Arab Emirates (UAE) (21 notices filed). From 2022 through 2024, investors from the PRC filed the highest number of notices (13% or 95 five notices), followed by Singapore (10% or 73 notices), the UAE (7% or 54 notices), Japan (7% or 53 notices), and the United Kingdom (7% or 52 notices) rounding out the top five.

Conclusion

Parties should continue to monitor Committee developments and work closely with CFIUS practitioners to ensure full assessment of CFIUS risk during transactions. Simpson Thacher & Bartlett LLP remains well-positioned to advise clients on CFIUS considerations and risk.

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