

# CFIUS 2024 Annual Report in Context: Calm Before the “America First” Storm?

September 11, 2025

Early last month, the Committee on Foreign Investment in the United States (“CFIUS”) [released its Annual Report](#) to Congress, which provides statutorily required information with regard to transactions reviewed by CFIUS in calendar year 2024 (the “Annual Report”). The Annual Report is the most comprehensive public compilation of facts and statistics related to CFIUS’s yearly activities, with the most notable developments in 2024 being:

- CFIUS’s focus on compliance and enforcement has continued, with 2024 being another record year of civil monetary penalties and other enforcement-related activities.
- CFIUS filing numbers were slightly down in 2024, but the metrics on filing processes and outcomes appear to be generally the same or slightly improved for filing parties from recent years.
- CFIUS mitigation was less frequent in 2024 compared to prior years, and CFIUS appears to have reviewed and terminated mitigation agreements that are no longer needed to protect U.S. national security more so in 2024 than in previous years.
- CFIUS continues to invest in its review of transactions which had not been voluntarily filed (known as “non-notified” transactions), opening more formal inquiries into such transactions in 2024 than the prior year and continuing to address complex transactions through its non-notified investigation process.

Looking beyond 2024, whether and how these trends continue may in large part depend on how CFIUS is impacted by the Trump administration’s America First Investment Policy. The America First Investment Policy has twin aims of facilitating foreign investment in the United States from U.S. ally and partner sources, while restricting foreign investment from “foreign adversary” sources and their affiliates unless such investments are passive. We have written about the America First Investment Policy and its early implementation efforts previously (see [here](#) and [here](#)), although any

impact of the policy on the CFIUS process may not be apparent until the annual report for 2025 or future calendar years.

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## Key Takeaways

### **CFIUS Has Maintained Its Focus on Compliance and Enforcement with Another Record Year of Civil Monetary Penalties Issued and a Continued Build-out and Strengthening of Enforcement Functions.**

In 2024, CFIUS assessed five total civil monetary penalties—four with respect to breaches of material provisions of mitigation agreements or conditions, and one with respect to submission of a notice and supplemental information containing material misstatements. This number is greater than the 2023 record of four civil penalties, which at the time was double the cumulative number of civil monetary penalties issued by CFIUS in prior years. Although the Annual Report does not contain additional detail on these civil penalties, the CFIUS webpage on enforcement actions at the time of the Annual Report's publication provided the following information on four of the five enforcement actions for 2024:

- After multiple parties to a National Security Agreement (“NSA”) failed to ensure the proper transfer of sensitive assets to a protected subsidiary, the parties agreed that the foreign acquirer would pay an \$18 million civil penalty and divest itself from the subsidiary holding the sensitive assets. Certain portions of the penalty may be waived upon completion of the divestment and other remediation measures.
- A party to an NSA failed to take appropriate measures to prevent unauthorized access to certain sensitive data and failed to report some of the incidents of unauthorized access promptly to CFIUS. This resulted in the company receiving a \$60 million civil penalty and working with CFIUS to enhance its compliance posture and obligations.
- A party to a CFIUS filing received a \$1.25 million civil penalty for submitting information during the course of a CFIUS review that contained five material misstatements, including forged documents and signatures. CFIUS also rejected the filing as a result of the misstatement, and the transaction was abandoned.
- A party to an NSA received an \$8.5 million civil penalty for orchestrating an initiative that removed all of the company's independent directors, causing the Security Director position to be vacant and the board of director's government

security committee to be defunct, in violation of the NSA. The penalty also resolved potential NSA violations relating to the transfer of certain intellectual property to third parties.

Beyond the assessment of civil penalties for certain situations, the Annual Report stated that many instances of noncompliance do not result in penalties, although further specifics are scant. The Annual Report disclosed that CFIUS completed two investigative actions regarding compliance with the CFIUS mandatory filing requirement, including issuing a formal determination of noncompliance. The Annual Report also disclosed that CFIUS has received and acted on voluntary self-disclosures regarding other potential failures to make a mandatory CFIUS filing, which CFIUS continues to investigate.

This high level of enforcement activity was expected for 2024. The Annual Report also highlights significant CFIUS regulatory activity in 2024 to bolster its compliance and enforcement capabilities. This includes the Department of the Treasury (“Treasury”) finalizing rules that enhance CFIUS’s authority to gather information about transactions, mitigate national security risks of transactions, and penalize those that violate CFIUS’s rules or otherwise fail to comply with their obligations to CFIUS. These rules became effective in late December 2024, and their impact may become apparent in future CFIUS reports on compliance and enforcement. Further, Treasury established its CFIUS Enforcement webpage in 2024, which lists enforcement actions taken by CFIUS. This builds upon CFIUS’s public-facing resources related to compliance and enforcement, including its previous release of CFIUS Enforcement and Penalty Guidelines in 2022.

### **CFIUS Filings Are Down, but the Filing Process Timing and Outcomes Appear to Have Either Held Steady or Become Slightly More Favorable to Transaction Parties Making CFIUS Filings.**

Considering both CFIUS filing options together—the short-form declaration and the long-form notice—transaction parties made a total of 325 CFIUS filings in 2024.<sup>1</sup> Though slightly lower than the prior year, this is the lowest number since 2020 (the year Treasury finalized CFIUS’s expanded jurisdictional rules). The 2024 total filing number is a 5% decrease in filings in 2023, and it is a 26% decrease from the all-time high of 440 total CFIUS filings in 2022. -These filing numbers are no doubt impacted by the amount and focus of global cross-border investment activity each year, but we have observed that parties appear to have become somewhat more comfortable in not filing

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<sup>1</sup> This includes six declarations and three notices for covered real estate transactions, which is a slight increase from three declarations and two notices in calendar year 2023. The number of filings for covered real estate transactions may increase in future years, particularly in light of Treasury finalizing a rule in November 2024 expanding CFIUS’s real estate jurisdiction.

for transactions that involve perceived low national security risks, as compared to when the CFIUS jurisdictional rules had just come into effect and parties were making more prudential filings.

**Declarations.** The total number of declarations filed was slightly up by 6% to 116 from 109 the year before, although this was still 29% lower than the all-time declaration filing high of 164 in 2021. The outcomes for declarations involved CFIUS:

- Concluding all action with respect to 78.4% of filed declarations (91 of 116);
- Determining it was unable to conclude action (colloquially referred to as a “shrug”) for 6% of declarations (seven of 116);
- Requesting a long-form notice for 14.7% of declarations (17 of 116);
- Permitting one declaration to be withdrawn during the assessment period; and
- Not taking other potential actions, such as rejecting a declaration during the assessment period or initiating a unilateral agency notice process after the declaration assessment period.

Overall, these 2024 declaration outcomes should be welcome news for filers, with nearly 85% (98 of 116) of declaration assessments ending with explicit approval or a “shrug,” thus avoiding a request to undertake a longer CFIUS notice review period. These numbers are slightly improved from the prior year, which involved nearly 82% (89 of 109) of declaration assessments ending with explicit approval or a “shrug” and 18.3% (20 of 109) resulting in a request for a notice filing. Notably, CFIUS has yet to issue a unilateral agency notice as the result of a declaration assessment, making that the rarest of all declaration assessment outcomes.

Along with CFIUS itself continuing to refine and improve its own processes, we believe these improved declaration assessment outcomes have resulted from parties better identifying transactions suitable for a short-form declaration filing. This inference is supported by the data provided in the Annual Report regarding the country or geographic economy of foreign filing parties. Investors from Japan (with 16), Canada (with 11), France and the United Kingdom (both with nine) filed the most declarations in 2024, and each of these countries is allied with the United States and generally viewed

as posing limited threats to national security, making them the best candidates to undertake the declaration filing process.

	<b>Total Number of Declarations Filed</b>	<b>Concluded Action</b>	<b>Unable to Conclude Action</b>	<b>Request for Notice</b>	<b>Unilateral Agency Notice</b>	<b>Rejected or Withdrawn</b>
<b>CY2024</b>	116	91 (78.4%)	7 (6.0%)	17 (14.7%)	0	1 (0.9%)
<b>CY2023</b>	109	83 (76.1%)	6 (5.5%)	20 (18.3%)	0	0
<b>CY2022</b>	154	90 (58.4%)	14 (9.1%)	50 (32.5%)	0	0
<b>CY2021</b>	164	120 (73.2%)	12 (7.3%)	30 (18.3%)	0	2 (1.2%)
<b>CY2020</b>	126	81 (64.3%)	16 (12.7%)	28 (22.2%)	0	1 (0.8%)

*Data taken from Table I-1. Covered Transaction Declarations, 2018-2024 (CFIUS Annual Report to Congress, Report Period: CY2024)*

**Notices.** The total number of notices filed and accepted in 2024 was down by 10% to 209 from 233 the year before. This decrease continues a trend of a declining number of notices filed since a peak of 286 in 2022. The outcomes for notices include:

- 55.5% (116 of 209) moving into a second-stage investigation;
- 23.4% (49 of 209) being withdrawn;
- 1% (2 of 209) resulting in a presidential decision; and
- 12% (25 of 209) resulting in risk mitigation measures.

The most meaningful change in these numbers is the 35% drop in notices for which CFIUS entered into or imposed mitigation measures, a decrease from 18.5% (43 of 233) of notices in 2023 to only 12% (25 of 209) of notices in 2024. There could be various reasons for this drop, including parties choosing to not engage in transactions that would require CFIUS mitigation, or that CFIUS is beginning to narrow its CFIUS mitigation efforts, the latter of which would be a welcome development for filers after two years of CFIUS mitigating nearly 20% of notices.

Also notable is that two notices filed in 2024 were prohibited by a presidential order. This is after three years of no presidential orders prohibiting transactions. Although not listed in the Annual Report, these prohibited transactions included:

- The acquisition of real estate within one mile of the Francis E. Warren Air Force Base in Cheyenne, Wyoming, by MineOne Partners Limited, an ultimate majority Chinese national-owned cryptocurrency mining company, and affiliated entities; and

- The proposed acquisition of U.S. Steel by the Japanese company Nippon Steel.

Each of these prohibited transactions presented a unique set of characteristics that has led to CFIUS's prohibition. The prohibition of the acquisition of real estate by a China-affiliated company, particularly when the real estate is within one mile of a sensitive military installation, illustrates the serious risk of espionage that CFIUS believes can result from the Chinese acquisition of real estate, and illustrates CFIUS's continued concern with Chinese foreign investment more generally. CFIUS's prohibition regarding the acquisition of U.S. Steel by Nippon Steel was widely reported as being influenced by politics, which illustrates how CFIUS can be used to influence politically sensitive transactions (although, in our experience, extreme politics-based involvement is rare). Ultimately, President Trump did not enforce the prohibition of Nippon Steel's acquisition of U.S. Steel and allowed the acquisition to go forward subject to measures reportedly negotiated by the Trump administration.

Otherwise, the outcomes for notices filed in 2024 are generally consistent with prior years. While there was a slight increase in the percentage of notices that went into a second-stage investigation period (55.5% compared to the previous calendar year's 54.9%), this number still represents more than half of all filed notices, signaling that parties filing a long-form notice should be prepared for a potentially lengthy review and investigation lasting up to 90 days. The percentage of withdrawn notices decreased slightly (23.4% compared to the previous calendar year's 24.5%), although CFIUS noted that 42 of the 49 withdrawn notices were refiled in 2024 or 2025 (compared to 43 of the 57 withdrawn notices from 2023 being refiled, with one withdrawn notice from 2023 being subject to a unilateral CFIUS review via agency notice). There can be various reasons for withdrawals and refiles, but one common reason is withdrawing and refileing to provide CFIUS with additional time to review and investigate a transaction, thus making a transaction subject to a second (or third, etc.) notice review and investigation period. We expect a meaningful number of the 42 withdrawn and refiled notices (20.1% of the total 2024 notices filed) were likely withdrawn and refiled to provide CFIUS additional time to review and investigate, signaling the possibility for transaction parties to be subject to a prolonged CFIUS review period beyond the 90-day statutory time frame.

While transactions involving any nationality can be subject to increased CFIUS scrutiny, data regarding the total number of notice filers by home country or economy indicates that CFIUS continues to be spending more time in its review of transactions involving parties from particular jurisdictions. The Annual Report provides information that China specifically was subject to this higher scrutiny in 2024. For instance, investors from China (with 26 notices), France (with 23 notices) and Japan (also with 23 notices) represented the top three notice filers for calendar year 2024, but when adjusted to reflect *distinct* transactions (i.e., not double counting notices that were withdrawn and

refiled, or filed initially as a declaration and then refiled as a notice), investors from China were no longer considered among the top filers, which instead were investors from France, Japan and the United Kingdom. This suggests that investors from countries like China were subjected to multiple CFIUS review and investigation periods, through either making a notice filing after a declaration filing or having to withdraw and refile a notice.

	<b>Total Number of Notices Filed</b>	<b>Number of Investigations</b>	<b>Withdrawn Notices<sup>2</sup></b>	<b>Presidential Decisions</b>	<b>Mitigation Measures Agreed or Imposed<sup>3</sup></b>
<b>CY2024</b>	209	116 (55.5%)	49 (23.4%)	2 (1%)	25 (12%)
<b>CY2023</b>	233	128 (54.9%)	57 (24.5%)	0 (0%)	43 (18.5%)
<b>CY2022</b>	286	163 (57.0%)	88 (30.8%)	0 (0%)	52 (18.2%)
<b>CY2021</b>	272	130 (47.8%)	74 (27.2%)	0 (0%)	31 (11.4%)
<b>CY2020</b>	187	88 (47.1%)	29 (15.5%)	1 (0.5%)	23 (12.3%)

*Data taken from Table I-5. Covered Transactions, Withdrawals, and Presidential Decisions, 2014-2024 (CFIUS Annual Report to Congress, Report Period: CY2024), unless otherwise noted*

### **CFIUS Mitigated Transactions at a Lower Rate in 2024 Than in Recent Years and Terminated More Previous Mitigation Agreements or Conditions Than It Has Implemented in 2024**

As described above, CFIUS entered into or imposed mitigation measures for only 12% (25 of 209) of notices filed in 2024, which is a meaningful drop from recent years. For the two most recent years, CFIUS entered into or imposed mitigation measures for 18.5% (43 of 233) of notices filed in 2023 and 18.2% (52 of 286) of notices filed in 2022. The rate of parties withdrawing their notice and abandoning their transaction also decreased in 2024 to 1.9% (4 of 209) of filed notices. The Annual Report stated that these withdrawals and abandonments occurred after either CFIUS informed them that it was unable to identify mitigation measures that would resolve the transaction's national security risk (likely leading to a presidential order prohibiting the transaction if the parties do not abandon it), or CFIUS proposed mitigation measures that the parties chose not to accept. This is less frequent than in recent prior years, which included 3.9% (9 of 233) of notices filed in 2023 and 4.2% (12 of 286) of notices filed in 2022 being withdrawn and abandoned. There could be various reasons for these drops in metrics related to mitigation measures, including parties choosing not to engage in transactions

<sup>2</sup> The numbers in this column reflect notices withdrawn during CFIUS's first-stage 45-day review period and notices withdrawn after CFIUS commenced a second-stage investigation period. The majority of notices withdrawn were withdrawn following the commencement of an investigation (for CY2024, all 49; for CY2023, all 57; for CY2022, 87 of 88; for CY2021, 72 of 74; for CY2020, 28 of 29).

<sup>3</sup> Data taken from Section I.F of the CFIUS Annual Report to Congress for the applicable calendar year.



that would require CFIUS mitigation, or that CFIUS is beginning to narrow its CFIUS mitigation efforts.

CFIUS's monitoring of mitigation measures has decreased as well. The Annual Report provides that at the end of 2024, CFIUS was monitoring 242 mitigation agreements and conditions, which is slightly less than the 246 mitigation agreements and conditions in place as of the end of 2023. However, this slight decrease is significant, because mitigation agreements and conditions had previously been on the rise, with CFIUS monitoring 214 at the end of 2022, 187 at the end of 2021 and 166 at the end of 2020. The Annual Report also notes that 25 agreements and conditions were terminated in 2024 and that four were materially modified. -Based on this activity, CFIUS appears to be seriously undertaking its statutory obligation to continually modify or terminate mitigation measures as national security risks require.

These changing trendlines regarding CFIUS mitigation could be for a variety of reasons, although recommendations from a Government Accountability Office ("GAO") report from April 2024<sup>4</sup> may have played a role. In the report, the GAO found that CFIUS mitigation measures were becoming more frequent and intricate based on the rise of new national security risks, such as those involving data and information security, as well as geopolitical changes that have led both to greater scrutiny of foreign investment in the United States. -The GAO ultimately recommended, among other things, that Treasury document a committee-wide process for periodically assessing the relevance of mitigation agreements and amending or terminating them when appropriate. Treasury and CFIUS implementing the GAO report recommendations could have resulted in a more targeted and narrowed approach to CFIUS mitigation measures, as well as the slight decrease in the total number of mitigation agreements and conditions monitored by CFIUS at the end of 2024.

### **CFIUS Continues to Monitor Non-Notified Transactions and Dedicate Resources to Identify and Review Their National Security Risks**

As with previous years, CFIUS reportedly identified and preliminarily considered thousands of non-notified transactions to potentially review as part of a formal CFIUS filing process. Of note, there is no time limitation on the ability for CFIUS to review a transaction, and so the transactions considered as part of its non-notified work were not limited to transactions in 2024 or any particular year.

The Annual Report has provided more information about this process than prior years' reports, noting that CFIUS had "investigated" 98 of those thousands of transactions to determine which to open as official inquiries. Prior annual reports did not provide

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<sup>4</sup> U.S. Government Accountability Office, *Foreign Investment in the U.S.: Efforts to Mitigate National Security Risks Can Be Strengthened*, GAO-24-107358 (Apr. 18, 2024) ("GAO Report"). The report is available [here](#).



numbers on these pre-inquiry “investigations.” The Annual Report then provided that CFIUS open non-notified inquiries into 76 transactions, for which CFIUS eventually requested 12 non-notified transaction filings, and CFIUS receiving five filings from parties in receipt of non-notified outreach without CFIUS requesting a formal filing.<sup>5</sup>

The 76 non-notified inquiries opened in 2024 and 17 filings resulting from the non-notified process suggest a slightly more active CFIUS with regard to non-notified transactions in 2024 when compared to 60 non-notified inquiries opened and 16 filings resulting from the non-notified process in 2023. However, CFIUS appears to have a more targeted non-notified focus in 2024 than the first few years of its non-notified work from 2020 to 2022. Although reports for those years do not describe CFIUS opening non-notified inquiries, those annual reports note that the non-notified team identified and put forward for CFIUS’s consideration 84 transactions in 2022, 135 transactions in 2021 and 117 transactions in 2020. Equating those numbers to CFIUS’s opening of non-notified inquiries would suggest broader activity by CFIUS on non-notified transactions then as opposed to now. This is likely the result of CFIUS’s establishment of a dedicated non-notified Treasury unit in 2020 which first addressed the most obvious of past transactions that implicate U.S. national security concerns leading to more inquiries into transactions and more requests for filings. Now, with such “low hanging fruit” already addressed, the Treasury non-notified unit is presumably more targeted in its work, although just as engaged as years where the non-notified process impacted a higher number of transactions. As noted in the Annual Report, CFIUS considers the transactions that originate through the non-notified process to be among the most complex that CFIUS considers, and they can also be among the highest national security risk. In 2024, one transaction whose CFIUS review originated from the non-notified investigation process (the acquisition of real estate within one mile of the Francis E. Warren Air Force Base in Cheyenne, Wyoming, by MineOne Partners Limited and affiliated entities) was prohibited by the president.

Ultimately though, when considering the thousands of non-notified transactions that CFIUS has reviewed, Annual Report data suggests that transactions that are not voluntarily filed face limited risk of being formally reviewed by CFIUS. CFIUS appears to be seeking the filing of only those non-notified transactions that are most likely to raise national security concerns. This would seem to be the case because requesting filings is resource intensive and can only be initiated if senior executive branch officials approve the request. Accordingly, only transactions representing the most significant national security concerns are likely to be formally reviewed. Of course, parties should carefully consider each transaction’s unique national security risk profile for purposes of

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<sup>5</sup> The Annual Report is not clear if CFIUS investigated and opened inquiries in 2024 or in a prior year for the 17 non-notified transactions for which CFIUS requested a formal filing or received a voluntary filing from the parties in 2024.

making a voluntary CFIUS filing to understand if a transaction presents the type of risk where CFIUS could seek review of it through the non-notified process.

	Transactions Investigated	Non-Notified Inquiries Opened	Requests for Filing Made	Filings Made Without Request but After Inquiry
<b>CY2024</b>	98	76	12	5
<b>CY2023</b>	N/A	60	13	3
<b>CY2022</b>	N/A	84 <sup>6</sup>	19 <sup>7</sup>	0
<b>CY2021</b>	N/A	135 <sup>6</sup>	8	0
<b>CY2020</b>	N/A	117 <sup>6</sup>	17	0

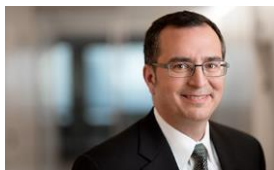
*Data taken from Section I.I of the CFIUS Annual Report to Congress for the applicable calendar year*

Please do not hesitate to contact us with any questions.

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<sup>6</sup> The annual reports for CY2022, CY2021, and CY2020 did not describe CFIUS as opening non-notified inquiries; instead, they stated that CFIUS “identified” transactions that “were put forward to the Committee for consideration.” For comparison purposes, these numbers are equated to the non-notified inquiries reported for CY2023 and CY2024.

<sup>7</sup> CFIUS noted that 11 of the 84 non-notified transactions identified and put forward to CFIUS for consideration in 2022 resulted in a request for a filing, and 8 non-notified transactions identified in a prior calendar year resulted in a 2022 request for a CFIUS filing. The annual report for CY2022 is the only annual report that makes a distinction between the year CFIUS identified a transaction and the year CFIUS requested a filing for the transaction.



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