Debevoise & Plimpton

Debevoise Update D&P

CFIUS Modernization: Four New Initiatives Signal Greater Transparency and Efficiency

July 20, 2026

INTRODUCTION

The Committee on Foreign Investment in the United States ("CFIUS" or "Committee"), under the leadership of Chris Pilkerton, Assistant Secretary for Investment Security at the U.S. Department of the Treasury ("Treasury"), has recently taken several notable steps to make its processes more transparent, accessible and efficient for parties to transactions that may come before CFIUS. While these initiatives do not change the scope of CFIUS's jurisdiction or the substantive national security analysis applied by CFIUS to covered transactions, they may provide transaction parties with additional avenues to engage with the Committee earlier, better anticipate potential concerns and plan for mitigation where needed. Below, we summarize four recent developments and their potential implications for companies and investors engaged in cross-border transactions that may be subject to CFIUS jurisdiction.

"CONSULT WITH US": A NEW PRE-FILING CONSULTATION FEATURE

Treasury has recently added—without a formal announcement—a new "Consult with Us" feature to the CFIUS Case Management System, allowing parties to request a pre-filing consultation with the Committee.[1] The form permits users to ask a general CFIUS question, discuss a specific transaction or preview a future filing or raise another issue.[2] The new feature follows Treasury's February 2026 request for public input on how the Committee may streamline its foreign investment review processes[3] and appears to formalize, and make more accessible, the pre-notice consultation practice Treasury

1 U.S. Dep't of the Treasury, Consult with Us, https://testcfius.high.powerappsportals.us/consult-with-us/.

2 *Id.*

3 Request for Information Pertaining to the CFIUS Known Investor Program and Streamlining the Foreign Investment Review Process, 91 Fed. Reg. 5,694 (Feb. 9, 2026).

encourages in its filing instructions.[4] The "Consult with Us" initiative also aligns with recent public statements by Assistant Secretary Pilkerton, who has emphasized his desire to increase CFIUS's focus on "customer service" and make CFIUS more transparent, efficient and user-friendly.[5] While the form notes that CFIUS does not provide advisory opinions and that responses provided by CFIUS staff are non-binding,[6] the feature may facilitate earlier dialogue with CFIUS on jurisdictional questions, transaction structures, filing strategy and potential national security considerations before a formal submission is made.

U.S.-CHINA "BOARD OF INVESTMENT"

Against the backdrop of broad efforts to increase efficiencies in the CFIUS process and in a significant diplomatic move, the White House announced in May 2026 that President Trump and President Xi agreed to establish a bilateral U.S.-China Board of Investment ("Board").[7] According to the official announcement, the Board will "provide a government-to-government forum for discussing investment-related issues."[8] The contours of the Board remain unclear, but Treasury Secretary Bessent has stated that "the purpose of [the Board] is to decide up front, what are the non-strategic, non-sensitive areas where it would be possible for the Chinese to invest . . . [and] make sure that these investments don't get referred to CFIUS."[9] If implemented in that manner, the Board could represent a notable effort to create greater upfront clarity and predictability for certain categories of investment by Chinese companies and individuals in the United States, particularly where the relevant sector, technology or assets are viewed by the U.S. government as outside core national security sensitivities. However, the extent of overlap between the scope of the Board's activities and CFIUS jurisdiction remains unclear, especially in the absence of relevant rulemaking impacting the CFIUS review process. Jamieson Greer, the U.S. Trade Representative and the administration's

---

4 U.S. Dep't of the Treasury, Voluntary Notice Filing Instructions (Part 800), https://home.treasury.gov/policy-issues/international/the-committee-on-foreign-investment-in-the-united-states-cfius/voluntary-notice-filing-instructions-part-800.

5 U.S. Dep't of the Treasury, Assistant Secretary Chris Pilkerton's Remarks at ACI CFIUS Conference (Apr. 22, 2026), https://home.treasury.gov/news/press-releases/sb0467.

6 Consult with Us, *supra* note 1.

7 The White House, Fact Sheet: President Donald J. Trump Secures Historic Deals with China, Delivering for American Workers, Farmers, and Industry (May 17, 2026), https://www.whitehouse.gov/fact-sheets/2026/05/fact-sheet-president-donald-j-trump-secures-historic-deals-with-china-delivering-for-american-workers-farmers-and-industry/.

8 *Id*. The announcement also noted that a U.S.-China Board of Trade, a separate new institution, would allow the U.S. and China to "manage bilateral trade across non-sensitive goods."

9 CNBC, CNBC Transcript: U.S. Treasury Secretary Scott Bessent Speaks with CNBC's Joe Kernen on "Squawk Box" Today (May 14, 2026), https://www.cnbc.com/2026/05/14/cnbc-transcript-us-treasury-secretary-scott-bessent-speaks-with-cnbcs-joe-kernen-on-squawk-box-today.html.

top trade official, noted shortly after the announcement that the "U.S. position toward Chinese investment in the U.S. . . . has not materially changed" and the administration's "view on Chinese investment continues to be on a case-by-case basis . . . and, obviously, CFIUS will continue its reviews where appropriate."[10] We will continue to monitor developments relating to the Board as it takes shape.

"STRATEGIC VENDOR PROGRAM" PILOT

CFIUS also appears to be testing a "Strategic Vendor Program" aimed at improving mitigation implementation by developing a more robust domestic vendor ecosystem.[11] In a recent letter, Assistant Secretary Pilkerton described the program as a new Office of Investment Security ("OIS") initiative "to raise awareness of the relevant domestic vendor base of companies for parties whose transactions have cleared the CFIUS review process."[12] As part of the pilot, OIS plans to partner with certain agencies including the Department of War's Office of Strategic Capital, the Department of Commerce's SelectUSA program and the Small Business Administration to identify and support relevant domestic vendors. OIS has requested feedback on industries where companies have struggled to engage a relevant domestic vendor, supplier or manufacturer, and where U.S.-based suppliers have capacity limits or capital constraints "limiting the growth or competitiveness of a company that has gone through the CFIUS process."[13] The initiative appears intended to strengthen the availability of trusted domestic providers in areas such as cloud services, cybersecurity, physical security and other specialized capabilities that frequently arise in CFIUS mitigation arrangements. If successful, the program could expand the pool of qualified U.S. vendors available to transaction parties and facilitate implementation of mitigation agreements.

INTERNAL PROCESS EFFICIENCIES: "SHOT CLOCK" AND THE KNOWN INVESTOR PROGRAM

Two additional recent initiatives are particularly noteworthy in Assistant Secretary Pilkerton's efforts to improve efficiency, reduce administrative burdens, enhance

---

[10] Council on Foreign Relations, A Conversation with Ambassador Jamieson Greer (May 26, 2026), https://www.cfr.org/event/a-conversation-with-jamieson-greer.

[11] Letter from Chris Pilkerton, Assistant Secretary for Investment Security, U.S. Department of the Treasury (2026), https://foreigninvestmentwatch.com/wp-content/uploads/2026/05/FIW-VENDOR.pdf.

[12] *Id.*

[13] *Id.*

customer service and increase transparency and predictability for filers in the CFIUS process:[14]

Internal "Shot Clock". While CFIUS review remains governed by statutory timelines, CFIUS has reportedly implemented an internal "shot clock" that establishes an escalation mechanism to accelerate the decision-making process.[15] If effective, the mechanism could reduce review time and improve deal timing predictability. However, this "shot clock" does not appear to be publicly codified and therefore should not be treated as creating any enforceable deadlines or rights for transaction parties.

Known Investor Program. Finally, Treasury has been piloting a Known Investor Program ("KIP") since mid-2025,[16] which is an efficiency-focused process to collect information from eligible foreign investors in advance of a CFIUS filing.[17] The program is focused on repeat filers and may involve gathering information that CFIUS routinely requests from foreign acquirers.[18] The KIP is intended to help investors establish a baseline relationship with CFIUS, facilitate investment from allied and partner sources, and streamline aspects of the CFIUS review process.[19] Treasury emphasizes that the KIP will not change CFIUS jurisdiction and that there will be no negative inference if an investor does not participate in the program.[20]

CONCLUSION

Overall, these four initiatives collectively represent a significant set of CFIUS modernization efforts and reflect a recognition within Treasury and the Committee that an effective national security review process must also be efficient and accessible. While much remains to be seen regarding the implementation and long-term impacts of each of these initiatives, the direction appears clear: CFIUS is seeking to reduce unnecessary friction in the review process and facilitate investment in the U.S. subject to its

---

14 Assistant Secretary Chris Pilkerton's Remarks at ACI CFIUS Conference, *supra* note 5.

15 Foreign Investment Watch, Head of CFIUS Reemphasizes Focus on Efficiencies; Creates "Shot Clock" (Apr. 26, 2026), https://foreigninvestmentwatch.com/at-aci-cfius-head-again-states-focus-on-efficiencies-customer-service/; Center for a New American Security, Fireside Chat with Assistant Secretary Chris Pilkerton (Apr. 28, 2026), https://events.cnas.org/firesidechatwithchrispilkertonvirtual; Export Compliance Daily, Treasury Official: Companies Still Have Many Questions About Outbound Program (Apr. 30, 2026), https://exportcompliancedaily.com/article/print?id=2698616.

16 U.S. Dep't of the Treasury, U.S. Department of the Treasury Announces Intent to Launch Fast Track Pilot Program for Foreign Investors (May 8, 2025), https://home.treasury.gov/news/press-releases/sb0136.

17 U.S. Dep't of the Treasury, CFIUS Known Investor Frequently Asked Questions, https://home.treasury.gov/system/files/206/Known-Investor-Public-Info-and-FAQs_FAQs-Only.pdf.

18 *Id.*

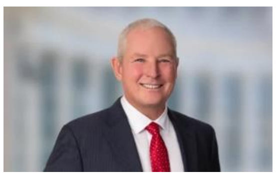
19 *Id.*

20 *Id.*

jurisdiction. Companies undertaking or contemplating cross-border transactions should consider how these developments may affect their CFIUS engagement strategy and reach out to our National Security Group with any questions.

* * *

Please do not hesitate to contact us with any questions.



Rick Sofield
Partner, Washington, D.C.
+1 202 383 8054
rcsofield@debevoise.com

Jordan Corrente Beck
Associate, New York
+1 212 909 6768
jcorrentebeck@debevoise.com

Berk Guler
Associate, Washington, D.C.
+1 202 383 8044
bguler@debevoise.com

Sara Apelbaum
Summer Associate,
Washington, D.C.
+1 202 383 8291
spapelbaum@debevoise.com