



Factsheet on state of play

EU-US TRADE AND TECHNOLOGY COUNCIL WORKING GROUP 8

Description and Mission of the Working Group on Investment Screening

The EU and US recognize that foreign direct investment (FDI) is essential for economic growth, innovation, and significantly contributes to our economies. However, we also recognize the importance of maintaining robust investment screening mechanisms to address certain risks to national security and, within the EU, public order.

In this Working Group the EU and US:

- share information and experience about investment screening, including through practical exercises and case studies, involving thematic experts;
- exchange views on FDI trends affecting security;
- work towards developing a holistic view of the security risks related to specific sensitive technologies and the policy tools addressing them, including export controls and investment screening; and
- continue to facilitate the exchange of best practices on a more technical and practical level.

The focus of the exchanges is not only to share information, but to better understand similarities and differences between the EU and US screening mechanisms, deepen collective understanding of shared and individual risks, emphasize the importance of investment screening as one of the key tools to address risks to national security and, in the EU, public order, and explore potential opportunities for deeper technical exchanges for increasingly efficient future collaboration.

Overview on the main work streams and topics being discussed

At its **first meeting**, the Working Group adopted its work plan, which aims at improving the understanding of our respective investment screening regimes, the evolving threats related to certain foreign investments, and the sharing of best practices for the identification of vulnerabilities in sensitive sectors. At the same meeting, the Working Group has discussed investment trends affecting security. Exchanges focused on trends for overall foreign direct investment, investments and strategies from certain countries, transaction structures, and an overview of implementation of their screening regimes based on aggregated information available in each side's public reports.

At its **second meeting**, the Working Group exchanged best practices, focused on sensitive technologies and sensitive data issues, and presentations of case studies facilitating more focused discussion with respect to risk analysis and risk mitigating measures.

At its **third meeting**, the Working Group has started developing a shared holistic view of the security risks related to specific sensitive technologies and the policy tools addressing them, including in particular, export controls and investment screening. Furthermore, it conducted a practical "tabletop" exercise to facilitate the exchange of best practices on a more technical and practical level.

In the future, the Working Group will continue to discuss security risks posed by certain investments to specific sensitive technologies and to assess more holistically the use of different policy tools available to address these risks.

Overview on past and future stakeholder activities

The first joint stakeholder meeting took place online in December 2021. The [summary of the event](#) is available online.

The second joint stakeholder meeting took place on 13 December 2022 in a virtual format. Summary of the event is to follow.

Stakeholders are invited to submit their contributions on [Futurium](#).