

Basic information

2024/0017(COD)

COD - Ordinary legislative procedure (ex-codecision procedure)
Regulation

Procedure completed, awaiting publication in Official Journal

Screening of foreign investments in the Union

Repealing Regulation 2019/452 [2017/0224\(COD\)](#)

Subject

6.20.06 Foreign direct investment (FDI)

Key players

European Parliament

Committee responsible

INTA

International Trade

Rapporteur

GLUCKSMANN Raphaël
(S&D)

Appointed

30/09/2024

Shadow rapporteur

CASPARY Daniel (EPP)

BAY Christophe (Pfe)

TORSELLI Francesco
(ECR)

VEDRENNE Marie-Pierre
(Renew)

GREGOROVÁ Markéta
(Greens/EFA)

MESURE Marina (The Left)

Former committee responsible

INTA

International Trade

Former rapporteur

MARQUES Margarida
(S&D)

Appointed

19/02/2024

Committee for opinion

ECON

Economic and Monetary Affairs

Rapporteur for opinion

FERBER Markus (EPP)

Appointed

12/09/2024

ITRE

Industry, Research and Energy

BUDKA Borys (EPP)

20/02/2025



IMCO


Internal Market and Consumer Protection

HAHN Svenja (Renew)

18/09/2024

	TRAN Transport and Tourism	FERBER Markus (EPP)	16/09/2024
	Former committee for opinion	Former rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs	FERBER Markus (EPP)	04/03/2024
	ITRE Industry, Research and Energy (Associated committee)		
	IMCO Internal Market and Consumer Protection (Associated committee)		
	TRAN Transport and Tourism	FERBER Markus (EPP)	17/04/2024
Council of the European Union			
European Commission	Commission DG	Commissioner	
	Trade and Economic Security	DOMBROVSKIS Valdis	
European Economic and Social Committee			

Key events			
Date	Event	Reference	Summary
24/01/2024	Legislative proposal published	COM(2024)0023 	Summary
25/04/2024	Committee referral announced in Parliament, 1st reading		
25/04/2024	Referral to associated committees announced in Parliament		
13/11/2024	Resumption of business from the previous parliamentary term		
08/04/2025	Vote in committee, 1st reading		
10/04/2025	Committee report tabled for plenary, 1st reading	A10-0061/2025	
08/05/2025	Decision by Parliament, 1st reading	T10-0102/2025	
08/05/2025	Results of vote in Parliament		
08/05/2025	Matter referred back to the committee responsible for interinstitutional negotiations		
24/02/2026	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE784.434 GEDA/A/(2026)001131	
19/05/2026	Decision by Parliament, 1st reading	T10-0171/2026	Summary




19/05/2026	Results of vote in Parliament		
08/06/2026	Act adopted by Council after Parliament's 1st reading		
17/06/2026	Final act signed		

Technical information	
Procedure reference	2024/0017(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation 2019/452 2017/0224(COD)
Legal basis	Rules of Procedure EP 57_o Treaty on the Functioning of the European Union TFEU 114 Treaty on the Functioning of the European Union TFEU 207
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed, awaiting publication in Official Journal
Committee dossier	INTA/10/00330

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE767.951	17/01/2025	
Committee opinion	ECON	PE765.288	28/01/2025	
Committee opinion	TRAN	PE765.308	29/01/2025	
Amendments tabled in committee		PE768.105	04/02/2025	
Amendments tabled in committee		PE768.131	04/02/2025	
Committee opinion	ITRE	PE763.211	24/02/2025	
Committee opinion	IMCO	PE765.339	24/02/2025	
Committee report tabled for plenary, 1st reading/single reading		A10-0061/2025	10/04/2025	
Text adopted by Parliament, partial vote at 1st reading /single reading		T10-0102/2025	08/05/2025	Summary
Text agreed during interinstitutional negotiations		PE784.434	10/02/2026	
Text adopted by Parliament, 1st reading/single reading		T10-0171/2026	19/05/2026	Summary
Council of the EU				
Document type	Reference	Date	Summary	
Coreper letter confirming interinstitutional agreement	GEDA/A/(2026)001131	10/02/2026		

Draft final act	00010/2026/LEX	12/06/2026	
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European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2024)0023 	24/01/2024	Summary
Document attached to the procedure	SWD(2024)0023 	25/01/2024	
Document attached to the procedure	SWD(2024)0024 	25/01/2024	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2024)0023	09/04/2024	
Contribution	IT_CHAMBER	COM(2024)0023	15/05/2024	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1434/2024	10/07/2024	
CofR	Committee of the Regions: opinion	CDR3403/2024	20/11/2024	

Additional information

Source	Document	Date
EP Research Service	Briefing	02/09/2024
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
GLUCKSMANN Raphaël	Rapporteur	INTA	14/11/2025	Airbus
GLUCKSMANN Raphaël	Rapporteur	INTA	21/10/2025	American Chamber of Commerce to the European Union
GLUCKSMANN				

Raphaël	Rapporteur	INTA	15/10/2025	IBM Corporation
GLUCKSMANN Raphaël	Rapporteur	INTA	03/10/2025	Airbus
GLUCKSMANN Raphaël	Rapporteur	INTA	17/09/2025	WindEurope
GLUCKSMANN Raphaël	Rapporteur	INTA	15/07/2025	American Chamber of Commerce to the European Union
GLUCKSMANN Raphaël	Rapporteur	INTA	28/04/2025	Mission of Norway to the EU
GLUCKSMANN Raphaël	Rapporteur	INTA	26/04/2025	FEPOR
GLUCKSMANN Raphaël	Rapporteur	INTA	06/03/2025	Carl Zeiss AG
GREGOROVÁ Markéta	Shadow rapporteur	ITRE	04/02/2025	American Chamber of Commerce to the European Union
GLUCKSMANN Raphaël	Rapporteur	INTA	30/01/2025	FEPOR
GREGOROVÁ Markéta	Shadow rapporteur	ITRE	28/01/2025	Invest Europe
TSIODRAS Dimitris	Shadow rapporteur	IMCO	23/01/2025	American Chamber of Commerce to the European Union
POŹŃAKS Reinis	Shadow rapporteur	IMCO	22/01/2025	American Chamber of Commerce to the European Union
GLUCKSMANN Raphaël	Rapporteur	INTA	21/01/2025	American Chamber of Commerce to the European Union
FERBER Markus	Rapporteur for opinion	ECON	21/01/2025	American Chamber of Commerce to the European Union
GLUCKSMANN Raphaël	Rapporteur	INTA	10/01/2025	Invest Europe
GLUCKSMANN Raphaël	Rapporteur	INTA	09/01/2025	Nel Hydrogen
GLUCKSMANN Raphaël	Rapporteur	INTA	18/12/2024	European Sea Ports Organisation
GLUCKSMANN Raphaël	Rapporteur	INTA	13/12/2024	US Mission to the EU
HAHN Svenja	Rapporteur for opinion	IMCO	11/12/2024	AEGIS Europe American Chamber of Commerce to the European Union Bundesverband der Deutschen Industrie e.V. DIE FAMILIENUNTERNEHMER Deutsche Industrie- und Handelskammer EUROCHAMBRES – Association of European Chambers of Commerce and Industry European Sea Ports Organisation Verband Deutscher Maschinen- und Anlagenbau e.V.
GLUCKSMANN Raphaël	Rapporteur	INTA	06/12/2024	Linklaters LLP
GLUCKSMANN Raphaël	Rapporteur	INTA	27/11/2024	UNIFE
GLUCKSMANN Raphaël	Rapporteur	INTA	26/11/2024	Grand Port Fluvio-maritime de l'Axe Seine
GLUCKSMANN Raphaël	Rapporteur	INTA	22/11/2024	BUSINESSEUROPE

GLUCKSMANN Raphaël	Rapporteur	INTA	21/11/2024	American Chamber of Commerce to the European Union
ATTARD Daniel	Shadow rapporteur for opinion	ITRE	14/11/2024	European Cyber Security Organisation
ATTARD Daniel	Shadow rapporteur for opinion	ITRE	14/11/2024	EUROPEAN TRADE UNION CONFEDERATION
GLUCKSMANN Raphaël	Rapporteur	INTA	13/11/2024	US Mission to the EU
GLUCKSMANN Raphaël	Rapporteur	INTA	08/11/2024	IBM Corporation
GLUCKSMANN Raphaël	Rapporteur	INTA	08/11/2024	Australian embassy
ATTARD Daniel	Shadow rapporteur for opinion	ITRE	07/11/2024	European Chemical Industry Council
GLUCKSMANN Raphaël	Rapporteur	INTA	07/11/2024	WindEurope
HAHN Svenja	Rapporteur for opinion	IMCO	06/11/2024	General Electric Company
ATTARD Daniel	Shadow rapporteur for opinion	ITRE	06/11/2024	European Round Table for Industry
HAHN Svenja	Rapporteur for opinion	IMCO	05/11/2024	IBM Corporation
FERBER Markus	Rapporteur for opinion	TRAN	30/10/2024	UNIFE
GLUCKSMANN Raphaël	Rapporteur	INTA	29/10/2024	FGS Global (Europe) GmbH
GLUCKSMANN Raphaël	Rapporteur	INTA	29/10/2024	European Electronic Component Manufacturers' Association
GLUCKSMANN Raphaël	Rapporteur	INTA	29/10/2024	Airbus
ATTARD Daniel	Shadow rapporteur for opinion	ITRE	16/10/2024	BUSINESSEUROPE
FERBER Markus	Rapporteur for opinion	TRAN	10/10/2024	European Sea Ports Organisation

Other Members

Transparency		
Name	Date	Interest representatives
BOESELAGER Damian	02/12/2025	InvestEurope
WARBORN Jörgen	29/01/2025	Swedish National Trade Board

Screening of foreign investments in the Union

2024/0017(COD) - 19/05/2026 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 508 votes to 64, with 90 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the screening of foreign investments in the Union and repealing Regulation (EU) 2019/452 of the European Parliament and of the Council.

The European Parliament adopted its position at first reading by amending the proposal as follows:

Object

The regulation establishes **an EU framework for Member States to screen foreign investments in their territory on the grounds of security or public order**. Its objective is to ensure that foreign investments in the EU do not have a negative impact on security or public order.

National screening mechanisms

Each Member State must put in place a screening mechanism in accordance with the regulation and must notify the measures it adopts no later than 18 months from the date of entry into force of the regulation.

For foreign investments that fall within the scope of their screening mechanism and are subject to a filing obligation, Member States must ensure that the screening authority has appropriate procedures and resources to:

- conduct an initial review of a foreign investment within **45 calendar** days of the filing date to determine whether a more in-depth investigation is necessary to ascertain whether a foreign investment is likely to have an adverse impact on security or public order; and
- based on the results of the initial review, conduct, if necessary, an **in-depth investigation** to determine whether this foreign investment is likely to have an adverse impact on security or public order.

Member States should ensure that their screening authorities are empowered to impose **effective, proportionate and dissuasive sanctions** on foreign investors who do not comply with the requirements of the screening mechanism, including by failing to file for foreign investment when required or by failing to comply with mitigation measures.

Prior authorisation requirement

Each Member State must ensure that its screening mechanism imposes a prior authorisation requirement for foreign investments where the Union target established in its territory:

- develops, produces or markets **dual-use goods** listed in Annex I to Regulation (EU) 2021/821 of the European Parliament and of the Council or **military goods and technologies** listed in the Annex to Directive 2009/43/EC of the European Parliament and of the Council;
- produces and develops **semiconductor** technologies, **quantum technologies** and **artificial intelligence** technologies or conducts research in these areas;
- is active in the **transport, energy or digital infrastructure** sectors and is considered critical under a targeted risk-based assessment that takes into account national security and vital societal functions;
- carries out certain activities related to **strategic raw materials** (exploration, extraction, processing, recycling or recovery, stockpiling);
- constitutes a **central counterparty**, a central securities depository, a regulated market operator, a payment systems operator, a global provider of specialised financial messaging services;
- owns, develops or operates **voter registration databases**, voting systems and other information systems specifically designed to manage election-related operations.

Procedures

The procedures applicable to national screening mechanisms will be streamlined, to reduce complexity and make the EU a more attractive place to invest. The regulation contains provisions on the notification of foreign investments, comments and opinions on notified foreign investments, and information requirements.

Cooperation among national screening authorities and with the Commission will be enhanced, facilitating coordination and joint action on cross-border security risks. The new law will also cover transactions within the EU where the investor is ultimately owned by individuals or entities from a non-EU country.

No later than 12 months from the date of entry into force of the regulation, the Commission shall put in place, and then maintain, an **encrypted and secure system** to facilitate the exchange of information between contact points.

Negative impact on security and public order

To determine whether an investment is likely to have a negative effect on security or public order, Member States and the Commission will have to examine whether the investment in question is likely to have an adverse impact on: (i) a project or programme of Union interest; (ii) the availability of critical technologies; (iii) the security and functioning of a critical entity or infrastructure; (iv) the protection of sensitive information; (v) the freedom and pluralism of the media, including online platforms and social media platforms which can be used for large-scale disinformation activities or criminal activities; (vi) the protection of electoral processes; (vii) the protection of public health and food safety; (viii) the security of military installations.

Mitigation measures

The amended text specifies that these measures may include, *inter alia*: (i) changes to the proposed governance structure of the Union target; (ii) modifications to the voting rights conferred on the foreign investor; (iii) conditions on access to sensitive technologies or information; (iv) measures to ensure the continuation of business activities; (v) requirements to source critical components from secure and reliable suppliers; (vi) implementation of cybersecurity protocols to protect against potential threats; (vii) an obligation to store and process specific data within the Union.

Expert group, transparency

The expert group on screening foreign direct investment into the Union, which provides advice and expertise to the Commission, will continue to engage in discussions regarding foreign investment screening.

Screening of foreign investments in the Union

2024/0017(COD) - 08/05/2025

The European Parliament adopted, by 378 votes to 173, with 24 abstentions, **amendments** to the proposal for a regulation of the European Parliament and of the Council on the screening of foreign investments into the Union and repealing Regulation (EU) 2019/452 of the European Parliament and of the Council.

The matter was referred to the relevant committee for interinstitutional negotiations.

The main amendments adopted in plenary concern the following points:

Subject matter

The regulation establishes an EU framework for the screening by Member States of foreign investments in their territory on grounds of security or public policy, including economic security. It must be without prejudice to the right of Member States to take measures justified on grounds of public policy or public security.

Implementation of filtering mechanisms

Member States will have to establish a screening mechanism that applies at least to investments subject to an authorisation requirement. Each Member State should notify the Commission of the measures it adopts to implement this measure no later than 12 months from the date of entry into force of the Regulation. The Commission should make a list of Member States' screening mechanisms publicly available no later than three months after receipt of all notifications or no later than 15 months from the date of entry into force of the Regulation.

Minimum requirements

Member States should implement standardised procedural steps and structured communication points with applicants throughout the process. In addition, screening authorities should be empowered to impose effective, proportionate, and dissuasive sanctions on foreign investors who fail to apply for authorisation when required to do so, and will have to establish secure procedures and channels to receive information on foreign investments from civil society organisations, economic operators, and social partners.

Procedures

The procedures applicable to national control mechanisms will be harmonised. Members specified the deadlines and procedures that should apply to the cooperation mechanism and EU decisions, as well as to consultations between Member States and the Commission. In addition, the Commission will have the power to intervene on its own initiative or in the event of disagreement between Member States on the existence of risks to security or public order emanating from a specific foreign investment.

Negative impact on security and public order

In determining whether an investment is likely to have a negative impact on security or public order, Member States or the Commission should consider whether the investment in question is likely to have a negative impact on:

- the security, integrity, functioning, operational stability and resilience of the internal market;
- the availability and uptake of critical technologies, technological security and technology leakage;
- the security and resilience of supply chains for critical inputs;
- food safety;
- the ability to avoid and address strategic dependencies;
- the protection of the financial and economic stability of the Union;
- the provision of essential services and services of general interest;
- the protection of intellectual property, knowledge or other intangible assets;
- media freedom and pluralism, including online and social media platforms that can be used for large-scale disinformation activities;
- the likelihood of economic coercion by a third country;
- whether the foreign investor or the foreign investor's subsidiary in the Union is **directly or indirectly controlled by the government** of a third country and whether the foreign investor is established in a third country subject to Union restrictive measures which pursues an aggressive civil-military fusion strategy.

The Commission may carry out a risk assessment concerning a sector, critical technology, foreign investors or EU undertakings to inform Member States' screening decisions.

Mitigation measures

Members specified that such measures may include, *inter alia* (i) changes to the proposed governance structure of the target; (ii) changes to the voting rights conferred on the investor; (iii) measures preventing unauthorised access to sensitive technology or information; (iv) commitments by the investor to maintain or create local added value; (v) commitments by the investor to address the risk of dependency, including the transfer of technology and know-how; (vi) requirements that critical components be sourced from safe and reliable suppliers; and (vii) an obligation for the foreign investor to establish a joint venture with an EU undertaking.

Expert group, transparency

The Expert Group on the Screening of Foreign Direct Investments into the Union, which provides advice and expertise to the Commission, should continue to be involved in discussions on the screening of foreign direct investments.

By the date of entry into force of the Regulation, the Commission should publish guidelines on the application of the criteria for determining whether an investment enables effective participation in the management or control of a Union target or whether an undertaking is part of a project or programme of Union interest. The Commission should publish a list of all screening mechanisms established by Member States.

Screening of foreign investments in the Union

2024/0017(COD) - 24/01/2024 - Legislative proposal

PURPOSE: improve the protection of EU security and public order by proposing improved screening of foreign investment into the EU.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Regulation (EU) 2019/452 of the European Parliament and of the Council establishing a framework for the screening of foreign direct investments (FDIs) into the Union was adopted in 2019 and entered into application on 11 October 2020. It responded to growing concerns about certain foreign investors seeking to acquire control of EU firms that provide critical technologies, infrastructure or inputs, or hold sensitive information, and whose activities are critical for security or public order at EU level. The aim of the Regulation was to help identify and address security or public order risks related to FDIs that affect at least two Member States or the EU as a whole, because the high degree of integration of the internal market means that an FDI in an EU company may create a risk beyond the borders of the Member State hosting the FDI.

Since the adoption of the Regulation, the **issue of security and public order has grown in importance**. The COVID-19 pandemic, Russia's war of aggression against Ukraine and other geopolitical tensions have underlined the need to be able to **identify risks to, and better protect EU critical assets from, certain investments**. This has also contributed to the significant increase in the number of Member States adopting a **national screening mechanism**, and in the expansion by some Member States in the number of sectors subject to screening. However, a significant share of FDIs in the EU still goes to Member States that **do not have a screening mechanism** and this leaves vulnerabilities because potentially critical FDIs remain undetected.

CONTENT: the proposed regulation revises and improves the cooperation mechanism between the Member States and the Commission created by Regulation (EU) 2019/452 establishing a framework for the screening of foreign direct investments (FDIs) into the Union. The new rules aim to **improve the EU's ability to detect foreign investments likely to negatively affect security or public order**.

The main provisions of the proposal are as follows:

National screening mechanisms

The proposal contains rules for national screening mechanisms. Member States are required to set up and maintain a screening mechanism that complies with the requirements of the proposed regulation and to notify this mechanism to the Commission. Based on these notifications, the Commission is required to publish a list of national screening mechanisms. The mechanisms are required to cover at least (i) investments in EU companies participating in projects or programmes of EU interest; and (ii) investments in EU companies active in areas of particular importance for the security or public order interests of the EU.

Cooperation mechanism

Provisions are set out for a cooperation mechanism allowing Member States and the Commission to exchange information and suggest measures if a foreign investment is likely to negatively affect security or public order in more than one Member State, or through a project or programme of Union interest.

The Commission is allowed to issue an opinion to the Member State where the foreign investment takes place if it considers that such a foreign investment is likely to negatively affect the security or public order of more than one Member State, or projects or programmes of Union interest on grounds of security or public order.

The proposal also provides rules for Member States and the Commission for the determination of a foreign investment's likely impact on security or public order and for Member States' screening decisions.

Transparency

To ensure the transparency of screening mechanisms and the EU cooperation on foreign investment screening, the proposal requires Member States to **report annually** to the public about their screening activities and screening decisions by publishing aggregated and anonymised information. The Commission is also required to publish an annual report about the implementation of the regulation.

Lastly, the proposal includes annexes that provide a list of projects and programmes of Union interest as well as the technologies, assets, facilities, equipment, networks, systems, services and economic activities of particular importance for the security or public order interests of the Union.

Budgetary implications

In order to effectively achieve the objectives of this initiative, it is necessary to finance a number of actions at Commission level. The annual human resources expenditure will amount to approximately EUR 5.162 million per year, which is intended to provide for a total number of 29 officials in the Commission. Other administrative expenses are related to the reimbursement of Member States' travel costs to the meetings of the expert group and committee. These costs are projected to amount to EUR 0.032 million per year. Operational expenditure, which will be used to finance the necessary IT infrastructure to support the direct cooperation between the Commission and Member States through secure channels of communication will reach approximately EUR 0.25-0.29 million per year. The Commission intends to launch an external study with a budget of EUR 0.25 million to support its assessment of Member States' compliance after the end of the transitional period. Lastly, the Commission will consider launching a second study to support the 5-year evaluation of the proposed regulation by the Commission.