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Mark Katz Speaks to PaRR on Trends in National Security Reviews

Global news service PaRR (available to subscribers) featured Davies partner [Mark Katz](#) for his perspective on recent developments in national security reviews of foreign investments in Canada.

Speaking on the increase in national security reviews in recent years, Mark [noted](#) the continuing debate on Chinese investments, on which the “pendulum has swung back and forth.” The current situation still sees most Chinese investments approved, including by state-owned entities (SOEs), but if and when that happens there is more scrutiny, he said, adding that “national security screening is definitely on everybody’s radar.”

In a second [article](#), Mark commented that Canada’s recent introduction of a voluntary filing system for minority acquisitions will create greater certainty for investors in some cases.

The new system allows parties to obtain certainty by filing, especially if the buyer is an SOE or if the investment is in a sensitive sector, he said. On the negative side, not notifying a minority investment now runs the risk that the government can initiate proceedings for five years after closing, he added.