

## Investment Canada Act voluntary national security notification process for non-controlling investments to take effect August 2, 2022

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On June 22, 2022, the *Canada Gazette* published the [Regulations Amending the National Security Review of Investments Regulations](#) (the Amendments) to establish a voluntary notification option within the national security review (NSR) regime of the *Investment Canada Act*. The Amendments are expected to come into force on August 2, 2022, and mirror the [proposed amendments \[PDF\]](#) published in February 2022.

The Amendments provide – for the first time – a non-Canadian investor with the ability to voluntarily clear the NSR regime on a [pre-closing](#) basis where their proposed investment is not otherwise subject to mandatory notification or net benefit review. This is a significant development for minority and other investments by non-Canadians that do not constitute an acquisition of control or the establishment of a Canadian business under the *Investment Canada Act*. Currently, while the NSR regime applies to these investments, an investor has no ability to trigger a NSR on a pre-closing basis, and the federal government has 45 days from the date of closing to commence a NSR. By filing a voluntary notification pursuant to the Amendments, a non-Canadian investor will be able to trigger the initial 45-day review period under the NSR regime on a pre-closing basis, and therefore can obtain certainty as to whether the proposed investment raises national security concerns prior to completing the investment. In contrast (and to incentivize voluntary notifications), where non-Canadian investors elect not to voluntarily notify their investments, the federal government will now have [five years](#) after the date of implementation to commence a NSR.

Refer to our [Update](#) for further details on the Amendments and Canada's NSR regime.

For more information or other questions relating to Canada's foreign investment regime, please contact the members of [Osler's Competition and Foreign Investment Group](#).