

National Security and Investment Act 2021



Sectors and types of companies in scope of the mandatory notification regime

This document provides an overview of the sectors that are caught by the mandatory notification regime, including high-level summaries of their scope and examples of the types of companies potentially falling within scope. It is based on [The National Security and Investment Act 2021 \(Notifiable Acquisition\) \(Specification of Qualifying Entities\) Regulations 2021 \(legislation.gov.uk\)](#).

Sector	Activities ¹
1. Advanced Materials	<p>Research, development, production, ownership/creation of IP, provision of know-how, recycling or re-using in relation to:</p> <ul style="list-style-type: none">• Materials specified in the Export Control Order 2008 or Council Regulation (EC) No 2009/7428 re dual-use items• Advanced composites• Certain metals and alloys• Engineering and technical polymers• Engineering and technical ceramics• Technical textiles (not including sportswear or consumer products, but including textile-based wearable electronics)• Metamaterials• Semiconductors• Nanotechnology• Photonic and optoelectronic materials and devices• Graphene and related 2d materials• Critical materials (a list of 45 elements ranging from the rather familiar e.g. lead and mercury to the very exotic e.g. praseodymium and ytterbium)

¹ Please note these summaries are not intended to be exhaustive of all entities/activities covered. Please refer to [The National Security and Investment Act 2021 \(Notifiable Acquisition\) \(Specification of Qualifying Entities\) Regulations 2021](#), which set out the proposed definitions/descriptions of the 17 key sectors in full.

Sector	Activities ¹
	<ul style="list-style-type: none"> Various other materials including components used for protecting human eyes and optical systems from damages by laser, circuit board manufacturing with dimension of less than 30 micrometres, battery pack assembling for defence and security, "invisibility" paints and coatings and certain others <p>Most of the above sectors cover equipment and systems for manufacturing the materials and the materials themselves as well as relevant technologies, software and data.</p>
<p>2. Advanced Robotics</p>	<p>Developing or producing advanced robotics and/or developing or producing 'core components' specially designed or modified for use in advanced robotics.</p> <p>Advanced robotics means a machine that has the characteristics of autonomy and/or is capable of using its sensors to carry out sophisticated surveillance and data collection in respect of any aspects of its environment.</p> <p>Excludes: consumer or domestic products, industrial automation systems performing repetitive tasks with very basic or no sensors or cognitive ability, smart speakers or similar devices lacking end effectors or locomotion.</p>
<p>3. Artificial Intelligence</p>	<p>Research into artificial intelligence or developing or producing goods, software or technology that use artificial intelligence used for the purposes of: identification or tracking of objects, people or events, advanced robotics, or cyber security.</p>
<p>4. Civil Nuclear</p>	<ul style="list-style-type: none"> Holding a nuclear site licence Occupying a site in respect of which a nuclear site licence has been granted Holding or carrying nuclear material Being in receipt of an order granting development consent in relation to a nuclear reactor, or applying for such development consent Being, or having been, required to pay a fee to the Office for Nuclear Regulation Holding sensitive nuclear information Being given financial support for or in relation to nuclear reactors

Sector	Activities ¹
<p>5. Communications</p>	<ul style="list-style-type: none"> (a) Provision of a public electronic communications network and/or public electronic communications service with an annual UK turnover of £50m or more (b) PECN and PECS are as defined in the Communications Act 2003 but specifically extended to cover submarine cable systems used for the provision of PECSs to the public (c) Making available associated facilities by reference to PECNs and PECSs covered by point (a) above. Associated facilities are as defined in the Comms Act 2003 but specifically extended to cover cable landing stations. Passive network elements are excluded to the extent that they are designed merely to host other passive elements or cables (including strands of optical fibre) (d) Repair or maintenance of submarine cable systems or cable landing stations where the system forms part of a PECN provided in the UK or interconnects with a PECN provided in the UK (e) Provision of a top-level domain name registry servicing more than 14 billion queries in any relevant 168-hour period, a domain name resolver service which serviced more than 500,000 different IP addresses in any 168-hour period, or a domain name system authoritative hosting service servicing 100,00 or more domains registered to persons in the UK (f) Provision of an internet exchange point in the UK with a market share of 30% or more among operators of internet exchange points in the UK
<p>6. Computing Hardware</p>	<ul style="list-style-type: none"> (a) Ownership, creation, supply or exploitation of IP relating to: CPUs, architectural, logical or physical designs for CPUs, the instruction set architecture for CPUs, code in low-level language that can control how CPUs operate, integrated circuits with the purpose of providing memory (b) Design, maintenance or delivery of a service for the secure management or provisioning of roots of trust for CPUs, code in low-level language that control how such CPUs operate (c) Fabrication or packaging of CPUs or integrated memory circuits <p>This sector essentially covers the design and manufacture of computer chips. It does not cover assembly and packaging of chips into circuit boards that are then incorporated into computers and other devices.</p>

	Sector	Activities ¹
7.	Critical Suppliers to Government	<p>Any entity which is party to a public contract with government (i.e. with a contracting authority for the purposes of the Public Contracts Regulations 2015) where the contract contains any of:</p> <ul style="list-style-type: none"> • The processing or storage of material to which a security classification of SECRET or TOP SECRET has been applied; • A requirement to have List X accreditation; and/or • A requirement for employees of the entity to be vetted at or above 'Security Check' level.
8.	Cryptographic Authentication	<p>Research into, developing or producing, any product which has authentication as a primary function, employs 'cryptography' in performing that function, and is not ordinarily supplied to or made available for acquisition by consumers.</p>
9.	Data Infrastructure	<p>(a) Owning, operating or managing 'relevant data infrastructure'</p> <p>(b) Managing facilities where relevant data infrastructure is located</p> <p>(c) Providing specialist or technical services which give the entity providing those services access to relevant data infrastructure</p> <p>(d) Providing services which give the entity providing the services administrative access to relevant data infrastructure</p> <p>(e) Producing or developing software which configures or manages the provision of administrative access to relevant data infrastructure</p> <p>Relevant data infrastructure is physical or virtualised infrastructure which:</p> <ul style="list-style-type: none"> • Is used for storing, processing or transmitting digital data pursuant to a contract with a central government body public authority (or pursuant to a sub-contract with head contractor who has a contract with a central government body for the purpose of carrying out that activity); • Is provided for the purpose of peering, interconnection or exchange of digital data between providers of PECNs or PECSS; or • Enables the interconnection of one or more PECNs with an electronic communications network where part of that network is provided by means of a submarine cable system.

Sector	Activities ¹
10. Defence	Research, development, production, creation or application of goods or services which are used or provided for defence or national security purposes where the entity is a government contractor or in a chain of sub-contractors which begins with a government contractor, or the entity has been notified by the SoS of information, documents or other articles of a classified nature which the entity or any of its employees may hold or received relating to defence or national security activities.
11. Energy	<ul style="list-style-type: none"> (a) Owning, operating or holding/applying for a licence in respect of an upstream petroleum facility (b) Holding transmission licences, distribution licences or interconnector licences under the Electricity Act 1989 (c) Holding generation licences under the Electricity Act 1989, or carrying on aggregation where the entity either owns or operates any individual generating asset that has total installed capacity equal to or greater than 100 megawatts; or the relevant capacity of the entity is equal to or greater than one gigawatt (d) Holding a licence under section 7 (public gas transporters) or 7ZA (gas interconnectors) of the Gas Act 1986 (e) Owning or operating a gas processing facility in GB with the capacity to process more than 6 million cubic metres of gas per day (f) Owning or operating an LNG import or export facility with the capacity to carry on importation, regasification or liquefaction of more than 6 million cubic metres of gas per day (g) Supplying petroleum-based road, aviation or heating fuels to person in the UK where the entity carries on a downstream oil activity (i.e. import of crude, intermediates, components and finished fuels), refinement and processing, distribution and delivery to retail sites, airports or end users) and has a capacity of greater than 500,000 tonnes (or owns a facility with a capacity of more than 500,000 tonnes)
12. Military and Dual-Use	Researching, developing or producing 'restricted goods' or 'restricted technology' (i.e. goods and technology, including software or information (other than information in the public domain), the export or transfer of which is controlled by virtue of their being specified in the export control legislation.
13. Quantum Technologies	Developing or producing 'quantum technology' (i.e. quantum communications; quantum connectivity; quantum imaging, sensing, timing or navigation; quantum information processing, computing or simulation; or quantum resistant cryptography).

Sector	Activities ¹
14. Satellite and Space Technologies	<p>Operating, developing, producing, creating or using facilities, including (but not limited to) for:</p> <ul style="list-style-type: none"> • The management of debris in outer space, including sending an object into outer space to remove debris; • The provision of in-orbit servicing, maintenance or manoeuvring of satellites; • The provision of satellite communications links; • Operating or maintaining the capability of secure infrastructure related to space activity or sub-orbital activity; • The manufacture or testing of spacecraft, launch vehicles, satellites, planetary probes, orbital stations, ground support equipment, or component parts of, or materials used in, any such equipment; • The use of space-derived data for a defence purpose; and/or • The provision or processing of space situational awareness data by activity on earth or by space activity or by means of infrastructure.
15. Suppliers to the Emergency Services	<p>Supplying any of the following directly to the police, fire authority and other emergency services (not including ambulance services):</p> <ul style="list-style-type: none"> • Unmanned aircraft or components of unmanned aircraft • Equipment designed to disrupt the operational system of unmanned aircraft • Equipment designed to detect, track or identify unmanned aircraft • Firearms and ammunition • Maintenance or repair of Border Force frontline vessels • Maintenance or repair of unmanned aircraft or components thereof • Any electronic communications network or service or associated facility (other than a public ECN or public ECS) that is used by the emergency services • Hardware systems or platform to facilitate the storage of electronic data used by the emergency services

Sector	Activities ¹
	<ul style="list-style-type: none"> • Maintenance and repair of goods and services referred to in the previous two points • Fuel cards • Services to control systems relating to access and security of buildings • Frontline operational delivery of firefighting services in the event of strike action <p>Supplying any of the following to an ambulance service provider:</p> <ul style="list-style-type: none"> • Any electronic communications network or service (other than a public ECN or public ECS)
<p>16. Synthetic Biology</p>	<p>Carrying on:</p> <ol style="list-style-type: none"> (a) Basic scientific research into synthetic biology; (b) Development of synthetic biology; (c) Production of goods using synthetic biology; (d) Formulation of synthetic biology to enable degradation of materials; or (e) Provision of services that enable the activities in points (a)-(d). <p>Synthetic biology means the process of applying engineering principles to biology to design, redesign or make biological components or systems that do not exist in the natural world. This includes, but is not limited to:</p> <ul style="list-style-type: none"> • The design and engineering of biological-based parts of enzymes, genetic circuits and cells, or novel devices and systems • Redesigning existing natural biological systems • Using microbes to template materials • Cell-free systems • Gene editing and gene therapy • The use of DNA for data storage, encryption and bio-enabled computing

Sector	Activities ¹
	<p>Exceptions:</p> <ul style="list-style-type: none"> • General services not related to core synthetic biology • Use of microorganisms to remove harmful contaminants etc. From the environment • Gathering clinical information for the purpose of making a clinical diagnosis • Industrial biotechnology R&D or production using enzymes or organisms that have not been modified using synthetic biology • Production of substances ordinarily consumed as food or used as feed • Gene therapy where used solely for replacing missing or defective genes • Cell therapy where cells are modified by genetic engineering and then introduced into the patient to treat disease • Human or veterinary medicines or immunomodulatory approaches that employ synthetic biology unless the medicines etc. have a synthetic biology technology that could be employed or modified to produce toxic chemicals to achieve an incapacitating effect on humans or animals or materials/substances restricted under Schedule 5 of the Anti-terrorism, Crime and Security Act 2001
<p>17. Transport</p>	<p>(a) Owning or operating a port or harbour in the UK handling at least one million tonnes of cargo in the preceding year</p> <p>(b) Owning or operating an airport handling at least six million passenger movements or 100,000 tonnes of freight in 2018</p> <p>(c) Providing, or owning a provider of, en-route air traffic services in the UK</p>