



Commonwealth Fact Sheet



FOREIGN INVESTMENT REVIEW BOARD

If your project involves a foreign entity looking to invest in Australia, the foreign investor may need approval before the transaction can occur. On 5 June, the Treasurer announced major reforms to the foreign investment review framework.

1. What approvals do I need?

Investment proposals are considered on a case-by-case basis to ensure they align with Australia's national interest. Approval may be required for foreign entities before acquiring interests in land or making business investments^[1] including (but not limited to):

- acquisition of Australian land (agricultural, residential and commercial)
- acquisition of an interest in an Australia business (generally 20% or more)
- direct investments in agribusiness, or
- critical infrastructure assets.

^[1]Subject to monetary thresholds (AUD). Different thresholds may apply for free trade agreement partners. All monetary thresholds have been temporarily reduced to \$0 for the duration of the coronavirus crisis.

On 5 June, the Treasurer announced major reforms to the foreign investment review framework. The reform package includes measures to strengthen the existing framework with: enhanced national security review of sensitive acquisitions; extra powers and resources to ensure foreign investors comply with the terms of their approval; and amendments to streamline investment in non-sensitive areas. The reforms are scheduled to commence on 1 January 2021.

2. Who provides approvals?

The Treasurer is ultimately responsible for all decisions relating to foreign investment. The Treasurer is advised by the Foreign Investment Review Board (FIRB) which administers the legislative framework, including: *Foreign Acquisitions and Takeovers Act 1975*, *Foreign Acquisitions and Takeovers Fees Imposition Act 2015*, and their associated regulations.

This fact sheet provides general information and does not constitute legal advice. You should seek independent legal advice tailored to your individual circumstances. The Major Projects Facilitation Agency (MPFA) assists Major Project Proponents to navigate the approvals process. The MPFA does not grant approvals, nor administer this Act or Regulations.

www.business.gov.au/mpfa

contact@mpaa.gov.au

3. Monetary thresholds

Monetary screening thresholds are met when either the amount paid for an interest or the value of an entity or asset exceeds the threshold amount depending on the type of action. The exception is for agricultural land, where the test is cumulative (except in relation to certain free trade agreement partners' investors).

Please note that all monetary thresholds have been temporarily reduced to \$0 for the duration of the coronavirus crisis.

4. How do I get Commonwealth approval?

Applications can be made [online](#). Fees must be paid before applications are considered.

A decision will generally be made within 30 days of fee payment. During the period of the coronavirus crisis, the FIRB will work with existing and new applicants to extend timeframes from 30 days to up to six months.

5. More information

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For more information, visit the FIRB [website](#). More details about the foreign investment reforms can be found on the Treasury [website](#).

Major Projects Facilitation Agency

If you would like assistance to identify the regulatory obligations for your project, please visit our [Online Tool](#) or contact us:

Phone: 02 6243 7121

Email: contact@mpaa.gov.au