

Australian Government

Major Projects Facilitation Agency

Commonwealth Fact Sheet



FOREIGN INVESTMENT

If your project involves a foreign entity looking to invest in Australia, the foreign investor may need approval for the transaction from the Treasurer, advised by the Foreign Investment Review Board, before the transaction can occur. Investment proposals are considered on a case-by-case basis to ensure they are not contrary to Australia's national interest or national security.

1. What approvals do I need?

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, mining, residential and commercial)
- acquisition of an interest in an Australia business (generally 20% or more)
- direct investments in agribusiness (generally 10% or in a position of control), or
- direct investments in national security businesses or national security land.

Specific guidance for certain actions are here.

⁽¹⁾Subject to monetary screening thresholds (AUD). Different thresholds may apply for free trade agreement partners.

2. Who provides approvals?

The Treasurer is ultimately responsible for all decisions relating to foreign investment. The Treasurer is advised and assisted by Treasury and the Foreign Investment Review Board.

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).

The monetary screening thresholds for proposed investments by foreign government investors, or investments in national security business or national security land is \$0.

Monetary thresholds are listed here.

4. How do I get Commonwealth approval?

Applications can be made <u>online</u>. Fees must be paid before applications are considered.

5. More information

Commonwealth

The foreign investment review framework is set by the Foreign Acquisitions and Takeovers Act 1975 (the Act), Foreign Acquisitions and Takeovers Fees Imposition Act 2015, and their associated regulations.

For more information, visit the Foreign Investment Review Board <u>website</u>.

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If you would like assistance to identify the regulatory obligations for your project, please visit our <u>Online</u> <u>Tool</u> or contact us: Email: <u>mpfa@industry.gov.au</u>

 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.

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 June 2021