

Australian Government response to the
Senate Committee on Economics report:

Foreign Investment Reform (Protecting Australia's National Security) Bill 2020 [Provisions] and Foreign Acquisitions and Takeovers Fees Imposition Amendment Bill 2020 [Provisions]

May 2024

# Response to the recommendations

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| Recommendation 1The committee recommends the Treasury publishes comprehensive guidance as soon as practicable to offer foreign investors in Australia greater clarity as to their responsibilities and rights.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate. |
| Additional Comments by Labor Senators - Recommendation 1The definitions under the new national security test of ‘national security business’ and ‘national security land’, and the delegated regulatory powers be clearly explained and communicated for the benefit of the Australian community and businesses, and existing and future foreign investors, before the bills’ passage and proposed enactment.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate. |
| Additional Comments by Labor Senators - Recommendation 2There be greater transparency in the publication of decisions and enforceable undertakings made under the bills and related regulations.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate. |
| Additional Comments by Labor Senators - Recommendation 3Given the current economic imperatives, there be a review within six to twelve months of the bills’ commencement to update the Parliament on the impact of the legislation, whether it is achieving its stated objectives and whether it strikes the right balance between Australia’s openness to foreign investment and protecting Australia’s national interests.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate. |
| Additional Comments from the Australian Greens - Recommendation 1The decision to grant proposed foreign investments a ‘no objection notification’ (approval) or an ‘exemption certificate’ should be made public, along with a statement of reasons, with an exemption from this publication requirement being available on national security grounds.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate. |
| Additional Comments from the Australian Greens - Recommendation 2The annual statistical report contains information on the area, value, tenure and use of land, including agricultural land, in which there is a foreign interest.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate. |
| Additional Comments from the Australian Greens - Recommendation 3The threshold for critical electricity assets be set at a level that does not have a disproportionate impact on renewable energy.Australian Government response The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.  |