

Threshold to FIRB approval of foreign investments dropped to \$0 to address economic impact of COVID-19

Source: [Federal Treasurer Josh Frydenberg](#)

Date: 29 March 2020

Abstract:

Treasurer Josh Frydenberg has announced that the monetary screening thresholds for all foreign investments under the [Foreign Acquisitions and Takeovers Act 1975 \(Cth\)](#) (the Act) will be temporarily reduced to \$0 effective 10:30pm AEST on 29 March 2020, with the effect that all foreign investments caught by the Act will now be subject to approval by the Foreign Investments Review Board (FIRB)

These measures are intended to safeguard the national interest given intense pressure on the Australian economy and businesses as a result of the COVID-19 pandemic. These measures are described as “temporary” but will continue throughout the duration of the COVID-19 crisis. The Treasurer will continue to review foreign investment proposals against the national interest on a case-by-case basis. Where appropriate, conditions will be applied proportionately to address identified risks.

To ensure sufficient time for to screen applications the FIRB will work with current and new applicants to extend timeframes for review of applications from 30 days to up to six months. Urgent applications for investments that protect and support Australian business and Australian jobs will be prioritised.

The Treasurer noted that even in the current climate, Australia continues to welcome foreign investment, which remains vital to its long-term economic success and stability. The Government recognises that foreign investment will play an important part in helping many businesses get to the other side by securing jobs and supporting our economic recovery.

FIRB Chairman David Irvine AO has [confirmed](#) the FIRB was consulted on and supports the changes. The FIRB will continue to assess foreign investment applications against the national interest (including support for employment) on a case by case basis and will seek to accommodate commercial deadlines wherever possible.

The [FIRB website](#) is in the process of being updated to reflect these changes and current applicants will be contacted by FIRB and asked to request that the decision period for their application involving significant actions and/or exemption certificates be extended by up to 6 months from the date their application fee is paid.