

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into the FOREIGN INVESTMENT PROPOSALS

2019 - 2020

Division: Foreign Investment Division
Topic: Ensuring Compliance
Reference: Written

Question:

What proportion of approvals subject to conditions is Treasury ‘working with’ to ensure compliance?

Answer:

Working with investors to ensure compliance refers to a range of scenarios, from identifying that an investor has submitted a compliance report late or has not yet submitted a report, to reviewing an independent audit report, to agreeing and formalising a remedial action plan.

As outlined in the Compliance Framework Policy Statement (see the FIRB website), Treasury’s approach to non-compliance is to work with the foreign investor to achieve compliance in cases where non-compliance is inadvertent, self-reported by the foreign investor, the breach is administrative, and the investor is willing to remediate the breach as quickly as possible. It is not possible to provide a proportion because of the broad range of activities that fall under the description of ‘working with investors’ to ensure compliance, and the ongoing nature of these activities.