

Mandatory FIRB approval thresholds for acquisitions in Australian entities

Below is a summary of the thresholds for determining whether a proposed direct acquisition of equity interests in an Australian entity triggers an obligation to obtain 'FIRB approval' under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**). FIRB stands for Foreign Investment Review Board.¹

The below is current as at 21 June 2021.

Where the acquirer is any foreign person (including a foreign government investor)

% interest proposed to be acquired	Target type	Any A\$ monetary threshold?
5%+	Australian media business	No
5%+ (may be >0% in certain circumstances)	Unlisted Australian land entity	No A\$ monetary threshold where target has: <ul style="list-style-type: none"> national security land; or 10%+ of its assets (by value) in the form of residential land, vacant commercial land and/or mining or production tenements. Otherwise A\$ monetary thresholds are: <ul style="list-style-type: none"> >A\$15m for agricultural land; >A\$61m for low-threshold sensitive commercial land (except if acquirer is an agreement country or region investor in which case threshold is >A\$1.216bn); >A\$281m in all other cases (except if acquirer is an agreement country or region investor in which case threshold is >A\$1.216bn).
10%+ (may be >0% or 5%+ in certain circumstances)	National security business	No
	Australian agribusiness	Yes. >A\$61m
	Listed Australian land entity	No A\$ monetary threshold where target has: <ul style="list-style-type: none"> national security land; or 10%+ of its assets (by value) in the form of residential land, vacant commercial land and/or mining or production tenements. Otherwise A\$ monetary thresholds are: <ul style="list-style-type: none"> >A\$15m for agricultural land; >A\$61m for low-threshold sensitive commercial land (except if acquirer is an agreement country or region investor in which case threshold is >A\$1.216bn); >A\$281m in all other cases (except if acquirer is an agreement country or region investor in which case threshold is >A\$1.216bn).
20%+	Any Australian entity	Yes. >A\$281m (but >A\$1.216bn if acquirer is an agreement country or region investor and target does not operate a sensitive business)

Where the acquirer is a foreign government investor

% interest proposed to be acquired	Target type	Any monetary threshold?
10%+ (may be >0% or 5%+ in certain circumstances)	Any Australian entity	No

¹ Notes: (1) This publication provides a summary only and therefore does not cover how to determine if the percentage and/or A\$ monetary thresholds has or have been met or exceeded in any particular case. (2) It is also possible to trigger a mandatory FIRB approval requirement by indirect means as a result of the FATA tracing provisions, specifically where a foreign person acquires a 20%+ interest in an Australian or non-Australian entity, (3) This publication does not also cover the voluntary notification and FIRB approval regime. (4) This publication does not cover other transaction types, such as business asset acquisitions and land acquisitions. (5) This publication does not take into account all of the various exceptions to the FIRB approval requirements. (6) This publication contains terms which are defined in the *Foreign Acquisitions and Takeovers Act 1975* (Cth) or *Foreign Acquisitions and Takeovers Regulation 2015* (Cth).

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