



Australian Government

Department of the Prime Minister and Cabinet

Office of Best Practice Regulation

Reference: 18384

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Mr John Lonsdale
Deputy Secretary and Chief Operating Officer
The Treasury

Dear Mr Lonsdale

Regulation Impact Statement – Second-pass final assessment – Reforms to Strengthen Australia’s Foreign Investment Framework

Thank you for submitting the Regulation Impact Statement (RIS) for the above proposal to the Office of Best Practice Regulation (OBPR) for second-pass final assessment on 29 July 2015. I note that the RIS has been formally certified at the Deputy Secretary level consistent with best practice.

The Office of Best Practice Regulation’s (OBPR) final assessment is that the Department of Treasury is compliant with the Government’s RIS requirements. Given the expected magnitude of the impacts of the proposal the OBPR considers the level of analysis in the RIS is consistent with best practice.

This assessment is based on:

- the regulatory cost estimates having been agreed with the OBPR; and
- your letter of 29 July 2015 certifying the RIS responds to the OBPR’s formal comments on the RIS submitted for first-pass assessment.

In addition, I note that the RIS:

- answers the seven RIS questions;
- considers a minimum of three policy options, several of which are non-regulatory; and
- does not contain obvious errors.

The OBPR notes the RIS concludes the collection of additional information on foreign investment in Australia and improving the level of compliance with the current framework will help address community concerns with the foreign investment review framework. The introduction of lower thresholds for agricultural land and agribusinesses, while not consistent with Australia’s non-discriminatory, non-preferential approach to business investment, will better account for the relative significance of an investment in particular sectors where asset, business or land values are generally lower.

Publication requirements

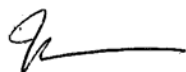
The OBPR maintains a RIS website and aims to post RISs as soon as practicable after the regulatory decision has been publicly announced. We would appreciate you advising us when a decision on this proposal is announced, and forwarding a final copy of the RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*.

We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published RIS.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate.

Please retain this letter as a record of the OBPR's advice. Our reference number for this matter is 18384. If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Jason McNamara
Executive Director
Office of Best Practice Regulation
5 August 2015