Foreign investment compliance moves up the deal agenda

Treasury sets out its enforcement priorities for 2026-27

Foreign investors should review their Australian compliance record alongside their next acquisition. Treasury's latest publications reinforce the importance of accurate applications, evidence of compliance and clear responsibility for approval conditions.

What has changed?

On 11 November 2026, Treasury published its compliance and enforcement policy and 2026-27 priorities. These explain its approach under the existing foreign investment framework; they do not introduce new approval thresholds or tax obligations, or a new statutory commencement date.

The priorities include screening avoidance, unnotified acquisitions, breaches of approval conditions and false or misleading application information, including information used to avoid tax obligations. Treasury flags increased monitoring of conditions on higher-risk investments.

Where scrutiny is concentrated?

Priority areas include critical infrastructure and the net zero transition, critical minerals, critical technology, sensitive data, proximity to sensitive government facilities and commercial developments involving residential housing. Other investments remain subject to enforcement.

What investors should do now?

Before signing. Request historical approvals, conditions, compliance reports and regulator correspondence. Review both the target's record and the buyer's existing Australian investments; identify remediation that could affect timing or value.

During structuring and execution. Reconcile ownership, funding and tax representations with the proposed transaction steps. Coordinate tax and legal workstreams, and address identified breaches through appropriate completion requirements and contractual protections.

After completion. Assign an accountable owner to each continuing condition, record reporting deadlines and retain supporting evidence. Build compliance into integration planning and check whether proposed changes require further advice.

Why this matters for your next investment?

Treasury expressly considers an investor's compliance history when assessing future proposals.

Our view: treating compliance as an ongoing investment responsibility can help manage execution risk across an Australian portfolio.