# Glossary

|  |  |
| --- | --- |
| Aggregate substantial interest in a corporation | Where two or more persons together with any associate(s), are in a position to control not less than 40 per cent of the voting power or hold interests in not less than 40 per cent of the issued shares, of a corporation (section 9 of the FATA). |
| Applications approved (/approvals) | Comprises all foreign investment proposals approved either with or without conditions (unless otherwise stated). |
| Applications considered | Comprises all foreign investment proposals finalised between 1 July 2007 and 30 June 2008 (that is, approved, rejected, withdrawn or exempt). |
| Applications decided | Comprises all foreign investment proposals approved or rejected between 1 July 2007 and 30 June 2008 (that is, excluding proposals withdrawn or determined exempt). |
| Applications rejected | Comprises all foreign investment proposals that are either rejected under the policy or subject to a Final Order or a Divestiture Order under the FATA. |
| Approvals  (/applications approved) | Comprises all foreign investment proposals approved either with or without conditions (unless otherwise stated). |
| Australian urban land corporations and trust estates | A corporation (excluding holding companies) or trust estate where more than half of its assets are in the form of Australian urban land (sections 13D and 13E of the FATA). |
| Corporate reorganisations | Corporate reorganisations encompass a wide range of transactions including corporate restructures and transfers of assets or shares within a corporate group. |
| Divestiture Order | An Order that requires an interest already acquired to be disposed of. |
| FIMS | The Foreign Investment Management System is the Division’s electronic case management system. |
| Final Order | An Order that prohibits a proposed acquisition. |
| Foreign Investment Review Board (FIRB or  the Board) | A non‑statutory body established in 1976 to advise the Treasurer on foreign investment policy and its administration. |

Glossary (continued)

|  |  |  |
| --- | --- | --- |
| Foreign person | (a) | A natural person not ordinarily resident in Australia; |
| (b) | a corporation in which a natural person not ordinarily resident in Australia or a foreign corporation holds a controlling interest; |
| (c) | a corporation in which two or more persons, each of whom is either a natural person not ordinarily resident in Australia or a foreign corporation, hold an aggregate controlling interest; |
| (d) | the trustee of a trust estate in which a natural person not ordinarily resident in Australia or a foreign corporation holds a substantial interest; or |
| (e) | the trustee of a trust estate in which two or more persons, each of whom is either a natural person not ordinarily resident in Australia or a foreign corporation, hold an aggregate substantial interest. |
| (Section 5 of the FATA) | |
| Interim Order | An Order that extends the available statutory examination period and prohibits a proposed acquisition for up to 90 days. | |
| Manufacturing | Comprises manufacturing industries as per ANZSIC 1993, except:  –   excludes newspaper, printing and publishing (included within services industry sector). | |
| Offshore takeover | Where an offshore company (/foreign person) that holds Australian assets or conducts a business in Australia is acquired by another foreign person, and the Australian assets or businesses of the target company are valued at less than 50 per cent of its global assets. | |
| Off‑the‑plan | An acquisition of a dwelling under construction or completed that has not been lived in or previously sold. | |
| Order | An order issued under the FATA (that is, an Interim Order, Final Order, Divestiture Order, or Revocation Order). | |
| Portfolio investment | Passive or non‑direct investment. | |

Glossary (continued)

|  |  |
| --- | --- |
| Proposed investment | Proposed investment associated with foreign investment proposals comprises the aggregate of acquisition costs and development expenditure in the case of existing businesses, and the aggregate of establishment costs and development expenditure in the case of new businesses. |
| Services | Comprises services‑related industries as per ANZSIC 1993, except:  –   includes newspaper, printing and publishing; and  –   excludes tourism (recorded as a separate industry sector). |
| Specific instance | The formal mechanism that provides for an examination of a multinational enterprise’s conduct where that conduct is claimed to be contrary to the *OECD Guidelines for Multinational Enterprises*. |
| Substantial interest in a corporation | Where a person, alone or together with any associate(s), is in a position to control not less than 15 per cent of the voting power or holds interests in not less than 15 per cent of the issued shares, of a corporation (section 9 of the FATA). |
| Threshold | Monetary figure under either the policy or the FATA at which foreign persons are expected or required to notify an investment proposal to the Treasurer. |