

Update on Foreign Direct Investment Across the Globe

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by Anna Monteiro

We finally got the **Australian** Government's response to its Treasury's evaluation of the 2021 foreign investment reforms and on 1 April the first part of these reforms went into force. This first part focuses on clarification and streamlining the processes of less sensitive types of investments; most notably: tightening the definition of 'Australian media business' in section 13A and raising the control threshold to 10%; increasing the control threshold for acquiring interests in unlisted Australian land entities to 10%; and exempting acquisitions of interests in securities where a proportionate share or unit holding will not increase because of a person's acquisition. The complete explanatory note can be found [here](#). No further information has been given as to when the second installment of reforms will come about.

Traveling north from Australia to the **Philippines**, the [Public Services Act was amended](#) to allow up to 100% foreign ownership in telecoms, aviation and rail sectors. In addition to this, the [Foreign Investment Act of 1991](#) was also amended to allow non-Philippine Nationals to own 100% equity interest in small- and mid-sized entities if: they involve advanced technology, they are endorsed as startup or startup enablers by lead host agencies pursuant to the "Innovative Startup Act" or the majority of their direct employees are Filipino and are no less than 15 in number.

Both the **EU and Canada** issued communications on foreign investment from Russia and/or Belarus as it relates to Russia's invasion of Ukraine. The EU urged member states to use their screening mechanisms robustly to assess and prevent threats related to Russian and Belarusian investments on grounds of security and public order; implement fully the FDI Screening Regulation, ensure cooperation between national authorities, as well as ensure full compliance with Anti-Money Laundering Directive.

While not mandatory, **France** issued new forms ([FAQs](#)) in connection with its foreign investment restrictions. These recommended forms are related to prior authorization, and requests from a foreign investor or French target of the Minister of Economy's prior ruling regarding whether all or part of the activity of the relevant French target falls within the scope of the FDI legislation.

And with that, I bid you adieu.

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