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Australian Government
Department of Foreign Affairs and Trade

AUSTRALIA'S FOREIGN RELATIONS (STATE AND TERRITORY ARRANGEMENTS) AMENDMENT ACT 2026

FACT SHEET – CHANGES FOR LOCAL GOVERNMENT [i]

In brief: What has changed?

The *Australia's Foreign Relations (State and Territory Arrangements) Amendment Act 2026* (Amendment Act) came into effect on Monday 16 November 2026.

The Amendment Act streamlines some existing requirements while introducing new obligations.

From Monday 16 November 2026, local governments:

- must notify the Minister when arrangements are terminated early;
- must notify exempt and subsidiary arrangements when requested to do so by the Minister;
- must notify the Minister of abandoned non-core arrangements;
- must notify the Minister of any existing arrangement that is brought within scope of the Act as a result of a foreign entity or State/territory entity (STE) becoming prescribed by the Rules;
- are not required to notify a broader category of arrangements exempt from notification;
- are not required to notify the Minister prior to entering non-core arrangements;

From Monday 16 November 2026, local governments must also have regard to the following change:

- Local governments may be required to comply with conditions imposed by the Minister when giving effect to non-core arrangements.

Changes to notification requirements

Requirement to notify early termination of arrangements

New provisions establish a notification framework that requires STEs to give notice to the Minister when a non-core foreign arrangement is terminated before the end-date of the arrangement.

Notification must be provided within **one-month** of the arrangement being terminated, unless a longer timeframe is prescribed by the Rules.

The notification requirement applies where:

- the STE has given the Minister notice about entering the foreign arrangement
- the arrangement is terminated earlier than the end-date as supplied in earlier notifications
- the arrangement is not an exempt arrangement
- the arrangement is not terminated as a result of a declaration made by the Minister.

Local governments should ensure they have processes in place to identify when foreign arrangements are terminated early and to notify DFAT within the required timeframe.

Transitional provisions

A separate transitional requirement applies to **existing** non-core foreign arrangements which were terminated early. STEs must notify the Minister of non-core foreign arrangements that were terminated early prior to the commencement of the Amendment Act on 16 November 2026. This applies where the arrangement was recorded on the Public Register before commencement and its end date is on or after commencement. The notification must be provided within **six months** of commencement.

Notification requests for exempt and subsidiary arrangements

As part of the changes in the Amendment Act, the Minister may now require a STE to notify an exempt arrangement or subsidiary arrangement that is in operation upon request.

Where a written request is issued, the arrangement must be notified within 14 days of the request, or within any longer period specified in the request. The request may relate to a particular arrangement or an arrangement within a class of arrangements.

Requirement to notify abandoned arrangements

Local governments that have previously notified a proposal to enter a non-core foreign arrangement but did not ultimately enter into the arrangement may need to take action.

If prior to the commencement of the Amendment Act a proposed non-core foreign arrangement is recorded on the Public Register but was never entered into, local governments must notify the Minister that they do not intend to proceed with the arrangement. This notification must be provided within six months of the commencement of the amendments.

This is a transitional requirement that will allow DFAT to remove abandoned arrangements from the Public Register and improve the accuracy of information published under the Scheme. This is not an ongoing notification obligation.

Prescribed entities and existing arrangements

Existing provisions provide the Minister with the power to prescribe an entity to be a STE, or a foreign entity through the Rules. New notification requirements apply to arrangements involving entities prescribed in this way. After commencement of the Amendment Act, if a foreign entity or STE is prescribed, existing arrangements that are already in operation and are brought in scope as a consequence of that prescription, need to be notified to the Minister.

Notification must occur within three months of the prescription taking effect, unless a longer period is specified in the Rules.

DFAT will continue to provide regular updates to the regulated community on changes to the Rules.

Transitional provisions

A separate requirement applies to arrangements involving universities in Russia and Belarus.

STEs must notify the Minister of any arrangements with universities in Russia and Belarus that were in operation prior to these entities being prescribed on 4 December 2024. This requirement applies only to existing arrangements involving Russian and Belarusian universities that were in operation at the time of the commencement of the Amendment Act. The notice must be given within six months of commencement of the Amendment Act.

Note: Universities in Russia and Belarus were brought within scope of the scheme as a result of a Rule made by the Foreign Minister with effect from 4 December 2024.

Changes to exempt arrangements

The categories of arrangements exempt from notification have been expanded. In addition to existing exemptions, exempt arrangements now include:

- arrangements solely between a State/Territory entity (STE) and a foreign entity in a Five Eyes partner country (i.e. the United States, the United Kingdom, Canada and New Zealand);
    - this includes arrangements solely between a STE and foreign entities in England, Scotland, Wales or Northern Ireland;

Exempt arrangements do not generally need to be notified to the Minister. For further information on exempt arrangements please refer to Fact Sheet 5 on Exemptions.

Simplified process for non-core arrangements

STEs are no longer required to notify a proposed non-core foreign arrangement before entering the arrangement. Instead, STEs are only required to notify the Minister within 14 days of entering into a non-core foreign arrangement.

The Minister will still be able to make a declaration about negotiating or a proposal to enter a non-core foreign arrangement if the Minister becomes aware of the negotiations or proposal.

Although pre-entry notification is no longer required for non-core arrangements, STEs are encouraged to engage with DFAT early where an arrangement raises potential significant national-interest or foreign-policy sensitivities.

Changes to non-core foreign arrangement processes

Conditions on arrangements

The Minister may now impose conditions on giving effect to non-core foreign arrangements at any point during the life of the arrangement.

Examples of conditions could include:

- requiring a STE to undertake specified due diligence before undertaking activities contemplated in an arrangement
- a requirement to notify any subsidiary arrangements of the head foreign arrangement

STEs must comply with any conditions imposed by the Minister.

The Minister may vary conditions or revoke conditions to reflect changing circumstances including, for example, changes in the geopolitical landscape or if conditions are no longer required. The Minister will provide written notice where this occurs.

A condition cannot require STEs to amend the text of the arrangement or be inconsistent with the arrangement's terms.

How do I comply with obligations under the Scheme?

State/Territory entities can notify the Minister of arrangements through the Online Portal: www.foreignarrangements.gov.au.

Where can I get further information?

Contact the Department of Foreign Affairs and Trade at foreignarrangements@dfat.gov.au.

[i] This FACT SHEET sets out some of the requirements of the *Australia's Foreign Relations (State and Territory Arrangements) Act 2020*. It is not intended to be comprehensive and should not be relied on as a definitive interpretation of the Act. It is also not intended as legal advice. Readers should rely on the substantive provisions of the Act as enacted by Parliament, and any applicable rules, in assessing their obligations and seek independent legal advice.