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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 STATE AND TERRITORY GOVERNMENTS [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.

The key changes for State and Territory governments, departments and agencies relate to notification requirements and core foreign arrangement processes.

From Monday 16 November 2026, State and Territory governments, departments and agencies:

- must notify the Minister when arrangements are terminated early
- 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;
- must notify exempt and subsidiary arrangements when requested to do so by the Minister;
- are not required to notify a broader category of arrangements exempt from notification;
- are not required to obtain approval to negotiate a variation of a previously approved core arrangement and, where the variation or renewal is minor, are not required to obtain approval before making that variation or renewal.
- are not required to notify the Minister prior to entering non-core arrangements.

From Monday 16 November 2026, State and Territory government departments and agencies must also have regard to the following changes:

- some arrangements and entities have been reclassified from core to non-core through the Rules;
- the Minister may overturn automatic cancellation of core foreign arrangements;
- the Minister may extend decision timeframes for core arrangements;
- approvals for core arrangements may be subject to conditions;
- State and Territory governments may also 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 core or 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, and
- if the arrangement is a core arrangement, the arrangement is not terminated as a result of being entered unlawfully.

STEs 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

Separate transitional requirements apply to **existing** core and non-core foreign arrangements which were terminated early. STEs must notify the Minister of the core or non-core foreign arrangements that were terminated early prior to the commencement of the Amendment Act. 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 of the Amendment Act.

Requirement to notify abandoned arrangements

State and Territory 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, state and territory 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.

Notification requests for exempt and subsidiary arrangements

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

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 and a foreign entity in a Five Eyes partner country;
    - this includes arrangements solely between a State/Territory entity and a foreign entity in England, Scotland, Wales or Northern Ireland;
- arrangements that solely deal with the sharing of information or resources for the provision of emergency assistance to a foreign country which has declared an emergency in that country and are negotiated, proposed to be entered or entered, while that emergency is declared.

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.

Renewals and variations of previously approved core arrangements

In certain circumstances, a STE will no longer need approval to vary or renew a core foreign arrangement that has been previously approved.

This applies where:

- the arrangement was previously approved by the Minister under section 24 of the Act;
- the Minister has not imposed a condition requiring approval before a renewal or variation occurs; and
- the variation to the arrangement is a minor variation.

Where this criteria is satisfied, approval to vary or renew is not required. However, notification obligations still apply and STEs must:

- notify the proposed renewal or variation **at least 30 days** before the renewal or variation occurs; and
- provide a further notification once the renewal or variation takes effect.

If the arrangement has been previously approved but the variation is not a minor variation then sections 23 and 24 apply and the STE must seek and gain the Minister's approval prior to variation and provide further notification once the variation takes effect. However, the STE would not be required to obtain approval to negotiate.

What is a minor variation?

A minor variation is a variation that does not make a significant change to the arrangement.

Examples of changes that are not minor include:

- adding a new party to the arrangement;
- making a change that is essential to the subject matter of the arrangement; or
- any variation prescribed in the Rules.

Further guidance is available in Fact Sheet 5.

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 subsidiary arrangements

Subsidiary arrangements no longer need to be notified to the Minister.

Changes to core foreign arrangement processes

Non-core deeming

The Rules may prescribe certain arrangements or entities that would otherwise be considered "core" to instead be treated as "non-core".

This may apply to specified classes of core State/Territory entities, core foreign arrangements and core foreign entities. STEs should consult Part 4 of the Australia's Foreign Relations (State and Territory Arrangements) Rules 2020 to determine whether an arrangement remains subject to core approval requirements or is subject to the non-core notification process.

Core State/Territory entities

The core State/Territory entities that are prescribed by the Rules to be non-core include a core STE that is a **research institute, a technical and further education institution, a museum, an art gallery, or a performing arts centre**. STEs within these categories will no longer be required to obtain approval to negotiate and enter foreign arrangements with core foreign entities. Post-entry non-core notification requirements still apply.

Core foreign arrangements

Certain kinds of prescribed arrangements are not core foreign arrangements – this includes **sister school arrangements** that would otherwise be core foreign arrangements. This means sister school arrangements are not subject to ministerial approval and are only required to be notified post-entry as a non-core foreign arrangement. This applies regardless of whether the Australian school enters the arrangement directly or the department or agency responsible for Education in the state or territory enters the arrangement on the school's behalf.

Core foreign entities

No core foreign entities have yet been prescribed as non-core.

Core arrangements entered into without approval

Core foreign arrangements must continue to receive the Minister's approval before they are entered into. However, where a core foreign arrangement has been entered into without the required approval, the Act now provides the Minister with discretion to determine that the arrangement may continue to operate in certain circumstances such as where the non-compliance is a result of administrative error.

Before making such a determination, the Minister must be satisfied that the arrangement would not adversely affect, or be unlikely to adversely affect, Australia's national interest and would not be, or would be unlikely to be, inconsistent with Australia's foreign policy.

Until the Minister makes a determination to overturn the automatic cancellation, a STE is not required to comply with sections 30, 31 or 32 of the Act in relation to the arrangement including notifying the core foreign entity. Where the powers are exercised, the STE will be notified of the Minister's determination and section 30, 31 or 32 (whichever is applicable) is taken to have never applied to the arrangement. However, if the Minister decides not to make a determination to overturn the automatic cancellation, the applicable requirements in sections 30, 31 or 32 will apply and the STE must comply with those requirements.

There is no formal pathway for STEs to request that the Minister overturn an automatic cancellation. However, STEs may engage with DFAT as usual through the Foreign Arrangements Scheme mailbox.

Important: STEs should continue to seek approval before entering into core foreign arrangements. The Minister's ability to allow an unapproved arrangement to continue is discretionary and should not be relied upon as an alternative to compliance with the Scheme.

Extended assessment timeframes for core arrangements

Under existing provisions, the Foreign Minister must decide whether to approve negotiation of, or entry into, a proposed core arrangement within 30 days of notification. If no decision is made within that period, approval is taken to have been granted.

Under the new framework the Minister may extend statutory decision timeframes for proposed core foreign arrangements by up to 30 additional days.

This applies to decisions relating to:

- approval to negotiate a core foreign arrangement; and
- approval to enter a core foreign arrangement.

The Minister would only be able to extend the period for each decision once by up to 30 days and for a shorter period, if preferred. The Minister must provide the STE written notice of the extended period.

The extension is intended to be used only where necessary in circumstances where arrangements are complex and require extensive consultation and assessment.

Conditions on arrangements

The Minister may now impose conditions when approving negotiation of a core foreign arrangement or entry into a core foreign arrangement. The Minister may also impose conditions on giving effect to both core and non-core foreign arrangements at any point during the life of an arrangement.

Examples of conditions could include:

- requiring a core STE to seek approval before varying a previously approved core foreign 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.