China-Australia Free Trade Agreement
Investment Facilitation Arrangement/Project Agreement Operation Flowchart

Step 1: Investment Facilitation Arrangement MoU

Chinese Project Company with Eligible Project under the MOU (i.e. infrastructure development project in a specified sector of more than $150 million in capital expenditure – e.g. a mining infrastructure project or tourism resort development).

China International Contractors Association recommends project on behalf of Project Company

Consultation with DIBP

DFAT endorsement where evidence is provided that the project:
- Is at least 50% owned by a Chinese enterprise (or if less than 50% owned, a Chinese enterprise holds a substantial interest).
- Expected capital expenditure of at least $150 million
- Is related to infrastructure development within the food and agribusiness; resources and energy; transport, telecommunications, power supply and generation, environmental or tourism sectors.

Step 2: Project Agreement

Requirements and safeguards:
- Evidence of being registered in Australia and the owner or project manager of a major resource or infrastructure project
- Supporting business case
- Robust labour market analysis
- Project workforce strategy
- Evidence of stakeholder consultation

Project Company prepares a request for a project agreement

DIBP assesses project agreement request against requirements. Consider whether a strong business case has been made for the requested occupations and concessions

Assistant Minister of Immigration and Border Protection agrees to enter into a Project Agreement

Project Deed of Agreement

Deed of Agreement between DIBP and the Project Company which specifies Project Company’s obligations and the occupations and minimum terms and conditions that must be met by employers engaging under the agreement

Step 3: Labour Agreement

Requirements and safeguards:
- Project companies must confirm: employers have been contracted to the project; the type of services being provided; duration of the contract; request for overseas workers is consistent with the contract; and the number of overseas workers being requested is reasonable given current labour market conditions at the location.

Project company endorses each employer

Each employer requests a labour agreement

DIBP assesses requests

Labour Agreement with employer

Provides terms and conditions of agreement, including agreed occupations, numbers, sponsorship obligations and nomination requirements

Temporary visas granted

Requirements and safeguards:
- Employers must show DIBP that there is demonstrated labour market need, Australians have been given the first opportunity through evidence of domestic recruitment activity (i.e. labour market testing) and there are no suitably qualified Australians. In addition, they must demonstrate that they:
  - are a direct employer
  - are lawfully operating for at least 12 months
  - are financially viable
  - have no adverse information
  - have had no redundancies in last six months
  - meet training requirements

Requirements and safeguards:
- Employers may be given an annual ceiling on the number of overseas workers they can nominate.
  Numbers in each year will be dependent on a demonstration of ongoing labour market need, compliance with sponsorship obligations, including obligations to provide Australians with the first opportunity for employment and to provide training for Australians employees; and workforce profile.
  Employers must meet sponsorship obligations throughout period of employment of overseas workers