

**Senate Standing Committee on Environment and Communications**  
**Legislation Committee**  
Answers to questions on notice  
**Environment portfolio**

**Question No:** 189  
**Hearing:** Supplementary Budget Estimates  
**Outcome:** Agency  
**Programme:** Clean Energy Finance Corporation (CEFC)  
**Topic:** Investment Breakdown  
**Hansard Page:** 26  
**Question Date:** 13 November 2015  
**Question Type:** Spoken

**Senator Urquhart asked:**

**Senator URQUHART:** Sorry, I know it does not matter, in terms of your investment. My question was: do you only provide finance to Australian companies? I think the answer would be 'no', if I understand what you are saying.

**Mr Yates:** Correct.

**Senator URQUHART:** What percentage of companies are Australian?

**Ms Broadbent:** We will take that on notice, but I would be surprised if it was not 90 per cent or something. I do not know, but it is true—

**Senator URQUHART:** If you could take that on notice.

**Senator BACK:** If you could take it on notice in terms of dollars, also, not just numbers of companies, please.

**Ms Broadbent:** Yes; certainly.

**Senator URQUHART:** So it is a percentage of companies. It is also what countries the companies are from.

**Answer:**

Under the *Clean Energy Finance Corporation Act 2012*, the CEFC must only make investments that are 'solely or mainly Australian-based'. The CEFC Board is empowered under section 61 of the Act to make guidelines as to the circumstances, conditions or other matters that the CEFC Board will have regard to when satisfying itself that an investment is 'solely or mainly Australian-based'. The guidelines issued by the CEFC Board are attached.

If the question relates to the nationality of the entities to which the CEFC provides finance, we note that in determining eligibility of a particular investment, the focus is on ensuring that the underlying project/s or activities being financed are Australian-based. The guidelines issued by the CEFC Board use registration for an ABN as one indicia of activity occurring in Australia. There is no formal requirement for investment recipients to be formed under Australian law (e.g. incorporated under the *Corporations Act 2001*), but to date none of the entities the CEFC has directly lent to are entities formed in a jurisdiction outside Australia.

If the question relates to foreign ownership of Australian entities, while the CEFC obtains information about the ultimate ownership of its investment recipients as part of the CEFC's obligations under anti-money laundering and counter terrorism financing (AML/CTF) legislation, this is confidential information that cannot be disclosed. We note also that, in particular in relation to entities are listed and traded on the stock exchange, changes in ultimate ownership may occur regularly. Unless these changes trigger additional AML/CTF requirements, we would not necessarily be aware of such changes.