



## Media Release

17 August 2022

### **NCA terminates lease agreement for new Russian Embassy**

The National Capital Authority (NCA) has advised the Russian Federation of its decision to terminate the lease on Block 26 Section 44 in Yarralumla.

The Russian Federation had purchased the rights to the site with the intention of building a new embassy to replace their existing embassy in the suburb of Griffith. The NCA granted the lease in December 2008, and the works and building approvals on 31 March 2011 and 23 September 2011, respectively.

Under the lease, the Russian Federation had agreed to finish construction within three years. Despite some efforts to progress an embassy, completion of the project has not occurred.

Sally Barnes, Chief Executive of the NCA, said, "The NCA manages the diplomatic precinct on behalf of all Australians. The block is a premium site in central Canberra, close to Lake Burley Griffin and the Australian Parliament House. On-going unfinished works detract from the overall aesthetic, importance and dignity of the area reserved for diplomatic missions and foreign representation in the National Capital."

Ms. Barnes added, "With limited blocks currently available for diplomatic purposes, unless a country can demonstrate a willingness and ability to develop the site, the NCA supports a policy of 'Use it or lose it'. The policy was a recommendation by the Joint Standing Committee on the National Capital and External Territories in its 2013 report on the inquiry into the allocation of land to diplomatic missions in the Australian Capital Territory (ACT) entitled *An Estate for the Future*. While initial works have commenced, the block in question has been sitting as a building site with unfinished construction for many years now."

The NCA is continuing to conduct reviews of lease agreements. After regular consultation and discussions with Russian representatives over many years, and in the absence of a commitment to a completion date, the NCA decided to terminate the Lease. The Russian Federation has 20 days from the day the notice of termination was served to clear the site.

Once cleared, the NCA will return the site back into the pool of land available for diplomatic purposes.

The decision to terminate the lease for a new embassy does not affect the existing Russian Embassy. The Russian Federation may submit a new application in the future which the NCA will review and assess accordingly.

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