

NAIF Opening Statement – Senate Estimates 4 March 2020

Chair, I table an Opening Statement regarding the Northern Australia Infrastructure Facility (NAIF).

This is my first appearance before the Committee as Chief Executive Officer (CEO) of NAIF, having commenced in the role on 20 January 2020. I thank my predecessor, Laurie Walker, for her work as CEO and also the previous Minister for Northern Australia, Senator Matthew Canavan, for his advocacy towards the development of Northern Australia. I look forward to working with committee members and the new Minister for Resources and Northern Australia, Keith Pitt MP, for the advancement of the region.

By way of background, I join NAIF with 20+ years experience in infrastructure, property and clean energy investment and recently worked in a senior leadership position at the Clean Energy Finance Corporation (CEFC). I am based in Cairns where NAIF is headquartered.

I am excited about joining NAIF and the opportunity to lead an organisation that I believe has the potential to make a significant contribution to the economic and social wellbeing of Northern Australia.

Following NAIF's establishment four years ago and initial slow start, a Mandate change two years ago has allowed the organisation to build momentum and deliver some \$1.98bn in loans to northern Australia infrastructure projects across 16 Investment Decisions and 2 conditional approvals. As this is my first appearance before the Committee, I would like to set out some priorities for NAIF, having met and spoken with a number of stakeholders in my first few weeks in the role, including here in Canberra.

My vision for NAIF is that within the next few years we are regarded as much more than a financier and rather a key and **innovative partner** in the development of Northern Australia.

To achieve this requires us to work closely and in a collaborative manner with key government, regional and industry stakeholders to identify the key projects that will maximise the economic and employment impact of NAIF's financing support.

In the short term, I have two primary areas of focus being:

- a) **Deployment of capital**, with a focus on moving our investment decisions to contractual and financial close. NAIF has now reached financial close on 7 investments, with this forecast to double by the end of calendar year 2020. Since the last senate estimates, deployment has doubled to \$88.5 million.
- b) **Continuing to drive investment activity**, as NAIF builds on its investment momentum to date and continues to explore new and innovative ways to provide finance and work closely with stakeholders to help catalyse transformational projects. NAIF's current pipeline of projects in due diligence is currently valued at \$3.75 billion of potential NAIF investment and covers a range of sectors including energy generation and pipelines, transport, resources and mining, agriculture and manufacturing, education and social infrastructure.

Since NAIF's last appearance before the Committee in October 2019, three Investment Decisions and one Conditional Approval have been announced by the Minister:

- The Investment Decisions are:
 - Metro Mining Limited (Qld), NAIF loan of up to \$47.5 million, for the construction of an offshore floating terminal, to facilitate the loading of bauxite from barges on to ships for transportation to customers.

- Cowboys Rugby League Football Club (Qld), NAIF loan of up to \$20 million, for the construction of multi-user social infrastructure comprising multi-sport high-performance training spaces, sports medicine and sports science laboratories, community spaces and a full sized training field, in addition to administrative office space.
- Northern Territory Treasury Corporation (NT), NAIF loan of up to \$300 million, for the construction of an open access multi-user ship lift facility and associated marine industry infrastructure.
- One Conditional Approval has been made, for Charles Darwin University (CDU) in the NT. This Conditional Approval is for a NAIF loan of up to \$150 million, to support CDU with the design and construction of a new education and civic precinct in Darwin City.

It is an exciting time to join NAIF as the organisation builds on the momentum established particularly over the last year. I look forward to working in a collaborative manner with the committee, elected representatives and key regional and industry stakeholders to identify projects and opportunities that will bring economic development to the region.

Chris Wade

CEO