

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2017 - 2018 Budget Estimates
31 May – 1 June 2017

AGENCY/DEPARTMENT: NORTHERN AUSTRALIA INFRASTRUCTURE FACILITY

TOPIC: NAIF referrals for ACCC or ASIC regarding improper conduct

REFERENCE: Questions on Notice (Hansard, 1 June 2017, page 134)

QUESTION No.: BI-65

Senator PRATT: Do you have a process for making sure that those making applications to you, that the claims that they in turn make to their co-investors—NAIF being one investor, and proponents investors being the other party—include transparent communication between NAIF and the investors to make sure that those communications are real and transparent?

Ms Walker: With any entity that we will be dealing with we will be looking to ensure that they are legitimate in terms of a participant able to contribute, whether it is debt or equity. That would be standard banking practice.

Mr Farmer: I might be able to assist in terms of process. The NAIF goes through a process, a transaction risk assessment, in relation to the counterparties on any potential transaction, which involves an investigation of those potential counterparties—searches on various databases for incidents or other information that would lead to questions of this sort—so there is a thorough investigation that goes on. It is part of the normal transaction risk assessment of the transaction, but it is also in compliance with anti-money-laundering regulations.

Senator PRATT: So you have a process for that—

CHAIR: Senator Pratt, your time is up. One more question.

Senator PRATT: Okay. Has NAIF ever had to make any referrals regarding improper conduct in this regard?

Ms Walker: As I said, I am not familiar with that matter.

Senator Canavan: We will take that one on notice.

Senator PRATT: If you could take on notice whether you have ever made referrals to the ACCC, ASIC or any other external oversight body?

Senator Canavan: Okay, we can certainly take that on notice.

ANSWER

As at 21 July 2017 the NAIF has not made any referrals to the Australia Competition and Consumer Commission (ACCC), Australia Securities and Investment Commission (ASIC) or any other external oversight body.