

# NAIF

## NEWSLETTER



### Message from the CEO

Welcome to NAIF's newsletter, developed to share an update on our activities with our stakeholders.

#### Investment Mandate Direction 2018

On 18 April 2018, the Minister for Resources and Northern Australia, Senator the Hon Matt Canavan announced significant changes to NAIF's Investment Mandate. The new Investment Mandate provides NAIF with additional flexibility to help NAIF finance more infrastructure for northern Australia and to accelerate delivery.

The key changes include:

- broadening the types of infrastructure that NAIF can consider to include assets that are associated with the establishment of business activity in a region.  
Examples of the types of projects that may be eligible include, but are not limited to, ports, airports, rail, roads, water, energy and communications networks, social infrastructure (including health facilities, education facilities, research facilities, training and related accommodation facilities), processing facilities (including abattoirs and agricultural processing plants) and transshipment vessels.
- allowing NAIF to lend up to 100% of the debt for appropriate projects, provided there is appropriate risk sharing. This removes the previous 50% cap on NAIF debt financing.
- rather than having a formal market gap test, relying on the Independent Board to determine whether a project could proceed without NAIF assistance.

The focus on public benefit, Indigenous engagement and the requirement for the NAIF finance to be repaid remain key objectives which must be demonstrated on all projects.

The new Investment Mandate also provides clarification around the amount of finance NAIF can offer. References to the non-mandatory \$50 million threshold have been removed, making it more clear that NAIF can look at both small and larger projects.

The new Investment Mandate is having an immediate impact. The NAIF Board has already made some conditional approvals for financial assistance which rely on the announced changes. There is strong potential for 3 to 5 Investment Decisions to be made by 30 June.

NAIF fills gaps in the market by providing finance for infrastructure projects that produce benefits to northern Australia. We invite you to bring forward your ideas and projects to see how the Mandate changes may work for you, to partner with NAIF in growing northern Australia.

Our inaugural Chair Ms Sharon Warburton stepped down from her role due to family health challenges with effect from 30 April 2018. The Board and NAIF's Executive expressed their deep appreciation for Ms Warburton's leadership, judgement and outstanding contribution and wished her the very best during this challenging time for her family. Board member Khory McCormick has been appointed as the Acting Chair until a new permanent Chair is appointed.

Our team looks forward to continuing working with our key stakeholders.

Regards,

**Laurie Walker**

CEO, Northern Australia Infrastructure Facility

### What's happening in NAIF?

- The Investment Mandate changes were widely covered in the media. [Here](#) is the Morning Bulletin's story in Rockhampton.
- Acting Chair, Khory McCormick spoke at Beef Week in Rockhampton on 11 May.
- NAIF CEO Laurie Walker spoke at a CEDA luncheon on the implementation of the new Investment Mandate on 3 May.
- Amanda Copping, Executive Director is presenting at the Queensland Transport Infrastructure Conference on 15-16 May in Brisbane. Details [here](#).
- Laurie Walker and Executive Director Peter Ross hosted a roundtable meeting with stakeholders in Broome, WA, to look at how NAIF can help develop infrastructure in the region.
- The NAIF Board held a networking event in Karratha, WA, with stakeholders from the area, discussing potential infrastructure opportunities.
- Board members Bill Shannon and Barry Coulter, and Executive Director Amanda Copping visited Mount Isa, Qld, to meet key community members.
- Laurie Walker spoke to the Pilbara News about how NAIF can assist the region. The story is [here](#). NAIF also participated in the Pilbara Kimberley Forum 1 to 2 May.

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## Around the north...



*Executive Director, Origination, Amanda Copping meets the Indigenous Land Corporation in Brisbane, to discuss opportunities for collaboration*



*The Onslow Marine Support Base was NAIF's first Investment Decision and is set to reach financial close shortly*

## Case Study – Onslow Marine Support Base

NAIF's first Investment Decision was for a loan of up to \$16.8 million, for a multi-user infrastructure port and marine supply project at the town of Onslow on Western Australia's northern coast.

The Onslow Marine Support Base (OMSB) provides supply and support services for onshore and offshore businesses, such as logistics, fuel suppliers, waste management and construction and maintenance companies operating in the Carnarvon Basin.

OMSB will provide the substantial number of marine support vessels with a local base to reload supplies and refuel and is expected to attract new business into Onslow, including services which are currently performed overseas.

The project, which will be completed in several stages, is expected to create around 220 jobs and will give a \$100m boost to the economy over 10 years.

NAIF's loan has brought forward the development of the OMSB project by 3 to 5 years, achieving NAIF's objective for accelerating infrastructure development that will grow northern Australia economies and population.

NAIF is partnering with NAB to finance the project, also meeting its aim to encourage private sector investors to build infrastructure projects for the benefit of northern Australia.

The OMSB project is expected to reach financial close in May 2018, after significant work over the last eight months to finalise construction contracts and obtain all required approvals.

## NAIF Pipeline – May 2018

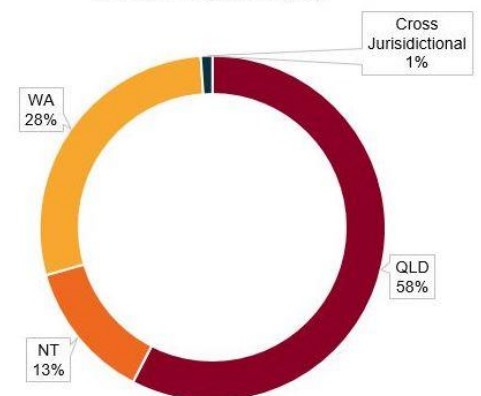
### Projects in Due Diligence

Northern Territory	Queensland	Western Australia
7	8	6

### Sectors

Renewables and Energy	Transport	Manufacturing	Resources	Tourism and Social
4	6	4	5	2

### Active Enquiries (92)



### Get in touch:

To talk to NAIF about an infrastructure project: 1300 466 243 or [naif@naif.gov.au](mailto:naif@naif.gov.au)  
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