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NAIF on target to reach key objectives

The Northern Australia Infrastructure Facility has announced that it's on track to reach key targets that will help to grow the economy and stimulate population growth in the country's north, and in turn bring benefit to all of Australia.

CEO Laurie Walker said NAIF aimed to make a commitment to provide finance on a number of projects by the end of the 2017-18 financial year.

"There are projects in Western Australia, Queensland and the Northern Territory that could reach an Investment Decision by June 30 and that's exciting to see," Ms Walker said.

"These targets are in our Corporate Plan, which has been published.

"They include finance commitments for between three and five projects, with total NAIF lending of at least \$300 million and a capital project value of at least \$750 million.

"When you consider that NAIF was only established a little over 18 months ago, having made its first Investment Decision within 15 months and reaching our FY18 Corporate Plan goals would be a significant accomplishment."

Ms Walker said that anyone who knows infrastructure knows that it takes time.

"Independent analysis by Ernst & Young has found that government procured projects can take two to three years or longer to move from a concept through to financial close," she said.

"It's even longer for proponent led and higher risk projects like those that NAIF is assessing.

"There are a total of 82 projects at various stages of consideration and our pipeline is growing every month."

Ms Walker said the proponents NAIF was working with understood the importance of the work required for an infrastructure project to reach financial close.

"There are currently 15 projects in the detailed due diligence stage, which is the final step before an Investment Decision can be made," she said.

"This stage is important and thorough and it's essential that we get it right.

"Our proponents want to see infrastructure projects progress and they are providing positive feedback about their experience working with NAIF to reach the Investment Decision point and then to execute and close.

"They tell us that they understand it would be reckless with taxpayers' money not to undertake detailed due diligence in the measured responsible way we do it."

Ms Walker said the projects that NAIF was looking at would help to build northern Australia.

“NAIF was established to help accelerate infrastructure projects that will build populations in the country’s north as well as grow the economy,” she said.

“The Onslow Marine Supply Base, which has already reached an Investment Decision shows how a small investment can make a big difference.

“With finance of just \$16.8 million, \$100 million of economic benefit will be realised.

“Reaching our target of three to five projects by the end of this financial year would see that benefit grow significantly and communities in northern Australia will reap the rewards.”

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