



Australian Government



Northern Australia Infrastructure Facility

29 January 2026

Committee Secretary
Senate Finance and Public Administration Committees
PO Box 6100
Parliament House
Canberra ACT 2600

By email to: fpa.sen@aph.gov.au

Dear Committee Secretary,

**RE: Northern Australia Infrastructure Facility (NAIF)
Submission to the Senate Finance and Public Administration References Committee**

Executive Summary

NAIF welcomes the inquiry into the process, governance and effectiveness of federal financial support provided to state and territory governments for infrastructure development. Building on recent updates to NAIF's investment mandate and statutory reviews, this submission sets out practical recommendations to improve assessment, transparency, and oversight across the Commonwealth's infrastructure financing ecosystem - particularly for remote and regional communities in northern Australia.

Context and NAIF's Role

NAIF is a corporate Commonwealth entity established under the Northern Australia Infrastructure Facility Act 2016, with a mandate to catalyse investment that delivers economic and community benefits in northern Australia. The Government updated NAIF's investment mandate in 2024 to align decisions with national priorities such as economic development in the north, alleviating social and economic disadvantage (including social infrastructure), achieving net-zero and energy transition goals, and improving First Nations outcomes - including alignment with the Critical Minerals Strategy 2023–2030. The Government has also announced continuity of NAIF operations beyond June 2026, reflecting strong stakeholder support found in the 2025 statutory review.

Recommendations aligned to the Terms of Reference

1. Assessment criteria and processes

- Adopt a more unified Commonwealth business case standard (where relevant) for all federally supported state/territory projects, requiring the standard independent economic appraisal, assessment options, cost–benefit analysis (if applicable) alongside public benefit analysis, impacts for rural/remote communities, and alignment to government policy agenda.
- Require publication of a rationale summary for each approved project, explaining criteria satisfaction, risk assessment, and expected public benefit. Public Benefit may outweigh cost benefit analysis for northern Australia.

Northern Australia Infrastructure Facility (NAIF)

- Develop an eligibility for pre-investment support (feasibility studies and early design) to help under-resourced northern communities develop bankable business cases.
- Embed a regional weighting within federal funding criteria to ensure that rural, remote and northern communities receive equitable consideration that reflects their unique infrastructure needs and the often-higher costs of delivering essential enabling services in these areas.

2. Transparency, consistency and accountability

- Establish a cross-government infrastructure transparency portal with: (a) an anonymised pipeline; (b) stage-gate status; (c) funding allocations by region/location; and (d) standardised performance metrics (jobs—including Indigenous employment, regional economic impacts, and housing outcomes).

3. Viability and appropriateness of funded projects

- Include analysis that shows how the project affects rural and regional communities — for example, how much time people save travelling, how it improves access to essential services, and how much local businesses and workers will benefit.
- Require proponents to demonstrate - that federal support enables projects otherwise unlikely to proceed at required scale, speed or inclusivity in remote contexts.
- Prioritise enabling and common-user infrastructure for northern Australia, as shared and scalable assets—such as transport corridors, energy systems, water infrastructure and logistics hubs—create the conditions for diversified industry growth and stronger community outcomes.
- Expand the use of concessional and blended finance to help smaller-scale but high-impact projects overcome structural market barriers and ensure they can proceed where commercial financing alone is insufficient in northern Australia.

4. Economic, social, cultural and community impacts

- Support the use of First Nations mandatory assessment criteria with reasonable and measurable targets for Indigenous employment, procurement and capability-building.
- Include social infrastructure outcomes (e.g. housing, clinics, training facilities, digital connectivity) in benefit frameworks, alongside economic productivity metrics.
- Require place-based community engagement plans, tailored to Northern Territory, Western Australia and Queensland regional contexts, and publish consultation summaries.
- Engage with local governments, RDAs, and other regional economic agencies to ensure that infrastructure funding decisions are informed by robust, on-the-ground intelligence and the broadest possible set of evidence.

5. Oversight, governance and public reporting

- Implement stage-gate oversight (investment decision, contractual close, construction, commissioning, operations) with milestone-based drawdowns and independent verification.
- Commission periodic third-party evaluations of project outcomes and program effectiveness; table findings.

6. Other related matters

- Create a "Northern Australia Enabling Fund" (grants or blended finance) for early-stage enabling works—planning, approvals, community engagement, and site readiness—to accelerate viable northern Australia projects.
- Introduce five-year statutory performance reviews for specialist vehicles, with clear public benefit KPIs relevant to northern Australia.

Illustrative Case Studies from NAIF’s Portfolio

The following anonymised case studies reflect typical northern projects supported through NAIF’s portfolio. They demonstrate diversified sector outcomes (critical minerals, energy, airports, education and social infrastructure) and underscore the importance of concessional finance, rigorous public benefit assessment, and strong First Nations engagement.

Project Type	Northern Region	Notable Public Benefits
Critical Minerals & Processing	Queensland/ Western Australia	Supply-chain diversification; alignment with Critical Minerals Strategy; regional jobs; Indigenous procurement pathways
Regional Airport Upgrade	Northern Territory	Improved connectivity for remote communities; tourism and medevac reliability; local contractor participation
Social Infrastructure (Student Accommodation/Housing)	Northern Territory/ Queensland	Liveability, retention of students/workers; reduced overcrowding; training and employment with First Nations partners

In closing, NAIF appreciates the opportunity to contribute to this inquiry and reaffirms that delivering fit-for-purpose infrastructure in northern Australia is vital to unlocking the region’s economic potential, strengthening community resilience, and ensuring equitable national development.

Yours sincerely,

—
Craig Doyle
Chief Executive Officer
Northern Australia Infrastructure Facility