

Monday, 21 October 2024

The Independent Expert Panel - 2024 Review of the Northern Australia Infrastructure Facility Act 2016  
*Submitted via [2024 Review of the Northern Australia Infrastructure Facility Act 2016 / Department of Infrastructure, Transport, Regional Development, Communications and the Arts](#)*

Dear Independent Expert Panel,

**RE: 2024 Review of the Northern Australia Infrastructure Facility Act 2016**

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Status of Submission	Public

Thank you for the opportunity make a submission to the 2024 Review of the Northern Australia Infrastructure Facility Act 2016 (**the Review**).

Our family company owned and developed the CopperString transmission network project, spanning nearly 1,000 kilometres between Woodstock (west of Townsville) and Mount Isa in Queensland's North West Minerals Province (**NWMP**). In March 2023 CopperString was transferred to the State of Queensland. CopperString is described by the Queensland Government as "the largest economic development project ever undertaken in Northern Queensland".

VisIR and its founders have nearly 40 years of experience working in Northern Queensland, including the Bowen Basin, Gladstone, Townsville, and the North West Minerals Province. During the development of CopperString, I was involved in direct negotiations with (a) the Commonwealth for debt funding (2008 – 2011), and (b) with the Northern Australia Infrastructure Facility (**NAIF**) (2019 – 2023).

Australia's economic, social, environmental and geopolitical interests can be substantially improved through an effective policy instrument to provide capital that create global competitive advantage for Australia from developing Northern Australia's natural resources and supporting its entrepreneurs.

To date the NAIF's impact has fallen short of its potential, and Australia's economic imperative for the development of Northern Australia. The following is observed:

- 1) Capital markets fail Northern Australia due the unfamiliar geography and unique long-term and step-change economics that relate to expanding productivity capacity; for the most part capital markets work effectively in familiar circumstances that relate to marginal increases in productive capacity, over a short or medium term. The NAIF capital deployment mandate should more strongly acknowledge the unique opportunities and characteristics of Northern Australia common user infrastructure.
- 2) The NAIF sunset date is completely misaligned to the long-term nature of infrastructure development in Northern Australia (noting CopperString took circa 15-years from initiation to construction commitment by the Queensland Government). The NAIF should be a permanent financial institution.

- 3) Capital is required across the lifecycle of infrastructure development, not merely, in fact often least, at the time of a Final Investment Decision and/or construction commencement. The NAIF should be experts in Northern Australia infrastructure development and should invest during the two hardest periods for projects to traverse, being (i) initial of a project from concept to full feasibility development, and (ii) at construction to lower the cost of capital and therefore the costs to infrastructure users to maximise macro-economic benefit.
- 4) Proportionality is essential:
  - a. The NAIF mandate should prioritise investments that can make the largest contribution to policy objectives, particularly major investments related to sovereign value adding (minerals processing and industrial manufacturing), energy transition infrastructure, defence capability, agricultural production, and water management.
  - b. The quantum capital available to NAIF should align with the scale of the economic benefit opportunity, which is perhaps the largest single geographic economic opportunity in Australia given the scale of minerals, arable land, low-density land use, gas, coal, wind, sun, uranium and water available for productive uses subject to investing in infrastructure that enables value adding to be undertaken. The capital available to NAIF is far too small relative to the economic opportunity, and the risk of missing these opportunities.

I urge the Panel to make recommendations that fundamentally align NAIF with the competitive economic and geopolitical interests of Australia and create a more impactful policy instrument for Northern Australia. From my intimate understanding of Northern Australia infrastructure development and my interaction with NAIF, the national interest is best served by a more powerful and influential configuration (including duration and capital availability) of this institution.

I am available to discuss this submission.

Sincerely,



Joseph W O'Brien

End.