

Northern Territory Asset Sales and Projects

NATIONAL PARTNERSHIP AGREEMENT ON ASSET RECYCLING

PRELIMINARIES

- C1 This Schedule to the National Partnership Agreement on Asset Recycling (National Partnership) should be read in conjunction with that Agreement. The objective of the National Partnership is to unlock funds from existing State-owned assets to invest in additional infrastructure that will support economic growth and enhance productivity.
- C2 This Schedule outlines the asset sales and additional infrastructure to be progressed by the Northern Territory in accordance with the National Partnership.

TERMS OF THIS SCHEDULE

- C3 This Schedule will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Commonwealth Treasurer, and the Northern Territory, represented by the Northern Territory Treasurer.
- C4 As a Schedule to the National Partnership, its purpose is to provide the public with an indication of how asset recycling is intended to be delivered and demonstrate the Northern Territory's capacity to achieve the outcomes of the National Partnership.
- C5 This Schedule will cease on completion or termination of the National Partnership, including the acceptance of final performance reporting and processing of final payments against milestones.
- C6 This Schedule may be varied by written agreement between the Commonwealth and the Northern Territory.
 - (a) This Schedule will be updated following finalisation of the asset sales to reflect the final sale proceeds, as agreed with the Commonwealth in accordance with clause 21 of the National Partnership.
 - (b) This Schedule may be updated to include additional projects as agreed by the Parties.

DETAILS OF NORTHERN TERRITORY PROJECTS

TABLE C1: FINANCIAL DETAILS¹

Assets to be sold / leased	Infrastructure investment to be funded with sale proceeds	Estimated proceeds from sale of net asset(s) (\$)	Proportion of sale proceeds of net asset(s) to be reinvested in agreed infrastructure investment (%)	Estimated value of proceeds to be reinvested into agreed infrastructure investment Amount (\$)	Actual proceeds from sale of net asset(s) (\$)	Initial Commonwealth payment – Milestone 1 (\$)	Final Commonwealth payment – Milestone 2 (\$)	Total Commonwealth contribution (\$)	Total State contribution (\$)	Total private sector contribution (\$)
		(A)	(B)	(C = A x B)	(D)	(E = C x 50% x 15%)	(F = G - E)	(G = C x 15%)	(H)	(I)
TIO	Roads and Flood mitigation projects	\$410.9 million	28.44%	\$116,869,565	\$410.9 million	\$8,765,217	\$8,765,217	\$17,530,435	\$116,869,565	n/a
Port of Darwin	Ship lift and Marine Industries project and Territory Generation (T-Gen) project ¹	\$506 million	27.46%	\$138,938,127	\$506 million	\$9,280,937	\$9,280,937	\$18,561,874	\$182,438,127	To be determined
Total		\$916.9 million	27.90%	\$255,807,692	\$916.9 million	\$18,046,154	\$18,046,154	\$36,092,308	\$299,307,692	To be determined
<i>Other infrastructure projects</i>										
	Ship lift and Marine Industries project (Total NTG investment: \$100 million) ¹			\$88,938,127		\$5,530,937	\$5,530,937	\$11,061,873	\$88,938,127	To be determined
	T-Gen project (Project cost \$101 million)			\$50,000,000		\$3,750,000	\$3,750,000	\$7,500,000 ²	\$93,500,000	n/a
<i>Flood mitigation infrastructure projects</i>										
	Darwin region (Project cost: \$25 million)			\$21,739,130		\$1,630,435	\$1,630,435	\$3,260,870	\$21,739,130	n/a

¹ Total Commonwealth contribution for the Ship lift and Marine Industries project is less than 15 per cent of the Northern Territory's estimated reinvestment.

Assets to be sold / leased	Infrastructure investment to be funded with sale proceeds	Estimated proceeds from sale of net asset(s) (\$) (A)	Proportion of sale proceeds of net asset(s) to be reinvested in agreed infrastructure investment (%) (B)	Estimated value of proceeds to be reinvested into agreed infrastructure investment Amount (\$) (C = A x B)	Actual proceeds from sale of net asset(s) (\$) (D)	Initial Commonwealth payment – Milestone 1 (\$) (E = C x 50% x 15%)	Final Commonwealth payment – Milestone 2 (\$) (F = G - E)	Total Commonwealth contribution (\$) (G = C x 15%)	Total State contribution (\$) (H)	Total private sector contribution (\$) (I)
	Katherine region (Project cost: \$17.4 million)			\$15,130,435		\$1,134,783	\$1,134,783	\$2,269,565	\$15,130,435	n/a
<i>Road infrastructure projects</i>										
	Roper Highway upgrade (Project cost: \$4 million)			\$3,478,261		\$260,870	\$260,870	\$521,739	\$3,478,261	n/a
	Tanami Road upgrade (Project cost: \$10 million)			\$8,695,652		\$652,174	\$652,174	\$1,304,348	\$8,695,652	n/a
	Litchfield Park Road and Lower Finniss River bridge (Project cost: ██████████)			██████████		██████████	██████████	██████████	██████████	n/a
	Larapinta Drive, Mereenie Inner Loop upgrade (Project cost: \$27.7 million)			\$24,086,957		\$1,806,522	\$1,806,522	\$3,613,044	\$24,086,957	n/a
	Kambolgie Creek crossing upgrade (Project cost: \$6.7 million)			\$5,826,087		\$436,957	\$436,957	\$873,913	\$5,826,087	n/a
Total		██████████	██████████	██████████	██████████	██████████	██████████	██████████	██████████	██████████

(1) All amounts are estimates unless otherwise stated, and are subject to rounding.

TABLE C2: SPECIFIC DETAILS OF ASSET SALES, INFRASTRUCTURE PROJECTS AND PERFORMANCE MILESTONES¹

Assets to be sold/leased	Infrastructure investment to be funded with sale proceeds	Specific Details of Milestone 1 to be included in Statement of Assurance	Specific Details of Milestone 2 to be included in Statement of Assurance
TIO	Road and flood mitigation infrastructure projects (see below)	NP 20 (a) (i) Divestment of TIO to Allianz and People's Choice Credit Union was initiated in November 2014, with sale completed April 2015. NP 20(a) (ii) All relevant government processes were completed prior to completion of the sale of TIO.	NP 20 (b) (i) Divestment of TIO to Allianz and People's Choice Credit Union was initiated in November 2014, with sale completed April 2015.
Port of Darwin	Ship lift and Marine Industries project and T-Gen project (see below)	NP 20 (a) (i) Tender process complete and preferred bidder selected October 2015. NP 20 (a) (ii) Enabling legislation passed Parliament on 30 April 2015.	NP 20 (b) (i) Financial close of the long-term lease transaction for the Port of Darwin.
<i>Other infrastructure projects</i>			
	Ship Lift and Marine Industries project	NP 20 (a) (iii) Commencement of planning and approvals. (Feb 2017)	NP 20 (b) (ii) commencement of construction of ship lift and marine facilities. (Dec 2017)
	T-Gen project	NP 20 (a) (iii) Commencement of planning and approvals. (Mar 2015)	NP 20 (b) (ii) commencement of construction of power facilities in Alice Springs and Tennant Creek. (Jul 2016)
<i>Flood mitigation infrastructure projects</i>			
	Darwin region	NP 20 (a) (iii) commencement of planning and approvals. (Jun 2015)	NP 20 (b) (ii) commencement of construction of flood mitigation infrastructure for the Darwin region. (Jul 2016)
	Katherine region	NP 20 (a) (iii) commencement of planning and approvals. (Jun 2015)	NP 20 (b) (ii) commencement of construction of flood mitigation infrastructure for the Katherine region. (Jul 2016)
<i>Road infrastructure projects</i>			
	Roper Highway upgrade	NP 20 (a) (iii) commencement of planning and approvals. (Jul 2015)	NP 20 (b) (ii) commencement of upgrade to Roper Highway. (Jan 2016)
	Tanami Road upgrade	NP 20 (a) (iii) commencement of planning and approvals. (Jul 2015)	NP 20 (b) (ii) commencement of upgrade to Tanami Road. (Timing TBC)

Assets to be sold/leased	Infrastructure investment to be funded with sale proceeds	Specific Details of Milestone 1 to be included in Statement of Assurance	Specific Details of Milestone 2 to be included in Statement of Assurance
	Litchfield Park Road and Lower Finnis River bridge	NP 20 (a) (iii) commencement of planning and approvals. (Jan 2016)	NP 20 (b) (ii) commencement of Litchfield Park Road and Lower Finnis River bridge. (Aug 2016)
	Larapinta Drive, Mereenie Inner Loop upgrade	NP 20 (a) (iii) commencement of planning and approvals. (Jan 2016)	NP 20 (b) (ii) commencement of upgrade to Mereenie Inner Loop. (Jan 2016)
	Kambolgie Creek crossing upgrade	NP 20 (a) (iii) commencement of planning and approvals. (Jul 2015)	NP 20 (b) (ii) commencement of Kambolgie Creek crossing upgrade. (Aug 2016)

- (1) All components of a milestone must be achieved for the Commonwealth to make the relevant milestone payment. Expected timing for meeting individual components of milestones is included for indicative purposes only, subject to clause 15 of the National Partnership, which requires the sale of the asset to be completed and the construction of the additional infrastructure to commence on or before 30 June 2019. In the event that a milestone is achieved in a different financial year from that indicated in Table C2, the relevant milestone payment will be made subject to the Commonwealth agreeing to a movement of funds.

The Parties have confirmed their commitment to this Schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Hon Josh Frydenberg MP
Treasurer of the Commonwealth of Australia

06 APR 2019

Signed for and on behalf of the Northern Territory by



The Hon Nicole Manison MLA
Treasurer of the Northern Territory

07 March 2019