National Reconstruction Fund Corporation

Senator the Hon Tim Ayres
Minister for Industry and Innovation
PO Box 6022
Parliament House
Canberra ACT 2600

Senator the Hon Katy Gallagher
Minister for Finance
PO Box 6100
Parliament House
Canberra ACT 2600

17 July 2026

Dear Ministers,

Statement of Intent

Thank you for your Statement of Expectations (SoE) for the National Reconstruction Fund Corporation (NRFC), provided on 22 April 2026, which accompanies the National Reconstruction Fund Corporation (Investment Mandate) Direction 2026 and National Reconstruction Fund Corporation (Priority Areas) Direction 2026, as made on 3 April 2026.

The importance of the NRFC's mission is underscored by current global uncertainties and market disruptions. The Board notes the Government's continued confidence in the NRFC to strengthen Australia's manufacturing capability, create high quality jobs and a skilled workforce and maintain and build the nation's industrial capability.

This Statement of Intent (SoI) builds on the statement of October 2025. It sets out how the NRFC will deliver on the updated priorities and responsibilities outlined in the SoE, reaffirming our focus on supporting domestic manufacturing. The Board will continue to oversee the evolution of the NRFC's strategies, ensuring they are underpinned by strong evidence, and support the government's objectives.

The NRFC acknowledges its role in building long-term industrial capability and strengthening Australia's economic resilience. Consistent with its mandate, and your expectations, it will target positive returns over the medium to long term across the portfolio and prioritise national impact over short term profit.

The NRFC has moved quickly to establish the Economic Resilience Program, the Net Zero Fund and the Forestry Growth Fund, while maintaining momentum against existing investment targets. Capital is being deployed to crowd in private investment and support transformational, nation-building outcomes. The NRFC will continue to invest in the national interest, aligned with the government's strategic priorities, including supporting future industries such as AI and quantum, strengthening manufacturing in defence, and building additional sovereign capability in areas critical for productivity growth, such as clean energy, housing and construction.

In responding to the updated SoE, the NRFC will apply a calibrated investment approach, recognising that the General Portfolio and sub-funds require distinct risk, return and structuring settings. Concessionality will be applied deliberately and transparently, where necessary to enable outcomes that may not otherwise occur. The Board will work with management to continue the organisation's growth into a high-performing and sustainable organisation, delivering on our purpose and acting commercially to deliver value for the Australian people, noting the diverse levels of concessionality offered to support the delivery of policy outcomes may influence the anticipated trajectory of financial returns in the short term. Investment decisions will continue to be subject to robust due diligence, risk assessment and Board oversight.

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The NRFC notes that the April 2026 updates to the Investment Mandate and Priority Areas Declaration are intended to support delivery of the new sub funds -- in particular the Economic Resilience Program -- rather than to materially redirect the NRFC's investment strategy through the General Portfolio.

The NRFC will continue to support whole-of-government coordination and exercise leadership among peer investment bodies to maximise the impact of public capital. This collaboration aims to support and advance the government's Future Made in Australia agenda, strengthen alignment across institutions, and support the productive capacity of key industrial regions. In particular, we will continue the strong collaboration between the Specialist Investment Vehicles to identify and capitalise on synergistic opportunities where possible, ensuring investments are catalytic, complementary, and mindful of the Government's broader financial exposure.

The NRFC is committed to supporting First Nations economic empowerment and will continue to embed culturally appropriate engagement and consideration of First Nations outcomes across its investment and operational activities.

The NRFC will continue to operate in accordance with its legislative framework, including the *Public Governance, Performance and Accountability Act 2013*, and uphold high standards of governance, performance and accountability under Board oversight.

Recognising its strong and ongoing commitment to transparency, and in line with the updated Investment Mandate, the NRFC will provide Ministers with information on capital deployment and performance, particularly in relation to the sub-funds.

The Board remains focused on maintaining investment momentum, commercial discipline and strong governance in support of Australia's economic resilience and industrial capability.

Martijn Wilder AO
Chair
National Reconstruction Fund Corporation