Strategic purpose and principles

Federation Enterprises

About

Federation Enterprises is an investment company wholly owned by the Federation of Victorian Traditional Owner Corporations, established in 2013 to support the Federation's work for Victorian Traditional Owner communities, and to enable Aboriginal economic development more broadly. Its vision is viable First Nations-led enterprises that support wider self-determination and economic outcomes.

PURPOSE

Federation Enterprises exists to grow investment benefits and returns in First Nations-led businesses, to empower and enable economic independence, self-determination, and recognition. It establishes or invests in joint venture companies that provide work and opportunity for First Nations peoples, while providing a sustainable funding stream for the Federation's work for Traditional Owner communities.

For the Federation, it enables:

- Economic and business opportunities
- Enhanced income-generation, reduced risk, and mitigated conflicts of interest
- Greater degree of direct control and oversight of investments.

Federation Enterprises maintains an investment perspective, focused on performance, effectiveness, outcomes, standards, values, risk management, and beneficial partnership. It establishes joint venture companies with at least 51 per cent ownership, or makes investments in existing First Nations-owned enterprises.

Active investments include:

- Barpa Pty Ltd (51% ownership) – construction sector joint venture with ICON Construction, established June 2014.
- Yurringa Energy Pty Ltd (5% ownership) – investment in First Nations-owned renewable energy retailer, made May 2026.

Previous investments include in Aboriginal human resources and Aboriginal cultural heritage services.

INVESTMENT PRINCIPLES

Federation Enterprises' investments must meet two long-term strategic objectives:

- **Return**: To achieve a sustainable return on investment that is greater than passive investment
- **Recognition**: To realise benefits and recognition of Aboriginal enterprise in the economy and Traditional Owners' interests in Country.

All investments must additionally meet at least one of four principles, aligned to the Federation's organisational values.

- Community: Enterprises that achieve better outcomes for Victorian Traditional Owner communities
- Culture: Enterprises that improve respect for Traditional Owners' cultural values, knowledge and practices
- Country: Enterprises that improve Country or recognition and respect for Victorian Traditional Owner primacy over Country
- Collaboration: Enterprises that increase Traditional Owners' participation in economic opportunities and decision-making processes.

Enterprises that compete with the business of Victorian Traditional Owner Corporations or that have a negative impact on Aboriginal people or Country are ineligible for investment.

GOVERNANCE

The Federation Enterprises Board meets between about six times a year. Directors are generally appointed for terms of two years by the Federation of Victorian Traditional Owner Corporations.

The Board's key functions include:

- Maintaining oversight of and growing capital and income generated from investment activity
- Directing, controlling and managing the interests of the company
- Developing new business opportunities and shareholder relationships
- Overseeing and monitoring the performance of joint venture companies
  Maintaining the integrity, interests and reputation of the Federation

The Federation of Victorian Traditional Owner Corporations is the sole shareholder in Federation Enterprises and serves as its company secretary. Federation Enterprises has no staff.

Strengths and strategic outcomes

STRATEGIC OUTCOMES

Federation Enterprise's Strategic Plan 2024-27 is focused on the company's strong governance, its ability to provide good business returns on investment, and its capacity to connect and network with business. To give effect to this strategy, Federation Enterprise's business model reflects the company's strengths, and focuses on:

- financial strength to undertake business investment (access to capital)
- capacity to provide oversight and contribute to businesses at a governance level
- contribution to the wider Traditional Owner community's economic growth.

CORE STRENGTHS

- A principles-based organisation, connected to Traditional Owners and the broader Aboriginal community
- Experience with joint venture partnerships at the governance/board level
- Occupying a 'neutral' position, with capacity to collaborate and aggregate in relation to Traditional Owner Corporation or Aboriginal business
- Linkages to emerging areas of economic activity
- Funds to undertake research/due diligence into specific matters.

Value proposition

Investment income is reinvested in activities and investments that contribute to Traditional Owner economic development and meet Federation Enterprises' strategic principles.

To add value to parties involved in a business investment, Federation Enterprises finds common ground, de-risks investment, develops scale for business through investment, provides financial and human capital, and brokers advisory services.

Federation Enterprises adds value to stakeholders and the broader business sector by strengthening networks, linking to government investment and expenditure, lifting understanding and profile, and advising on Traditional Owner matters, providing a social license to operate.

Business model

Federation Enterprise's current focus is on **active investment**, **leveraging strengths**, and **adding value.**

Active investment entity

To capitalise on the core strengths and to grow income means Federation Enterprises is not just a passive investor, but an active contributor:

- Governance capacity and ability to provide insight and manage relationships with joint venture and business partners
- Supporting businesses 'too small' on their own to capitalise on and develop potential collaboratively.

Investment focus areas

Federation Enterprises leverages strengths for investment, focusing on:

- **Procurement –** bringing 51% Aboriginal ownership to joint ventures to meet government procurement requirements
- **Emerging industry –** building on knowledge of Traditional Owners' business interests and government strategic investment (eg bushfoods, tourism, renewable energy) or investing in the corporate capacity as early starter to build linkages and investment knowledge to assist in the 'cooperative' approach
- **Enhancing for scale –** bringing opportunity for wider benefits where businesses are too small through capital or aggregation mechanisms, brokering networks that enhance capacity to invest.

Adding value through core strengths

- **Governance oversight and support –** bringing Traditional Owner perspectives and understanding to partners in business and joint venture, in addition to technical and industry knowledge
- **Relationships and governance-level alignment and de-risking new ventures**
    - Enabling and attracting capital
    - Aggregating or finding appropriate ways to bring scale
    - Enabling 'cornerstone' investment where there are multiple partners to provide comfort and assurance in new business opportunities
- **Investment ownership and governance vehicles**
- Developing the appropriate structures business partnerships or joint ventures (including to get to 51% Aboriginal ownership for procurement purposes)
- Providing good governance support and oversight into the businesses
- **Insight and promotion of economic growth potential and value, including through linkages to agencies, business support organisations, banks etc.**