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## **Media Release:**

## **RDA Finalist for National Economic Development Award**

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National peak body for economic development, Economic Development Australia (EDA), has released their list of finalists for the National Economic Development 2022 Awards for Excellence. Regional Development Australia Adelaide Hills, Fleurieu and Kangaroo Island (RDA AHFKI) is pleased to announce its success as a finalist in the category of Economic Development Through Partnerships and Collaboration.

RDA AHFKI's selection recognises their work toward the reopening of the Strathalbyn abattoir and establishing the Fleurieu Community Co-operative to manage the abattoir's future operations. The extensive collaboration undertaken by RDA AHFKI has resulted in formal partnerships amongst co-op members representing the entire red meat supply chain. Members represent production, wholesale, value-add manufacturing, distribution, retail and even industry suppliers.

The economic benefits to the community and region from the re-opening of the Strathalbyn abattoir extend beyond the initial ambitions of the project to include:

- \$3.5m in investment attraction
- 20 new jobs in the region by the end of 2022
- New industry collaboration exceeding 100 members
- Increased options for producers to reduce costs and improve margins
- Increased ability for local retailers and hospitality operators to use and promote locally produced red meat
- Increased supply security for local smallgoods manufacturers in the region
- A new supply deal signed between the co-op and Foodland Supermarkets

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When the Strathalbyn abattoir closed in December 2020, RDA AHFKI took an active interest in ensuring its ongoing operations. With just 3 livestock slaughtering operators in Australia making up almost 50% of the industry's revenue, and both the Kangaroo Island and Normanville abattoirs having been closed, RDA AHFKI realised the importance of maintaining a local abattoir in the region.

After engaging with the landowner and establishing an interest in leasing the facility, they undertook extensive research into the most suitable operating model, followed by feasibility studies to run a cooperative owned abattoir. This research led them to partner with PKF Accelerate, who had extensive experience designing, establishing, and operating co-operatives.

In May 2021, RDA AHFKI approved a \$10,000 grant under its Investment Attraction program to fund PKF Accelerate to undertake work on this project. RDA AHFKI also supported another successful grant application for \$10,000, bringing the total budget to \$20,000 to include extensive feasibility and finance modelling. This included a stakeholder survey of livestock producers and supply chain operators.

In addition to extensive promotion through media, public meetings, state, local and federal government and their own communication channels, RDA AHFKI also supported a successful application to the State Regional Growth Fund for \$1.5m which was approved in March 2022.

During this time, PKF Accelerate oversaw the development and establishment of the Fleurieu Community Co-operative. The co-op now has more than 100 members and the facility is currently undergoing renovations and upgrades to be ready for its scheduled reopening in September 2022.

RDA AHFKI is proud not only to have made the list of finalists for the EDA award, but to have played such an instrumental role in ensuring the future of the Strathalbyn abattoir for the region. Winners will be announced at the National Economic Awards for Excellence Gala, to be held at Luna Part in Sydney on 13 October.

## Director of Regional Development at RDA Adelaide Hills, Fleurieu and Kangaroo Island, Mr Stephen Shotton;

Fleurieu Community Co-operative is a solution designed to overcome several headwinds for livestock producers keen to run a paddock to plate business model including the ongoing loss of local kill facilities, resultant increased logistics costs with greater distances to abattoirs, and inability to retain provenance in the kill and processing chain. Besides solving those issues, a co-operative model brings many advantages to the table including democratic ownership and control with owner or service orientation rather than an investor or dividend-driven orientation. This builds a higher level of service, improved economic protection, and increased farm income.

RDA AHFKI is pleased to be recognised for the work it supported and undertook in the development of the Fleurieu Community Cooperative. Without RDA AHFKI influence, the Strathalbyn Abattoir would likely have stayed closed at the disadvantage of the regions livestock producers.

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