



**SUBMISSION**

**PRODUCTIVITY COMMISSION: OPPORTUNITIES  
IN THE CIRCULAR ECONOMY**

**APRIL 2025**



## About the Regional Australia Institute

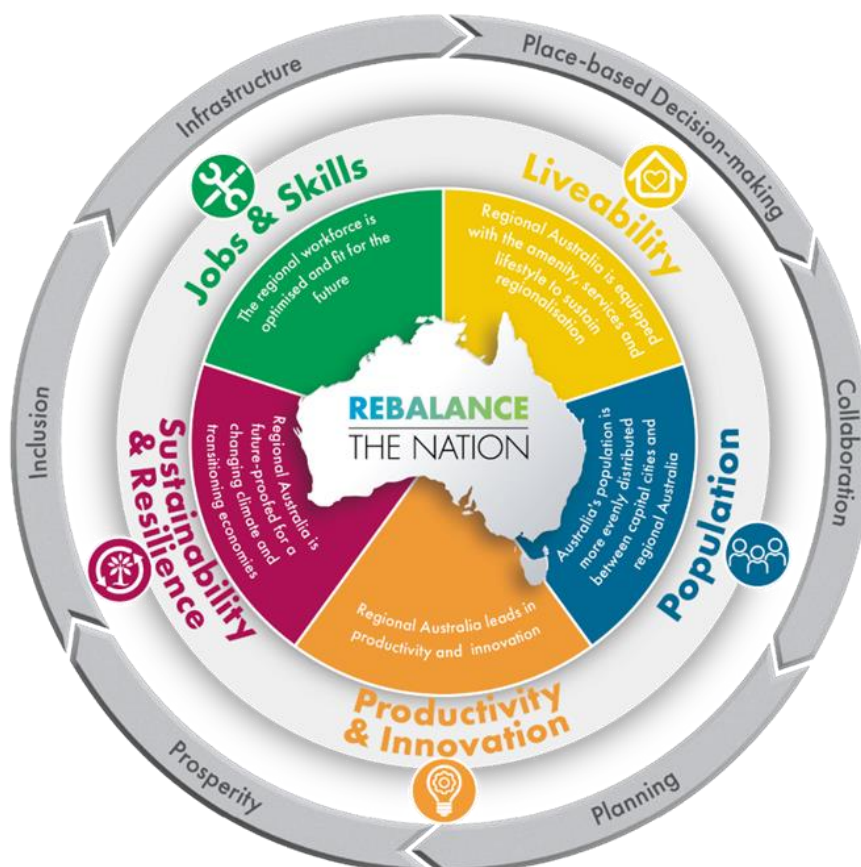
The Regional Australia Institute (RAI) is the nation's first and only independent think-tank dedicated to empowering Australia's regions. We are a not-for-profit organisation that undertakes research to inform, educate and activate our rural and regional communities.

The RAI celebrates 13 years in 2024. We are proud of the vast array of research, data, and detailed insights the RAI has provided into many of the significant issues and challenges facing regional Australia. The work of the Institute is made possible through research partnerships with federal, state and territory governments, the national Regions Rising event series, regional consultancy projects, membership, and philanthropic funding.

In 2022, the RAI launched the [Regionalisation Ambition 2032 - A Framework to Rebalance the Nation](#). The Ambition is a 10-year plan for regional Australia that seeks balanced growth across our nation's regional towns and cities. It outlines key targets, actions and benefits that will contribute to building prosperous regional communities, and a stronger Australia.

The RAI exists so that decision-makers at all levels of government, not-for-profits, industry, and community have the information they need to ensure the best outcomes for regional Australia. By replacing myths and stereotypes with facts and knowledge, the RAI seeks to build a more inclusive, unified and prosperous future for all Australians.

**We care about the regions, because when our regions are strong, Australia is strong.**







## RAI submission: Opportunities in the circular economy

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The Regional Australia Institute (RAI) appreciates the opportunity to provide further insights addressing **Information Request 10.2: “Are there special considerations for how governments might support businesses to identify partners in regional and remote Australia?”** This submission builds upon our initial submission, our report, *Circular Economy in Action: Regional Perspectives*, and the distilled insights and recommendations tailored specifically for this request.

Regional businesses face unique barriers in forming circular economy partnerships, including geographic isolation, small local markets, infrastructure gaps, limited skills, and constrained financial access. These distinct regional conditions require tailored government interventions to facilitate meaningful collaboration and partnership opportunities.

### Tailored Government Actions

The RAI proposes the following targeted actions to assist regional businesses:

1. **Tailored Coordination and Facilitation:** Consistent with Recommendation 1 from our first submission, governments should establish dedicated regional circular economy authorities or coordinators within existing bodies like Green Industries SA and Sustainability Victoria. These entities would provide direct support, facilitate connections with appropriate partners and technologies, and assist in accessing relevant funding streams. For instance, Green Industries SA effectively facilitated collaboration between Holla-Fresh, Bio Gro, and Rainbow Bee Eater in the Limestone Coast, clearly demonstrating the efficacy of dedicated coordination.
2. **Funding and Risk Mitigation Support:** Building on Recommendations 5 and 8 from our first submission<sup>[SP1]</sup>, governments should provide targeted financial incentives, such as regional circular economy investment funds, grants, low-interest loans, or financial guarantees. Such funding mechanisms would specifically support collaborative, multi-party projects, reduce risk for individual businesses, and encourage investment in innovative circular economy solutions.
3. **Facilitating Networking and Knowledge Exchange:** To mitigate the structural barriers of geographic isolation and small market size, governments should actively support inter-regional collaboration and networking. Initiatives such as regional circular economy forums, workshops, and targeted networking events would enable businesses to identify cross-sector partnership opportunities and overcome the ‘tyranny of distance’ that hampers natural collaboration.
4. **Regulatory and Infrastructure Alignment:** To facilitate seamless circular economy collaborations, governments must align regulatory frameworks and invest in necessary infrastructure. Ensuring consistency in waste transport and resource-use regulations across jurisdictions, alongside investments in regional recycling facilities and improved transportation logistics, will substantially enhance the feasibility of circular economy partnerships over long distances.

### Conclusion

Addressing the special considerations outlined above is important for enabling robust circular economy partnerships in regional and remote Australia. The targeted recommendations provided by

the RAI, if implemented effectively, will significantly enhance regional businesses' capability to identify, establish, and sustain meaningful circular economy partnerships, fostering economic resilience and sustainability across Australia's regions.

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