



EU outlook for arable crops

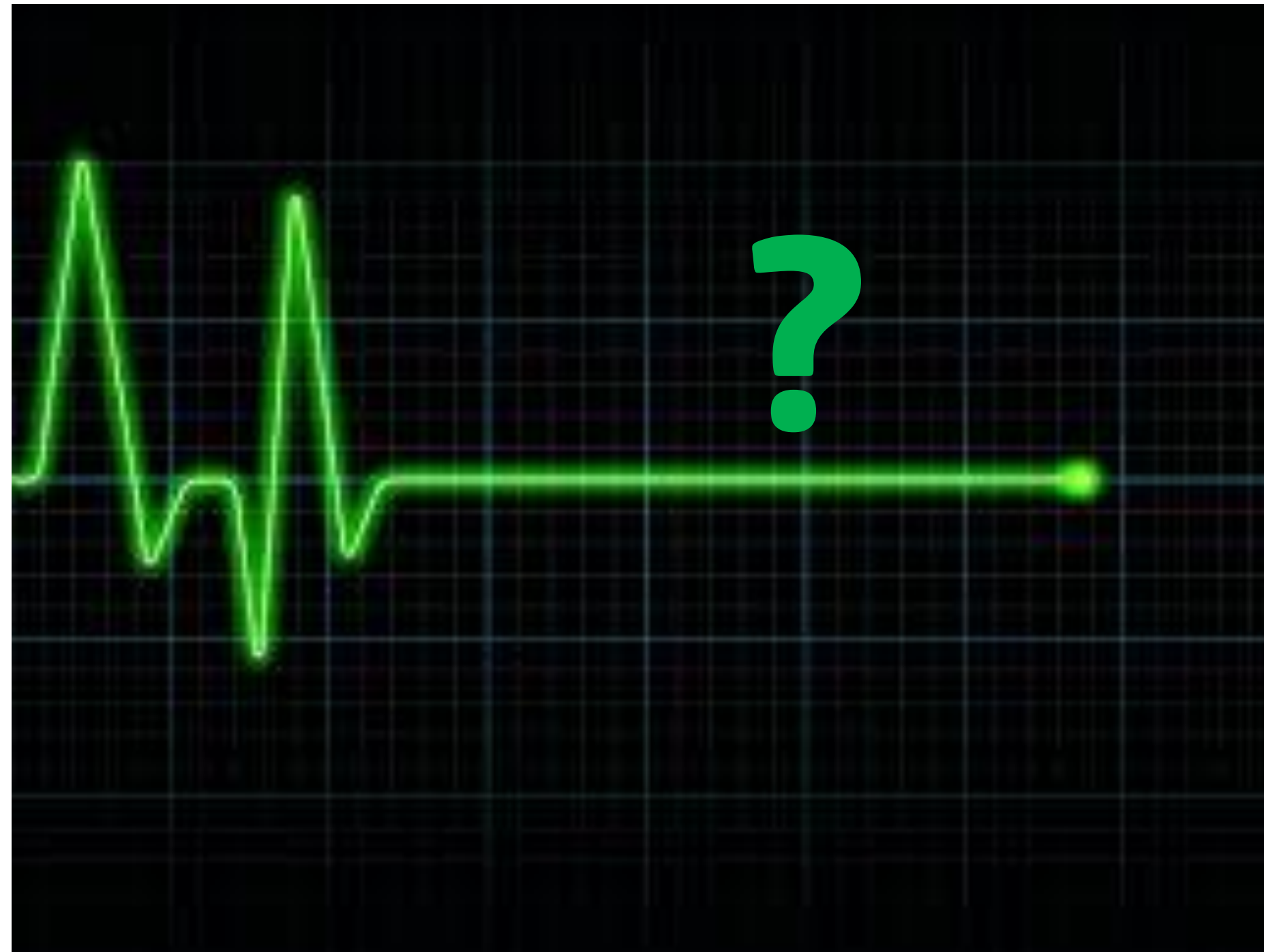
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#AgriOutlook

Agriculture
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Arable crops...



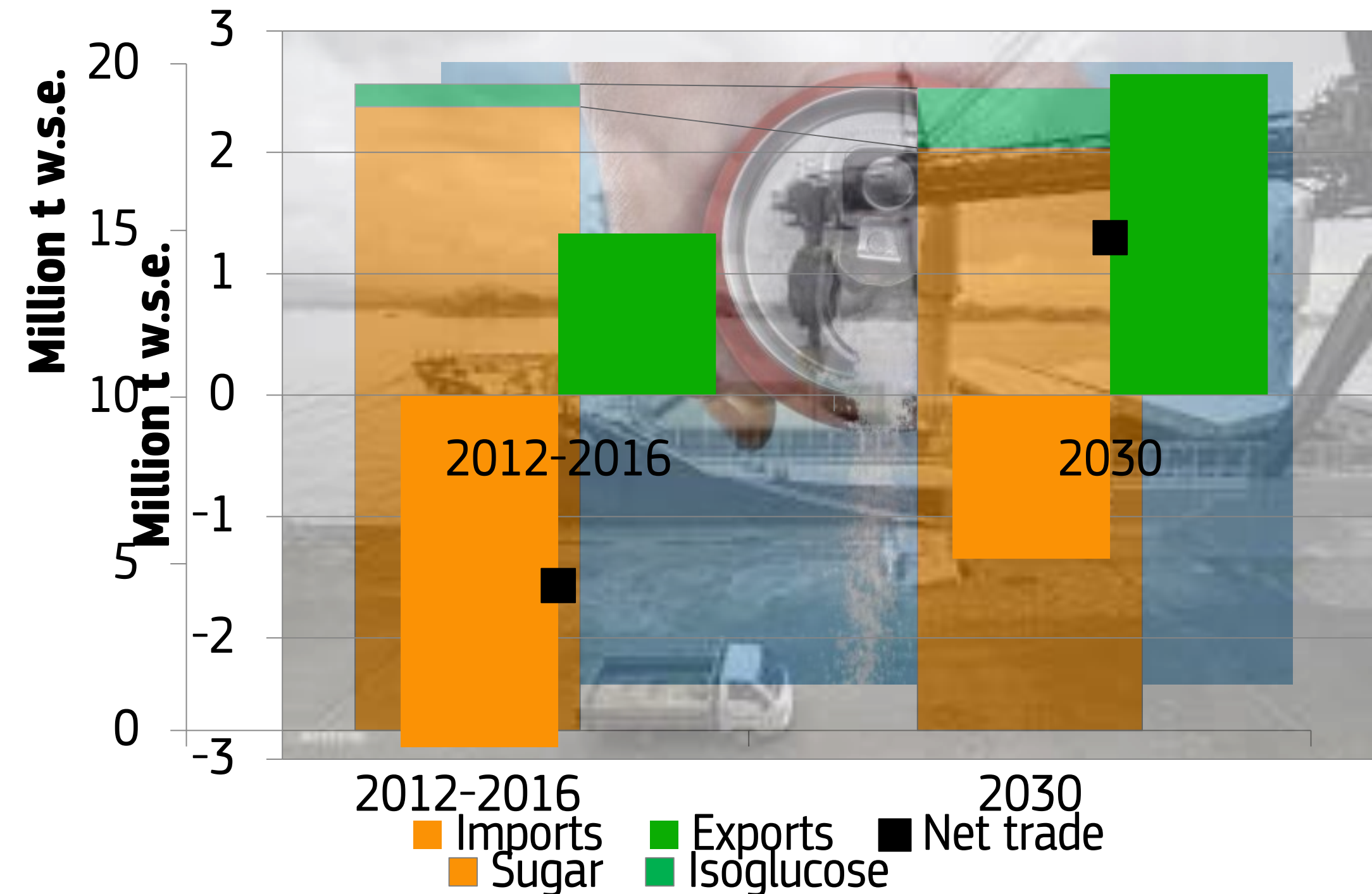
Growth in food demand?

Sugar in EU... **NO**

- Increasing health concerns
- Competition from other sweeteners

Sugar in the world... **YES**

- Quota expiry
- Opportunities for EU to export sugar



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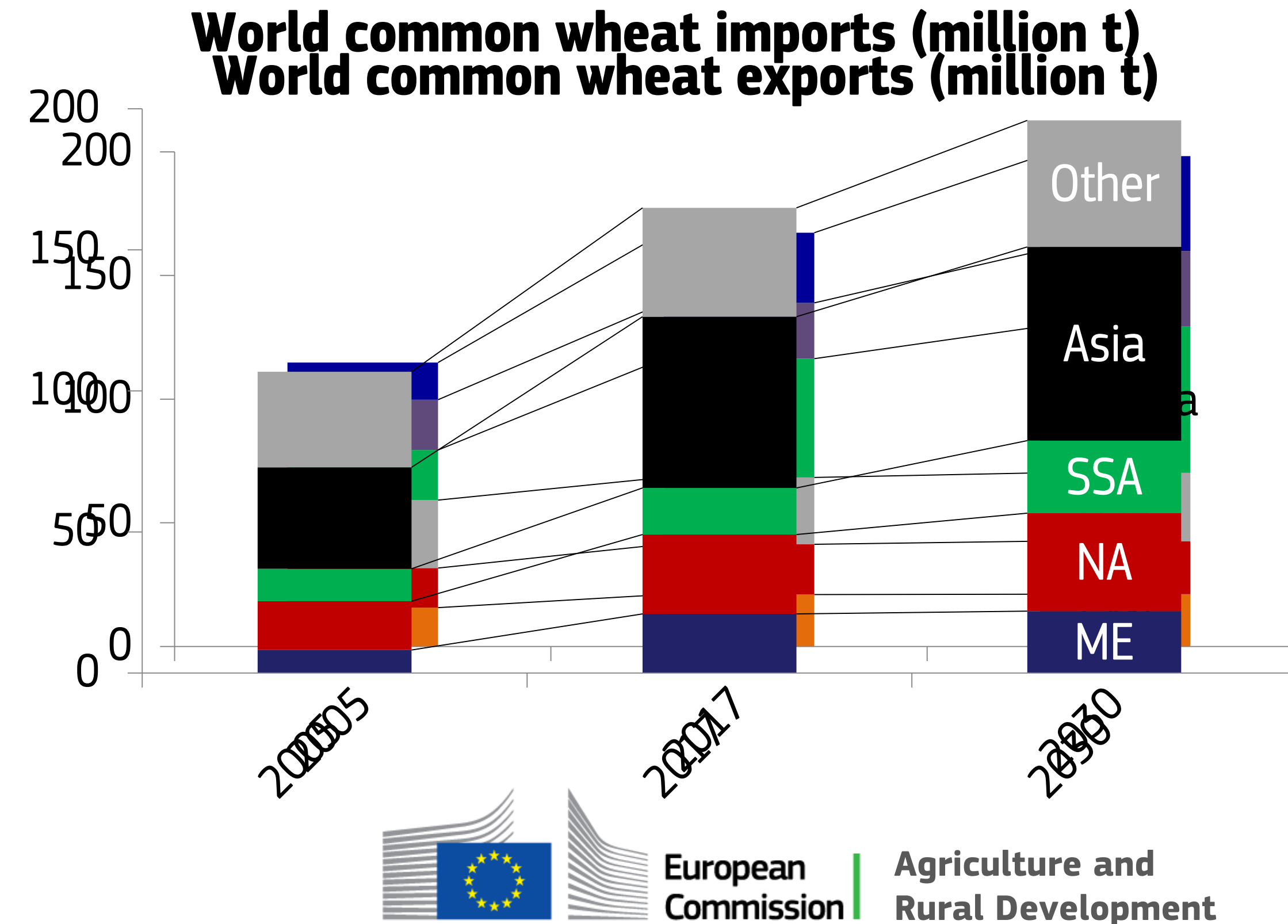
Growth in food demand?

Main cereals in EU... **NO**

- Minor population growth & income growth not determining

Main cereals in the world... **YES**

- Especially in supply constraint regions
- Opportunities for EU to export wheat and barley



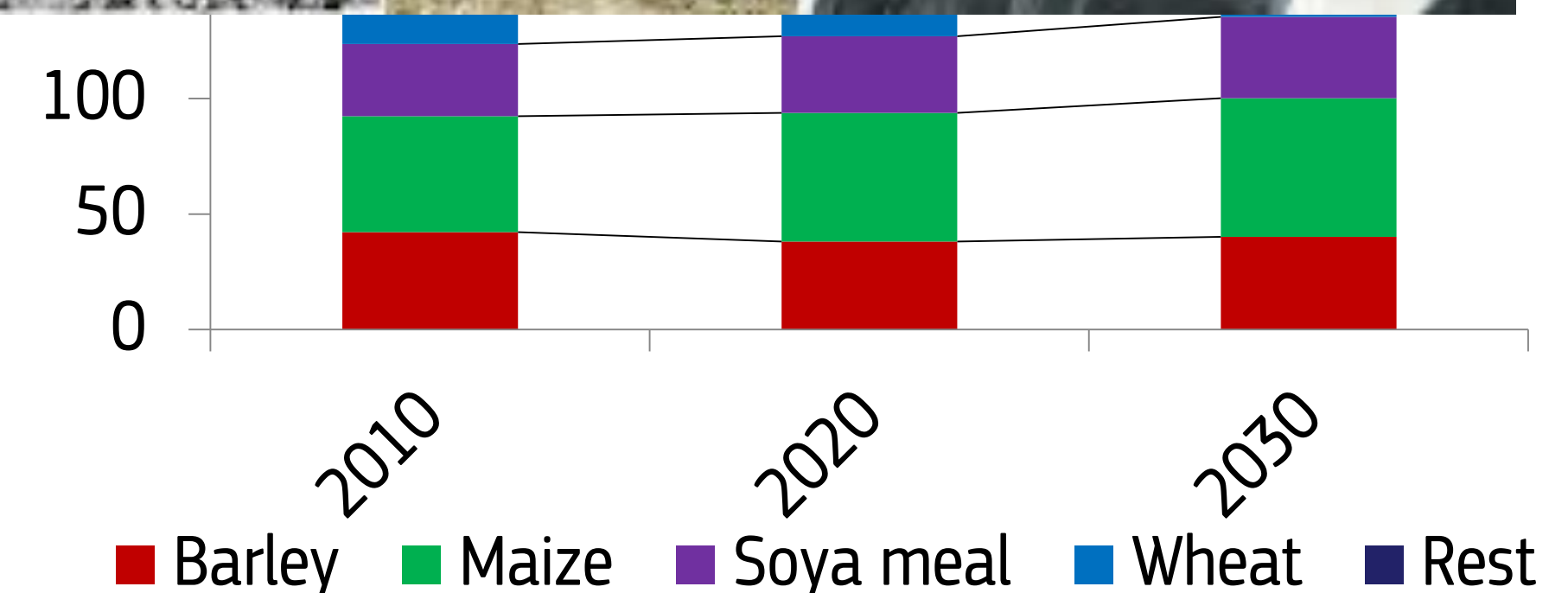
Growth in feed demand?

Main animal products... **increase**

- Mainly ruminants
- Alternative production systems gain ground
- Protein self-sufficiency on the table

Good prospects for...

- Coarse grains... **maize**
- Oilmeals... **soybean and meal imports**
- Protein crops... **and domestic soy**



Now... slido

With how much did the EU protein crop area expand between 2013 and 2016?

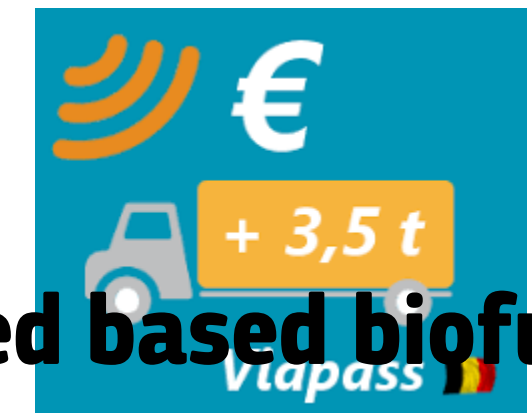
- Status quo
- Increased by half
- Doubled
- More than doubled



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Growth in biofuel demand?



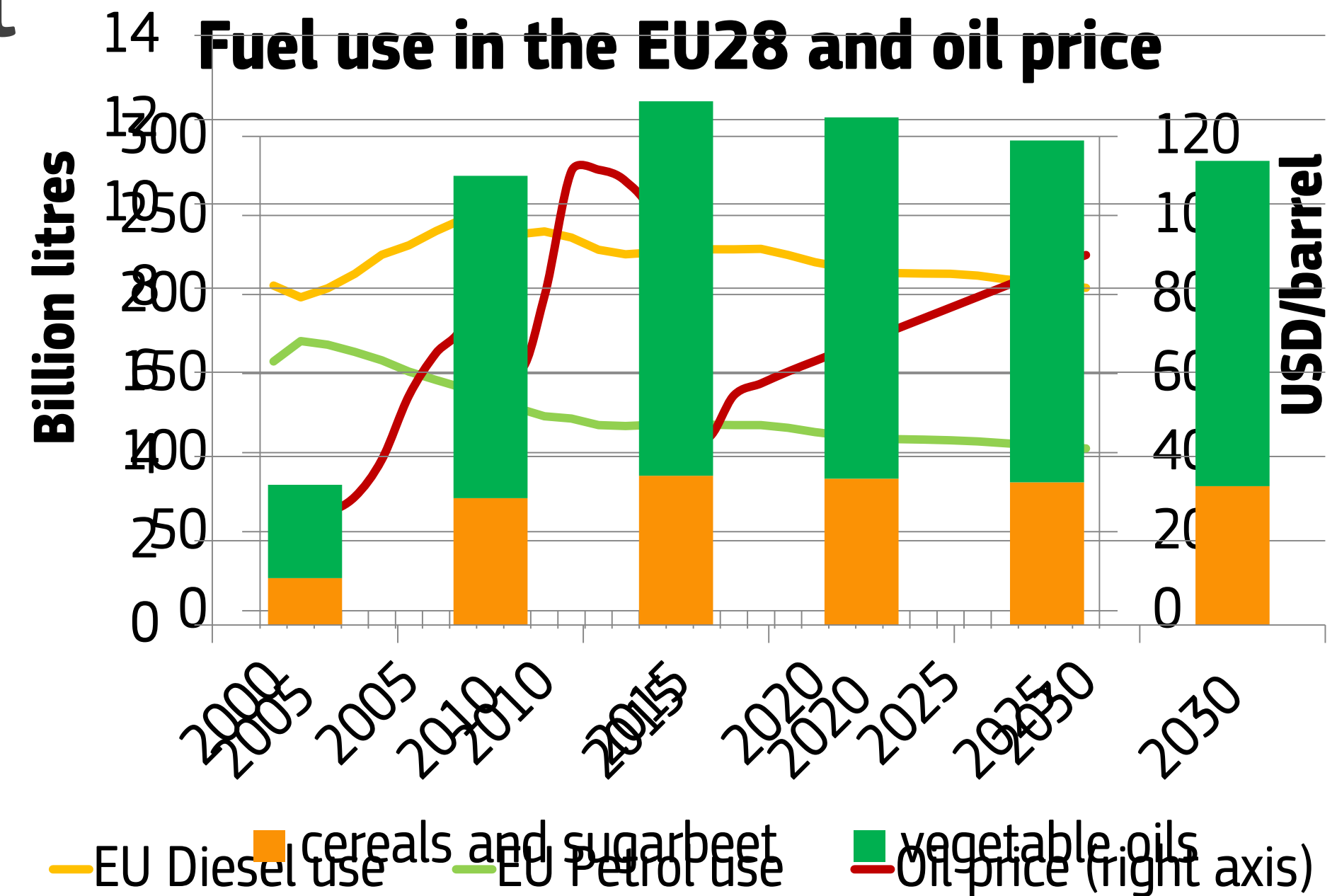
Towards 2020... **little**

- Mandates binding
- Uncertainty post 2020 hampering investment

Food and feed based biofuel production (million ton oil eq.)

After 2020... **decrease in food and feed based**

- Lower fuel consumption in transport
- Affecting biodiesel and ethanol feedstock demand



...and what about growth of bio-economy?

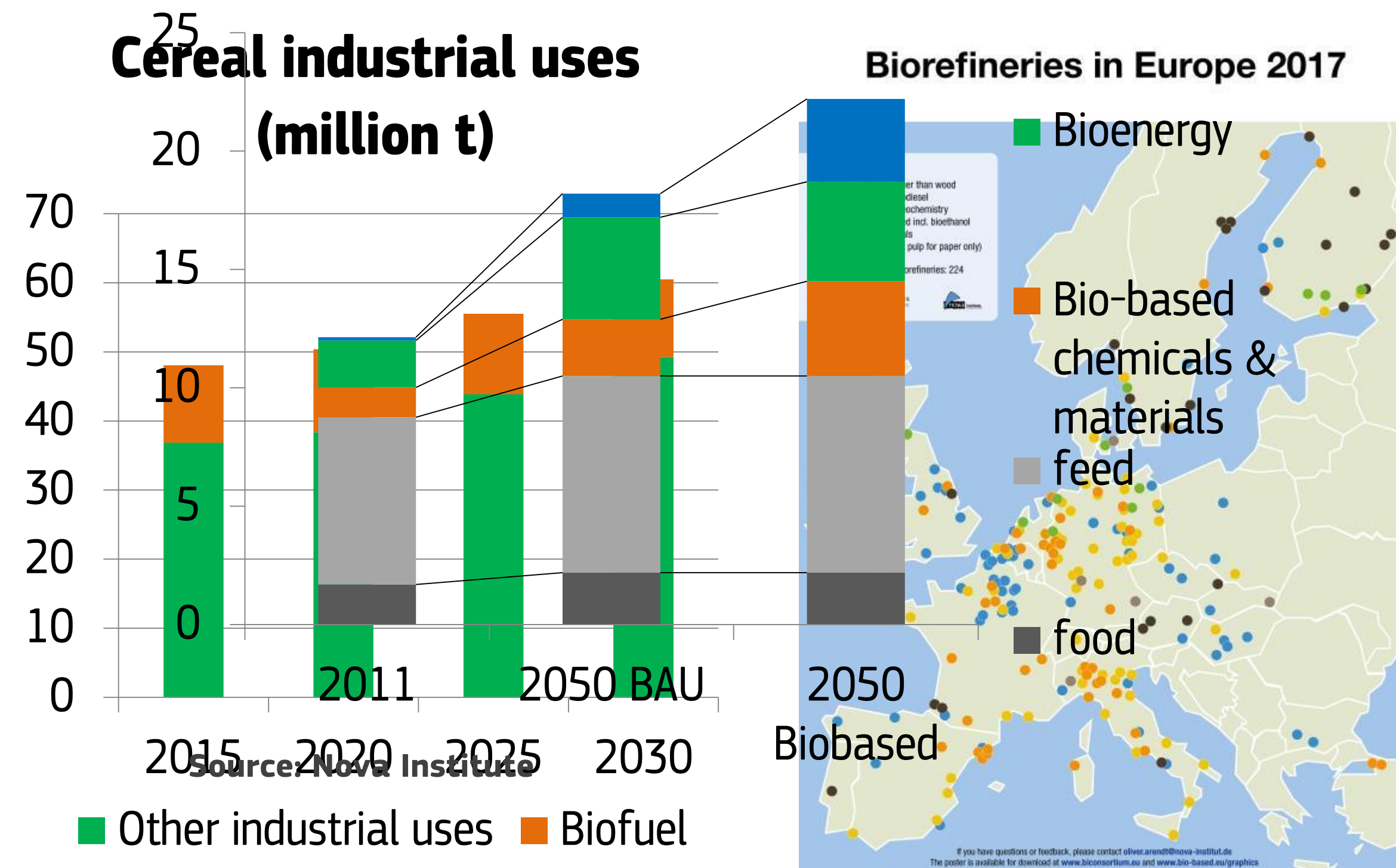
Many applications...

- Starches, isoglucose, paper industry, pharmacy, detergents etc
- Higher added value compared to fuel
- Favourable policy environment

So... **growth to be expected**

- In cereals
- And oilseeds
- And sugar

World biomass demand in 2011 and 2050 (billion t DM) ■ Biofuels



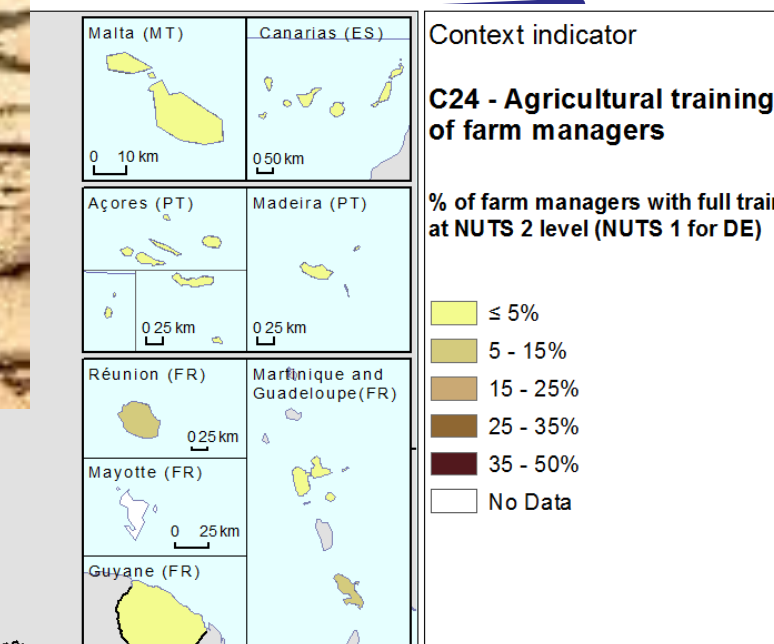
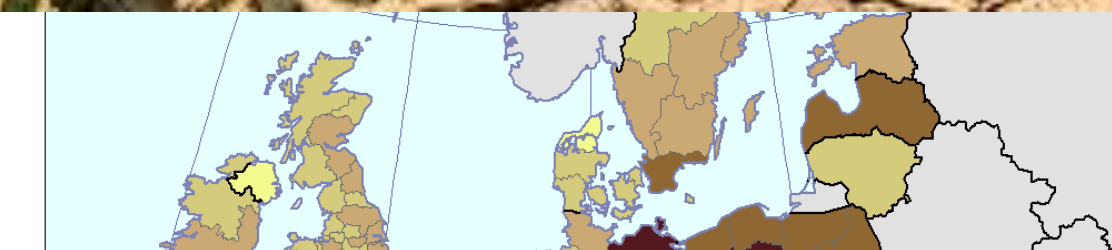
Can supply live up to this demand growth?

Area expansion... **no**

- Competition for land by other uses
- Environmental sustainability challenges

Yields... **yes but limited**

- - First in world class
- + Some regions with yield growth potential
- - Some pressures: nutrient and pesticide use, climate change
- + Scope for improved managerial skills
- + Technological breakthroughs



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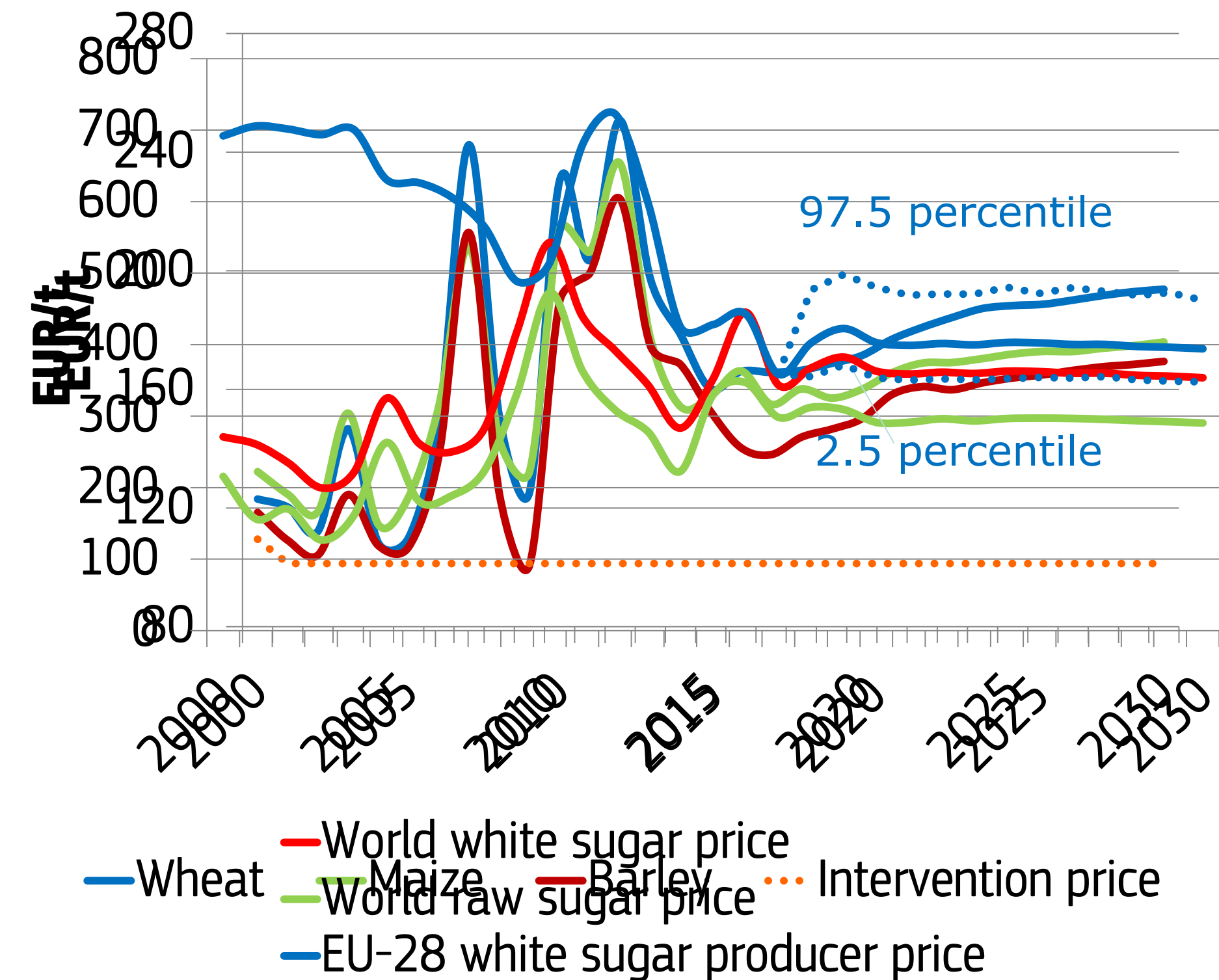
Is the price environment right?

Growth in cereals prices... **yes**

- but so is the oil price and the exchange rate
- uncertainty not be ruled out

Growth in sugar and soybean prices... **minor**

- Effect of Brazil (real)



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Thank you for your attention!

So not a flatliner after all...

