

# SOCIETAL DEMANDS AND FOOD PRICES

## Session 5



THE 2019  
**EU AGRICULTURAL  
OUTLOOK CONFERENCE**

**Sustainability**  
from Farm  
to Fork





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# THE IMPACT OF SOCIETAL DEMAND ON FOOD PRICES

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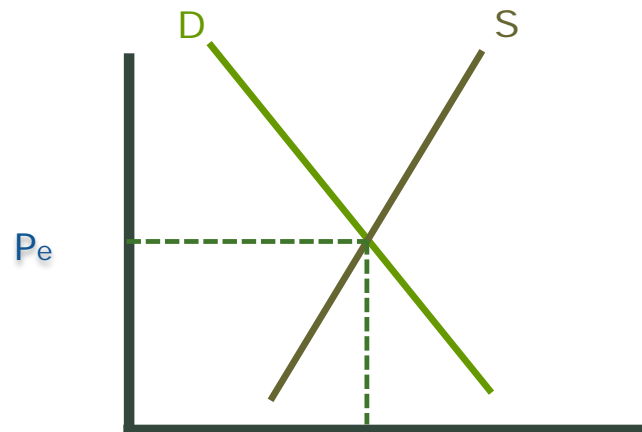


# WHAT'S IN A PRICE?

## For non-economists

- Supply and demand interaction
  - *Short-term impact, often unstable*
- Consumer tastes and preferences
  - *Medium-term impact, gradual but more stable changes*
- Costs and technical progress
  - *Long-term impact, linked to investment*

## For economists

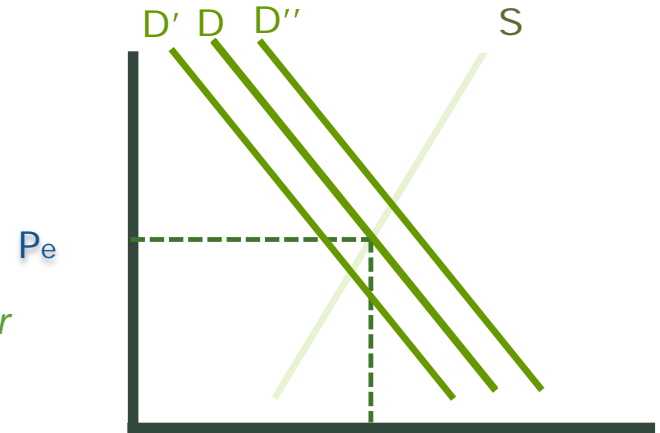


# THE DEMAND SIDE

For non-economists

- Consumption declines in some sectors
  - *e.g. red meat in developed world (D')*
- Consumption increases in some sectors
  - *e.g. all meat in emerging economies (D'')*
- Demand shifts and «shakes»
  - *Food globally up, but tastes and preferences globally differ*

For economists

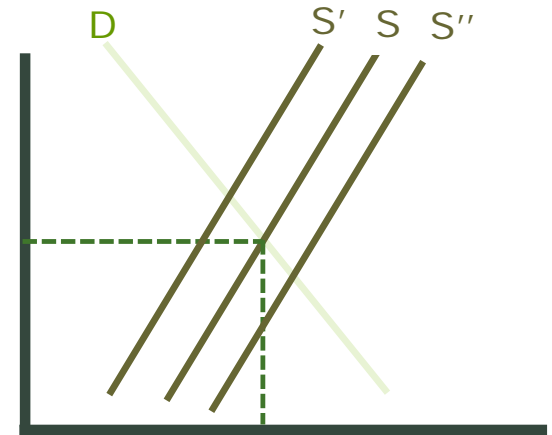


# THE SUPPLY SIDE

## For non-economists

- Factors increasing production costs
  - *Environmental, climate, food safety and health standards (S')*
- Factors decreasing production costs
  - *Precision farming and better management (S'')*
- What **net** effect in supply?
  - *Depends on adoption of new **technologies and best practices***

## For economists





# THANK YOU !

## #AgriOutlook

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