

## AGTECH: EXECUTIVE SUMMARY

- ❑ The US\$6.5trn Food & Agriculture sector is accelerating the adoption of new technologies, to increase efficiencies in the face of rising constraints (land, water, energy ...)
- ❑ This pressure is unlikely to abate as the world's population is expected to consume 70% more food by 2050
- ❑ The food value chain is particularly complex (inputs, operations, by-products, output) and presents broad scope for innovation
- ❑ While historically “technology” in farming has related to themes such as mechanisation, GMOs, AD ..., “AgTech” most commonly refers to the adoption of IT and “smart” technologies/practices as well as biotechnology
- ❑ Led by Food eCommerce, investment activity has been broad across subsectors – precision agriculture (smart irrigation, drones ...), bionutrients, indoor farming, sustainable protein
- ❑ Different regions are prioritising different AgTech to address their particular contexts; the US has led AgTech investing and investors, but Europe looks set to catch-up given its traditional strengths in food & agriculture
- ❑ Dedicated food/agri funds have led the investing charge; now, generalist cleantech funds are targeting the sector as they broaden their “sustainability” criteria
- ❑ Most relevant corporates in the Food & Agriculture space are active in engaging with the AgTech start-up community
- ❑ VC/PE interest and investment in the AgTech sector has surged 2012-2015, with a risk of a bubble in certain subsegments