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Increase food production or protect the environment? Modern farming can do both

[\(Study Download\)](#)

- **In 2050 there will be 10 billion mouths to feed but the availability of arable land is falling all the time**
- **The modern agriculture industry is turning to new hardware and software to respond to the challenges facing it**
- **The market for precision farming will grow almost 13 percent per annum through 2021**

Munich, October 2019: The key function of the agriculture sector is to guarantee the supply of food in sufficient quantities, which means that it will need to feed 10 billion people by 2050, according to the UN's figures. Yet today's farming methods and climate change are destroying arable land, which jeopardizes harvests in turn. But modern technologies can help: digitalized systems can detect disease in farm animals at an early stage, for example, or enable farmers to spray fertilizer exactly where it needs to be, measures that can improve operating performance all round.

Smart management systems not only minimize business risks, they also protect livestock and the environment. Precision farming is therefore a growth market that is set to increase in volume by nearly 13 percent a year in the period leading up to 2021. These are the findings of the new Roland Berger study, *Farming4.0: How precision agriculture might save the world* ([Download study here](#)). "The technological change facing the farming

industry is less of a focus for the public at large, but it's just as radical as the transformation taking place in the automotive industry," says Wilfried Aulbur, Partner at Roland Berger. "But every individual can make a contribution: by living a sustainable lifestyle now, for example by cutting the amount of waste we each produce, we can all help ensure that we have a future worth living for.

Climate change threatens farmers' financial basis

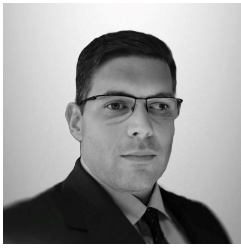
Climate change is having a negative impact on arable land, leading to declining crop yields and pushing up the cost of farming. Agricultural businesses are having to borrow more as a result, and the threat of bankruptcy is very real.

At the same time, consumers and legislators alike are calling for more sustainable and efficient farming methods. Modern farming enterprises need to invest in new hardware and software solutions in response. "Many farmers are traditionally risk averse and lack the financial resources to drive the transformation alone," notes Wilhelm Uffelmann, Partner at Roland Berger. "That is why they need to involve partners from other parts of the value chain in their transformation, such as agricultural machinery makers." The entire logistics chain must also be readjusted accordingly.

Cooperation is particularly important here – both with other agribusiness firms and with innovative startups. Because one thing is clear, says Uffelmann: "By failing to modernize, farmers will be jeopardizing their position in the market."

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Contacts



Raphael Dörr

Press Contact

Head of Corporate Communications & PR

raphael.doerr@rolandberger.com

+49 89 9230 8792



Silvia Constanze Zösch

Press Contact

Press Contact Global PR

silvia.zoesch@rolandberger.com

+49 89 9230 8750