



The IoT and AgTech Summit 2016



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Why AgTech?

KPMG AgTech leader and head of markets Ben van Delden said that the question for Australian agribusinesses, and for governments that depend on this industry to feed people and generate over \$43 billion of export earnings, is: Do we want to be builders, buyers or bystanders in the AgTech market?

AgTech – digital technologies that provide the agricultural industry with the tools, data and knowledge to make better on-farm decisions and improve productivity and sustainability – presents an exciting opportunity, in both how it could transform agriculture and the type of jobs associated with it, as well as what it can offer in its own right as an export industry.

According to van Delden, Australia needs to act quickly or risk being left behind by the rapid pace of technology advancement occurring in other countries such as the UK, Israel, USA and Canada.

“While the Australian agriculture industry has been innovative in the past, it has inherently been a latent adopter, as most digital technology is imported,” he said. “What we need is a major mindset shift to align our focus and commercialise our research capability in yield optimising technology and accelerate take up on farms.”

Closer to home, New Zealand has made a concerted effort to engage the agri-ecosystem through a combination of practical Government programs, quality research and investors; which has accelerated AgTech activity. The USA continues to dominate the global AgTech market through its established investor/startup community, network connectivity, significant investment in research and development and active government subsidies.

Israel is another global leader in agricultural development, spurred by the necessity to innovate in order to survive. Israel is achieving record levels of productivity across many crops, thanks to its strong technology sector and the situational context of having to produce sustainable food supply chains in a desert-like environment.

Canada is setting the sights of its strong investor community on AgTech off the back of the government’s recently released Innovation Agenda. AgTech investment funds are backing the development of AgTech solutions in foreign markets to bring early adoption opportunities to Canadian food producers.

Australia, with its proud history as an agricultural nation, as well as its many strengths in research, active industry engagement, and the Government’s recent National Innovation and Science Agenda, is poised to reap the benefits of AgTech.

“We need to incubate a concerted Australian AgTech focus now to achieve the National Farmers’ Federation’s goal to almost double the value of agriculture to a \$100 billion industry by 2030,” van Delden said.

“By focusing on AgTech we would attract more technology startups to develop solutions to improve agricultural yields and new export markets for Australia, contributing billions to the economy and attracting foreign capital. The global market for agricultural technology is projected to be US\$189 billion between 2013 and 2022.

“AgTech will create new jobs and could also contribute significantly to reducing Australia’s 4 million tonne/\$8 billion to \$10 billion food wastage problem, and lower the environmental impact by reducing the amount of applied chemicals and fuels used in production.

“The time is now to make the most of the opportunities and to do this we need to move from critically reviewing the challenges to charting the course we want for the future. We must mobilise Australia’s AgTech ecosystem to secure our share of the hottest emerging market in agriculture.”



Visit the [KPMG website](#) to watch our video on 'The state of AgTech'.



Read *Powering Growth: Realising the potential of AgTech for Australia*, a new report co-authored by KPMG, commissioned by StartupAUS and supported by the Commonwealth Bank and the Queensland Government. This report provides the most up-to-date snapshot of Australia’s AgTech including an overview of government, research and investment activities plus case studies of AgTech startups. The report also critically reviews the challenges, and makes a series of recommendations on how to take advantage of key opportunities that AgTech provides for Australia.