Thank you for your introduction Bent – tusen tack.

Elected representatives, ladies and gentlemen, it's a pleasure to be with you here today.

Visiting the Danish Food Cluster has been a real eye-opener. In my role as European Agriculture Commissioner, I often speak about the need to develop an **agriculture policy fit for the 21**st **Century.** This is the joint challenge for all of us – policymakers, public and private sectors, and of course the most important group of all: **farmers themselves.**

An agriculture policy fit for the 21st Century will not be built overnight.

It will be built through developing trust and cooperation between local and global partners.

It will be built through a respect for the traditions of the past, married to the fearless adoption of modern innovation and scientific progress.

It will be built when we place farmers at the heart of solutions, rather than identifying them as part of the problem.

It heartens me when I encounter centres of excellence like the Danish Food Cluster – because they show me that many of the building blocks are already in place.

Events such as this one are important milestones on the journey, and I am grateful to IFAMA Europe for taking this initiative.

I warmly welcome your engagement, and I have read with interest the paper by **Edwin Lambregts** and **Stephanie Wagenaar**, analysing the European Contribution to Solving Global Challenges in a Changing Food Landscape.

<u>I'd like to sketch out for you what the EU is doing to fulfil its promise of being a true global leader in this area.</u>

I will provide you with an overview of the work already underway, at home and abroad.

I will outline some of the options for the future.

And I will highlight some of the lessons we have learned along the way.

Above all, I want to hammer home the point that this conference is falling at a fortunate moment. In the past 7 months, I have participated in a significant number of important international meetings, such as the COP21 Climate Agreement in Paris, and the G7 and G20 agricultural ministerials. In all of these gatherings, one message rings loud and clear: agriculture policy is back on the agenda.

Policymakers at all levels are returning to the idea that real, rules-based cooperation is the only way that farmers and rural areas can play a full part in solving our shared global challenges.

In Europe, where we have been refining and reforming our Common Agricultural Policy for many decades, we know all about how difficult this process can be. That's why we feel we're in a good position to lead from the front.

Let's start with the background.

As global population growth increases, the world needs to produce more food, and better food. In the 21st Century, with our wealth and our technology, no-one should have to experience systematic hunger.

The EU has a commitment to achieve the Sustainable Development Goals adopted by the UN last September. These provide a global framework against which all signatories have to deliver, not only on the most obvious **goal to 'End Hunger'** but also on other goals addressing sustainable consumption and production, climate change and land management. Our aim is to ensure sustainable food and nutrition security through sustainable food systems.

There is also a clear and rapidly growing awareness of food choices and their impact. More people than ever are selective about the food they eat, from a nutritional point of view but also in relation to the economic and environmental impact of their consumer choices.

People understand that population growth will put even greater pressure on our environment and resources. So the way we talk about food, and the way we produce food, has to change accordingly.

Indeed, it is already changing. I would like to pay tribute to the farmers and agri-innovators in Denmark and across Europe who are driving this change. They are delivering on the societal goals of food security, food safety and quality, in the EU and abroad. They are achieving this whilst protecting the environment and being more resource efficient.

There is no great secret to how this is done. It is the end-product of smart women and men using their experience and expertise to innovate and find new solutions.

We overuse these buzzwords, I admit, but <u>research and innovation</u> remain the keys to empowering the whole agri-food chain to deliver on the above mentioned goals. In so doing, they will improve the prospects of the EU agri-food sector and rural areas as a whole.

Only knowledge can build more competitive and sustainable agri-food systems.

But we must acknowledge that we have fallen behind on our targets for research and innovation in the agri-food sector. We have allowed it to become a lower priority.

There is evidence that the links between research, farmers and industry are still too weak. Too many innovations are still not being transformed into practical tools, and too many research questions from the sector remain unanswered.

Agricultural knowledge and innovation systems need to be made more efficient and interactive. And the same goes for food innovation.

Let me remind you about the initiatives which already exist in Europe:

Research and Innovation is a key priority, both in my mandate as Commissioner for Agriculture and Rural Development, and for the Commission as a whole.

The importance of agri-food research has been recognised and understood. As a result, it is at the heart of our policies and investments.

We have taken a number of important steps towards restoring agri-food research and innovation to priority status:

In 2013, the EU doubled its investment in the field under Horizon 2020, the EU programme for research and innovation.

Just before that, in 2012, the European Innovation Partnership for agriculture productivity and sustainability (known as EIP-AGRI) was launched to bridge the gap between research and practice. I am very pleased that the EIP-AGRI has been taken up so widely by EU Member States and regions in their new Rural Development Programmes.

Farmers and food industry must be empowered to embrace research and innovation, working in collaboration with scientists and investors to generate knowledge from the earliest possible stage. The EIP-AGRI provides a promising vehicle for achieving this goal.

Both the operational group approach under EIP-AGRI and the multi-actor approach under EU research policy will enable bottom-up ideas to develop from the agri-food sector. This will make the solutions more ready to use and speed up the acceptance of results within the agri-food sector.

We all know that research takes time; there can be huge gaps between an initial idea or discovery being transformed into an innovation.

That is why taking a long term, strategic approach to research and innovation is crucial. Research has to cater for present, immediate needs – such as improving competitiveness and developing new products and processes - but it must also anticipate future needs.

For this reason, one year ago we launched the process of building a long-term strategic approach to EU agricultural research and innovation. A second draft of this strategic document was discussed in January this year at the two-day conference ""*Designing the path: a strategic approach to EU agricultural research and innovation*" where over 500 people participated. The final conference reports are finalised and available online.

I noted that the IFAMA report attaches great importance to data and technology. I agree with this emphasis.

I have been on record as saying that in this era of hyper-connectivity, where the pace of technological innovation is proceeding faster than ever before, agriculture has not yet caught up with the "digital revolution".

Smart and digital agriculture holds massive potential for a more productive, competitive and sustainable EU farm sector. Solutions already exist with the potential to significantly improve resource efficiency, animal health, carbon footprint, and farmers' position in the supply chain.

The new CAP provides EU Member States with a number of instruments to drive the growth of smart farming or precision agriculture.

Several measures support Member States and Regions to develop precision agriculture in their Rural Development Programmes.

There is €3.6bn available at EU level between now and 2020 to fund synergies between Agriculture and Research, via Horizon 2020 and the European Innovation Partnership for "Agricultural Productivity and Sustainability", or "EIP-AGRI".

Around 64 million will be dedicated to precision farming and digital technologies in the agriculture sector under the current Horizon 2020 Work Programme 2016-2017.

Under this Work Programme, 30 million euro will be invested in the implementation of an Internet of Things Large Scale Pilot on "Smart farming and food security".

This Large Scale Pilot is expected to be an important instrument that will foster experimentation, replication and real-world deployment of Internet of Things technologies in the agriculture domain.

And just as importantly, it prioritises interoperability between these new technologies and plots a course for future European market adoption.

I would also remind you that farming and agri-business goes beyond providing food and feed. Future declines in the supply of fossil fuels, and the impact their extraction and use have on the environment and climate, emphase the necessity of replacing non-renewable with renewable resources.

This has led to an increase in demand for agricultural raw materials for the non-food sector.

These new markets provide job and income opportunities for agricultural holdings, including smallholders, forest owners and related sectors.

Indeed, beyond food and other traditional uses of biomass, for example pulp and paper, agriculture and forestry also contribute to produce **new bio-based products.**

This could mean biochemicals such as biolubricants or biosolvents;

It could mean **ecosystem services** such as soil carbon sequestration.

It could mean biomaterials such as bioplastics or biopolymers;

And It could mean bioenergy such as biogas and biofuels.

The potential of the so-called bio-economy and circular economy is huge.

These are some of the steps we are taking at home.

But we must not ignore the broader, global dimension to our work.

The acute and intertwined challenges of global food security and poverty cannot be ignored, and smart policies are needed in this area, too.

The focus must be on Africa. Demographics indicate that the continent needs to be creating 17 million new jobs per year. Over 350 million young Africans already born – greater than the population of the US – will reach employment age in next 15 years.

Two thirds of these come from rural areas: poverty and food insecurity will drive them to cities and migration unless they have better prospects at home.

Our challenge therefore is to assist in the creation of good jobs in farming and rural areas. This will require increased use of technology. It will require the formation of new partnerships, groups and cooperatives. And it will require a massive increase in the use of technology, and data in particular.

As well as using data, farmers produce data: feedback from farms in relation to growing conditions, rainfall patterns, and disease spread, produces massive quantities of valuable data: farmers must share in the benefits of the Big Data revolution.

Smart use of big data will assist agriculture to face the major challenges of climate change, pressures on usable water and soil, as well as infrastructural and marketing needs. It will help to reduce the shocking statistic that 30% of food produced globally is wasted. The World Bank has made the striking observation that if food waste were a country it would be the fifth biggest in the world!

The EU is playing its part, and has provided massive investment in the African agricultural and agrifood sector.

EU Development funding has prioritised agricultural and food security and many programmes are being rolled out across the continent.

Earlier this month the Commission launched a new migration policy and fund, with an emphasis on addressing the root causes of irregular migration. It recognises the clear fact that the rural and agrifood sector has the capacity to create the jobs and growth on the scale needed. And the private sector needs to be mobilised as never before to invest in these changes.

It is time to implement our undertaking at Valletta to facilitate responsible private investment in the agri-food sector.

At global level, we are seeing a convergence of views on the importance of agricultural policy as a driver of development and growth. Both the G7 and G20 have begun to make meetings of agricultural ministers a regular feature. The recent G7 agricultural ministers meeting decided to set up a specific forum to track policy on agribusiness investment.

The EU has been cooperating on agricultural policy development with the Africa Union for several years. Our determination to galvanise the private sector and foster growth and trade is in lockstep with African Union policy.

Conclusion:

Ladies and gentlemen, I'd like to conclude by coming back to the question of agriculture policy. With a renewed interest <u>in</u> and commitment <u>to</u> strong agricultural policies at international level, we can say with confidence that we're in the right place at the right time here today.

We need to have these discussions in detail, and we need to be honest about the scale of the challenges ahead.

But we can take encouragement and inspiration from the great work being done in the Danish Food Cluster just down the road. And it is one of many such centres doing extraordinary work. Now it is

vital that we move to the next stage of cooperation, which means building the structures and the policies to ensure all these centres work together towards the same goal.

Making agriculture policy is not sexy. It doesn't grab many headlines. But it can deliver real results – not just for farmers and rural areas, but for society as a whole, and indeed for the planet itself.

This has been our experience in Europe with the CAP over the past 5 decades. A strong, deep and well-funded agriculture policy can make a real difference. Let us together build such a policy for the 21st Century.

Thank you.