

**East of
England**
FARMING
CONFERENCE
2015



Sir Peter Kendall
Chairman of AHDB

What future for British Farming

Peter Kendall
Chairman, AHDB

Being the best.....

Farmers Weekly Awards 2015: Dairy Farmer of the Year

Peter and Di Wastenance: Wastenance Farms, Budleigh Salterton, Devon

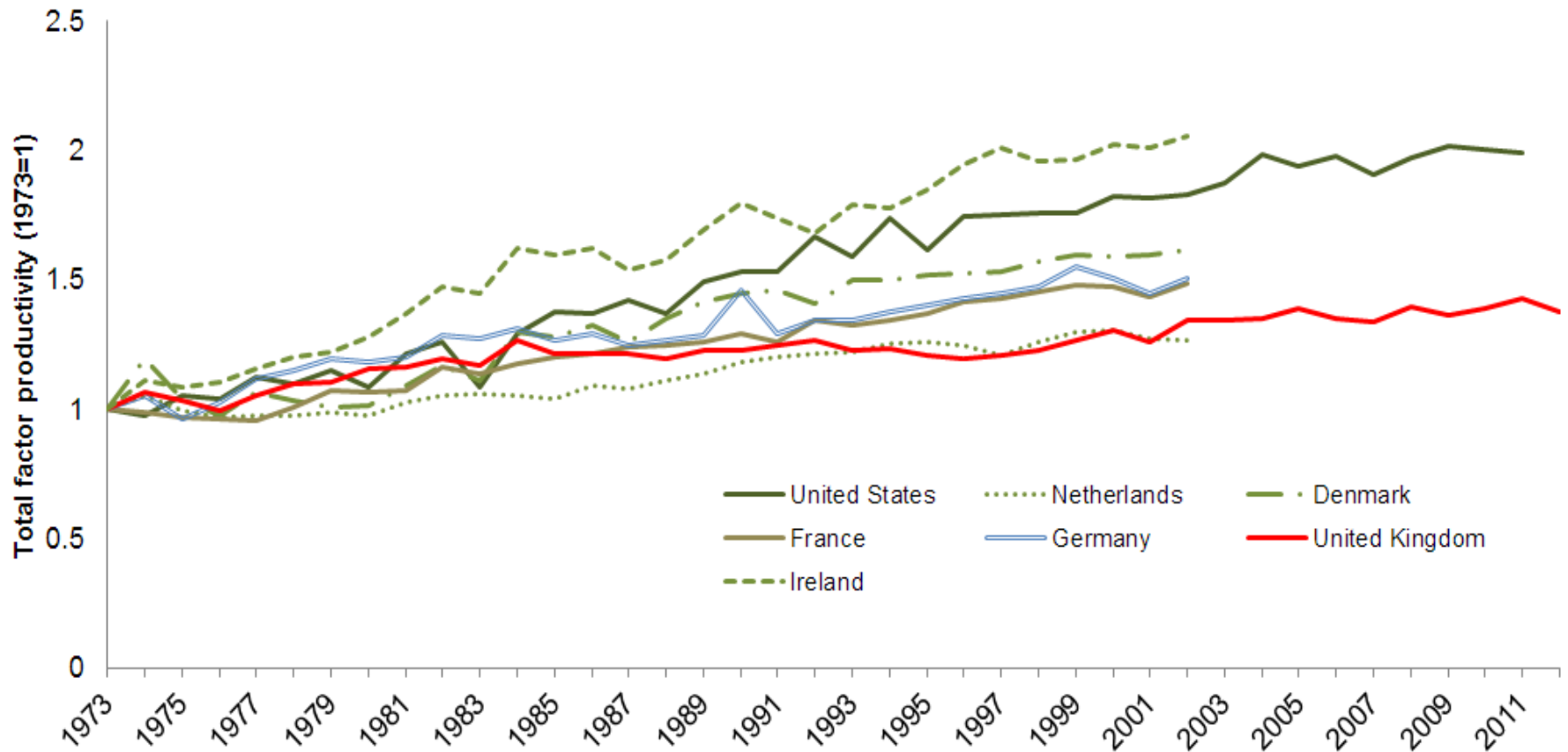
Winning ways:

- Impressive business acumen and growth
- Passion for the industry
- Development of staff and new entrants
- High profitability



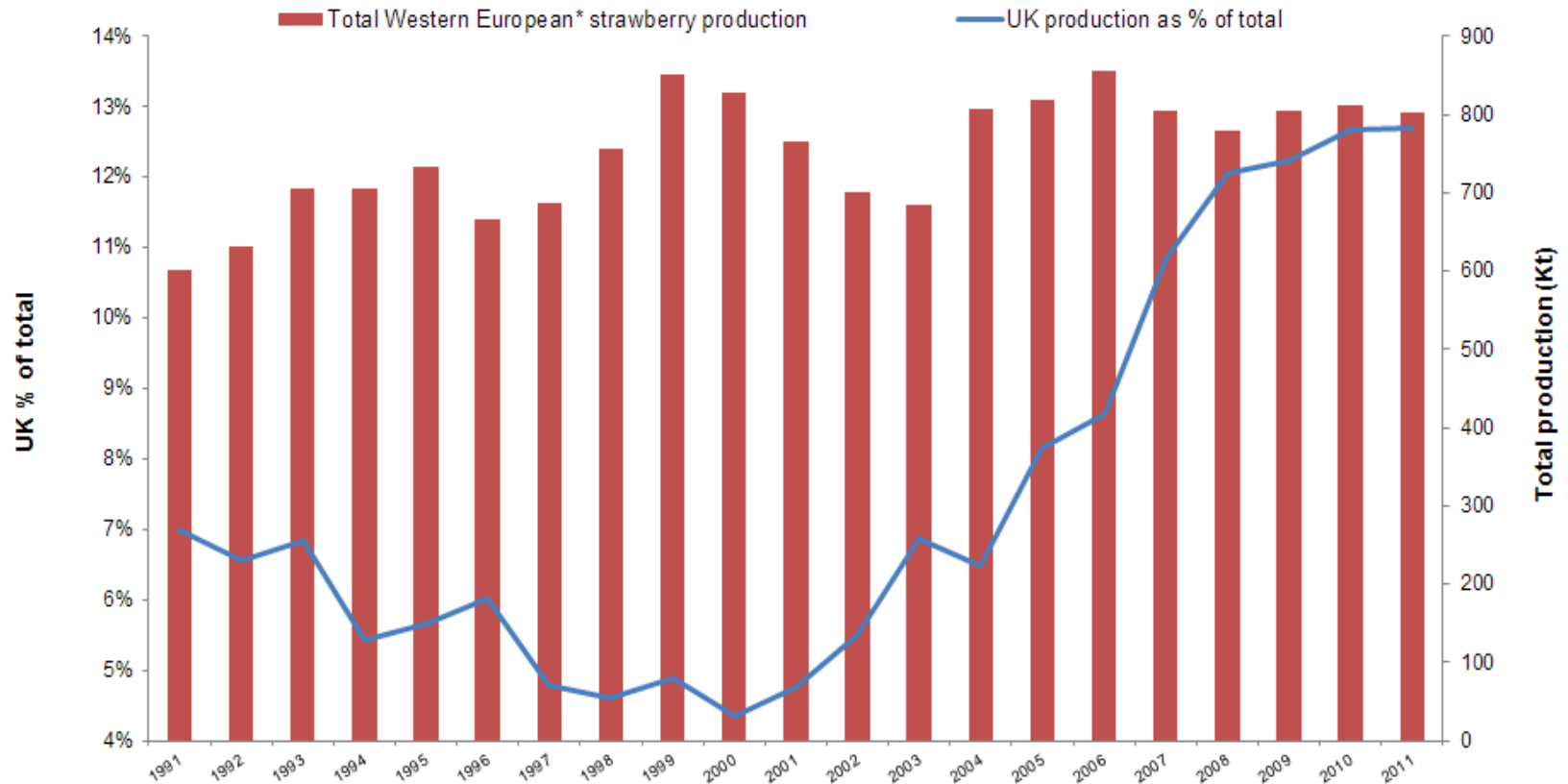


Productivity growth of UK agriculture has been low compared to international competitors



Source: Eldon Ball et al/Defra

Strawberries



*Includes: UK, France, Germany, Denmark, Netherlands, Ireland, Spain, Italy, Portugal, Belgium & Luxembourg

Source: Eurostat, National Statistics Agencies

CCTV NEWS

PARIS LIVE

COMBATING CLIMATE CHANGE

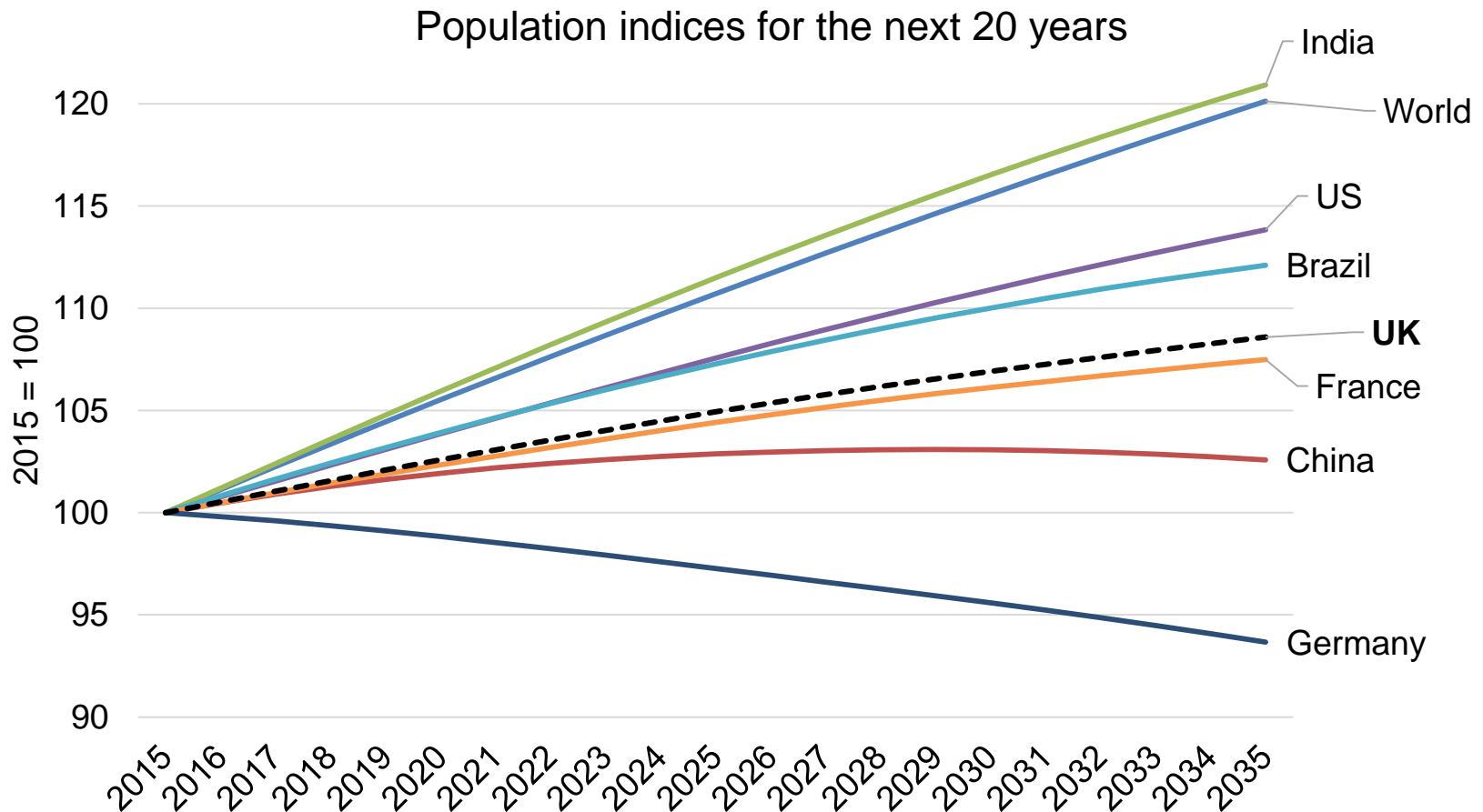
US President Obama addresses COP21 meeting

GLOBAL
CHALLENGE

..., YouTube, Weibo, Wechat, Tumblr and Google+. For more news, download CCTVNEWS APP, and follow @CCTVNEWS

Demand growth inside our own doorstep

- But, competing with imports will be key



Global middle class becoming more dominant: 27% in 2009 Vs 58% in 2030

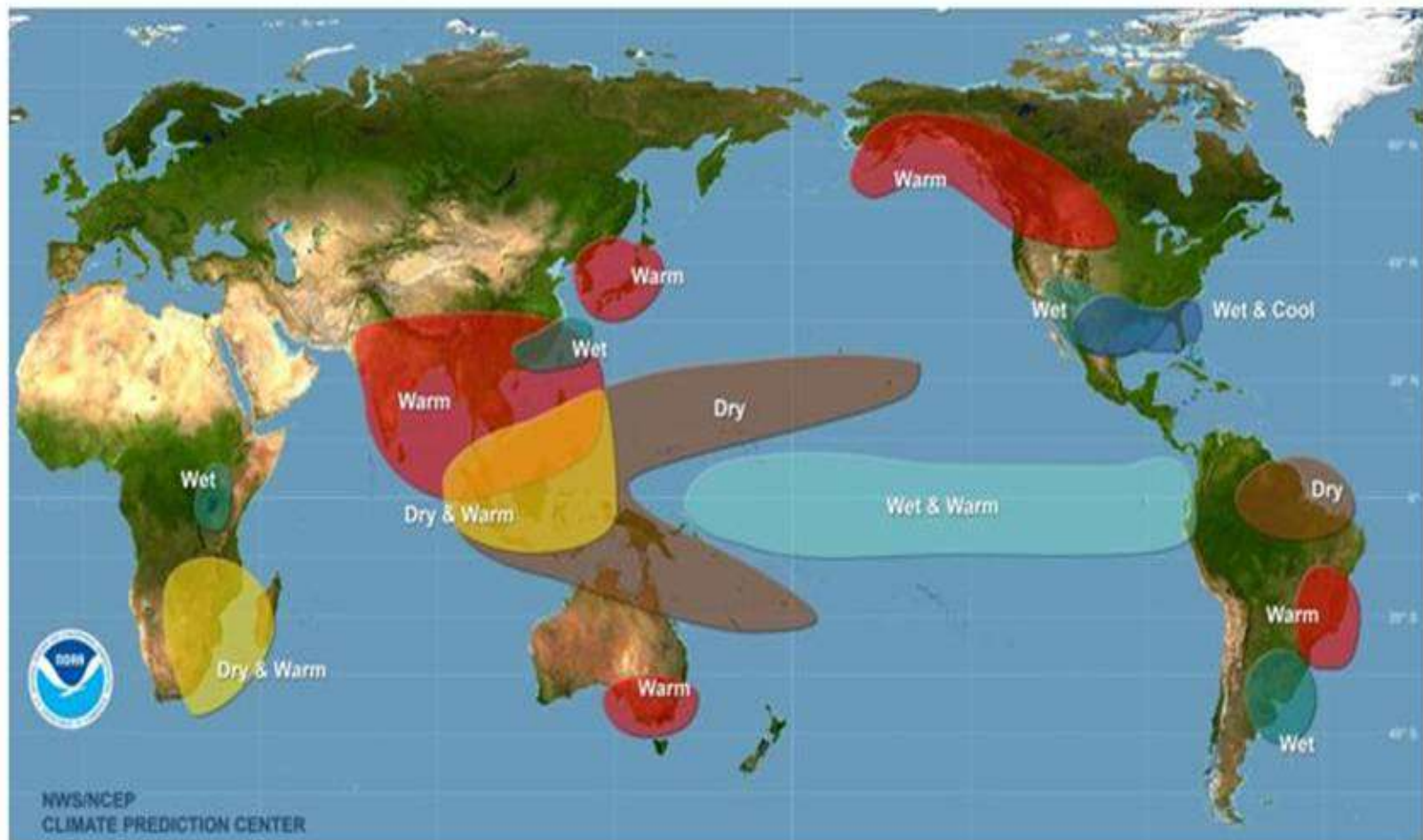
*Table 1: Size of the Middle Class, Regions
(millions of people and global share)*

	2009		2020		2030	
North America	338	18%	333	10%	322	7%
Europe	664	36%	703	22%	680	14%
Central and South America	181	10%	251	8%	313	6%
Asia Pacific	525	28%	1,740	54%	3,228	66%
Sub-Saharan Africa	32	2%	57	2%	107	2%
Middle East and North Africa	105	6%	165	5%	234	5%
World	1,845	100%	3,249	100%	4,884	100%

Source: Brookings Institution

The Middle class is defined as those households where income is between \$10 and \$100 per person per day

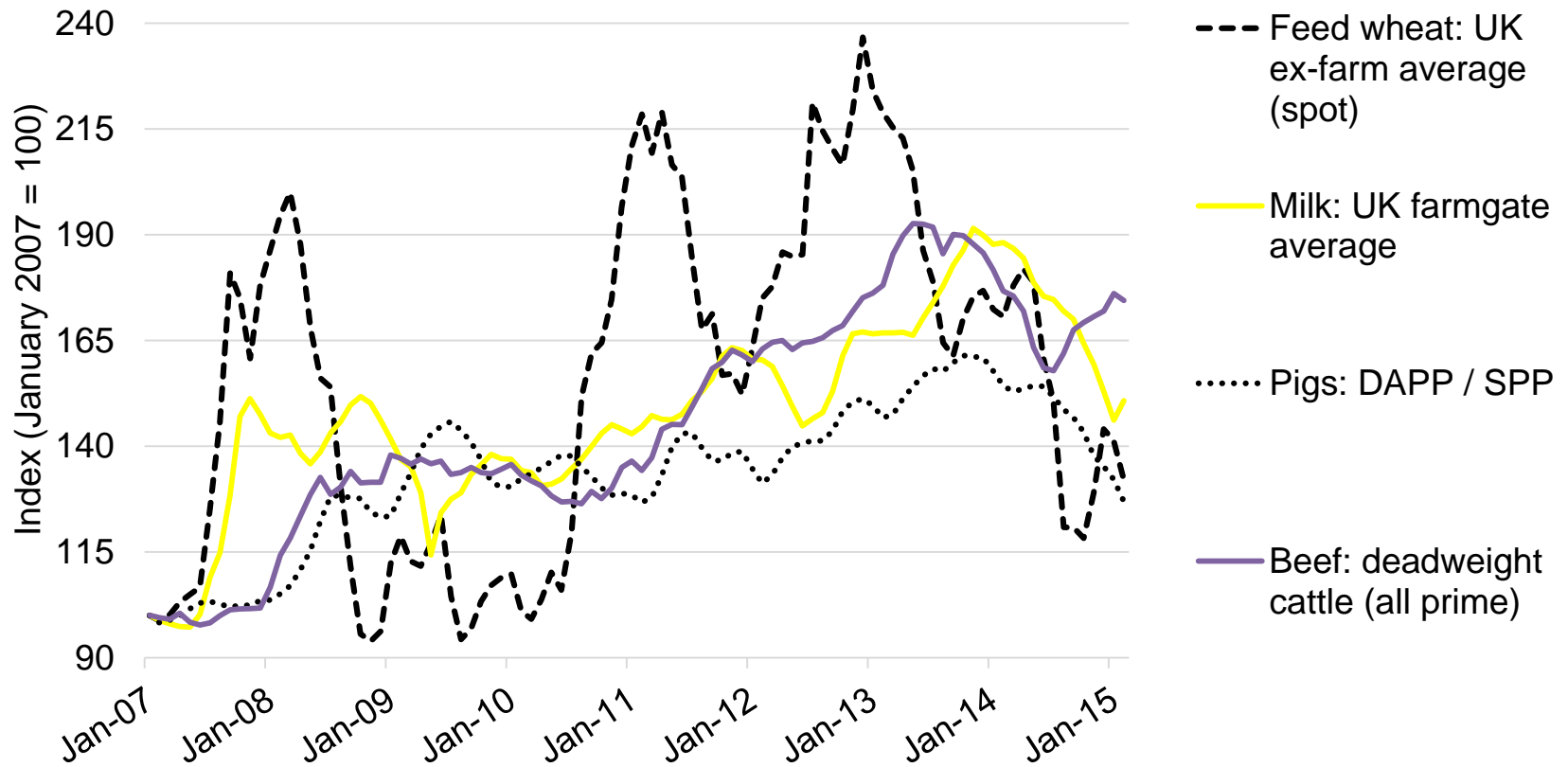
El Niño weather impacts



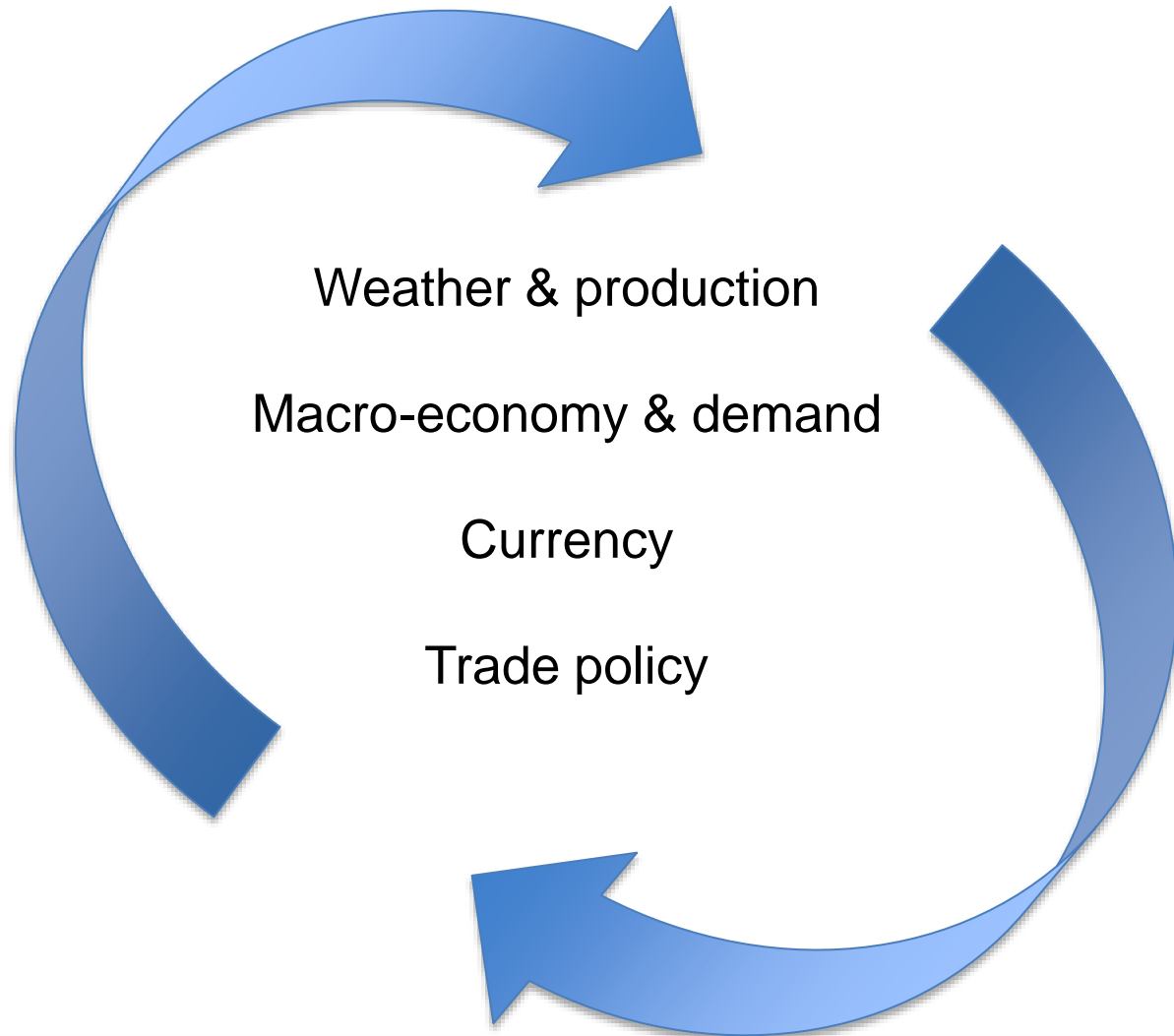
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Source: NOAA / National Weather Service, Climate Prediction Centre

If only prices worked in straight lines as well!



The commodity cycle



AHDB's role in dealing with volatility

Our purpose is to equip levy payers with independent, evidence-based information and tools to grow and become more competitive and sustainable.

Volatility management requires a long-term focus

(not just when prices are low)

Volatility management themes
(no rapid fire silver bullets)

Forward
contracts

Derivatives

Strategic
business

Formula
pricing

Co-operation
and
integration

Government
backed

AHDB Volatility Forum launches in January 2016

Key objectives:

1. Broaden and deepen industry knowledge/debate on volatility management with a long-term focus.
2. Identify barriers to uptake and explore new opportunities.
3. Knowledge sharing between commercial, policy and academic circles to inform AHDB activity scoping.



Chair:
Gwyn Jones
AHDB Board member
and dairy sector chair.



AHDB technical lead:
Jack Watts
Lead Analyst
**AHDB Market
Intelligence**

Want to get involved?

Email: jack.watts@ahdb.org.uk

What future for British farming

- **More innovative**
- **Attracting the top students to an exciting industry**
- **Understanding and responding to consumer demand**
- **Recognising and managing the commodity cycle**
- **Ambition to be the best through continuous improvement**

Thank you