According to the machinery industry in Europe, 70 to 80% of new farm equipment sold now has some form of PA component technology inside. There are 4,500 manufacturers, producing 450 different machine types with an annual turnover of €26 billion. The sector also employs 135,000 people.

**Most influential trends affecting farming practices and structures through 2030**

- Precision Farming: 60%
- Automation: 44%
- Consolidation: 40%
- Professionalism: 36%
- Labour shortage: 28%

In Europe, Precision Agriculture (PA) and the integration of digital technology are set to become the most influential trends in the sector, as a growing number of farmers start to adopt digital technologies to run their businesses.

FARMING 4.0: THE FUTURE OF AGRICULTURE?

Rising demand for bigger yields and higher environmental protection has put pressure on the agricultural sector to “produce more with less”. Smart farming or “farming 4.0.” could hold the key.
However, the uptake of Precision Farming in Europe is still very low. For instance, only 35% of new fertiliser spreaders are sold with a precision weighing instrument included, essential for adjusting quantity and direction of spread.

Precision Farming can potentially help farmers produce higher yields, less crop damage and fewer inputs such as water, fuel and fertiliser. The European Joint Research Center estimates that PA can make a huge CO₂ saving contribution in European agriculture until 2030.

These technologies are still expensive to most farmers, especially for the smaller ones. Europe is also facing an ageing workforce on farms, and the introduction of new technologies could result in a “two-speed” EU agriculture.

In many EU rural areas, Internet access is limited and this holds back the use of big data.
The EU is pushing for a digital revolution within the agricultural sector by supporting specific schemes and offering financial incentives to farms.

But industry believes that costly compliance with EU legislation will hamper future innovation. According to industry, nearly one third of the price increase of a tractor in the last 15 years can be attributed to comply with new EU legislation.

Regulatory cost & price increase for tractors in Spain

Sources: ANSEMAT, CEMA, Eurostat, Boston Consulting Group, EcAMPA 2 report - Joint Research Center, Spanish Ministry of Agriculture