

Heifer Africa's New Report Shows Impact of Innovation, Catalytic Financing on Youth Job Creation and Farmers' Incomes

Heifer Africa's new report unveils groundbreaking findings, highlighting the role of technology in driving agricultural transformation.

NAIROBI, KENYA, March 20, 2024 /EINPresswire.com/ -- [Heifer International](#), a global nonprofit working to end hunger and poverty through sustainable farming, on Wednesday, in Nairobi, Kenya, released a report highlighting how tens of thousands of smallholder African farmers have seen their livelihoods transformed by a tech-driven mechanization initiative.



Heifer Africa's Mechanization Initiative improves smallholder farmers' incomes

The report, titled 'Mechanization for Africa: Innovative Financing for Agricultural Transformation and Youth Job Creation', examines the role and benefits of agricultural innovation,

“

As this report shows, access to affordable tractors increased incomes of smallholder farmers by 227% within the beneficiaries' pool”

Adesuwa Ifedi

mechanization, and catalytic financing in empowering smallholder farming communities in Africa while creating new opportunities in agriculture for Africa's youth population.

It showcases how Heifer's support and investment in innovation and youth catalysed the expansion of an agritech initiative to power large scale affordable access to tractors for smallholder farmers. The resultant increased mechanization spurred enhanced productivity, leading to

improved livelihoods for smallholding farming communities across the pilot countries in Africa.

“Smallholder farmers are the backbone of Africa's food systems, accounting for up to 80 per cent

of food production in sub-Saharan Africa,” said [Adesuwa Ifedi](#), Senior Vice President, Africa Programs, Heifer International. “Equipping them with the right tools and resources, including appropriate and sustainable mechanization, is essential for increased productivity.

As this report shows, access to affordable tractors increased incomes of smallholder farmers by 227% within the beneficiaries’ pool, leading to not just enhanced productivity, but a plethora of critical transformational pathways – increased inclusion, an energised ecosystem, and job creation for Africa’s energetic youth.”



Panelists at the launch of Heifer's Mechanization for Africa Report

Impact summary

Key findings of the report include the value of catalytic financing and partnerships to scale innovative agricultural solutions, as well as the effect of affordable mechanization on improved agricultural yields, labour efficiency, and household income for smallholder farmers. The importance and advantage of incorporating local contexts, farmer needs, and gender equity into new technologies is also emphasized.

The report reveals that the initiative provided service to 21,048 smallholder farmers in need of mechanization services in the three pilot countries of Nigeria, Kenya, and Uganda, as of December 2022. A total of 104 farmers became tractor owners through a Pay-As-You-Go (PAYG) model. The project also created 368 direct jobs for youth serving as booking agents, tractor operators and technicians, and 784 indirect jobs across target communities.

Heifer - Hello Tractor Partnership

Heifer partnered with Hello Tractor to launch a Pay-As-You-Go (P.A.Y.G) tractor financing service to facilitate affordable tractor rental services to smallholder farmers via a tech platform that enables ease of access for beneficiaries, ease of monetization and for tractor owners, and overall effective monitoring.

Hello Tractor is an agricultural technology company that connects tractor owners to smallholder farmers in need of tractor services. Hello Tractor works like the ride-hailing service, Uber, using Internet of Things (IoT) technology via the Hello Tractor app.

The Hello Tractor app is a marketplace that enables smallholder farmers’ access to equipment,

while enhancing profitability for equipment owners and building technical capacity. The app works by identifying and listing equipment owners looking to rent, recruiting booking agents and establishing them as links between equipment owners and farmers' requests for equipment leasing. This information available on the app also provides financiers with the data and ability to calculate returns and measure results.

The AYuTe Challenge

Hello Tractor leveraged catalytic funding of US\$1M from Heifer Africa's Agriculture, Youth and Technology (AYuTe) Initiative to kickstart expansive operations. The Initiative is a catalyst for growth, combining grants with business development and ecosystem transformation initiatives to translate the energy and ideas of young African innovators into meaningful impact for African farmers. One of the pillars of the AYuTe Africa Initiative is an annual Challenge that awards cash grants to promising young agritech innovators and firms across the continent — professionals who are using technology to reimagine farming and food production in Africa.

With the grant in place, Heifer Africa and Hello Tractor co-designed a mechanization program to ensure maximum impact and sustainability. Heifer provided an additional US\$3.5 million in grant financing to pilot the model in three countries (Nigeria, Kenya, and Uganda). This grant financing further unlocked commercial capital of over US\$7M for increased tractor penetration and ecosystem development.

"The partnership with Heifer and Hello Tractor was the first of its kind," said Jehiel Oliver, Founder and CEO, Hello Tractor. "By injecting capital at the base of the pyramid and empowering traditionally unbanked entrepreneurs to become tractor owners, we are driving economic growth and transforming livelihoods. This investment has unlocked commercial capital for Hello Tractor and has contributed to the prosperity of our tractor owners and the thousands of smallholder farmers they serve every season."

Ms. Ifedi added: "The impact of this project, as shown in this report, has exceeded expectations; and we are happy to have catalysed the unlocking of commercial capital that Hello Tractor needs to scale this innovation. We encourage stakeholders, including policymakers, development organisations, and the private sector to join us to promote responsible and inclusive agricultural mechanization in Africa."

Heifer's commitment to advancing sustainable food systems and food sovereignty in Africa through youth-led, gender-balanced initiatives integrating innovative finance and technology is poised for significant expansion through heightened partnerships, such as the Heifer/Hello Tractor P.A.Y.G. mechanization program. Drawing on its extensive global experience and five decades of dedicated work in Africa, Heifer remains committed to reinforcing existing collaborations and forging new ones, leveraging this collective strength to achieve scalable and sustainable impact across the continent.

The mechanization initiative is currently being scaled across other countries on the continent.

The report can be accessed online at <https://ayute.africa/updates>.

=====

About Heifer International

Since 1944, Heifer International has worked with more than 46 million people around the world to end hunger and poverty in a sustainable way. Working with rural communities across Africa for nearly 50 years, Heifer International supports farmers and local food producers to strengthen local economies and build secure livelihoods that provide a living income. Heifer is currently operating in 19 countries across Africa, Asia and the Americas. For more information, visit <https://www.heifer.org>

Lantern Comitas

Lantern Comitas

[email us here](#)

Visit us on social media:

[Twitter](#)

[LinkedIn](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/697349042>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.