AGRI-HIRE IN SUB-SAHARAN AFRICA BUSINESS MODELS FOR INVESTING IN SUSTAINABLE MECHANIZATION

Abstract:

There has been a surge in the attention to sustainable agricultural mechanization for Africa. The importance of supporting agricultural mechanization in the value chain in order to achieve agricultural and rural development is well recognized. Therefore, it is vital to address the major challenge of ensuring that business models for mechanization hire services driven by the private sector (including farmers, cooperatives, and small and medium enterprises) are not only profitable, sustainable and inclusive for smallholder farmers and vulnerable community members including women and youth, but are also resilient to the effects of climate change. For a better understanding of how agricultural mechanization hire service provision can contribute to agricultural and rural development, this publication aims to (i) showcase a variety of business models of private-sector businesses providing agricultural mechanization hire services in Africa; (ii) identify success factors; and (iii) provide entry points for investment. The intended audience comprises policymakers, practitioners and financial partners working with sustainable agricultural mechanization in the value chain.