



A smallholder farmer using a tractor on her farm, acquired through the Hello Tractor mobile application. Photo Credit: Hello Tractor

Tractor sharing app breaks new ground for smallholders

By Murimi Gitari

THE success of Uber and Airbnb in transport and hotel industries offers lessons on the positive disruptions of the sharing economy.

But can the same success be replicated in agriculture?

Hello Tractor, an agricultural technology company, has broken considerable ground connecting tractor owners to smallholder farmers, increasing access to this important farm machinery at affordable costs.

The firm, founded by Jehiel Oliver, receives smallholder farmers' requests for tractor service on its booking agent app and pairs them with the appropriate tractor owners.

Justine Orutwa, the mechanization and IoT engineer at Hello Tractor, says the innovation has reduced the hiring inefficiencies that previously made it difficult for smallholders to access tractors and enabled tractor owners and manufacturers to expand their markets and reach new customers.

"Traditionally, this has occurred through word of mouth and poorly coordinated referrals: a friend of a friend knows a farmer in need of plowing and sends them to a tractor owner, cooperative, or hiring association that may or may not be able to deliver service," Orutwa says.

"Average farm sizes are under one hectare and plots span large geographies, making the coordination of tractor deployment difficult.

Scheduling and record keeping are done by memory or by hand, if at all. This results in an inefficient smallholder market that lacks economies of scale and is costly to service."

Tractor owners, he says, have also been grappling with high operational costs, fragmented distribution networks, and difficulty maintaining proper oversight across large serviceable geographies

"So far, we have connected over 3,000 tractors which are accessible to farmers within the tractor region. Through our platform, we have been able to service over five million farmers and we're looking to increase the number to 10 million," Orutwa says.

By expanding tractors' serviceable geography, Hello Tractor enables owners to grow their business, providing employment opportunities for service providers and rural booking agents. With equitable access to tractor services, smallholder farmers are now able to earn more and grow more, improving livelihoods and food security for their families and communities.

Hello Tractor currently has operations in 18 countries in Africa: Kenya, Nigeria, Ghana, Cote D'Ivoire, Sierra Leone, Mali, Senegal, Benin, Ethiopia, Uganda, Tanzania, Malawi, Zimbabwe, South Arica, Swaziland, Angola, Mozambique, and Rwanda.

It also has a presence in six countries outside Africa: India, Jamaica, Pakistan, India, Bangladesh and Thailand with plans to expand beyond these territories.

The company's farm machinery offerings include implements for hay mowing, hay baling, chaff cutting, silage as well as trailing.

It recently launched Hello Tractor Financing, a pay-as-you-go (PAYG) model that provides financing for



Smallholder farmers are trained on operating the tractors.
Photo Credit: Hello Tractor.

entrepreneurs who want to create jobs by capitalising on the demand for tractor services on Kenyan farms, but who lack traditional forms of collateral.

The PAYG model focuses on the revenue tractor owners can generate as opposed to the existing collateral in the hands of borrower like vehicle logbook or land tittle deed.

Three years ago, the company signed a deal to manage a fleet of 10,000 tractors supplied to Nigeria by John Deere. The tractors were to help bring nine million hectares of land into production, growing an extra 37 million tonnes of food and creating two million new jobs.

"While the rates of tractor availability in most emerging markets have increased over the last 40 years, the number of tractors per hectare of arable land in sub-Saharan Africa has declined. When tractors are not available, farmers cannot make full use of their land; either they will not fully cultivate their plots or parts of their crop yields will rot before they are able to be harvested," Orutwa notes. Tractor use also allows for field preparation, planting, and harvesting in a less time and labor-intensive way, enabling family members to pursue off-farm opportunities.

In 2021, the company won the AyuTe Africa Challenge award by Heifer International that recognises efforts towards expanding agricultural innovation technology in Africa. Orutwa says the company pumped the funds they received to the PAYG asset financing model.



Hello Tractor CEO Jehiel Oliver (right) poses for a photo with a farmer next to a tractor. Photo Credit: Hello Tractor.