

AGCO unveils innovative Farm in a Box initiative for Africa's rural communities

AGCO has launched an innovative Farm in a Box (FIAB) initiative for Africa at Germany's International Green Week, which will make it possible to farm mechanisation deep into rural communities. "With this brand-new concept, we aim to take farm mechanisation plus all its necessary support facilities deep into previously underserved rural communities in Africa," said Martin Richenhagen, president, chairman and CEO of AGCO.



Image Supplied.

FIAB offers a package of essential farm equipment including a tractor and implements together with the crucial support mechanisms such as parts, workshop tools, training and expertise to ensure sustainable and productive machinery operations. Some of the equipment is packed inside a box – a modified shipping container – which is then used as an office or workshop.

In sub-Saharan Africa, humans provide 65% of the power required for land preparation. Capacity-building and agricultural mechanization are a priority to facilitate food security and unlock the potential of small-scale farming in Africa.

AGCO's FIAB is an innovative solution for small-scale farmers to gain access to the machinery they need to transform their operations and achieve profitable businesses.

Designed to provide a holistic solution, FIAB is a localised farm support centre which delivers mechanisation services to rural communities. Research shows that demand for machinery is high in these remote areas but barriers such as affordability, availability, maintenance/repair services and inadequate farmer skills and training are hindering the uptake of mechanisation.

FIAB offers a 45-80hp tractor and implements - such as a ripper, disc harrow, trailer and planter - to carry out land preparation, planting and crop transport, plus parts and workshop tools for their service and maintenance.

Offering a 'for-hire' mechanisation service

The objective is to offer 'for-hire' mechanisation services to small-holder farmers, enabling them to reap the benefits of agricultural equipment without having to invest in capital assets. The package includes training programmes and support from a dedicated AGCO operations support centre which provides technical advice and guidance.

Importantly, FIAB takes maximum advantage of the latest telemetry and mobile technology to enable remote monitoring of the equipment and the use of mobile apps. This high level of monitoring, support and guidance from AGCO really sets the concept apart.

FIAB is an entrepreneurial platform and operates on a franchise model, with franchisees appointed and trained by AGCO and the in-country distribution partners. The franchise model helps build the capacity of small-scale enterprises and provides business opportunities for entrepreneurs, contractors and the many speciality agricultural supply stores – known as agro-dealers – present throughout Africa's rural areas. "The thinking behind FIAB is definitely outside of the box but the benefits literally come inside a box!" remarked Richenhagen. "It's a win-win situation for all participants."

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Acting as a localised hub of know-how and practical help, the franchise partner offers hire of equipment and drivers to local farmers and small-holders, enabling them to boost their crop production processes and output.

Furthermore, franchisees expand their businesses and provide potential new employment opportunities in the locality. Local communities benefit from improved economies as a result of the enrichment of the agricultural value chain. "With AGCO's wide-ranging experience serving African farmers, the company is uniquely positioned to develop innovative solutions to meet the challenge of sustainable and productive farming on the continent," said Richenhagen.

"There is an urgent need to empower the millions of smallholder farmers in Africa to ensure food security. Tailored, inclusive and integrated approaches to agricultural mechanisation can increase the welfare of farm households and create opportunities for economic growth in rural areas. Our Farm in a Box is yet another initiative fulfilling AGCO's commitment to 'Run Africa from Africa'."

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