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**Transforming Smallholder Agriculture through
Collaboration in Data and Data Sharing**

Shreejit Borthakur, Technology Lead at IDH

#ALE2023 #AgriFinALE2023

A woman with dark hair, wearing a white short-sleeved shirt, is smiling as she harvests tea leaves in a lush green field. She is leaning over a large, woven wicker basket. The background is filled with dense green foliage and trees. The scene is brightly lit, suggesting a sunny day. The overall mood is positive and industrious.

Chapter 1: Introduction

Overview of IDH and our Work in Data Sharing



IDH builds partnerships with businesses, financial institutions, governments and civil society organizations to ensure sustainability in global agricultural value chains.



Data is critical to our work, and we have several initiatives that support SMEs and smallholder farmers transition to data-driven agriculture.



In 2023, we worked with partners such as Rabo Foundation, ISEAL, IFAD, Netherlands Food Partnership to promote data sharing for smallholder agriculture.



Chapter 2: Why Data and Data Sharing?

Opportunities and challenges in today's agricultural data ecosystems

Leveraging data for decisions optimizes agricultural supply chains and has several benefits; at the same time data ecosystems are challenged today.



Farmers: improved productivity, reduced cost of cultivation, improved sales realisation, and reduced vulnerabilities;



SMES/Agribusinesses: optimized sourcing and service delivery, improved supply chain transparency, risk mitigation;



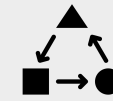
Financial Institutions: reduced risk of lending, increased lending to smallholder farmers and agribusinesses;



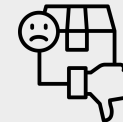
Agri-corporates: optimized sourcing, easier to meet compliances, lowered reputational risk;



Duplication and resource wastage



Limited interoperability



Poor data quality



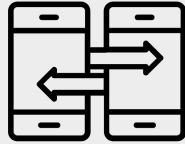
Farmer fatigue



Unclear data governance

Data Sharing: What can it unlock?

*Data-sharing in agriculture refers to a scenario where **two or more value chain actors** (which could include smallholder farmers) **share data** amongst themselves or publicly under a **set of binding principles and agreements**.*



*Such data sharing **allows** sector stakeholders **to reduce, reuse, and recycle** data, which reduces costs associated with data collection, management and analysis.*



- *Reduced service delivery costs;*
- *Increased service uptake;*
- *Better product and service design;*
- *Improved transparency along the supply chain;*
- *Reduced MEL costs.*

Practical use-cases on Data Sharing

Although few, our work has highlighted that there are indeed practical use-cases of data sharing. They can be classified into: Business first and impact first.

Business first:



Access to finance:

1. Barry Callebaut Advans Microfinance;
2. Agrocenta;
3. Several NBFCs in India;



Access to insurance:

1. Acre Africa;



Access for procurement and premiums:

1. Fairfood and Verstegen;



Advanced use-cases:

1. Sharing analysed data: Skymet/Satsure;
2. Data sharing amongst service coalitions.

Impact first:



Access to evidence for learning:

1. IDH's Salary Matrix;



Living income and wages:

1. Sectoral data platforms



Cross Cutting:

1. Open data platforms such as Agristack
2. IDH's Insights Hub data

A smiling man wearing a straw hat and a plaid shirt is talking on a mobile phone. He is standing in a field with a herd of brown cows in the background. The scene is set outdoors under a bright sky. There are green decorative shapes in the top-left and bottom-left corners of the image.

Chapter 2: Scaling Data Sharing: Call to Action

Roadblocks to scaling Data Sharing

There are several challenges that prevent data sharing from scaling

Cross-cutting challenges



Limited understanding of business case;



Restricted technical expertise;



Legal and social risks;



Pricing data as a commodity;

Challenges per building block

1

Data Standards: Limits interoperability

2

Data Collection: Limits comparability

3

Data Security: Risks compliance

4

Data Governance: Risks benefits for SHFs

5

Data Transfer Technologies: Limits data sharing

These challenges prevent data sharing at scale

What is our approach to addressing these challenges?

As a collective we are trying to answer one overarching learning question over the next 18 months:



What is the business and impact case for data sharing and under what conditions can the case be amplified to create inclusive, sustainable, and commercially viable business models for smallholder farmers?



Sub question 1: What is the business/impact case for data sharing?



Sub question 2: What are the approaches for optimizing the business/impact case for data sharing (through standards, collection, governance, transfer technologies)?



Sub question 3: What are some of the external accelerators of data-sharing within a given context?



Once we have more insights, in parallel we will explore developing:

1. A toolkit on private sector led data sharing;
2. Standards on smallholder data;
3. Voluntary data visibility platform;

Call to action: How can we facilitate collaboration on data?



Value chain actors:

1. Share learnings around different building blocks of data sharing, for instance last mile data collection;
2. Nominate your use-cases of data sharing so that we can learn from them;
3. Propose innovative pilots around data sharing that can be supported through our resources.



Developmental Funders:

1. Pool resources to fund innovative pilots around data sharing and for data standardization in agriculture;
2. Nominate use-cases from your portfolio that can be leveraged for learning;
3. Encourage adoption of standards and methodologies while supporting new grantees.

Please do not hesitate to reach out to IDH at Borthakur@idhtrade.org or keijser@idhtrade.org for more information



*Thank
You!*