Agriculture Investment Data Needs: Foundations

Background

The [Initiative for Open Ag Funding](#)[1] works to support efforts to end hunger and food insecurity by ensuring organizations have the information they need to make smarter investments in the agriculture and food security sector. While organizations need various types of data to make better decisions, this initiative is focused on improving the quality, availability and timeliness of data concerning *investments* — in other words, data that seek to answer who is doing what, where, with whom, and to what effect.

As a starting point, the initiative conducted research to answer two questions: (1) what agricultural investment data are currently available; and (2) what data do organizations actually need to make better use of resources?

An analysis of the current data landscape, prepared by Open Data Services, is available [here](#).[2] To answer the second question, Development Gateway, the Foundation Center, and InterAction conducted consultations with donors, foundations and NGOs. These consultations addressed the following questions:

1. What do organizations need to know in order to make investment decisions?
2. How do they get the answers they need?
3. What are some of the current challenges with accessing or using data?
4. How do individuals prefer to access data?

The consultations also assessed organizations' familiarity with the International Aid Transparency Initiative (IATI). IATI is a multi-stakeholder initiative that makes information about development and humanitarian resources easier to access, use, and understand.[3] In theory, it should be a key source of investment data for organizations. A major focus of the Initiative for Open Ag Funding is to ensure that data published to IATI reflect the needs of the agriculture and food security community.

This report presents the findings of Foundation Center's consultations with donors. The findings of our consultations with donors and NGOs are available [here](#).[4]

---

[1] The Initiative for Open Ag Funding is led by InterAction in partnership with Development Gateway; Foundation Center; the CGIAR Research Program on Policies, Institutions, and Markets (PIM), led by the International Food Policy Research Institute (IFPRI); Open Data Services; and Publish What You Fund (PWYF). Additional information about the initiative is available at https://www.interaction.org/project/open-ag-funding/overview.

[2] https://www.interaction.org/sites/default/files/Agricultural%20Investment%20Data%20-%20Landscape%20Analysis.pdf.

[3] For more about IATI, see http://www.aidtransparency.net/.

[4] https://www.interaction.org/project/open-ag-funding/resources.

Key Findings

Foundation Center's stakeholder consultations primarily focused on private foundations. We did in-depth interviews with five foundations and one consultant to a major foundation, speaking mostly with strategic and programmatic staff responsible for agriculture investment decisions. We also convened a group of funders working in East Africa to discuss the capacity for, and use of, data in their work. The following brief summarizes the most common responses we received, as well as a few notable exceptions.

Although each organization uses a slightly different approach to decision making on investments, their needs are quite similar in terms of the questions they need answered to make those decisions, the kinds of data they seek, and the challenges they face in securing those data.

Our key findings are:

1. Foundations want and need to know what other foundations are funding but face challenges in getting the data they need at the level of specificity they desire.

2. Foundations want and need to know how other foundations are approaching their work but face challenges in getting granular data about activities and aggregate data about impact.

3. Foundations are heavily reliant on in-country networks and staff to collect and verify (or "ground-truth") local data.

4. Foundations are largely unaware of IATI, and, with only one exception, they *do not* use it in their strategy setting or decision making.

5. Foundations are mostly optimistic about the current state of data on agricultural issues; they acknowledge data gaps but also appreciate the amount of data that is currently available.

6. Perhaps more than any other group of stakeholders, foundations are able to fill data gaps by paying for the collection and analysis of new data.

What do foundations need to know in order to make investment decisions?

Despite significant differences in *how* foundations make investment decisions — some deeply engage trustees as the primary drivers of strategy, others engage grantees in establishing pilot projects, and still others rely heavily on large-scale market and natural ecosystem analyses — all foundations use data to answer essentially the same set of questions.

- What are other foundations doing and funding?
- Where could we make the greatest difference?
- What are the most urgent issues?
- Who are the implementers we should be funding?

To answer these questions, foundations use a mix of funding data, demographic data, market data, impact data, and operational or compliance data about potential grantees.

With only one exception, all respondents said they are deeply interested in what other funders are doing and in identifying potential gaps in funding. To figure that out they seek data about: (1) funding levels, (2) the organizations that receive that funding, and (3) the kinds of agricultural systems or approaches that are being funded in a specific geography. Foundations need data at both the

aggregate and granular levels. As one respondent noted, this need to understand what others are doing will only increase as the interest in, and the need for, greater collaboration between funders grows:

> *Knowing what other donors are funding is becoming more important because foundations are wanting to do more to leverage their resources, collaborating to leverage more change and impact.*

Beyond the *who and what*, foundations are equally interested in answering questions of *how and to what effect*. Although it is beyond the scope of this initiative, it is worth considering these questions and the data used to address them because they are one of several data points relevant to investment decision making. Foundations need to — and in most cases struggle to — place data about investments within the larger context of local and community capacity, market trends, impact on the ground, and the network of organizational players. For this reason, many of the foundations we spoke with commission their own landscape analyses; sadly, they do not always share what they learn broadly with other funders or stakeholders. As one participant explained:

> *We know that other NGOs commission similar research but it's not always publicly available [so we] talk with other peer donors and often are able to share that kind of data.*

In thinking about what data funders seek, it is also valuable to note *when* they use the data. Investment data are mostly used for strategy setting. Broader and more consistent use of open agriculture investment data would require efforts that support and promote investment data use in ongoing program planning, implementation, and monitoring.

How do they get the answers they need?

Foundations rely on a wide variety of data sources and research methodologies depending on the organization's strategic orientation; some focus on movement building, others on capacity building for small market players, and others on specific crops or on stimulating larger scale market changes. Examples of data sources include: research reports from NGOs and intermediaries; affinity groups and donor collaboratives such as International Human Rights Funders Group, Global Alliance, and the Donor Collaborative on Agrocoecology; grantee proposals and reports; Open Street Map; Foundation Center's grants data; IATI; and crop-specific statistics from the Food and Agriculture Organization.

In almost all cases, respondents said they rely heavily on in-country partners and staff for both collecting and making sense of local data, using them as communities of practice with which they are engaged in ongoing dialogue and as data hubs for gathering local data. One respondent noted:

> *We wouldn't succeed without our network and utilizing what others do ... We have an open dialogue with other donors, sharing results, findings, how we work in different countries.*

Another respondent described the essential role local partners play in data collection:

> *We ask certain questions about the local market for those goods but really we get the groups to take responsibility for providing that data and making that case.*

Across our conversations we heard an interesting tension around "in-country" data. Many foundations need local data for investment decisions, monitoring, and evaluation, but they also very much need both aggregate-level data and the ability to move more easily between the two levels.

Outcomes data are often very local and difficult to aggregate, while funding data are often available only in aggregate and difficult to localize. One funder described just this tension in explaining the multiple uses and audiences for data:

> *If we went to a local organization they would probably have the data [we need] but our trustees are interested in the large scale, collective form of that information.*

Finally, most respondents reported commissioning custom landscape, market, and demographic analyses to answer questions they believe are unique to their strategies.

What are some of the current challenges in accessing or using data?

The three most commonly cited challenges were:

- Harmonizing taxonomies and datasets;
- The granularity of funding data;
- Accessing and making sense of effectiveness data.

When asked to describe the greatest challenges in effectively using available data, funders spoke about the difficulty in harmonizing across crop and field-wide taxonomies; harmonizing across differing levels of analysis (including challenges in matching data across national versus regional levels and also regional versus community-level data); and even harmonizing across differences in the value of financial investments.

The lack of consensus on terminology — even on the definition of "agricultural investment" — points to the complexity of the field and the multiple ways in which agricultural issues intersect with related issues such as land rights, gender rights, ecology, food and nutrition, and community and economic development. As one respondent noted:

> *[There's] no consensus on terms like agroecology. They all have a slightly different take or define things slightly differently. You are going to have different definitions [but] we care about that detail and finding out what people are funding around the specifics. Looking at the [different] levels of an ecological system, there are so many ways to slice and dice it. Increasingly this stuff matters … [A]g. funding isn't just ag. funding.*

This has direct implications for one of the main questions foundations have: "Who is funding what?" One funder reported:

> *Even our own work is that way; [it's] constantly in flux. It's not in the website or the grants database, and then how people classify their grants — with no standard taxonomy — is an additional problem. When asked, almost all the funders we know who work in ag. say they aren't working on ag.*

In addition to complicating the question of *how and what*, this also creates challenges in understanding the true value of an investment. According to one respondent:

> *Sometimes it's difficult to compare the real value of that money because when we talk about grassroots-level groups in remote areas, the value of money and the living costs are so different when comparing to capital cities. $1,000 in Ethiopia far away from Addis Ababa is a big amount of money. Between and within countries there are real differences.*

Add to that the difficulty in harmonizing across hyper-local data sets and we begin to see why many funders commission their own data collection and analyses.

These challenges are further compounded by a lack of much-needed granularity. Funders can, through various data sources and the efforts of organizations like those involved in this initiative, access funding data. However, it is still difficult for funders to fully understand exactly which approaches are being funded and where. As one participant explained:

> It's easiest to find out who is funding on general thematic categories, but in terms of drilling down to the level of grantees, I find that piece a little harder. [Who] are the peer funders who are supporting the same people as we are? [That] is a little bit more piecemeal. I have to find it through conversations and meetings with peer funders and talking to grantees.

Another noted:

> From my experience the aggregate level data in terms of dollar amounts is more robust than the drilling down and the regularity in terms of grantee organizations. Being able to do analysis of which funders have dropped or increased funding across time in X region, analyses beyond the aggregate, is not always totally apparent.

The final challenge foundations cited was the difficulty in accessing compliance and impact data, both for monitoring and planning purposes and also to describe the impact of their investments to trustees and other funding bodies. According to one funder:

> Finding data for example in many countries is difficult; grassroots level groups don't have any websites or even email addresses. It is very difficult from this distance to cross check. We need our contact persons and network and reference persons to answer: do you know this group? Can you recommend that group? There are many ways to mislead with data. We really have to be detectives.

How do foundations prefer to access data?

Not surprisingly, preferences regarding the format of data follow closely from the kinds of data foundations most value and on which they most heavily rely. Funders who rely heavily on grantee feedback and impact assessments were more likely to read narrative reports. Those whose decisions were largely informed by the market trends preferred Excel spreadsheets and visualizations of performance metrics. That said, funders across the board expressed a preference for top-level summaries with the ability to "drill down" — in essence another expression of their desire for aggregate data with underlying granularity. One explained that:

> What is most compelling to me is the email with the visual of the difference I am making or not. That would be sufficient and if it is compelling enough then I would click into the narrative.

Another noted:

> Our decisions on what to fund and which organizations [to fund] are really driven by an in-depth understanding of country context. But it's a holistic view of the way in which we think about how grantees are working with others. Those sorts of issues are difficult to capture in quantitative data, so much [of it] comes in narrative reports and conversation.

What is the level of awareness about and use of IATI data?

There was an almost total lack of awareness about or use of IATI, with the exception of one person who said:

> I am a little familiar with it but don't use it, actually — probably because the spaces that I work in ag. and research it's not talked about a lot. Even the spaces I work in in community development and natural rights it's not talked about. For me, the places I go, I have never heard it mentioned. I don't know if it's a more NGO-oriented thing.