Achieving fair and open access to PSI for maximum returns

PSI Alliance

- To encourage constructive dialogue between the public and private sectors
- To share our knowledge at the EU level
- To support good practice and help expose the consequences of bad practice
- To brief EU politicians about the need to enforce existing policy or secure policy change

Michael Nicholson
OECD Workshop 3rd February 2008
The “wish” list......

- Clarity about what PSI is available
- Terms aimed at maximising re-use
- Clarity over the remit of the PSI producers
- A level competitive playing-field
- A review process that is relatively swift, low cost, open, adequately independent and robust
- Transparent outcomes, properly implemented within a realistic timetable
An under-exploited marketplace

• Encouraging extensive PSI re-use requires all and not just some of the current barriers to be removed.
• A complex PSI re-use policy is therefore unlikely to work well.
THE PSI GATE-KEEPER
The most important barrier?

- The threat of *unfair competition* from the *PSI producer* itself
- The PSI producer “public task” is normally poorly defined
  - Can be encouraged to exploit own PSI
  - Uses cross-subsidy to replicate existing market products
  - PSI coverage “mission-creep”.
  - Cover commercial product cost from revenue from public task activities
  - Too easy to justify new developments in “public interest”
PSI producers... what is their public task?

1. To provide for needs of good government?
2. To be as efficient as possible?
3. To maximise the use of PSI?
4. To encourage innovation and enterprise?
5. To avoid conflict (eg Competition Law)?
6. To make an appropriate financial return?
PSI producers… what is their public task?

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5. To avoid conflict (eg Competition Law)?

1. To provide for needs of good government?

3. To maximise the use of PSI?

4. To encourage innovation and enterprise?

- The justification for State production of PSI needs to be tightly and objectively defined and publicised.
- The role of the private sector re-considered also.
Another model ....?

- The State defines the standards and scope of PSI needed for good government ... avoiding conflicts of interest
- The State also decides what it must own as part of the national information infrastructure and what it can license
- All that it must “own” it might distribute as PSI free to third parties
- Might not all PSI be originally collected by the private sector?
Why is it so urgent?

- As technical access problems are solved the importance of constraints in information accessibility are accentuated.
- Whatever the socioeconomic costs of those constraints, they are also growing in size also.
The economic cost to the public sector ……

• Protective licensing can be complex to develop and manage

• Operational atrophy. Data sharing becomes difficult

• Higher cost of disseminating information

• Duplicated effort

• Investment in unnecessary or higher-cost activities

A 1% overall efficiency gain for the public sector (UK) through easier access to core infrastructure PSI is worth up to eight times the cost of collecting it.
The economic cost to the private sector ……

- Complex licensing restricts your market
- Less experimentation. Why take the risk?
- Risk of wasted investment
- Higher cost of negotiating and managing licensing arrangements
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Using “free” PSI initially (Census and Electoral Roll), a single company, Experian, built its UK information revenue to £500,000,000 pa in the past 30 years
The economic cost to the citizen ……

- Knowledge is available but inaccessible
- Time wasting?
- Loss of job opportunities?
- Higher taxes than necessary?
- Less choice?
- Economic inefficiency?

About £1.25 pa per UK adult Internet user covers the cost of providing Ordnance Survey data free
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