

**Conference on
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The incidence of the use of geographical and cadastral information on economic activity

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PSI has a high potential for the creation of growth and jobs

68 bn €

Economic potential of
PSI in Europe

PIRA (2000)

1.51 bn €
Geodata in
Germany
MICUS (2008)

27 bn €

Total market size
Europe

MEPSIR (2006)

£ 1 bn

Potential net
economic value
UK

OFT (2007)

737 m €

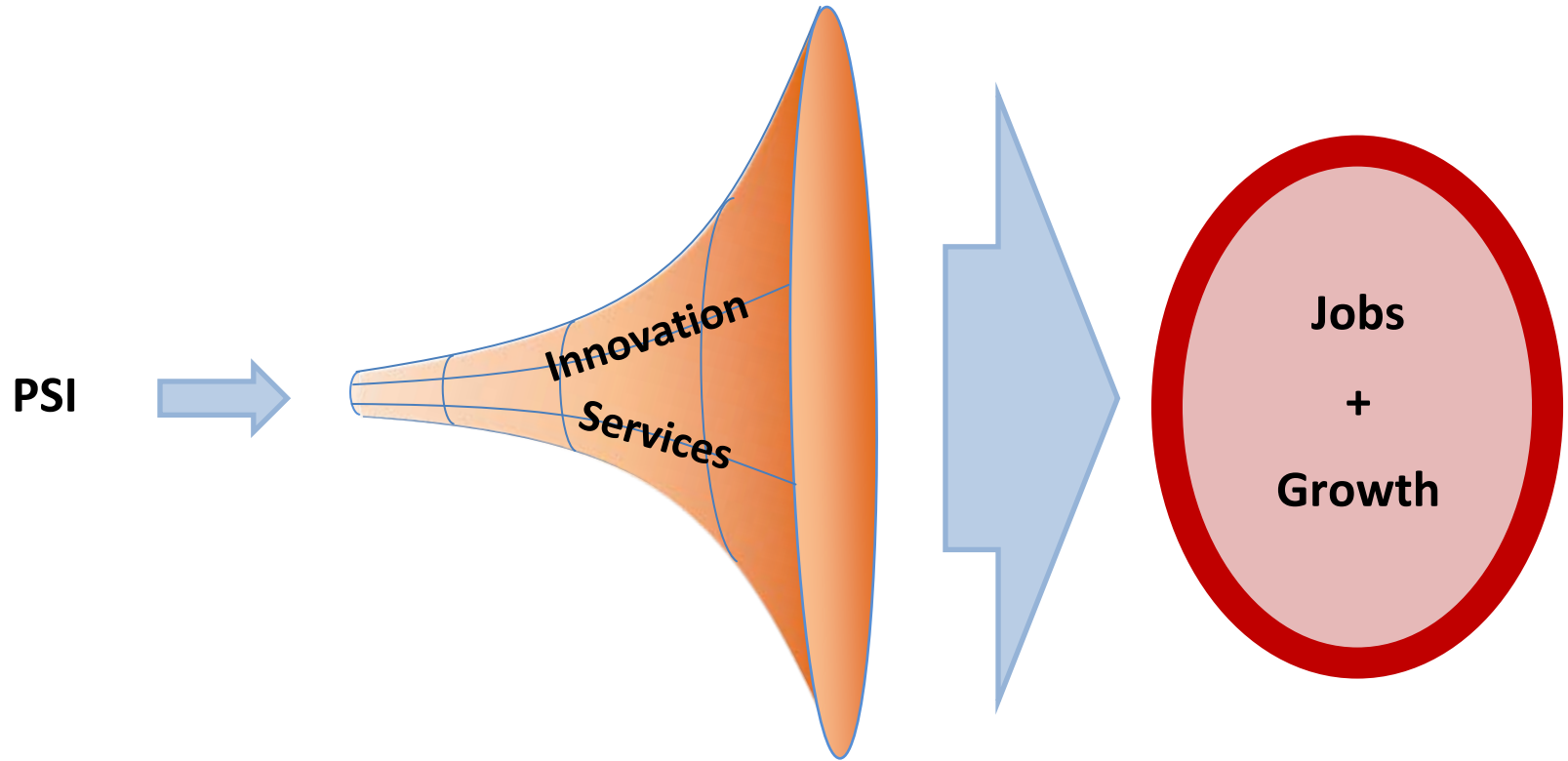
Economic value
PSI France
GFII (2005)

52%

Share of
geodata
PIRA (2000)

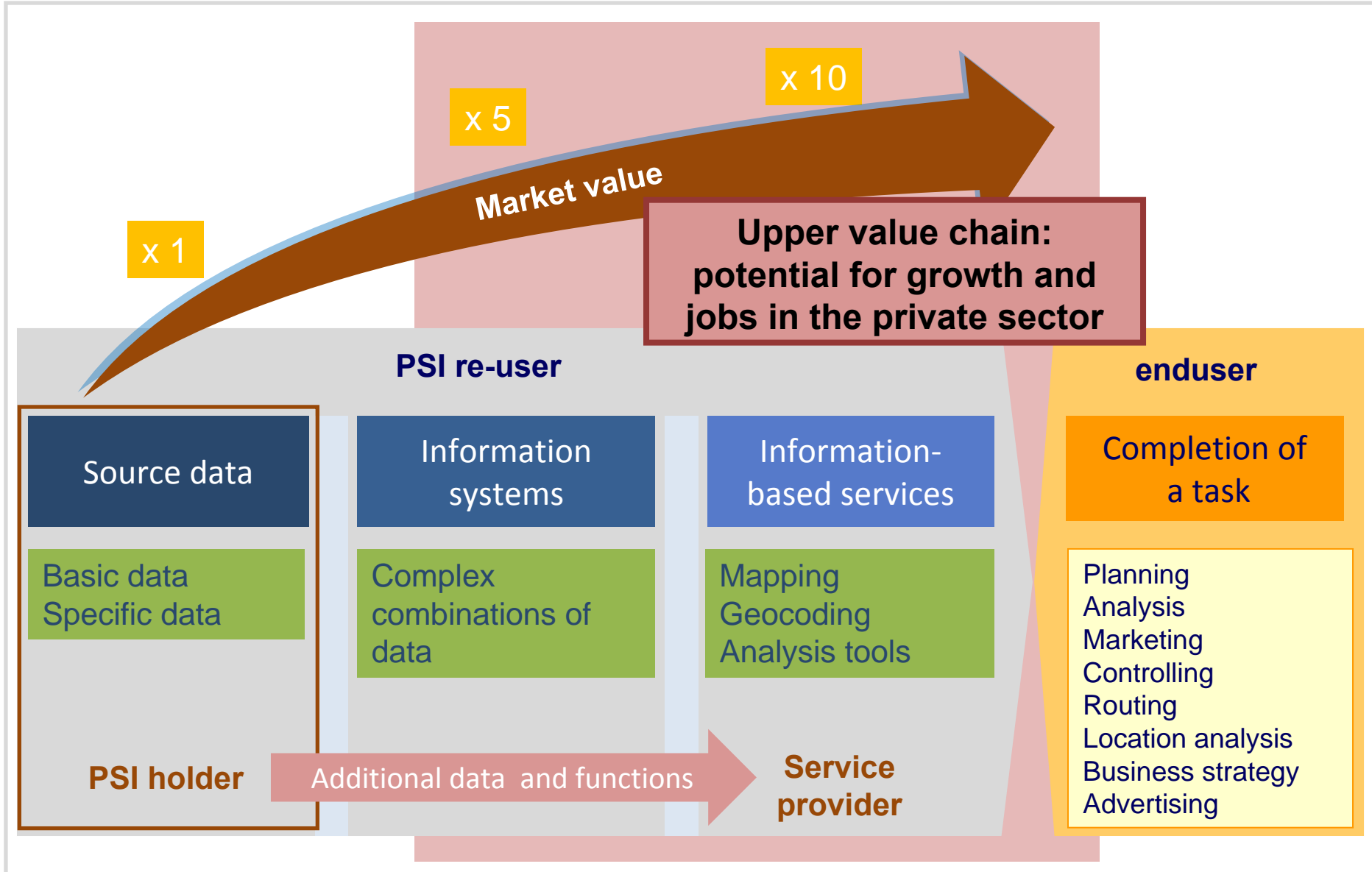
**All studies state that the economic potentials
of PSI re-use are not realised yet.**

Focus on concrete results: Promoting the re-use of PSI is about creating jobs and economic growth



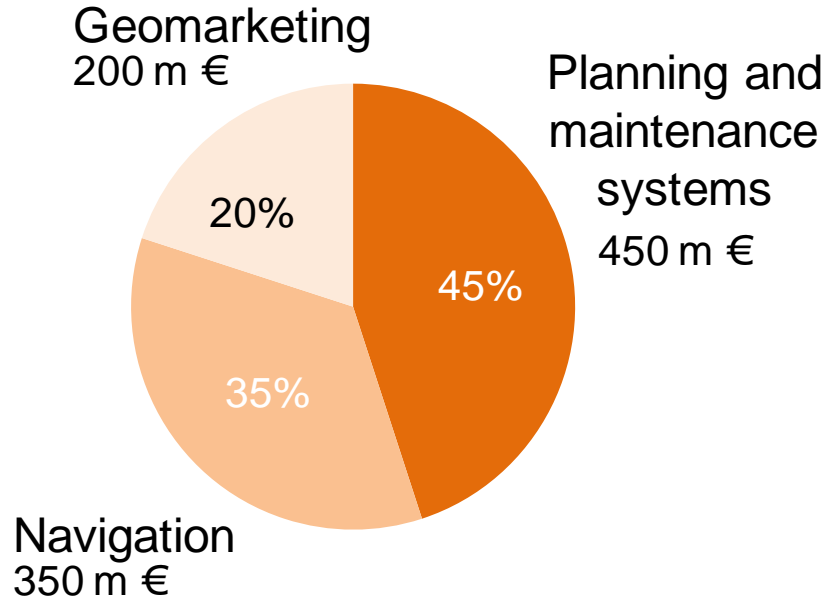
The clear purpose of making Public Sector Information available to private company is creating jobs and growth in Europe.

Value-added and jobs creation depends on the development of the upper value chain



The private market for Geoinformation shows steady upward trend – despite underuse of public data

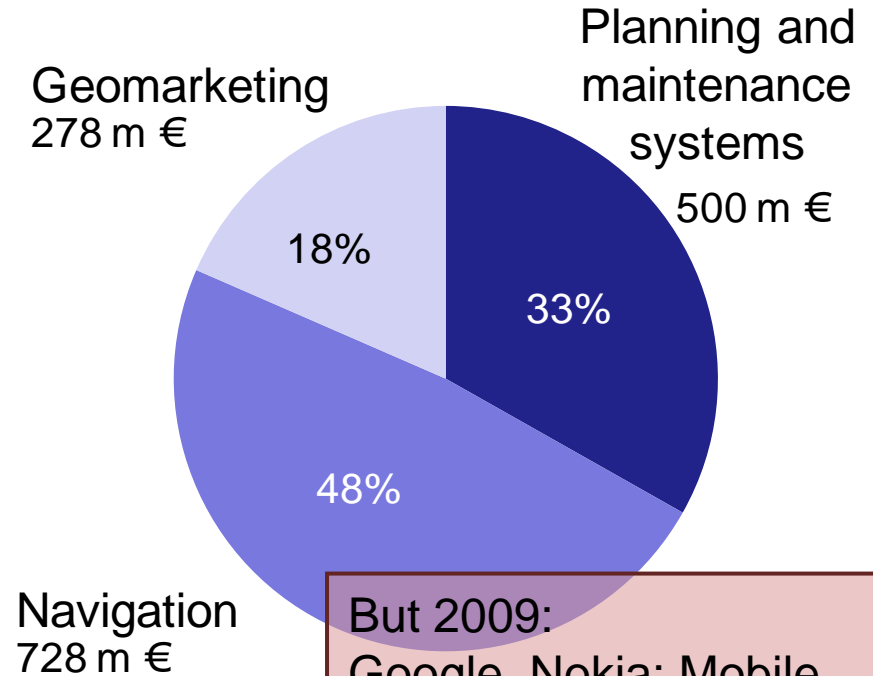
2000



Total: 1.0 bn Euro

Source: MICUS Management Consulting, 2001

2007



Total: 1.51 bn Euro

Source: MICUS Management Consulting, 2008

But 2009:
Google, Nokia: Mobile Navigation for free

The economic potential of public data remains underused.

1. Find facts and figures about the current re-use

- Data delivery from PSI holders
- Data procurement from PSI re-users
- Changes in data policy

2. The study focuses on three sectors

- Geographical sector
- Meteorological sector
- Legal and Administrative sector

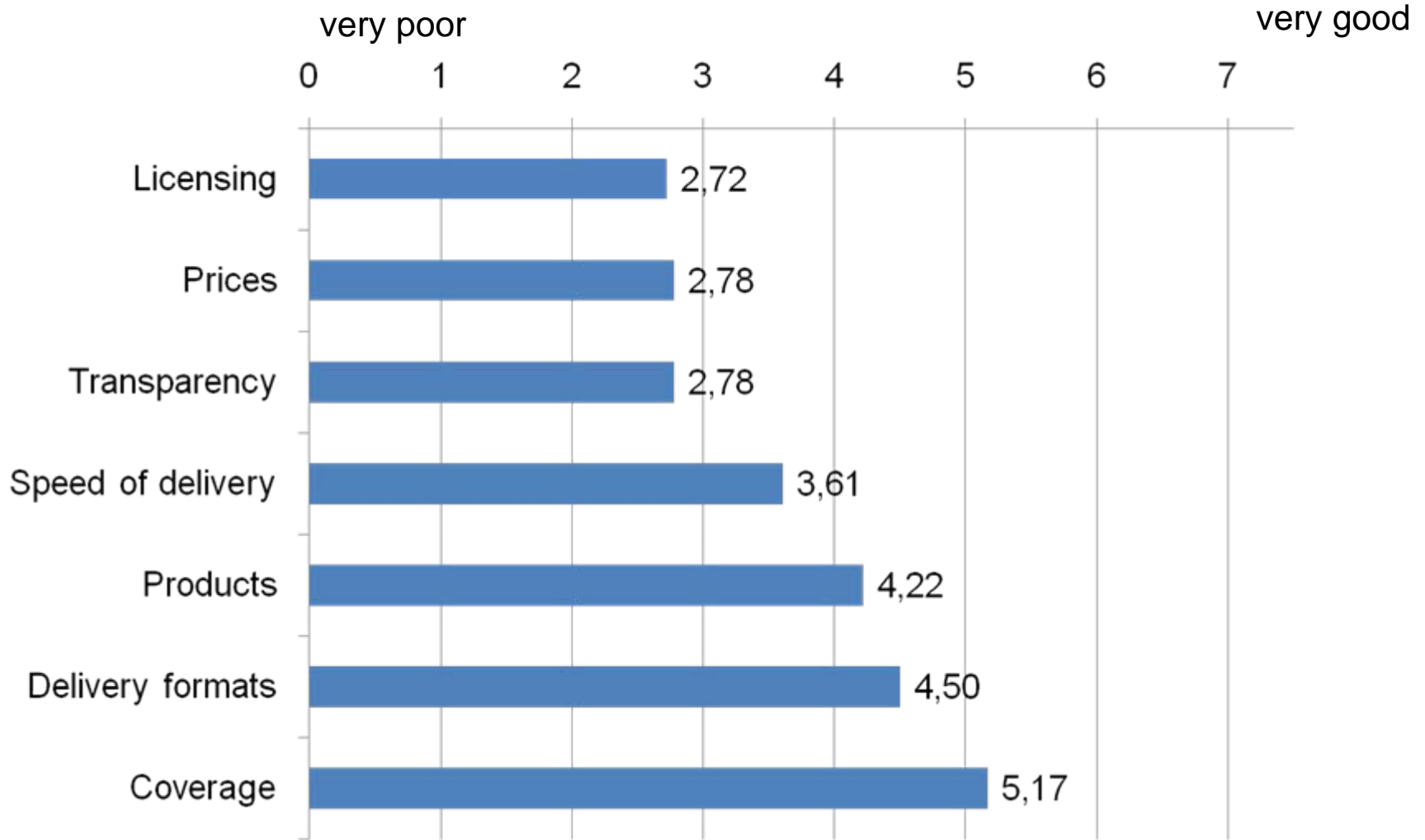


Online
Consultants
International



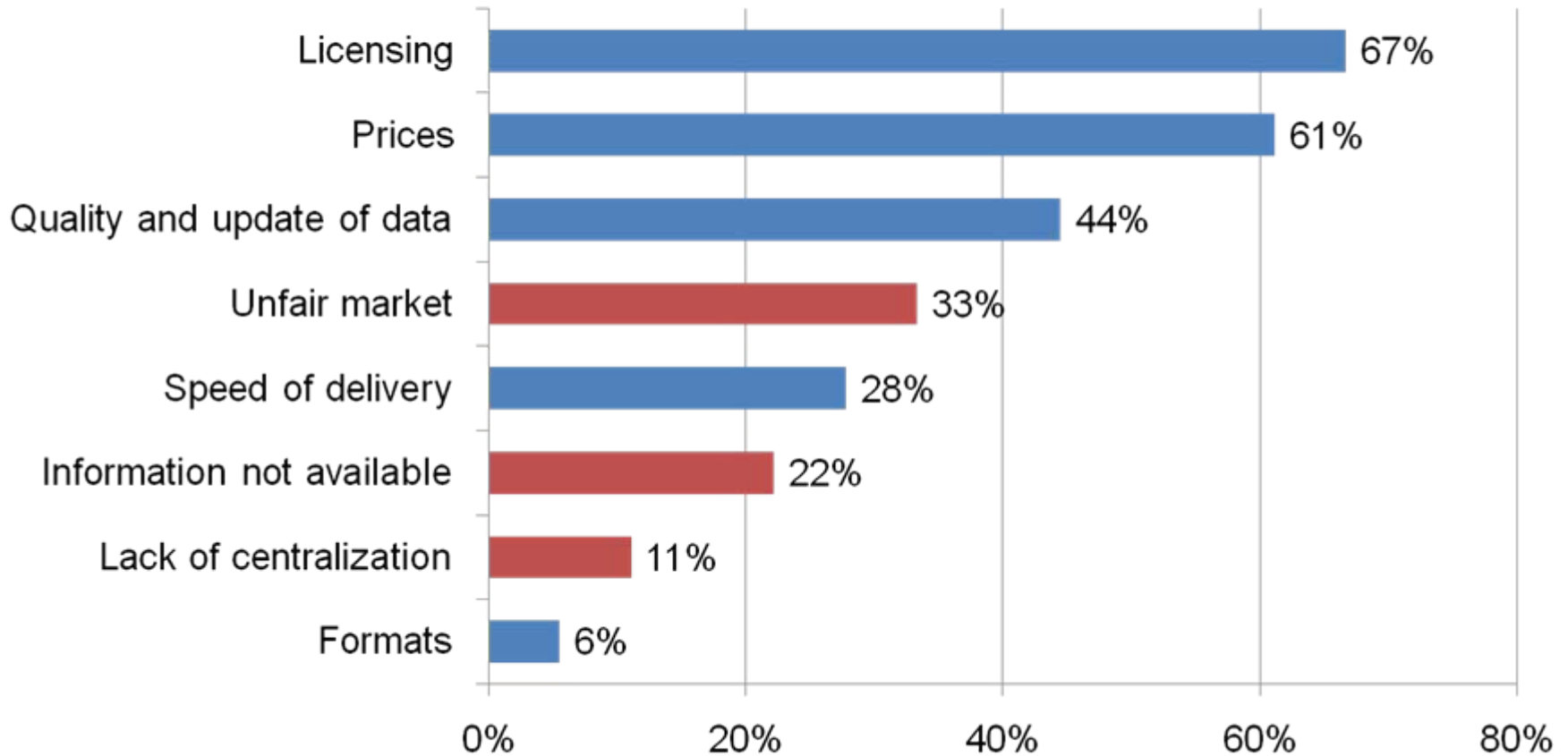
3. Methodology

- Online-Questionnaire
- Interviews with PSI holders and PSI re-users in all three sectors



Same development actually in the INSPIRE-process:
everybody is talking about technical standards, no one about prices

Reasons for not obtaining more geographical PSI



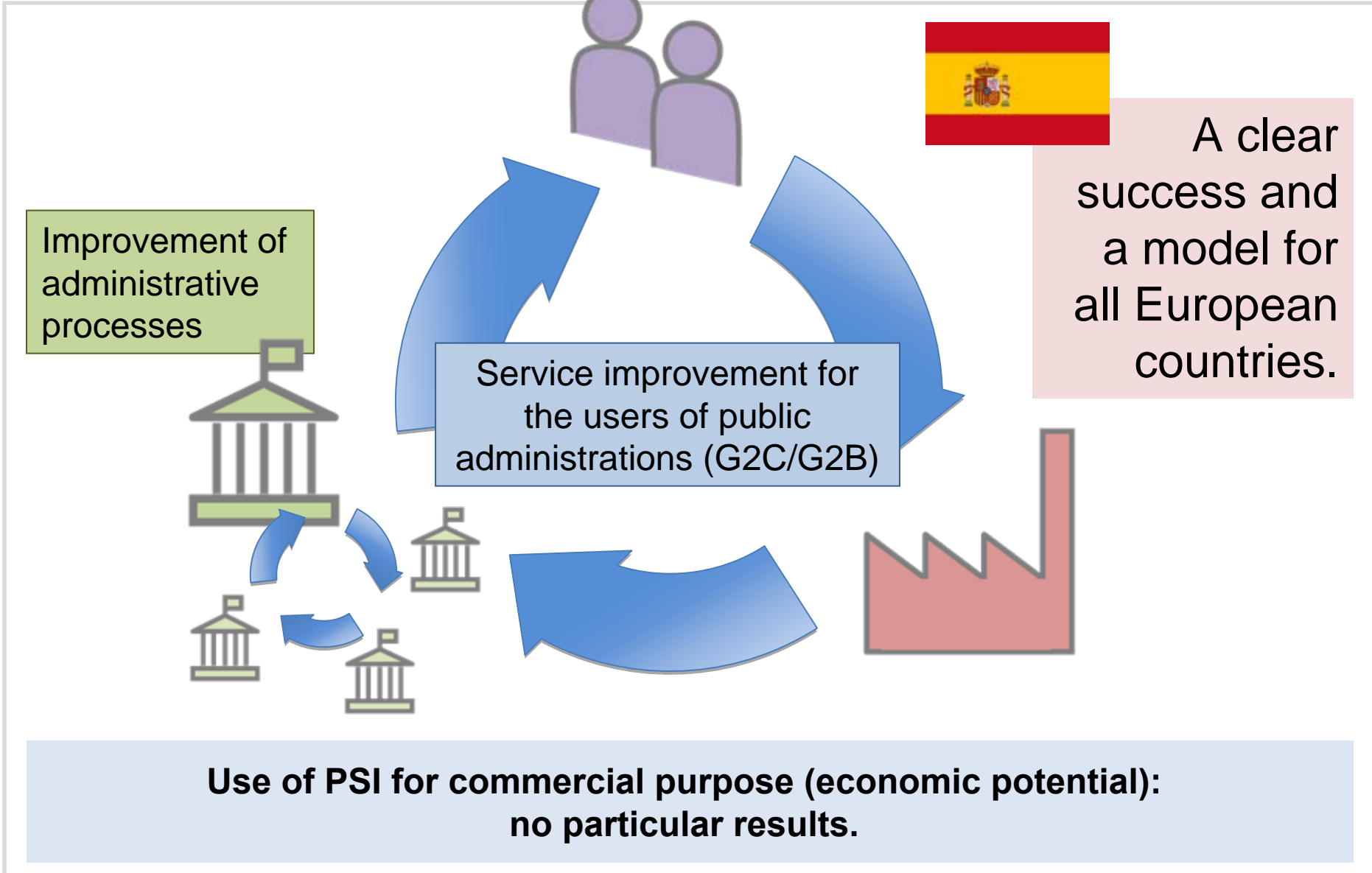
Pricing and licensing is a general problem


- PSI re-users still are strongly unsatisfied with the current situation
- PSI holders avoid changes in pricing and licensing


The issues behind pricing and licensing models are not trivial


- Licensing: How to protect the interests of the producer of the data and to control abusive copy and use?
- Pricing: How to make sure that high quality data will still be produced in the future?
- How to obtain impacts on economic growth?

Successful Spanish Project IDEE: no barriers for non-commercial use

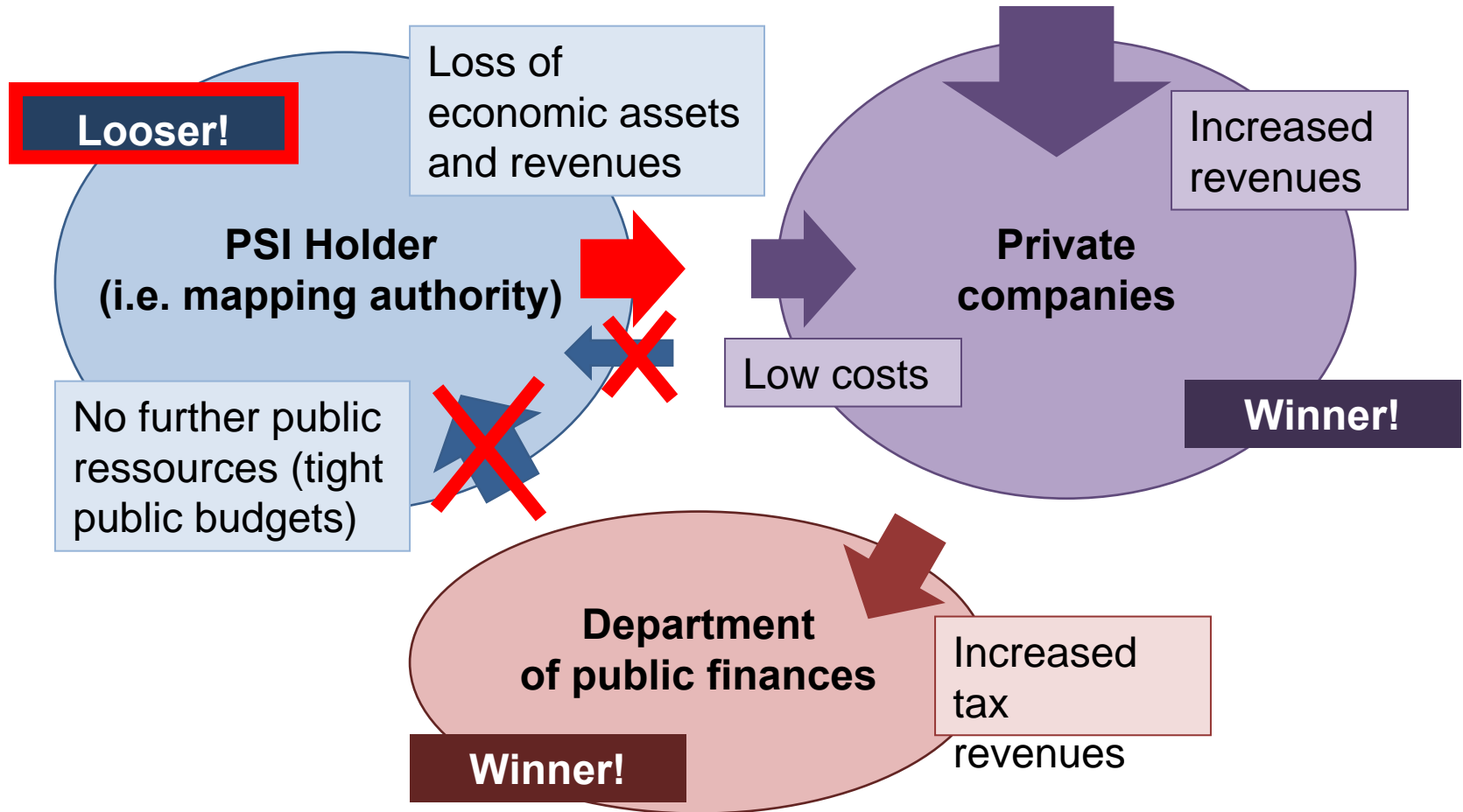


 **The economic potential of PSI is generally acknowledged.
All agree on the objectives: free PSI to create jobs and growth.**

 **However, in all countries and all sectors,
the economic impact of the PSI Directive is below expectations.**

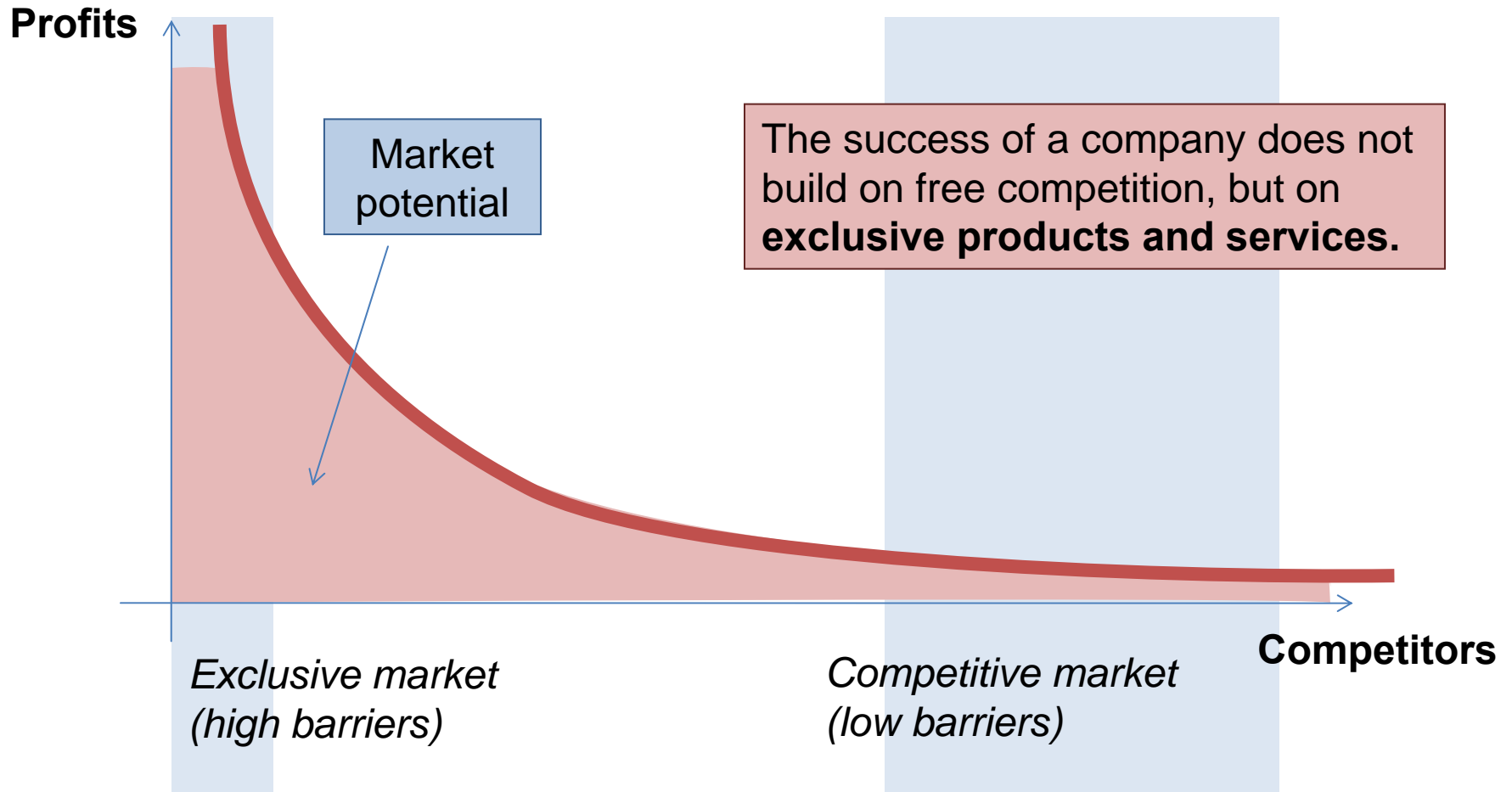
 **Barriers remain high, no successful model was found.
Why is such a bright, simple idea so difficult to implement?**

Observation 1: a win-loose situation between PSI-Holders and private companies with free data



An overall win-win situation is a local win-loose situation for PSI-Holders: clear opposition against liberal data policies.

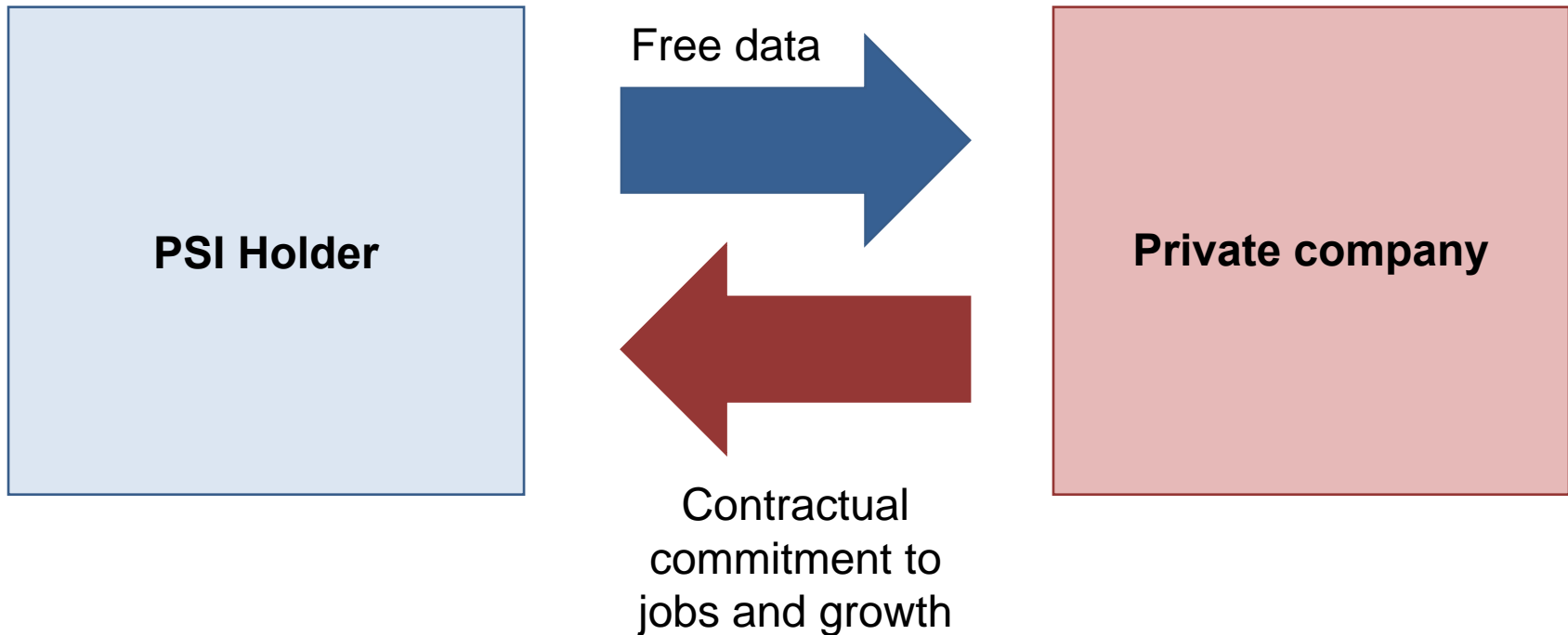
Observation 2: free data has a negative impact on economic value



Free data has a low market potential: who would invest in innovation where each competitor can provide similar services with little efforts?

Back to basics: if free PSI is an economic development policy, then make it clear.

Free PSI **is a public subsidy:
would you grant financing without contractual counterpart?**



**Not only public services have to deliver (free data):
PSI re-users are also committed to measurable results (i.e. jobs, growth).**

1. Lower barriers for use of PSI by public services, local authorities and for educational purpose. Every public website should use public data!
2. Free PSI **is** a public subsidy: make it part of your economic development policy framework.
3. Free access for commercial users is conditioned to measurable quantitative results (creation of jobs and growth in your territory).
4. Reward PSI holders for their positive contribution to economic development.
5. Public assets are valuable: prevent abusive use of public goods for private interests. Public copyright is not a copyleft.

Management:

- Dr. Martin Fornefeld
- Jutta Lautenschlager

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micusSTUDIE

- **Prospects for Business Models of German Companies in the European and Global Geo-Information Market**
On behalf of the German Ministry of Economics, 2008
- **Assessment of the Re-use of Public Sector Information (PSI)**
On behalf of the European Commission, 2008
- **European legislation as a driver for the german geobusiness**
(to be published in June 2010)



Thank you for your attention!

Dr. Martin Fornefeld

Our studies can be downloaded
free of charge from
www.micus.de