Outlook gloomy? – Access to weather data across Europe

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In the world of PSI, meteorological data rarely seems to be leading the debate, and the reason why met data has such a small voice? Because we are a small sector. Private sector weather provision in Europe is an immature and underdeveloped market whose growth has been severely restricted by the difficulties accessing crucial PSI.

A brief comparison with the US market gives a clear illustration of how the market has been limited in Europe. In the US the market for commercial services is valued at over $1.4bn, with more than 250 private sector businesses employing thousands of staff. By comparison, here in Europe, the market is valued at only €650m, the number of private sector businesses across all of Europe is estimated to be no more than 60-70 employing relatively small numbers.

In terms of population or of GDP, there is no reason why the European market shouldn't be of equivalent size to the US. The issue has been access to PSI, pricing of PSI and how PSI has been leveraged by the National Met Services in Europe to present barriers to entry for the private sector.

There's no question that much has been achieved in selected EU territories since the passing of the PSI Directive, there are countries with liberal and forward thinking data policies, countries where met data is largely made available free or at marginal cost of dissemination.

But weather knows no borders, private sector weather businesses forecast the weather across Europe and we need data to do that. In order for Europe to benefit from a healthy, competitive weather market and for European businesses to compete on the world weather stage, the PSI Directive needs to be effectively implemented Europe-wide. Data needs to be readily accessible, on reasonable commercial terms, across ALL EU territories.

We are a long way from this, pricing of met data is hugely variable and in some cases hugely prohibitive. Prices for a single synoptic observation in some European countries can be as much as 64 euro cents – over €5k per annum for hourly data from a single weather station. Given that automatic weather stations can be purchased for between €5k and €20k you have a situation where the National Meteorological Service is recovering between 25% and 100% of the entire infrastructure cost from a single customer every year.

The emerging private sector in Europe is prevented from making a valuable contribution in the area of climate change as a result of prohibitive data pricing. The private sector can play a hugely important role in product innovation for corporate and industrial customers in the areas of energy conservation and carbon emissions. The private sector has the ability to create bespoke products to meet specific needs, as the market demands products in these areas so the private sector innovates and delivers. But our ability to do this is curtailed by the cost of climate data. The National Met Offices have access to historical data sets going back many years, for all of Europe. These same comprehensive data sets would cost the private sector millions of euros according to current tariffs.

All told we are a long way away from effective and consistent implementation of the PSI Directive Europe-wide, and as a result we have a weak private sector in Europe and serious restraints on innovation and product development.

A key move towards addressing this issue would be to close the loophole under Article 6 of the PSI Directive, which, in addition to recouping costs, allows for a "reasonable return on investment" – in other words charge anything you want!

However, such action is not imminent and in the meantime, at a time when weather and climate could not be of more importance to the world, opportunities are being missed.