

Measuring PSI acquisition costs

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The [PIRA report](#) published almost ten years ago (October 2000) explained a number of the issues faced when undertaking the economic study that involved measuring the economic activity from the re-use of public sector information. The report then went on to explain that in the absence of hard financial information economic studies fall back to estimation techniques and that this was not unusual and cited the national statistical agencies as an example.

One of the measures that the [PIRA report](#) used was that of the transaction cost related to obtaining the public sector information. The elements of the transaction cost may include amongst others:

- The time spent finding the information;
- The time spent on the Internet;
- The time spent determining whether the information met the re-users needs;
- If the information was that sought then the time establishing the conditions under which the information may be re-used; and
- If the information was not free of financial charge then what was the price of the information?

The European [Directive](#) that came into effect in all Member States of the Union on the 1st July 2005 was structured to address many of these issues such that the time would be minimised. The [MEPSIR economic study](#) tested in part the compliance with the PSI re-use framework using a similar sample of public sector bodies in each Member State at the time the Directive came into force in Member States back in 2005.

If the PSI re-use framework has been implemented as intended and this is coupled with the increasing amount of public sector information held electronically together with the advances made in technology and its deployment then one would expect to observe an increase in economic activity three years later! Regrettably the [MICUS economic study](#) undertaken in 2008 did not show that there had been as yet any significant change.

An interesting example of measuring the transaction costs in 2009 has been published in the International *Journal of Spatial Data Infrastructure Research* under the heading [Value of Geographic Information](#) in December 2009. Reference research paper titled: *Methodology for Measuring the Demand Geoinformation transaction Costs: based on experiment in Berlin, Vienna and Zurich* by Alenka Krek of the University of Hamburg. The paper details how the transaction cost is measured and undertakes three similar transactions in Berlin, Vienna and Zurich. The paper has published the three transaction costs together with a breakdown of the components of the cost. The total transactions costs have been reported as:

- Berlin costs €1,195.52
- Vienna costs €657.97
- Zurich costs €29,831.31

Although the research paper makes no reference to the EU PSI re-use framework as set down by [Directive 2003/98/EC](#) one would have expected that compliance with the Directive would have in part reduced these costs, which remain high.

Perhaps the reason why the studies undertaken to date have not shown any material change is in part due to the transaction costs as cited above. As a result only large companies maybe have the financial strength to re-use large amounts of public sector information.

From the studies undertaken to date and the research paper it is apparent that measuring the transaction cost is time consuming and as such may not be suitable when undertaking regular measurements of economic activity arising from the re-use of public sector information as now envisaged by the European Commission.