PRINCIPLES-BASED FRAMEWORKS AND TOOLS FOR FAIR DATA ECONOMY

"On personalized data … Europe has been too slow and is now dependent on others. This cannot happen with industrial data. … A real data economy … would be a powerful engine for innovation and new jobs."
Ursula von der Leyen, State of the Union Address on 16 September 2020

Principles for fair data economy and corresponding tools

Historically, viable markets have required lower-level frameworks and tools to complement regulation. This is best achieved with a principles-based approach.

Data Sovereignty is a central design principle of a fair data economy, based on distributed internet-based architecture and human-centric services. Data Sovereignty means the ability of an individual, organisation or any entity to control who uses and reuses their personal and business data, where and under what conditions.
Sitra's **Fair Data Economy Framework, called IHAN Blueprint** is an open-source, technology-agnostic requirements framework for consent-based services in a data sharing ecosystem for end users, service providers and data providers. See also our **White paper on data sovereignty and soft infrastructure** (written in collaboration with Innopay).

Interoperability, the ability of different systems to connect and communicate in a standardised manner, is a mandatory requirement to create a level playing field and for European data spaces to emerge. To this end, the development of new rules, guidelines, interfaces and standards are needed. To support interoperability, and based on Sitra's IHAN Blueprint, **The European Committee for Standardization (CEN) published the standardization material (CWA 17525)** with essential elements of fair and functioning data economy, including identity, consent and logging management.

Trust between the public, government and private sector is a prerequisite for extracting, sharing, refining and re-using data. Trust is facilitated by clearly defined, transparent and human-centric rules for interaction on judicial, commercial and ethical level.
Sitra's **Rulebook for a Fair Data Economy** is the first building block for the soft infrastructure agreements. The rulebook describes organisations' legal, business, ethical and governance framework in a data ecosystem. Agreement templates and other tools make it easier to build and join new data networks.

Recommendations for building a fair data economy

Complement regulation with self-regulation: A set of practical tools and frameworks (soft infrastructure) is needed in the EU to advance the free flow of data. These tools should embody the principles of interoperability, data sovereignty and trust.

Engage with the public, companies and create entities for dialogue to ensure balanced and properly governed business environment. For instance, it is essential to ensure that new regulative bodies, such as Data Innovation Board, described in Data Governance Act, work on the principles of **data sovereignty, interoperability and trust** in close cooperation with industry and standardisation bodies.

Learn from the past and think big: the EU should ensure the deployment of **a mission-oriented approach towards well-functioning and fair data markets**, with appropriate funding instruments, to promote and incentivise development of the necessary soft infrastructure for a free flow of data in the EU. This is similar to the progress made with GSM when it was developed in public-private partnership.

About Sitra
The Finnish Innovation Fund Sitra promotes Fair Data Economy based on European values. We promote changes in economic structures, such as regulation and rules, increase people's opportunities to influence the use of data and offer practical tools to companies operating in the data markets. Sitra is an independent think-do-and-connect-tank established by Parliament. It pursues economic renewal so as to increase competitiveness in line with sustainable and responsible development.
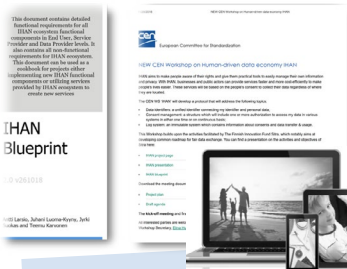
A fair data economy requires learning new skills and adapting business models

Digitalisation and data represent a once-in-a-century transformation that requires learning of new skills, ways of working and business models.

Sitra, together with leading partners, has created a freely available state-of-the-art business programme to address the skills-gap, called **Growth from Data programme**. Scaling of the business programme is co-created with Finnish government, with emphasis on SMEs.

European fair data economy framework & tools

Rulebook and blueprint for data sharing ecosystem

Standardization

Growth from Data – Training programme

1

Encourage SMEs to innovate new businesses from data sharing and enriching existing data. Help companies to create services that benefit all keholders in fair manner

2

Lower the barrier for SMEs to plan, decide and implement the needed change in the business model by offering latest knowledge and tools.

3

Create network effects by inspiring more and more SMEs to join (scaling)

What else is Sitra doing for fair data economy?

Sitra's fair data economy project portfolio

Roadmap for a Fair Data Economy project

Facilitate national data economy roadmap in a public-private partnership

Competitiveness through Data project

Competitiveness from data-driven business models

Coordinating Gaia-X hub for Finland

Connect Finnish companies to European data spaces

Towards European Health Data Spaces Joint Action

Build common rules and frameworks for health data