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On the way to the German Data Institute

7 Principles on Tasks, Alignment, and Design

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At a glance

On the way to the German Data Institute

Status-Quo

The value of open data in the digital transformation gets increasingly understood and lived by business, politics, and administration. For the successful implementation of numerous data initiatives, various competencies must be bundled and a central player is needed to bundle coordination, advice and education: a Data Institute for Germany. Numerous discussions are currently taking place on the design of the Data Institute.

Bitkom-Assessment

On the right track: Bitkom welcomes the creation of a Data Institute. It is now a matter of setting the right course to support the use and provision of open data quickly and in a targeted manner with the establishment of this new entity, thus giving a boost to the digital transformation.

The main aspects

- **Finally getting a grip on Open Government Data**

  The Data Institute should help to harmonize the federal open government landscape of responsibilities, specialized procedures, interfaces, and data formats from a functional and technical perspective and shall help to increase the speed of implementation.

- **Advice for policymakers and networking opportunities for stakeholders alike**

  Currently, there is no main office for contact that can assume a coordinating and advisory function for the numerous units at the federal, state, and local levels. Process standards must be established, and a uniform level of quality created in the provision of (open) data.

- **Focus on core tasks**

  In order to quickly form the Data Institute into a powerful unit, it should concentrate on a few, but important tasks. These include: Neutral coordination instead of consulting on the market, disseminating standards instead of developing new ones, being a sparring partner instead of performing supervision. The institute's performance should be evaluated and further developed based on measurable criteria. These can be defined dynamically per work stream.

- **No time to waste**

  The Data Institute must be institutionalized quickly and given strategic goals. It can then define its goals and methods at the detailed level in collaboration with stakeholders during the discussed 12-month design phase.

This publication is an amended English translation of Bitkom's original publication on the Data Institute in German language. In case of translation inconsistencies, the latter shall prevail.

1 Introduction

Bitkom very much welcomes the fact that the German government has anchored the creation of a Data Institute in the coalition agreement. The urgent need for digitization and the expansion of Germany as a digital location can only succeed if we consistently mine data treasures, simplify data use, and maintain data transfers internationally. Open data is an essential driver of successful digital transformation. The efforts made through an open data strategy, a data strategy and numerous open data and transparency laws must now be accompanied by a coordinating body to accelerate the use and provision of (open) data and increase the quality of provision and competence in use. Particularly in the implementation of the Data Governance Act and Data Act, but also when considering the National Research Data Infrastructure (Nationale Forschungsdateninfrastruktur) and the Data Use Act (Datennutzungsgesetz), constant support by a Data Institute is highly relevant. The goal must be to better support ongoing projects and efforts and to connect national and European data ecosystems with each other. In particular, the user perspective must be more strongly integrated into the current debate and a clear, active will to shape and change must be demonstrated by the Federal Government and the Data Institute in order to create real added value for all stakeholders with this new entity.

This raises the question of which tasks are to be implemented by the Data Institute and how a Data Institute must be organized and embedded within the German landscape of actors.

The Data Institute is intended to assist in making Open Government Data a reality and to promote the development of the data economy in Germany independently and together with trustworthy partners. Today, data policy and the data economy are characterized by enormous complexity.

2 On the way to the Data Institute

Guiding principle

The maxim "consistently action-oriented" should serve as a guiding principle when setting up the Data Institute. In this sense, concrete, and quickly realizable tasks are to be defined today and iteratively in the future, an adequate framework for action needs to be created and the necessary resources are to be made available.

1. Getting a grip on Open Government Data

The Data Institute should be used to provide technical support for the federal open government data landscape in the direction of uniform data standards, interfaces and, above all, accessibility (catalog) and availability. In doing so, the Data Institute should also maintain a close exchange with the data laboratories which are to be created and the corresponding open data commissioners, as well as complement the activities of existing players or, where necessary, additionally strengthen them. Instead of creating another data portal, the first step should be to help strengthen existing ones - such as GovData in particular. Unlike the Open Data Competence Center (CCOD) at the Federal Office of Administration, which is rather poorly resourced, the Data Institute should have an impact at all levels of government and should be able to act more flexible and more comprehensively. Here, partnerships could also be built up with other actors, such as the GovTech Campus, in order to accompany and advise (already ongoing) projects.

The goal must be to reduce the current fragmentation of the open government data landscape in Germany and to leverage the untapped innovation potential of data. Easily available open government data is important for Germany as a location for innovation and benefits startups. These in particular usually have low numbers of users or data stocks.

In this context, it is important to move away from the previous discussions of supposed contradictions, e.g., between data protection and data use, economic efficiency and public utility, or innovation and preservation, and to focus on the opportunities and possibilities of consistent and cooperative data provision and data use.

2. Advice for policy and pilot projects

The Data Institute shall advise policymakers on data policy issues, such as on these guiding questions:

- How can public and private entities collaborate on data provision? Responding to proposals on data trustees/fiduciaries: How useful is this?

- How should open data processes work? How does a sustainable supply of public sector data emerge, which is used and for which someone feels responsible?
- Which approaches have been proven successful at home and abroad?
- Where and how do sector- and country-specific data protection laws need to be harmonized in a meaningful way?
- How can data protection authorities learn even better from each other in order to arrive at more uniform procedural practices?

In particular, all stakeholders operating in the data landscape must be considered and actively involved. These are the administration, civil society, academia, and business.

3. Supporting function and being a sparring partner instead of supervisory function

The Data Institute should not be given a supervisory role, for example under the Data Act – this affects the way it is perceived by businesses and how it cooperates with them, academia, and politics. Instead, the Data Institute must provide advice and support in the following areas:

- Offer concrete (open) data „good practices“,
- Support for innovative public-private partnerships,
- Reduce the confusion of horizontal and sectoral data legislation through guidelines and implementation examples,
- Develop and disseminate support offers for all stakeholders at all levels (especially municipalities), e.g. educational formats and hackathons,
- Identifying concrete qualification needs and developing appropriate qualification offerings,
- Networking of data providers and data users of all stakeholders at all levels,
- Supporting the widespread dissemination of open data and assuming tasks that individual actors cannot take on a widespread basis, e.g., due to federal structures,
- Shaping the content and further development of a "policy on data” / policy with data.

4. Exchange on standards & best practices

The Data Institute can offer exchange formats for the application of data standards (semantics, syntax, APIs, governance, management, etc.) and discussion of practical experience and promote the benefits of data-driven business models in the economy and administration (especially at the municipal level), for example together with associations and chambers of commerce. In addition, this collaborative process with business stakeholders, among others, should ensure that work gets done on the basis of existing and/or already existing (de facto) standards instead of reinventing the wheel in order to avoid frictions in implementation. In particular, the special needs and working methods of startups and SMEs, some of them have fewer technical resources available for data innovations, must be considered and addressed. This is the only way to succeed in engaging all players in the data ecosystem.

In addition, the Data Institute can accompany discussions between industry and regulatory authorities and strengthen the alignment between German and European initiatives in the field of data policy and the data economy. A right to be heard on fundamental questions of the interpretation of data protection law is conceivable.

5. Neutral coordinating instead of consulting in the market

The Data Institute has the greatest benefit as a neutral body and should not attempt to compete (in a distorted way, depending on the model) with established players. The institute should not offer legal advice or its own project work on the market. Furthermore, the Data Institute should not operate where competent actors are already active. This applies, for example, to data provision, application- or standard-related training, and auditing or certification of procedures and processes.

6. No certification, trustee, or standardization organization

There are established actors for the development of standards and certification, which is not an easy process and ties up a lot of resources. In terms of being "consistently action-oriented," the goal should be to communicate (international) standards, their meaning, and tips for easy implementation, but not to try to write or to test own standards. Data trustees can make their contribution to the data economy where (and only where) trust by trustees – an additional layer of processing – is appropriate. Industries have completely different levels of maturity and need. In short: The discussion about data trustees/fiduciaries is complicated and only at the beginning, this will not be solved by the Data Institute, which should use its resources for other purposes.

7. Institutionalization and funding

Supervision. In principle, it is not only desirable but essential that the Data Institute can act independently in order to ensure acceptance in politics, administration, business, academia, and civil society. Because of its scope, the Data Institute should be located under the Federal Ministry of the Interior (BMI) or, alternatively, under the Federal Ministry of Economic Affairs and Climate Action (BMWK) since this is where most synergy effects can be realized. Ideally, the Data Institute should be set up as a private entity with public sponsorship, not as a public body, because this allows for more flexible structures and easier recruitment of experts. In this context, care should be taken to ensure that the supervisory body is made up of equal numbers of representatives from politics, administration, science, civil society, and business.

Schedule. Even if the 12-month conception phase proposed in the discussion starts today (2022), this will be followed by the ordinary legislative procedure (2023) and the actual preparations for the creation of the institute (2024) with structure, processes and staffing. In this respect, the Data Institute would probably not be operational before the next federal election. We do not think it needs to take an entire legislative period to

open a Data Institute. Instead, the Data Institute should be launched and developed with a hybrid approach: Institutionalize Data Institute quickly and provide it with strategic goals, then define detailed-level goals and methods in collaboration with stakeholders in a 12-month design phase.

Funding. The Data Institute should generally be publicly, not privately, funded. Public-private partnerships can serve as leverage for the Data Institute. Maintaining independence while networking all stakeholders in business, politics, science, and society requires the structure of a "Data Institute for all," meaning that the participation and funding of a Data Institute must be open to all interested parties. At a bare minimum, this includes the administration (federal, state, and local governments), the economy (companies and associations), academia (research institutions, universities, and foundations) and civil society (private individuals). At the same time, it should be possible for companies to provide project-related funding for the data institute in addition to basic financial support.

Size. In order to adequately implement the diverse tasks, it is necessary that a Data Institute is equipped with an appropriate amount of resources. With fewer than 20 full-time professional positions, the Data Institute will be able to accomplish very little. In addition to lawyers, the majority of the staff should have technical, business, and scientific backgrounds, and they should be remunerated in line with the market and have opportunities for further development in the Data Institute.

Bitkom represents more than 2,000 companies of the digital economy. Through IT- and communication services only, our members generate a domestic turnover of 190 billion Euros per year, including 50 billion Euros in exports. Members of Bitkom employ more than 2 million people in Germany. Among the members are more than 1,000 small and medium-sized businesses, over 500 startups and nearly all global players. They offer a wide range of software technologies, IT-services, and telecommunications or internet services, produce hardware and consumer electronics, operate in the sectors of digital media or are in other ways affiliated to the digital economy. 80 percent of the companies' headquarters are located in Germany with an additional 8 percent each in the EU and the USA, as well as 4 percent in other regions. Bitkom supports the digital transformation of the German economy and advocates a broad participation in the digital progression of society. The aim is to establish Germany as globally leading location of the digital economy.

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