With about 75% of the EU population currently living in urban areas, cities are data production hubs. People using connected devices, sensors and objects produce, collect and transmit an ever-growing amount of personal and non-personal data in cities. In their effort to become greener, local authorities deliver sustainable and efficient public transport services and improve district heating systems by accessing mobility and energy data. Local authorities enforce housing and tourism regulations through data from online platforms to improve

Better Business to Government (B2G) data sharing that works for cities and people

Key messages:

Cities need an EU regulatory framework for B2G data sharing that creates a safe and structured environment based on cooperation and mutual value creation that respects data privacy, security and complies with the GDPR.

The regulatory framework should include a clear definition of:

- public interest, co-developed with city governments
- categories of data and the context in which data must be shared, in a timely and constant manner
- data sets that must necessarily be shared for free (e.g. natural disasters, pandemics and health emergencies, enforcement of rules and regulations including local regulations)

It should also establish:

- clear liability and accountability rules for both businesses and governments
- the role of a ‘city data steward’ in charge of B2G data access and sharing management process at local level while contributing to grow the ecosystem

The framework should foster collaboration and experimentation by the local ecosystems’ stakeholders to co-develop advanced data-driven applications and services as well as enable scaling up of practices in local data sharing between cities across Europe. It should promote and support data quality culture in the public sector and especially in city governments to increase the efficiency of public services. It must be effective, innovation friendly and future proof so it can be the basis for new rules on data ownership.
quality tourism for visitors and sustainable development for residents.\textsuperscript{1} They also adopt a more innovative and proactive approach to delivering public services that respond to citizens’ needs while preserving privacy by combining and analysing cross-sector big data. This analysis can lead to, for example, more personalised and effective childcare services and more sustainable food consumption.\textsuperscript{2}

Private businesses collect and own a vast amount of real-time, high-quality data in cities essential to developing and better managing public services. Current governance models and practices do not allow full access and use of this data by city authorities, significantly limiting the potential to exploit the data for the benefit of citizens and society.

City authorities should be recognised and empowered to become ‘data intermediaries’,\textsuperscript{3} ensuring citizens can access and manage their data in local ecosystems, where data flows seamlessly between the different players and services. City authorities should be empowered to set up local data exchange infrastructures as part of a data space for climate-neutral and smart communities, included in the common European Green Deal data space. City authorities should also be supported in creating connections and ensuring interoperability between local data exchange infrastructures, both technically and in terms of governance.

Our recommendations aim to ensure the Data Act proposal helps Europe work towards a future-proof EU regulatory framework that enables responsible, effective and upscaled B2G data sharing across Europe.\textsuperscript{4}

**Fostering transparency**

Sharing privately-held data between companies and public governments is a relatively new practice. In the last few years, different models and methods of data sharing have been tested and established, ranging from data donorship to purchasing data, and data sharing obligations clauses in public procurement contracts to cooperative data sharing pools or private-public partnerships (PPP).\textsuperscript{5}

Data donorship and purchasing of data practices have created transparency challenges for city authorities. Companies influence B2G data sharing conditions in data-driven city services contracts and cities are not able to fully govern the data sharing decision-making process. In many cases, cities have to deal with closed proprietary data or aggregated data that is difficult to access and use; in other cases, data does not respond to their needs as it is collected at a ‘higher level’ (national or regional). Cities need to sign non-disclosure agreements as well as comply with conditions on how, why and for what purpose the data is used. This limits city authorities’ ability to ensure that data is used in the public interest.

Including obligations clauses in tenders have allowed local authorities to access and control data. However, closed and tailored clauses are a time-consuming and costly exercise as they require legal and technical experts, assessment, and monitoring to ensure the clauses are respected. In general, this practice does not favour replicability and scalability of examples across Europe.

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\textsuperscript{2} [Data-agile economy: from reactive to proactive approach for the benefit of the citizens](https://bit.ly/2TaZIMu)

\textsuperscript{3} As function proposed in the proposal for regulation on European data governance (Data Governance Act) [https://bit.ly/3hCTyOG](https://bit.ly/3hCTyOG)


B2G data sharing models based on cooperation and collaboration between public and private stakeholders favour more productive relations and outcomes. These practices are usually based on shared interests and objectives on data uses and help city authorities to access more and better-quality data. Yet, it is difficult for most city authorities to understand what data businesses have at their disposal and, therefore, ask and get access to data, especially when it comes to big tech corporations.

**Recommendations:**

- Create an EU open repository of data sharing which includes examples and information on why, what and how privately-held data is used
- Establish an EU open library of clauses of B2G data sharing developed in tender agreements, which are compliant with the existing national laws and regulations on data sharing

**Guarantee high-quality data standards**

Good quality of data is a precondition for useful and meaningful B2G data sharing. High standards of data quality are essential for decision-making, providing efficient and reliable services while enhancing public trust. Ensuring and maintaining high data quality standards is a major challenge for city authorities. Format, syntax, and semantic inconsistencies along with incomplete, incorrect, duplicated, and redundant data may result from lack of real-time data, human error, siloed tools, multiple handovers, and inadequate data governance strategies. Companies are often concerned about the quality of government data, which may be an argument for not entering data-sharing negotiations. Assessing and improving data quality requires high financial investment, but also cultural change and political willingness to implement new data governance models. City authorities need to work on system integrity and ICT process architecture to tackle data quality challenges. Cities also need to develop a completely new approach to data quality with departments working together to improve collaboration and interoperability with data from many sources, internally and externally.

**Recommendations:**

- Incentivise and support data quality culture in the public sector and especially in city authorities
- develop EU common data quality indicators that can be used to describe a variety of data quality problems, thus representing a possible reference framework
- Develop EU common databases and platforms standards and interoperability systems (e.g. Minimum Interoperability Mechanisms⁶ (MIMs), GAIA-X architecture⁷, FIWARE⁸, open source software code, instruments of certification)
- Provide funding to automate a secure transfer, management and processing of data within local authorities

**A clear definition of public interest**

A clear definition of the concept of public interest in the context of B2G data sharing is essential to addressing the challenges outlined above. For city authorities, citizen data⁹ is a public and individual asset, it must be open, accessible, shared and solely used in the public interest. But how is the public interest defined? And by whom? EU member states have adopted different definitions and understandings of public interest which, in

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⁸ [https://www.fiware.org/](https://www.fiware.org/)
some cases, do not consider regional and local needs and specificities. Local authorities regulate and manage a substantial share of public affairs in the interest of the local population\textsuperscript{10}. Services of general interest include e.g. education, energy supply, public security, postal services, telecommunication, transport and housing. For city authorities, a commonly agreed EU definition of public interest that considers cities interests is vital to defining the circumstances in which privately-held data must be shared and used by governments.

**Recommendations:**

- Clearly define the public interest at EU level. The definition should be used to identify where and when privately-held data must be shared. City authorities must co-develop the definition and include an open list of examples that must consider the specificities of cities authorising them to carry out data requests autonomously
- Define a minimum set of categories of privately-held data that, in compliance with the GDPR\textsuperscript{11}, must be shared with city authorities for the public interest
- Define the circumstances, in which data must be shared for free and quickly (e.g. for emergencies and crisis management, prevention and resilience)

**Conclusions**

Cities are where innovation, creativity and smart development occur; they are the ideal testing ground to co-develop advanced data-driven applications and services that can be used as models and scaled up at national and EU level.\textsuperscript{12}

B2G data sharing is a complex, resource-intensive and costly process. Cities differ in size, technical skills and spending capacities. Companies look at the immediate return on investment and visibility; they choose with which city to collaborate and how. Overall, companies have a low level of interest to share data with city authorities, especially with small and medium sized cities. This lack of interest overlooks the proven potential of city authorities as enablers and facilitators of well-functioning local data-driven innovation ecosystems. City authorities, acting as connectors in the quadruple helix ecosystems and between the public and private data silos, can foster transparent flow and sharing of data while safeguarding data security, privacy and protection.

Some member states have already adopted national legislation to foster sharing of privately-held data with authorities. However, national data sharing frameworks are based on specific needs and objectives that do not always reflect those of the local level. City authorities also often lack support for implementation. This situation creates a fragmented governance system based on ad-hoc practices that are difficult to replicate or upscale across the EU.

The upcoming Data Act must consider cities’ needs and characteristics to enable secure and effective B2G data sharing across Europe that works for citizens.

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\textsuperscript{10} [https://bit.ly/3kkb0ca](https://bit.ly/3kkb0ca)
\textsuperscript{11} [General Data Protection Regulation](https://gdpr.eu)
\textsuperscript{12} [www.living-in.eu](http://www.living-in.eu)