Draft Report on Regulating Non-Personal Data

Why in news?

The draft report by the Committee of Experts on Non-Personal Data Governance Framework was released recently, inviting feedbacks.

What is the committee on?

- The committee was set up in 2019.
- It is a nine-member panel, headed by former Infosys vice-chairman Kris Gopalakrishnan.
- It was tasked to study the issues on non-personal data.
- The draft report makes suggestions for consideration of regulation of such data.
- It has defined non-personal data, concept of community data and rights and privileges over such data.
- It has delved into crucial subjects such as ownership of data, undertaking a data business and data sharing.
- It has also recommended mechanisms for data sharing while defining its purpose.
- These include sovereign rights, core public interest, and economic purposes.

What are the key highlights of the report?

- **Non-personal data** refers to information that is not related to an identified or identifiable natural person.
- This would include data on weather conditions, from sensors installed on industrial machines, from public infrastructure, and so on.
- It also includes data which was initially personal, but were later made anonymous, according to the draft definition.
- It is to be noted that the Personal Data Protection (PDP) Bill 2019 is still in process.
- The Gopalakrishnan-led panel in its report has defined non-personal data as information which is not personal as defined in the above bill.
- **Potential of data** - The report has collated information from various studies in this regard.
- It has shown that companies with the largest data pools have "outsized, unbeatable techno-economic advantages".

- A few startups from the 1990s and 2000s have gone on to become USD 1 trillion market capitalisation multinational corporations.
- This is mainly because of their ability to collect and analyse data of users.
- Reportedly, Google and Facebook together control about 60% of the Internet advertising market in the USA.
- Amazon had a 37% share of the online e-commerce market in the USA in 2019.

What has the committee called for?

- There is a need to create a data-sharing framework.
- It thus calls for sharing non-personal data collected by both government and private organizations with citizens.
- This is to ensure that community data is available for social, public and economic value creation.
- Also, it simultaneously addresses privacy concerns and prevents collective harms arising from processing of non-personal data.
- This is likely to lead to increased transparency, better quality services, improved efficiencies, and more innovation.
- The shared Non-Personal Data may be useful for Indian entrepreneurs.
- It would help them develop new and innovative services and products from which citizens may benefit.
- The report puts forward useful suggestions on the need to set up a 'non-personal data regulatory authority.'
- This is to manage India's vast and emerging data space, while nurturing a creative and egalitarian technology architecture.

What are the concerns?

- **Definition** - A major concern with the new report is the lack of clarity on how it defines non-personal data.
- For instance, the report mentions on data that are aggregated and to which "certain data transformation techniques" are applied.
- The 'transformation' is to the extent that the individual or specific events related to them are no longer identifiable.
- This would be qualified as anonymous data, according to the report.
- But the data transformation techniques (that can be used to "anonymise" personal data) are not clearly defined.
- Possibly, vested interests can exploit the situation.
- **Powers** - The panel's suggestions would lead to offering the State immense powers to define and determine non-personal data and use that for its interests.
- This does not augur well for a democracy, besides hurting business interests.

- This could possibly lead to a new form of digital control raj.
- **Authority** - Another potentially controversial idea is the suggestion to create a Non-Personal Data Authority.
- The panel suggests that data can be classified into three categories — public, community and private non-personal data.
- This is based on their ownership and origin of creation.
- Again, there is little clarity on who owns what kind of data as reflected in the way the report defines and identifies stakeholders.
- [The stakeholders include data principal, data custodian, data trustee and data trust.]
- The roles of these parties are still not delineated.
- These issues need to be addressed to avoid unethical practices, especially in a country like India which is witnessing a data economy explosion.
- Bringing transparency into the data debate is the need of the hour.

Source: The Economic Times, Business Line

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