

Glance on the economic considerations, trade-offs and consequences related to the establishment of an SDI

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Abstract

Since the nineteen nineties there has been a rapidly rising interest in Spatial Data Infrastructures (SDI) (Groot, 2001). All over the world, different types of spatial data related initiatives have been developed and numerous studies concerning SDI and associated concepts have been conducted. These studies focused, traditionally, mainly on the technical aspects of the SDI. However, as the SDI, in all its components, gains importance, public interest and awareness worldwide and SDI related information and spatial data become more and more important inputs for policymaking, the need grows for conducting profound studies concerning all the aspects of an SDI.

Many of the important aspects that are at the basis of a well functioning SDI have an economic background. This presentation will study precisely some of these interesting economic aspects in greater detail, focusing especially on the funding and pricing issues concerning an SDI.

Funding is worth our special attention because the funding mechanisms by means of government and tax money of infrastructures in general, and thus also those of the SDI, have faced an important evolution in the last two decades. This evolution caused that governments around the world have decided to disinvest in all kinds of infrastructures. This matter will of course also have repercussions for the different building blocks of the SDI. They will either have to persuade the government to keep on funding their activities, or else, focus on obtaining money from alternative sources in order to survive. We will present an overview of some of the most widespread existing funding strategies and also include possible alternative practices. This list will not be exhaustive, nor will it be complete, but it shall provide a first impression of the possibilities to fund, or continue to fund, the components of an SDI.

Another important economic aspect that is worth thorough investigation is the policy of price setting. One of the most discussed topics, when talking about spatial data, is the price that one should ask or pay for it. Some say spatial data should be for free, others claim it is only normal to ask a price for information. Either way, the production of spatial data and information will include high expenses that will have to be beared by someone, somehow and somewhere.

We will present some of the possible price setting policies and the related repercussions they might have for the data and information in itself, but also for its producers and consumers.