



**COMMITTEE FOR SPATIAL INFORMATION**

**[In terms of the Spatial Data Infrastructure Act, 2003 (Act No. 54 of 2003)]**

**POLICY ON PRICING OF SPATIAL INFORMATION PRODUCTS AND SERVICES**

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## Definitions and abbreviations

All terms in this Policy are consistent with their meaning in the Spatial Data Infrastructure Act, 2003 (Act No. 54 of 2003), ("the SDI Act") and the regulations made thereunder. More specifically, -

**"CSI"** means the Committee for Spatial Information, established in terms of section 5 of the SDI Act;

**"Department"** means the Department of Rural Development and Land Reform;

**"ICT"** means information and communication technology;

**"Minister"** means the Minister of Rural Development and Land Reform;

**"SDI Act"** means the Spatial Data Infrastructure Act, 2003 (Act No. 54 of 2003);

**"spatial information product"** means spatial information prepared in a manner ready for dissemination to users in either digital or hard copy form and includes a map;

**"spatial information service"** means a service provided in which spatial information is used to meet the need of a user;

**"Subcommittee"** means the Subcommittee for Policy and Legislation, created by the CSI in terms of section 10 of the SDI Act.

## **Policy on pricing of spatial information products and services**

### **1. Policy statement**

Guidelines on pricing for the provision of spatial information products and services by public sector organisations to users.

### **2. Purpose**

The purpose of this Policy is to ensure that informed decisions can be made regarding the pricing of spatial information in the public sector and that there is consistency in the application of the pricing policy.

The Committee on Spatial Information (CSI) has an important role in coordinating the framework data, maps, systems and standards required to maximise the usefulness of spatial data/information collected by all levels of government in South Africa and the private sector. Properly carried out, this mandate will lead to consistent, compatible and interoperable data sets.

The current pricing and licensing practices of the various public sector organisations have prevented this from occurring. Therefore, almost all municipalities, most provincial and even state departments spend some level of resources to develop duplicate spatial information. The existing operating modes are based on previous modes with the emphasis on cost recovery and the user-pays principle. This equates the percentage of cost recovery to the value of service delivered to the public. Today, service delivery in itself is the aim and the reason for the existence of public sector organisations.

The inability to pay must not be used as a barrier to deny access to services to a user or user group. In essence, the pricing policy of the public sector must provide for equitable, universal access.

### 3. Scope

This Policy covers all spatial data/information provided by public sector organisations, and includes all data custodians and other public sector organisations providing spatial information products and services, whether as a primary or a secondary provider.

The Policy deals with spatial information products and services that are generally available from the organisation, and those that the organisation customises for the client on specific request (also referred to as value-added products and services).

### 4. Objectives

The objectives of the Policy are to:

- (a) Promote transparency in the public sector by removing cost of information as a barrier;
- (b) Ensure access to spatial information products and services on the grounds of affordability;
- (c) Promote consistency across the public sector with respect to pricing for spatial information products and services;
- (d) Promote the *Batho Pele* principle of providing value for money to users;
- (e) Encourage job creation and economic activity through entrepreneurial utilization of affordable spatial information from public sector sources.

### 5. Legislative and regulatory framework

Constitution of the Republic of South Africa, 1996.

The SDI Act and the regulations made thereunder.

Promotion of Access to Information Act, 2002 (Act No. 2 of 2000).

Other legislation specific to the mandate of public sector organisation(s).

## **6. Policy details**

### **6.1 Key principles**

- Promote the principles of open data and universal access to data, particularly data held by public organisations.
- Compulsory for base data custodians and data custodians.
- Spatial information collected and maintained by public sector organisations, funded from the fiscus, is a public good.
- Affordability of accessing spatial information.
- Consistency across public organisations in the pricing of spatial information.
- Spatial information must not be regarded by public sector organisations as a source of income.

### **6.2 Categories of spatial information**

There are two distinct categories of spatial information products and services provided by public sector organisations. The first category is products that are generally available from the organisation. These are usually listed in the organisation's manual of records, prepared in terms of section 14 of the Promotion of Access to Information Act, 2000, and revised annually. The second category consists of products and services that the organisation customises for the client on specific request (also referred to as value-added products and services).

### **6.3 Generally available products and services**

For generally available products and services:

- 6.3.1** The principles guiding the policy on the pricing of such products and services need to be consistent with the provisions of the Promotion of Access to Information Act, 2000; basically, charging the user what it costs the organisation to make the information available in the requested format. This main principle is referred to as Cost of Fulfilling User Request (COFUR). For the purposes of this Policy, the products and services of a

data custodian for which public funding is provided is regarded as generally available spatial information products and services.

- 6.3.2** The COFUR principle is to be used in the public sector to determine prices for generally available spatial information products and services (also referred to as standard products). For the purposes of this policy document, COFUR means that the pricing structure for spatial information is based on recovering the costs of the materials used for copying, printing, preparing for dispatch, postage and packaging.
- 6.3.3** When requested to do so, public sector organisations must provide the method used, including all cost elements and unit costs, to determine the prices of products and services.
- 6.3.4** A public sector organisation may provide spatial information products and services at less than the COFUR price.
- 6.3.5** The cost to make a staff member and workstation available at a public counter or other service centre is regarded as one of the functions of the organisation, i.e. service delivery. These services are fully funded by moneys allocated to the organisation by Parliament or from statutory rates and taxes, and need not be recovered from users. These costs should therefore not be included in the COFUR.
- 6.3.6** The Minister may, upon receiving a motivated request, and on recommendation of the CSI, exempt a public sector organisation partially or in full from the COFUR pricing. The decision of the Minister must be communicated to applicants within a period of six months.
- 6.3.7** The new pricing structure will encourage small business and non-traditional users of spatial information to become involved in the spatial information industry, especially in the field of value-added services.
- 6.3.8** In terms of the Promotion of Access to information Act, 2000, the State (in general) is not exempted from paying charges determined under this Policy.

#### **6.4 Value-added products and services**

For special products and services (value-added products and services):

- 6.4.1** Products and services falling into this category are not generally available and are generally of use only to a specific client. A client who requests such services from an organisation needs to be made aware that any costs incurred by the organisation in the provision of the requested special product or service will be for the client's account.
- 6.4.2** The pricing would generally be determined in the terms and conditions of the service level agreement or contract between the client and the organisation, or through the fees of office, or rates provided for in terms of legislation.
- 6.4.3** When a special product (or service) is prepared for a client and a new client subsequently requests the same product, the further provision of the product must be in accordance with the COFUR principle and not charged for in full. If the previously prepared product requires adaptations for the new client, the client should be charged only for the cost of such adaptations.
- 6.4.4** The following cost items could be used to determine the cost of the product or service:
- (a) Human resources – total cost of employment, and not only salary, as apportioned to the product or service;
  - (b) Materials consumed;
  - (c) Equipment (including ICT systems) – capital, maintenance and running cost;
  - (d) Apportionment of infrastructure (direct and overhead) - including electricity and water;
  - (e) Communication - including ICT networks and Internet usage;
  - (f) Transport;
  - (g) Accommodation;
  - (h) Rates and taxes, if applicable;
  - (i) Incidental costs.

Note that the cost of generally available spatial information must not be included.

## **6.5 Standard products and services**

No royalty fee will be payable on standard products/services or records where the price of the product is based on the COFUR price principle.

## **7. Roles and responsibilities**

- 7.1 The Policy and Legislation Subcommittee is responsible for drafting policies to be submitted to the CSI.
- 7.2 The CSI recommends the policy to the Minister and upon approval from the Minister publishes it in the *Gazette*.
- 7.3 The Policy comes into effect 30 calendar days after publication.
- 7.4 The Policy and Legislation Subcommittee reviews the Policy annually and where applicable recommends amendments to the CSI.
- 7.5 The Policy is binding on all parties referred to in the SDI Act.

## **8. Monitoring, evaluation and review**

- 8.1 The CSI, assisted by the Department, will monitor adherence to the Policy.
- 8.2 Adherence to the Policy will be monitored through various means, including audits and inspections. Upon request to do so, any organisation that is the subject of adherence monitoring must provide any documentary evidence requested within a reasonable period of time.
- 8.3 The CSI, assisted by the Department, should from time to time evaluate the efficacy and effectiveness of the Policy. Due regard must be given to the purpose and objectives of the Policy, as well as the state of readiness for implementation of the Policy by affected parties.

**9. Amendments**

| No. | Amendment | Date |
|-----|-----------|------|
|     |           |      |
|     |           |      |
|     |           |      |
|     |           |      |

**10. Associated documents**

*Batho Pele* principles of the public sector

Development and review of CSI policy process documentation