Kadaster in times of Financial Crisis

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Content

- Economic crisis in The Netherlands
- Effects on Kadaster
- How to tackle them
Economic crisis in The Netherlands

- December 2009: 4.6% of total labour force is unemployed (in 2008: 3.9%)
- Real estate market: only 6 months of work in entire country = the lowest construction stock since November 1994
  Coming 2 years a loss of 50,000 jobs in construction industry is expected
- Dun & Bradstreet’s forecast: increasing bankruptcy:
  - 2008: 4,200 companies
  - 2009: 10,289 companies
- Real estate market: # of private house sales in 2009 = 30-35% less

Bankruptcies as an economy’s indicator

Source: Statistics NL
Content

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Effects Input: trend # of deeds / mortgage documents
### Profit and Loss Account 2009

<table>
<thead>
<tr>
<th></th>
<th>Realisation</th>
<th>Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating income</td>
<td>€ 244.9 million</td>
<td>€ 267.0 million</td>
</tr>
<tr>
<td>Total operating expenditure</td>
<td>€ 241.3 million</td>
<td>€ 256.0 million</td>
</tr>
<tr>
<td>Operating result</td>
<td>€ 3.6 million</td>
<td>€ 11.0 million</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>€ /- 1.4 million</td>
<td>€ /- 1.0 million</td>
</tr>
<tr>
<td>Result</td>
<td>€ 2.1 million</td>
<td>€ 10.0 million</td>
</tr>
</tbody>
</table>

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Financial policy and internal management

- Highly structured internal management cycle
- Driven by budgets, performance indicators and cost price
- Financial & business management information per month
- Turnover: not easy to influence (external factors)
- Cost control-driven approach
- Cost flexibility is important, but difficult to realise

Review of strategy
Higher tariffs - stakeholders

Kadaster organisation / stakeholders
Development users' fees

tariff based finance system

Development users’ fees, inflation included
Cost structure

Cost flexibility

Less than 30% of Kadaster costs is flexible:
Reducing cost of outsourced work and other external costs has consequences:

- less quality
- objectives will not be achieved
- quality appointments to market / stakeholders under pressure

Only a few percent is flexible without consequences for business, image and promises

Conclusion: flexibility in current cost structure is very limited
To use or support new technologies

- Contribute to location awareness: support location based services by promoting mapping
- Location awareness is growing, despite of crisis
- Mapping (use) is not affected by crisis
- Examples of the industry:
  - Nokia: in all new mobiles geo referencing will be available
  - transport: heavy use of navigation systems and mapping
  - infrastructure (geo referencing)

Cooperation private industry

- Innovation new products
- Cooperation with private industry
  - Level playing field
  - Strategic dialogue
- Cooperation with the field of education
Conclusions

- Cooperation is key
- Mapping is a booming market
- This economic crisis:
  - emphasizes the importance of mapping in solving it
  - stimulates a wider-spread mapping demand and sale
  - gives us the opportunity to make a step ahead