

Construction Sector Transparency Initiative Information Pack



CoST

Improving infrastructure through openness and accountability

This pack has been produced for journalists and broadcasters, as well as others with an interest in issues around transparency, construction and development, as a guide to the Construction Sector Transparency Initiative (CoST). Here you will find information about the programme, together with resources to help you to produce content-rich editorial and copy.

CoST's website has the latest information about the programme:

www.constructiontransparency.org

You can also follow CoST on Twitter:

[@CoSTransparency](https://twitter.com/CoSTransparency)



What is CoST?

CoST aims to improve the value for money spent on public infrastructure, by increasing transparency in the delivery of construction projects. It is relevant to governments, private industry and – perhaps most crucially – the public.

At CoST's core is the belief that the processes involved in the construction of public infrastructure must be made more transparent. The public must be armed with the information they need to hold decision makers to account and to ensure better value for money in the construction sector.

CoST is making this ideal a reality. It works with government agencies to gather, verify and disclose information into the public realm. Following a successful three year pilot, CoST launched in October 2012.

Creating a more transparent sector ultimately leads to better public infrastructure, offering potentially huge human benefits, for individuals and communities across the world. It also reduces waste in public budgets, enables fairer competition in the private sector and increased opportunities for investors.

CoST can be applied in variety of political, social and economic contexts. Currently there are eight participating countries: Malawi, Tanzania, Zambia, Ethiopia, Guatemala, the UK, the Philippines and Vietnam; with more countries expected to join shortly.

How can we help you?

The CoST international programme is run by a Board and an International Secretariat which consists of individuals with a wide breadth of experience and skills. National programmes are led by a Multi-Stakeholder Groups (MSGs) consisting of experts from government, the private sector and civil society and are managed by a Coordinator.

As well as running the programme successfully, the expertise of these individuals means that CoST is able to assist the media in providing comment on key issues, including:

- Corruption, mismanagement and inefficiency in publicly funded construction projects
- Links between transparency and local development outcomes
- Global development programmes
- Multi-stakeholder working
- Civil society
- The construction industry
- Public procurement

You can find biographies for all members of CoST's Board and International Secretariat here: www.constructiontransparency.org/about_us.cfm

We can also put you in touch with the relevant national coordinator if you require information specific to our participating countries.

Programme Summary

In this leaflet you can find key information about CoST and its achievements to date:
www.constructiontransparency.org/db/_documents/CoST_Programme_Summary_Ver_1_Final.pdf

Previous press releases, coverage & case studies

These can be found within the media resources section of the CoST website:
www.constructiontransparency.org/resources/media_resources.cfm

CoST supporters

CoST is supported by public sector funders, civil society and private industry. A list of these supporters can be found at:
www.constructiontransparency.org/about_us/cost_supporters.cfm



Events

The launch of the CoST international programme took place in October 2012. The event was hosted in London, followed by a separate event in Johannesburg as part of the World Bank Institute Conference on Open Contracting.

Latest updates on CoST events can be found at:
www.constructiontransparency.org/news_&_events/events.cfm

Please contact us if you would like more information about these, or if you would like a CoST representative to attend an event.

Frequently Asked Questions

Here are some answers to questions which are often asked about the programme:

Why is CoST necessary?

Public sector construction projects make a major contribution to poverty reduction and economic growth, but mismanagement and corruption throughout the project cycle can undermine the potential social and economic benefits. Studies show that these problems are widespread and that they can result in unnecessary, unsuitable, defective and dangerous built assets. Greater transparency in the delivery of construction projects is expected to lead to increased accountability and improved project outcomes.

How does CoST work?

CoST is designed to make construction projects more transparent. This means opening up the decision-making process to public scrutiny so that stakeholders can see how the money is being spent. It does this by developing the systems and procedures that are necessary to enable the public disclosure of project information.

Who will benefit from CoST?

All those with an interest in getting better value for the money spent in publicly funded construction projects will benefit from CoST. Government benefits, for example, from more efficient delivery systems, savings on infrastructure that are available for other priorities, improved public confidence and a business environment that is more attractive to investors. Industry benefits from a fairer contract award and administration system and an environment with fewer commercial risks. And civil society benefits too through access to information that can help to promote its agenda around social justice.



Frequently Asked Questions

What information is disclosed through CoST?

The information disclosed will usually include a description of the project (e.g. its purpose, location, specification, cost, contractor and completion dates) and justification for any significant differences between what was planned and budgeted for and what was eventually constructed and paid for. The information is disclosed in a form that is comprehensible to a range of stakeholders and through channels that are accessible to them.

Who will disclose the information?

The information belongs to the organisation responsible for procuring the construction work, or what is sometimes referred to as the procuring entity. This will usually be a government department or an agency established by government. Ideally the procuring entity will release the information directly into the public domain and will be responsible for dealing with any questions arising from it. If there are circumstances that prevent the procuring entity from taking responsibility for disclosure, it can authorise the CoST Multi-Stakeholder Group (see 'Who is Involved in CoST' below) to release the information on its behalf.

Who is involved in CoST?

Government involvement is essential because it is ultimately responsible for publicly funded construction projects. However, government alone cannot make the improvements that are needed, so another important feature of CoST is the involvement of a wide range of stakeholders. These include procuring entities, public financial management bodies, construction companies and associations, civil society organisations and private financiers. Each participating country has established a 'Multi-Stakeholder Group' (MSG) that comprises representatives drawn from these backgrounds and is responsible for guiding the project. The broad based composition of the MSGs provides a considerable pool of knowledge and expertise and helps to ensure the legitimacy of CoST.

How is CoST structured?

CoST is funded by the World Bank, the Department for International Development (DFID) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). An International Secretariat appointed by the CoST Board is responsible for day-to-day management of CoST, including the provision of technical assistance to the MSGs. In most cases the MSGs have appointed a Minister or senior government official as a 'CoST Champion' to act as a high profile advocate for CoST in their own country. Full details of the governance structure can be found at www.constructiontransparency.org/the_initiative.cfm

Does CoST help to reduce poverty?

Improvements in transparency and accountability can help to reduce corruption – particularly where they form part of a broader range of initiatives aimed at improving governance - and corruption is a major barrier to poverty reduction. Global construction is likely to grow by 70 per cent from \$7.2 trillion today, to \$12 trillion by 2020. Potential savings through reducing corruption, mismanagement and inefficiency could be around \$4 trillion annually by then. Transparency International's 2008 Global Corruption Report also claimed that unchecked levels of corruption would add US \$50 billion to the cost of achieving the Millennium Development Goal targets on water and sanitation. Transparency therefore helps to create an environment in which efforts aimed at fighting poverty are more likely to succeed.

Thank you

We hope that you have found this information pack helpful. We look forward to working with you to ensure that you have everything you need to be able to profile these important issues.

We will update this information pack whenever appropriate.

You will be able to find the latest version here:

www.constructiontransparency.org/resources/media_resources.cfm

For further details, interview opportunities and related requests please contact

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Photographs courtesy of the World Bank



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