

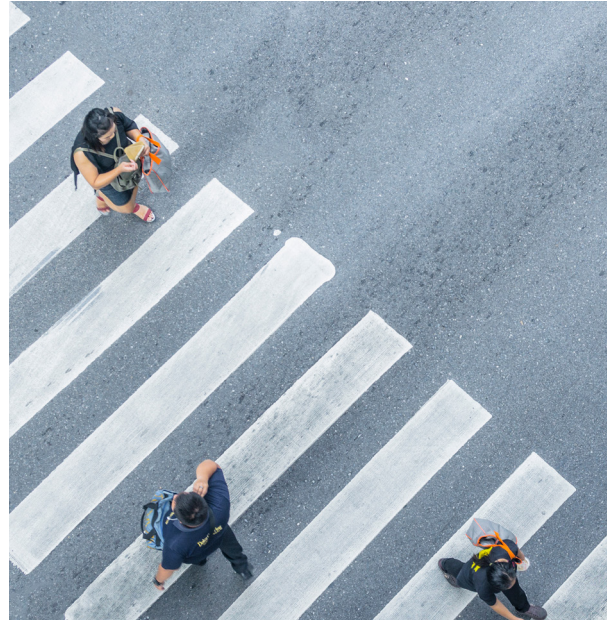
The need for CoST: Strengthening economies and improving lives

What is CoST?

CoST – the Infrastructure Transparency Initiative (CoST) is the leading global initiative improving transparency, participation and accountability in infrastructure.

CoST works with government, private sector and civil society to promote the disclosure, validation and interpretation of data from infrastructure projects. This helps to inform and empower citizens and enables them to hold decision-makers to account.

In addition to working with CoST members at the national level, CoST works with a range of international organisations – such as Open Contracting Partnership, International Federation of Consulting Engineers (FIDIC), World Bank, and Civic-20 (C20) – pursuing common goals to better the delivery of infrastructure.



Pedestrians walk to work.

Why do we need CoST?

It is estimated that between 10% and 30% of investment in infrastructure is lost due to corruption, mismanagement and inefficiency. [Recent statistics](#) put wastage due to inefficiency at **53% (in low income)**, **34% (in emerging)** and **15% (in advanced)** economies. Furthermore, estimates prior to Covid-19, state that by 2040 the world will face a US \$15 trillion gap between projected investment and the amount needed to provide adequate infrastructure.

Our experience indicates that increasing infrastructure transparency, participation, and accountability helps to drive reforms that reduce mismanagement, inefficiency and corruption. Applying this approach results in cost savings of magnitude, helping to meet the 2040 gap and deliver better-quality infrastructure for millions.

CoST creates better value for:

- Governments because it demonstrates how public money is spent, identifies potential efficiency savings and complements reforms in the management of public finances and the procurement of infrastructure.
- The private sector because it ensures a level playing field and reduces the costs and risks of doing business.
- Communities because it ensures cost-effective delivery of improved infrastructure that changes lives.

How does it work?

CoST provides a set of principles and guidance on increasing transparency, accountability and participation in public infrastructure. Any national or sub-national government, megaproject or procuring entity can apply to [join CoST](#) as a Member during a competitive process or as an Affiliate Member at any time. Our [members span four continents worldwide](#), representing a range of economies and contexts.

The core features of CoST

The [CoST approach](#) is focussed on four core features: multi-stakeholder working, disclosure, assurance and social accountability. These features provide a global standard for CoST implementation to further infrastructure transparency, participation and accountability.

Whilst the standard is universally applied by CoST members, it can be adapted to country contexts, so that it is appropriately implemented in different political, economic and social systems.



Disclosure

CoST increases transparency by promoting the disclosure of data on public infrastructure projects, so that key information such as the purpose, scope, costs and implementation of infrastructure projects is open, accessible and more readily available to the public. Key to the process is data disclosure in accordance with the [Open Contracting for Infrastructure Data Standard \(OC4IDS\)](#) or the [CoST Infrastructure Data Standard \(CoST IDS\)](#).



Assurance

CoST promotes accountability through an independent review of the disclosed data. Through this assurance process, CoST validates technical data, interprets it into plain language and identifies issues of concern. This helps stakeholders to understand the main issues and acts as a basis for holding decision-makers to account.



Multi-stakeholder working

In each country, CoST is directed by a Multi-Stakeholder Group (MSG) that comprises representatives of government, private sector and civil society. Through a neutral forum, CoST helps these key stakeholders pursue shared objectives to ensure value for money from infrastructure investment. Not only do they guide the programme, but they are key to advocating assurance findings to key influencers.



Social accountability

Social accountability stakeholders such as the media, civil society and citizens play an important role in holding decision-makers to account. CoST works with these stakeholders to promote the findings from its assurance process and to use the disclosed data to monitor infrastructure projects. And increasingly we are providing a platform for communities to bring the issues that are important to them to officials.

CoST impact

The value of CoST has been felt in myriad ways at local and national levels, below are a few examples of our most recent impact.

CoST Thailand: Saving millions, enabling participation and shifting mindsets

In Thailand, the CoST approach prompted behavioural change from the private sector and community and led to cost savings of **US \$360 million**. By promoting the level of infrastructure data in the public domain, CoST Thailand encouraged competitive bidding and lower contract prices. Furthermore, through its innovative approach in public participation, the voice of local communities was raised during project delivery, furthering their trust in decision-makers and leading to better quality construction. [Read more.](#)



A member of the community contributes at a public forum in Thailand.

“[It was common practice to] wake up with a construction hole in front of your home.”

Community leader, Thailand

Overhauling the Honduras Road Fund

Since 2015, procuring entities in Honduras have been disclosing infrastructure data on the online platform [SISOCS](#). Alarm bells were raised after one public entity, the ‘Road Fund’ failed to disclose key data required by the CoST IDS during a period when its infrastructure investment amounted to US\$112 million. The Fund had become politicised, with money assigned based on political allegiances rather than community needs. Thanks to its work, CoST Honduras helped to close the Fund and in 2018 the new, transparent ‘Directorate of Road Heritage Conservation’ was established in its place. [Read more.](#)



CoST Assurance Team in Honduras at a road project visit.

In Afghanistan, US \$8.3 million saved after major overhaul of the design process

Over the past decade, the construction and maintenance of Afghanistan's road network has been a priority for the government. However, CoST Afghanistan's First Assurance Report identified major problems in project preparation of several road projects, with inaccurate surveys and design leading to significant time and cost overruns. After these issues were raised by CoST, the National Road Authority created the 'Design Review Unit' to provide pre-contract oversight. Following its review of over 100 infrastructure projects and recalculation of quantities and costs, the Unit saved US \$8.3 million between 2018–2019 alone. [Read more.](#)



HE Yama Yari.

“If we had these sorts of safeguards [including CoST] in place in 2003, then we would have saved hundreds of millions of dollars on public infrastructure.”

HE Yama Yari, Minister of Public Works, Afghanistan (2016 - 2020)

Transforming lives and infrastructure in Wakiso District, Uganda

Over recent years, infrastructure delivery in Wakiso District has been wrought with issues impacting on local communities. And without the means to explain how their lives have been impacted, citizens have had little faith in local decision-makers. Through an innovative approach, CoST Uganda addressed this by using traditional community events known as 'barazas' to bring together stakeholders. Here citizens told of how dangerous roads and poor sanitation resulting from recent projects affected their daily lives. The authorities proved they had genuinely heard their stories - swiftly rectifying these issues after the barazas and re-establishing trust in the process. [Read more.](#)



A baraza in Wakiso District, Uganda.

Milestones on the CoST journey

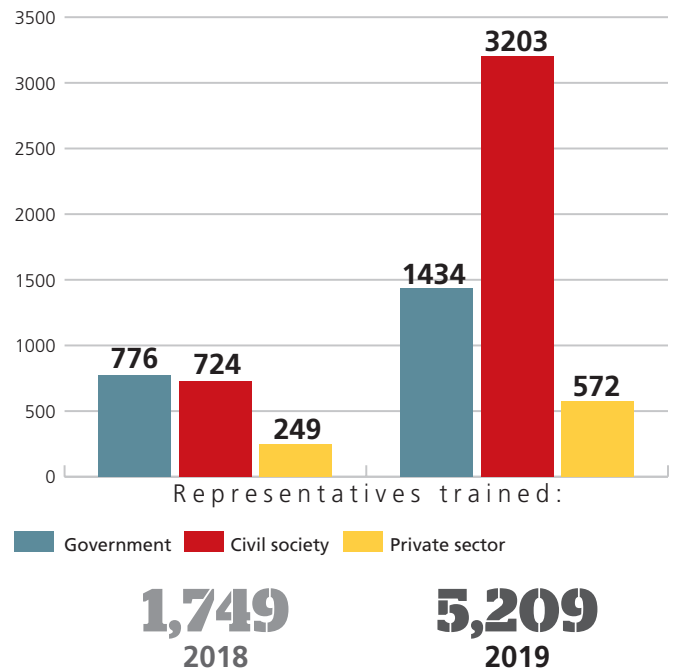
Our global achievements can be shown in varied ways, below are a few examples of our collective success.

Rapidly growing in depth and breadth

A global movement: In 2019 our membership increased by over **40%**, with members from diverse contexts and economies spanning four continents.

Scaling up disclosure: CoST has promoted data disclosure on **38,514** projects worldwide. The e-platforms deployed by our members recently have been key to a spike in numbers as seen in 2019, with data published on **11,700** projects.

Learning and sharing: Over **5200** people from government, civil society and the private sector were trained to use infrastructure data in 2019 – almost triple the amount trained in 2018. This includes 572 private sector representatives, double the amount in 2018.



International endorsement of CoST

Over 20 countries have applied the CoST approach in contexts as varied as Afghanistan, El Salvador, Ethiopia, Thailand and Ukraine. In 2019, the CoST IDS was recognised by the G20 and it has been included in key tools of the World Bank, Transparency International and Global Infrastructure Basel. Similarly, the OC4IDS has been endorsed by the C20.

CoST has received backing from the construction sector with public support from the European International Contractors and FIDIC with the latter encouraging its 102 member associations to consider how the CoST approach can help improve practices in their countries.

“I’m delighted that FIDIC has decided to endorse CoST and work together in the global fight against corruption.”

FIDIC President, Bill Howard

CoST responds to pressing global issues

Gender inclusive infrastructure: To help promote female participation in the sector we are working with members to improve the gender balance in their composition and to amplify the female voice at public events.

Climate resilient infrastructure: We are working to connect OC4IDS data with datasets on environmental impact to better understand and promote the standard’s contribution to resilience.



A CoST Thailand meeting carried out with social distancing measures.

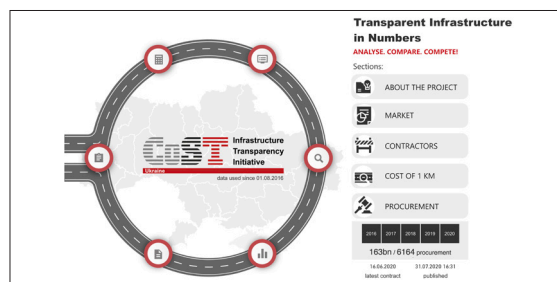
Covid-19 response: We have been supporting members to be **Covid-19 responsive**, like in Honduras where the CoST approach has been promoted on the construction of 93 new health facilities. We have also developed robust guidance on how the CoST approach can be applied in crises settings such as in post-disaster recovery or other health emergencies.

CoST innovation

The development of our innovative tools and standards have been key to our impact and achievements.

OC4IDS: Developed with Open Contracting Partnership the **OC4IDS** provides a comprehensive approach to disclosure, combining the best of our existing standards so both contract and project level data is published. It is applied to e-platforms, encouraging vital data centralisation and accessibility in 'real time'.

CoST data analytics guidance: CoST Ukraine's **data analytical tool** provides compelling visuals on Ukraine's infrastructure investment – highlighting areas such as who is winning contracts, time and cost overruns and regional variations in investment. With clear benefits for the private sector and others, our disclosure guidance for CoST members shows them how they can adopt and use the tool on their e-platforms.



The CoST Ukraine data analytical tool.

Infrastructure Transparency Index (ITI): A first of its kind innovation, our latest tool – the ITI - measures and compares levels of transparency in the infrastructure sector. Procuring entities are scored on key transparency indicators including disclosure practices and citizen participation, allowing results to be compared in order to promote better performance in a country's infrastructure sector over time.

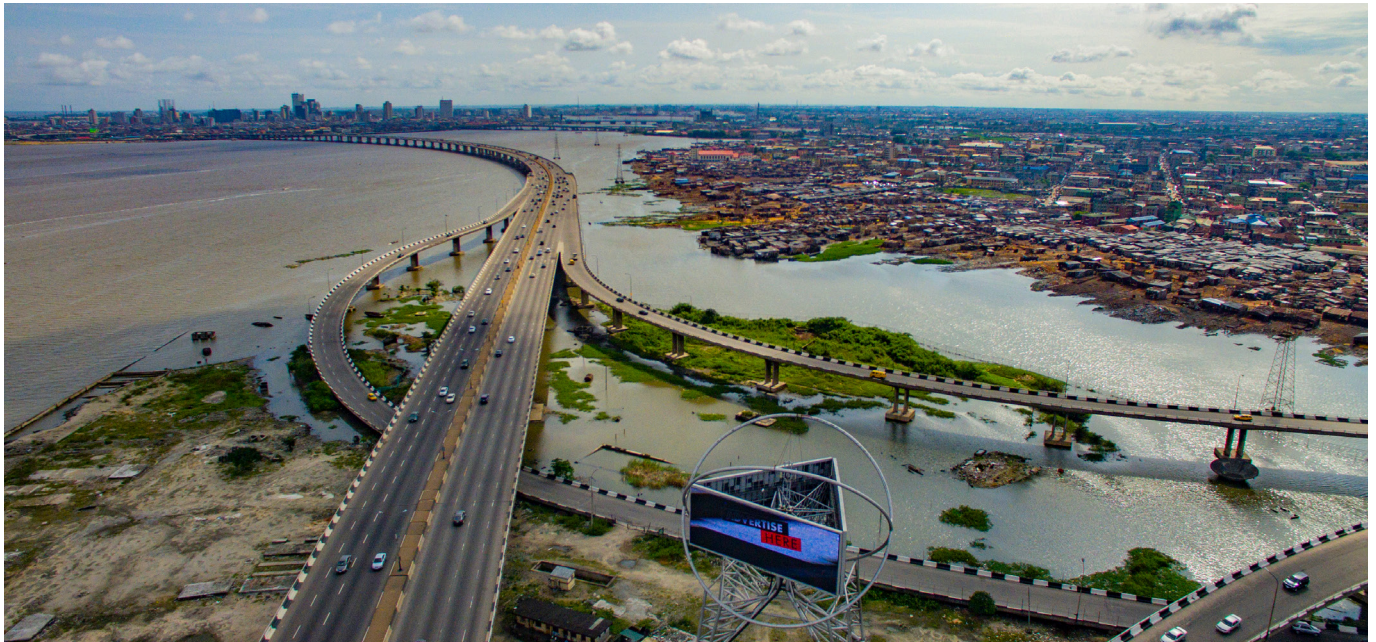
CoST Infrastructure Disclosure Platform: Following the success of SISOCS in heightening data disclosure in Honduras and the development of **SISOCS-PPPs** which provides easy access to data on thousands of public and public-private partnership projects, the platform code for both tools will be made open source in 2021. This will mean it can be used by our members and others worldwide to increase attention on the transparency of a range of high-value projects.



The SISOCS PPPs platform.

How to get involved?

Are you an interested private sector, civil society or donor supporter? Or a government interested in joining CoST? If so, and you would like to see the benefits of CoST in action, please contact us via CoST@infrastructuretransparency.org.



Aerial view of Third Mainland Bridge Lagos, Nigeria.



UK Government



Ministry of Foreign Affairs of the Netherlands

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