



Infrastructure  
Transparency  
Initiative



# 2021 ANNUAL REPORT



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## FOREWORD

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**T**he pandemic and its social and economic consequences intensified in 2021, making it a year unlike any other.

These challenges provided a stress test for governance systems and apart from a few notable exceptions, they were found wanting. It became apparent to people everywhere that we were dealing with two pandemics, Covid-19 and corruption in public procurement.

There can no longer be any doubt that transparency and accountability are indispensable in times of crises. Applied correctly, they maintain trust between governments and citizens and make public expenditure go further by reducing corruption and inefficiency. These things matter not only in the recovery from the pandemic, but also in our efforts to tackle the climate emergency and recover the momentum that has been lost in meeting the Sustainable Development Goals.

It is testament to the commitment and determination of all involved in CoST that, in this year like no other, we continued to extend the boundaries of transparency and accountability in infrastructure investment. In the pages that follow you can read about the difference they made in the most challenging circumstances. And for some in the CoST team, the pandemic was not the most serious threat that they faced. We refer

here to the CoST Afghanistan team who were in Kabul with their families on 15th August when the Taliban entered the city.

As proponents of open government and for having worked on foreign funded programmes, there was no doubt that the lives of our colleagues and their families were in grave danger. We immediately began to coordinate with others in the open government community to evacuate them to safety. The anxiety felt by those of us coordinating the effort, was as nothing compared to the danger our colleagues faced.

They left their homes in the middle of the night with nothing more than they could carry, through a city under Taliban imposed curfew, and on to Mazar-i-Sharif in the north of the country, a nine-hour drive. Three days later, as their flight departed, the pilot still hadn't been informed of their destination. Whilst in the air, the message came that North Macedonia had agreed to provide them a transit point.

Several months later and after complex and exhausting negotiations, the group were finally settled in Canada, their number having increased by one with the birth of a beautiful little girl, still unaware that the courage of her parents had secured for her the potential for a life of dignity and opportunity.

This episode is an extreme example, but 2021, a year like no other, imposed personal and professional stress and strain on many in the CoST team. Just as we were about to finalise new agreements with our partners, the need to direct resources to deal with the pandemic, combined with cuts in ODA, meant that support to us was suspended. We had no choice but to try and do more with less and our extraordinary team rose to the challenge. Through a combination of cost savings, rescheduling activities and working pro-bono, they delivered the impact described in this report.



A handwritten signature in black ink that reads "P. Matthews".

Executive Director: **Petter Matthews**

CoST is made up of hundreds of individuals spread across the globe, the majority of them mobilised at no financial cost to the programme, who are committed to reforming infrastructure investment. They are a formidable force for good and they continue to deliver even in the most challenging circumstances. We offer them our sincere thanks and like them, commit ourselves to continue our important work no matter the challenges that we face.



A handwritten signature in black ink that reads "C. J. Poortman".

Chair: **Christiaan J Poortman**

# KEY OVERVIEW AND HIGHLIGHTS

**96**

Infrastructure projects, with a value exceeding...

**US \$1.75b** were independently reviewed using the CoST assurance process, more than any previous year



In 2021, CoST members have trained a record **6,848** people from government, civil society organisations, journalists and the private sector to disclose and use infrastructure data



**BOGOTA** Bogota became a CoST member

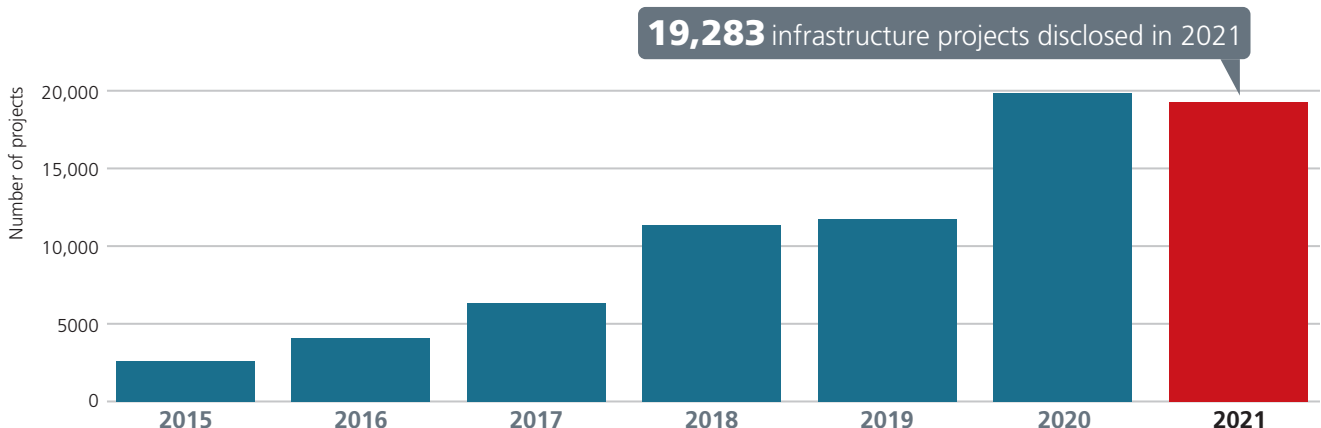
**14**

Number of external events

**21**

sector wide reforms were implemented in 2021

Data from **19,283** projects was disclosed in line with the **CoST Infrastructure Data Standard (CoST IDS)** in 2021 by procuring entities in CoST member countries



# 1. CLIMATE CHANGE

## CoST Honduras' platform

In 2020, Honduras suffered the consequences of climate change as hurricanes ETA and IOTA hit only days apart which affected millions. Millions in infrastructure damages were also reported in agriculture, tourism, transportation and communication. CoST Honduras has been working to better understand and mitigate the risk of climate change – including environmental damage and extreme weather events.



In 2021, CoST Honduras developed a platform, [InfraS](#), to help stakeholders understand the environmental risks from infrastructure development. InfraS displays an accessible map built from open data conveying environmental licensing; discrepancies in planning regulations; the location of projects in environmentally sensitive

areas and in priority areas for risk and disaster management of public infrastructure projects.

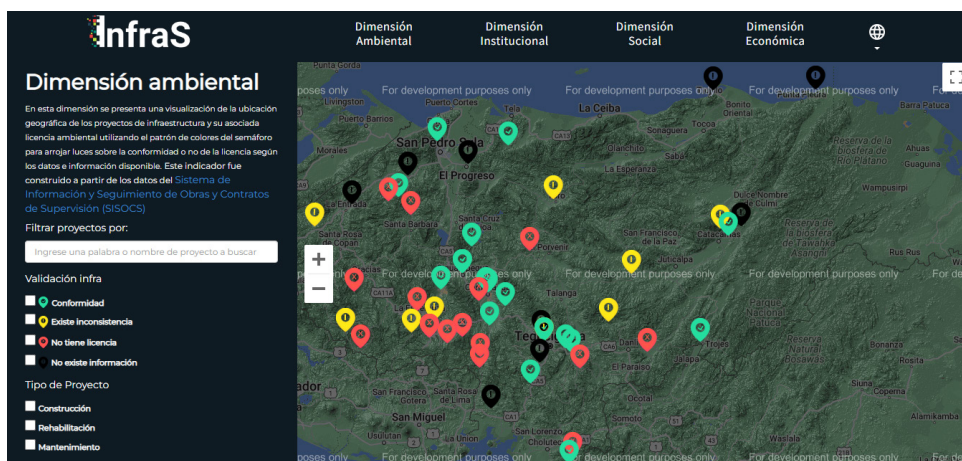
Technical experts from CoST Honduras reviewed information from eight public infrastructure emergency projects following two devastating tropical storms in late 2020. With extreme weather events on the rise, it is important that CoST can help to monitor, and learn from, reconstruction efforts. CoST Honduras wrote an assurance report on the reconstruction of a canal, airport, school, 3 roads and a bridge that was swept away.

Five out of eight of the projects reviewed had time and cost overruns. The longest time overrun was in Trojes, where the constructions of roads increased from 90 days to 195 days. In addition, the report highlighted how deforestation had exacerbated the damage to vital infrastructure.

## CoST Uganda and water supply

Dry seasons in Uganda impact food supply, livestock and the economies of farming communities. As climate change continues, these dry seasons may be longer and dryer,

resulting in more severe effects. CoST Uganda has been working to support the extension of water supply to farmers, including through environmentally friendly methods, such as solar powered projects.



In 2021, CoST Uganda held community meetings, which were attended by over 160 citizens including farmers, business owners and journalists. In drought prone areas of rural Uganda, people have been given a voice to share how irrigation schemes can be improved with government officials and engineers.

The Ministry of Water and Environment, with the local governments of Mbarara and Rukiga, has committed to extending an irrigation scheme to an additional 12 acres and benefitting an extra 200 farmers by 2025 as a result of these community meetings.



## C20 Summit on sustainable infrastructure

CoST and Eurodad jointly convened a seminar entitled 'Reclaiming Sustainable Infrastructure as a Public Good', as part of the Civil20 Summit 2021. Ninety participants heard representatives' from the Italian G20 Presidency, Afrodad, the Society for International development and the host organisations discuss how infrastructure investment can best meet human development needs. In his closing remarks, CoST Executive Director Petter Matthews said:

*"It's clear that there are areas of agreement between the C20 and G20, but also marked differences in our approaches. It's important therefore that the dialogue between us is maintained."*



**C20 SUMMIT 2021**

**5, 6, 7, 8 October**





## 2. GENDER AND INCLUSIVITY IN INFRASTRUCTURE TRANSPARENCY

CoST made strides in advancing gender equality in infrastructure during 2021. It highlighted the impact of infrastructure projects on women and girls, promoted more equal participation in multi-stakeholder groups and encouraged the voices of women in civic engagement activities, to ensure issues impacting women were brought to light.

Achieving gender equality is also a Sustainable Development Goal to end discrimination and harmful practices against women and girls.

### **Publishing guidance on mainstreaming gender equality**

CoST is actively promoting the mainstreaming of gender equality amongst its members.

CoST published [guidance](#) outlining how a gender inclusive approach can be incorporated into its core features of data disclosure; assurance; multi-stakeholder working and social accountability. This resource was created to equip CoST members with practical methods to increase the participation of women in their programmes.

Alongside the guidance, CoST also developed a gender diagnostic toolkit to help members undertake self-assessments and further mainstream gender equality into their activities. The guidance can also be used more widely to encourage more inclusive practices amongst other marginalised groups.

CoST also encourages members to promote the disclosure of data on gender issues in infrastructure investment.



Throughout 2021, CoST promoted women leaders through interviews that enabled them to tell their stories. They included Pamela Acheng, a civil engineer based in Kampala and part of the CoST Uganda assurance team and Manuela Di Mauro, an infrastructure adviser in the UK Government and observer on the CoST. CoST has done this to encourage the continued recognition of women leaders in the infrastructure sector.

### **New diplomas for women in Honduras**

For the first time, CoST Honduras worked with the National Autonomous University of Honduras to offer courses tailored to indigenous groups and women via a Diploma in Infrastructure for Women. Whilst learning about core aspects of infrastructure transparency like disclosure, assurance and social accountability, there was an emphasis on the role played by women and indigenous leaders in this process.

CoST Honduras also requires procuring entities to publish data on the gender ratio of the workforce throughout the infrastructure project cycle.

### **Achieving more gender inclusive procurement**

CoST spoke at the UNDP FairBiz ASEAN Regional Dialogue on The Role of Public Procurement in Achieving the SDGs, in the session on The Importance of Gender Responsive Procurement: A Way to Advance Women’s Entrepreneurship.

On this panel, with an audience of over 200 people, CoST was able to highlight the importance of using data points to mainstream gender throughout the project cycle. The planning stage is critical to establish a gender needs-assessment and understand the impact of a proposed project on women and girls. The tender stage is an opportunity to encourage the participation of women lead companies and understand the economic opportunities infrastructure can offer women.



## 3. INFRASTRUCTURE TRANSPARENCY INDEX RESULTS

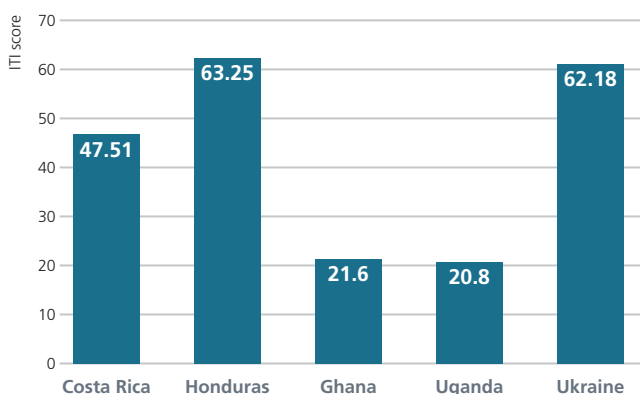
The Infrastructure Transparency Index (ITI) measures levels of transparency and the quality of processes related to public infrastructure at national and sub-national level was piloted in Guatemala and Honduras in 2019, and in 2020, the ITI methodology was published. The tool is based on international best practice and is useful for stakeholders from government, private sector and civil society.

The ITI was piloted in Guatemala and Honduras in 2019, and in 2020, the ITI methodology was published. Following this, ITI was rolled out in Costa Rica, Honduras, Ghana, Uganda and Ukraine.

The ITI score is created from the weighted sum of four areas:

- Enabling an environment for transparency
- Capacities and processes to publish data
- Citizen participation
- Information disclosure

### GLOBAL NATIONAL ITI SCORE

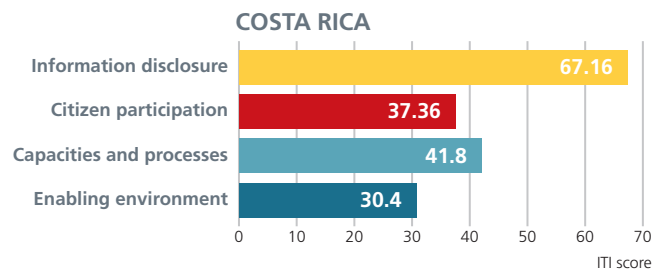


### Costa Rica

Costa Rica's sample was from a total of 60 projects from autonomous bodies, ministries, municipalities and more.

Costa Rica scored strongest on information disclosure, resulting from there being a good level of information available at the project preparation stage and supervision contracts.

Costa Rica's ITI score highlighted a weakness in enabling an environment for transparency. As an example, there were no formal disclosure requirement to disclose information to according to Infrastructure Data Standard.



### Honduras

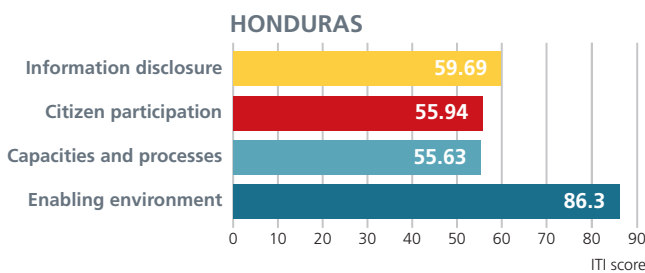
For the second time, Honduras was evaluated under the ITI. Honduras' score was based on 30 procuring entities across infrastructure, defense, public services, judiciary, higher education and local government.

Honduras' highest scoring area was enabling an environment for transparency due to several legislations such as the Public Procurement Law, the Law of Transparency and Access to Public Information, and Executive Decree PCM 002-2015. This has led to a requirement to proactively disclose information on public procurement and public infrastructure projects. Honduras also has

several centralised digital tools to promote transparency in public infrastructure.

Honduras' lowest ranking area was processes and capacities. This was due to a need to build capacity amongst procuring entity staff and further promote the use of digital tools across institutions.

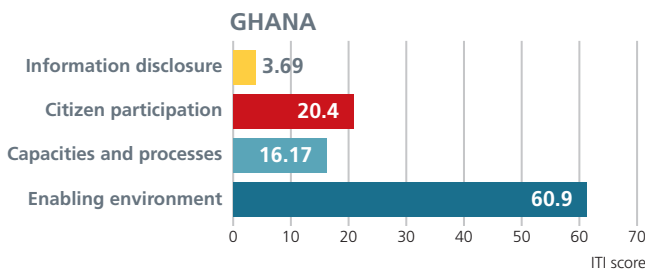
There was also a large disparity across the levels of published data across a project cycle – more information was available at the project identification stage in comparison to the project preparation stage.



### Sekondi Takoradi, Ghana

The ITI was produced at a sub-national level in Ghana across 15 procuring entities in Sekondi Takoradi in utility services and local municipal assemblies.

Sekondi Takoradi's performance was highest in enabling an environment for transparency. The region's lowest rated area was information disclosure, highlighting that regulatory frameworks are not utilised at a sub-national level.

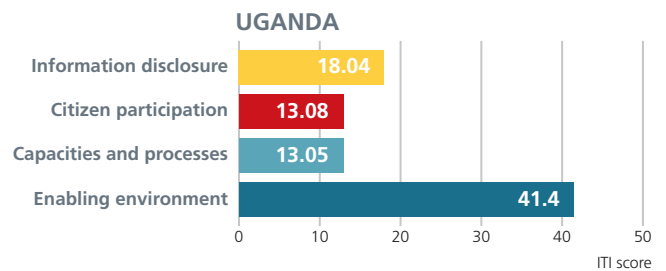


### Uganda

Uganda's ITI score resulted from 60 projects across 30 procuring entities across City Authorities; Roads Authorities; the Office of the Prime Minister and more.

Uganda scored highest on enabling environment. In Uganda, there is an mandate on openness which public good.

Scores were low across processes and capacities; citizen participation and information disclosure. The majority of data was only published across one stage of the project cycle and procuring entities have limited knowledge and use of open data standards. Most entities don't disclose data proactively.

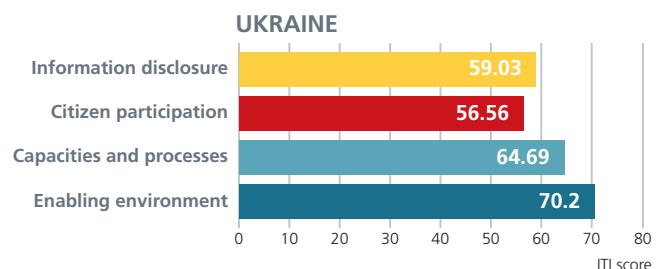


### Ukraine

30 procuring entities made up Ukraine's ITI score, with the majority coming from local authorities in the transport sector. Ukraine has strong legislation; methods of communicating data published and the implementation of open data standards.

Ukraine scored strongly on enabling environment, partly because of their access to information regulations and non-compliance sanctions. Sometimes procuring entities proactively initiate access to information to increase levels of trust and funding opportunities, but this is not always the case. Data is available more at the procurement stage than the project preparation stage.

Ukraine scored lowest on citizen involvement due to the lack of citizen engagement during the procurement process.



## 4. HEALTH INFRASTRUCTURE

As the covid-19 pandemic continued through 2021, the importance of measuring, and responding to, public health investment and infrastructure remained. It is important in those instances where spending has increased, that measures to ensure transparency and accountability is applied to the additional spending.

### Monitoring the sector

CoST members Afghanistan, Guatemala, Honduras and Uganda strengthened accountability by independently reviewing information from 15 healthcare projects.

CoST Guatemala brought to light the fact that there had been a lack of detail around project implementation with some investments. The

assurance process identified that whilst budgetary allocations for emergency hospitals were disclosed, no data on was disclosed during the construction phase.

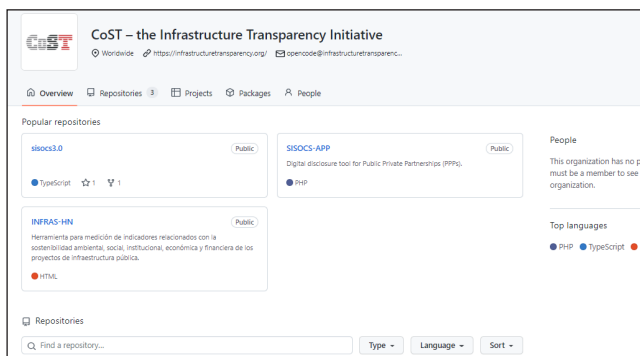
CoST Honduras and CoST Uganda flagged the violation of procurement rules, such as using existing agreements to award new contracts to companies without tender and in breach of the procurement regulations. In Honduras, this was through procuring entities avoiding competitive procurement by relying on existing framework agreements to directly assign healthcare projects without tender. There was a similar situation in Uganda, where two hospitals were assigned to the same architect in breach of the procurement and local content regulations.



## 5. TOOLS AND GUIDANCE

Developing new tools, standards and guidelines is a key priority in our business plan. In 2021, a new suite of tools and guidance were published. In addition to the guidance on mainstreaming gender equality, we have also published guidance on publishing data using open data standards; on social accountability; on multistakeholder working and adapting the CoST approach during a crisis.

### CoST GitHub Repository



The **GitHub Repository** is used to host open-source tools developed by CoST members. The source code for InfraS, the environmental tool developed by CoST Honduras mentioned earlier in the report, can be found in the GitHub Repository. In the future, CoST hopes to see the GitHub Repository used to expand the social value of open data.

**96**

**Infrastructure projects, with a value exceeding...**

**US \$1.75b**

**were independently reviewed using the CoST assurance process**

### Assurance reports

Ninety-six projects have been independently reviewed as part of the 2021 assurance processes in **Afghanistan; El Salvador; Guatemala; Honduras; Malawi; Sekondi-Takoradi, Ghana; and Uganda**

The total amount of public investment involved exceeded US \$ 1.75 billion across multiple sectors including roads, healthcare, water, energy, housing and education.

Issues related to project preparation, such as survey and design errors, continued to disrupt implementation, and impacted more than 30% of the projects assessed.

Climate events ranging from unusual weather patterns to extreme events such as hurricanes ETA and IOTA that affected many parts of central America also caused delays in implementation and are a cautionary tale of how extreme weather conditions are becoming more frequent and should be considered in the planning stages of infrastructure development.



## 6. ADVOCACY

Throughout 2021, we continued to advocate for the importance of transparency and anti-corruption in infrastructure, as well as the significance of advancing gender equality and using infrastructure to respond to climate change.

We convened experts and influential thinkers, and spoke at a variety of international events and our work was recognised by other organisations and high profile individuals across the year.

### Endorsements of CoST's work

CoST Guatemala trained young community leaders to monitor infrastructure projects through workshops. This project strengthened project

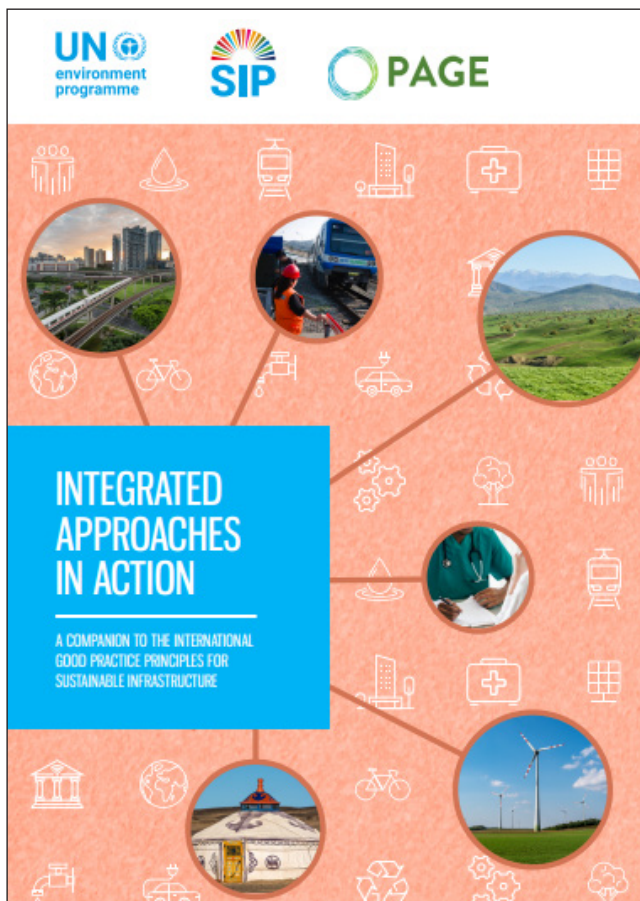
accountability whilst empowering youth, and was showcased as an [SDG Good Practice](#) example by the UN.

These workshops covered issues relating to several SDGs, including fostering good partnerships; supporting gender equality, with 72% of workshop participants being women; and considering and mitigating the impacts of climate change.

CoST Malawi's innovations were [showcased](#) by the United Nations Environmental Programme in its report 'Integrated approaches in action: A companion to the Good Practice Principles for Sustainable Infrastructure'. CoST Malawi's work was highlighted for Principle 10: "Evidence-based decision-making focused on regular monitoring of infrastructure performance and impacts, collecting and centralising disaggregated data, and making data available to a wide array of stakeholders." This is particularly important for Malawi where 80% of the population live in rural areas and experience difficulties accessing data.

CoST Malawi launched its [Information Platform for Public Infrastructure](#), which has improved data collection and disclosure and is informing citizens, enabling them to hold decision-makers to account and strengthening participation.

Their [Multi-Stakeholder Group](#) has played a key role in improving infrastructure projects, such as through helping laws to be passed, like the amended Public Procurement and Disposal of Assets Act to include a Formal Disclosure Requirement.



In CoST Malawi, the President of Malawi, Lazarus Chakwera, was announced as the new CoST Champion. Champions promote CoST across government and help to institutionalise its approach. CoST Malawi became the first member with a Head of State being appointed CoST Champion, demonstrating the President's commitment to reform.



CoST also received endorsements from C20, in their report, [Building a sustainable future for all](#); The Institute for Democracy and Economic Affairs (IDEAS) of Malaysia referred to CoST's work on public data in the launch of their [Belt and Road Initiative \(BRI\) Monitor Website](#). The Basel Institute on Governance also highlighted CoST's work, through [an interview](#) with Gilbert Sendugwa, Senior Regional Manager Africa for CoST Uganda, focused on integrity in infrastructure procurement. The [Transparency and Accountability Initiative interviewed](#) John Hawkins, CoST's Programme Director, about improving transparency, participation and accountability in public infrastructure, particularly in light of the Covid-19 pandemic.

### **International events**

Engineers Against Poverty (EAP), which hosts CoST, was selected as a Knowledge Partner of the OECD Global Anti-Corruption and Integrity

Forum. EAP ran a session on the future and technology of the infrastructure investment, with representatives from government and infrastructure finance organisations.

CoST participated in the US Summit for Democracy, convening a high-level panel on 'The role of the private sector in Building Back with integrity'. The panel included representatives from Bechtel, Marhnos Group, Mott MacDonald, the Ugandan Association of Consulting Engineers, PwC and the US Government

CoST's approach to infrastructure was acknowledged through a University College London Global Governance Institute event, which focused on Bridging the Infrastructure Governance Gap.

CoST also spoke at the Asia Pacific Water Forum, on a panel on strengthening integrity and advancing water security, alongside the Water Integrity Network and the Green Climate Fund-Independent Integrity Unit.

CoST Honduras marked Open Data Day with an interactive session on open data infrastructure, showcasing tools such as InfraS and the Open Contracting for Infrastructure Data Standard.

### **Private Sector Engagement Study**

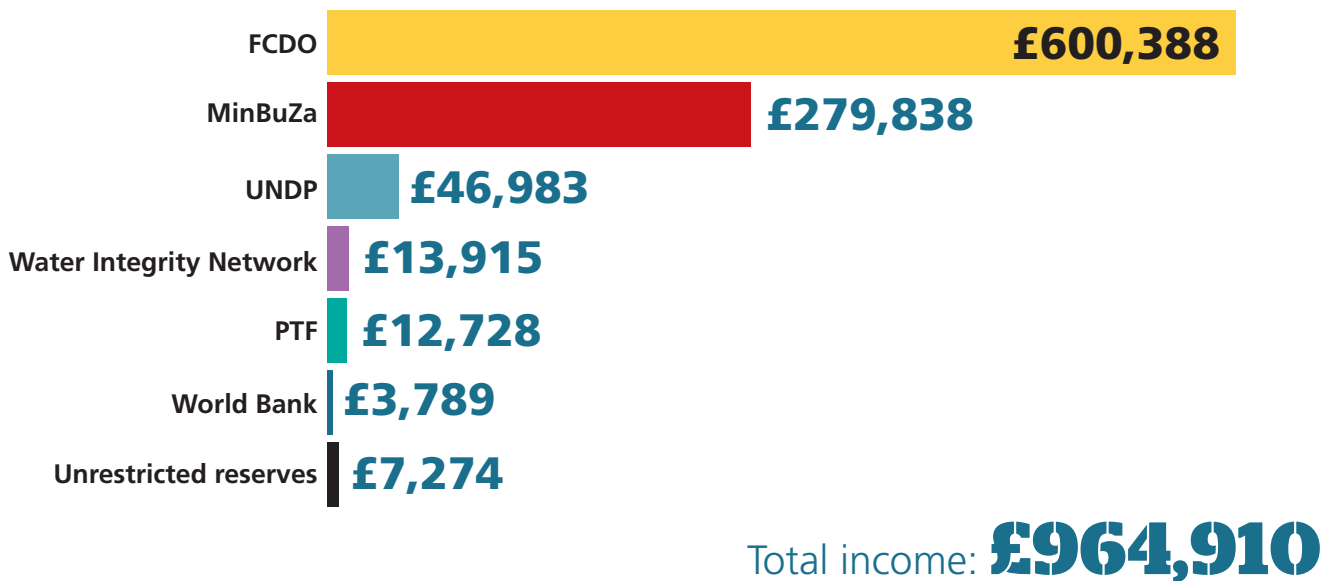
CoST ran a survey and held meetings to strengthen its relationship with private sector stakeholders in the infrastructure and construction industry, building on mutual benefits. The research demonstrated an appetite for increased private sector engagement with CoST, including for those who hadn't heard of CoST before. Four benefits of engagement were reconfirmed: Advocacy and lobbying; Commercial intelligence; Governance and Social Value.



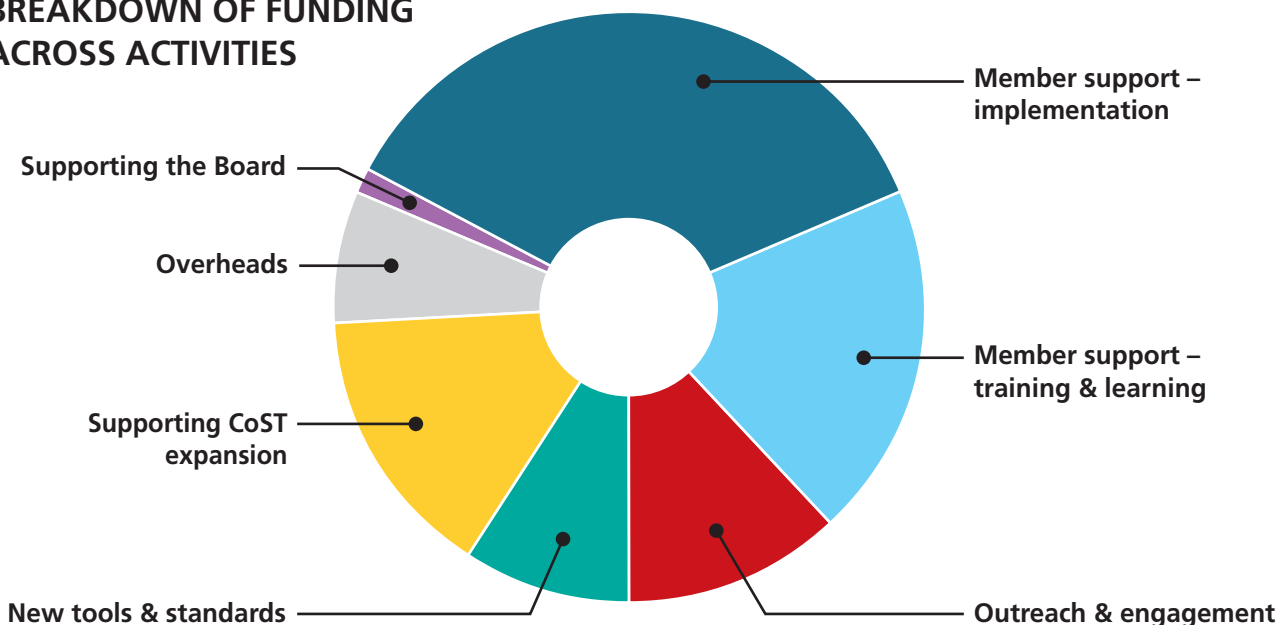
## 7. FINANCIAL SUMMARY

### OVERVIEW OF SUPPORT TO THE CoST INTERNATIONAL SECRETARIAT AND TO CoST MEMBERS

In 2021 CoST received funding from the **Foreign, Commonwealth and Development Office (FCDO)**; **MinBuZa**; **United Nations Development Programme (UNDP)**; **Water Integrity Network**; **PTF** and the **World Bank**.



### BREAKDOWN OF FUNDING ACROSS ACTIVITIES



*These figures have not been subject to audit.  
The audited accounts will be made available in late 2021.*

Total expenditure: **£964,027**

## 8. NEXT STEPS AND CONCLUSION

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Adversity is a test of character and this annual review is a testament to how CoST members responded to the adversity experienced in 2021. Adversity also encourages self-reflection and we are determined to draw lessons from this experience to reduce the risks of future shocks.

We will continue to diversify our funding base and avoid over-reliance on individual supporters. We will encourage CoST members to rely less on resources generated through the International Secretariat and more on what they can generate themselves. We will continue to support members, but also seek to extend our influence through encouraging application of the CoST approach by non-members.

The importance of transparency, accountability and participation were amplified by the events of 2021 and we will continue to prioritise these core features of our approach. We will also consider

more deliberately how these core features interact with pressing issues such as the climate emergency and gender and inclusion.

Of course many of the challenges experienced last year were the result of factors outside of our control. They include the pandemic, the climate emergency, the rise of populism and conflict. The world will continue to be unstable with far reaching consequences that are likely to reverse the long-term and positive trends in human development.

If CoST it to continue to be relevant in an increasingly unstable world, we must be ready to adapt to these changing circumstances. And if 2021 was a harbinger of things to come, we are more than ready for the challenge.





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Foreign, Commonwealth  
& Development Office



Ministry of Foreign Affairs of the  
Netherlands

