

## Guidance Note: 8

# CoST and the Open Government Partnership

## Introduction

This Guidance Note has been prepared for delegates at the OGP Summit Meeting in London on 31 October and 1 November 2013. It introduces CoST and briefly describes how it can help OGP member countries meet their commitments.

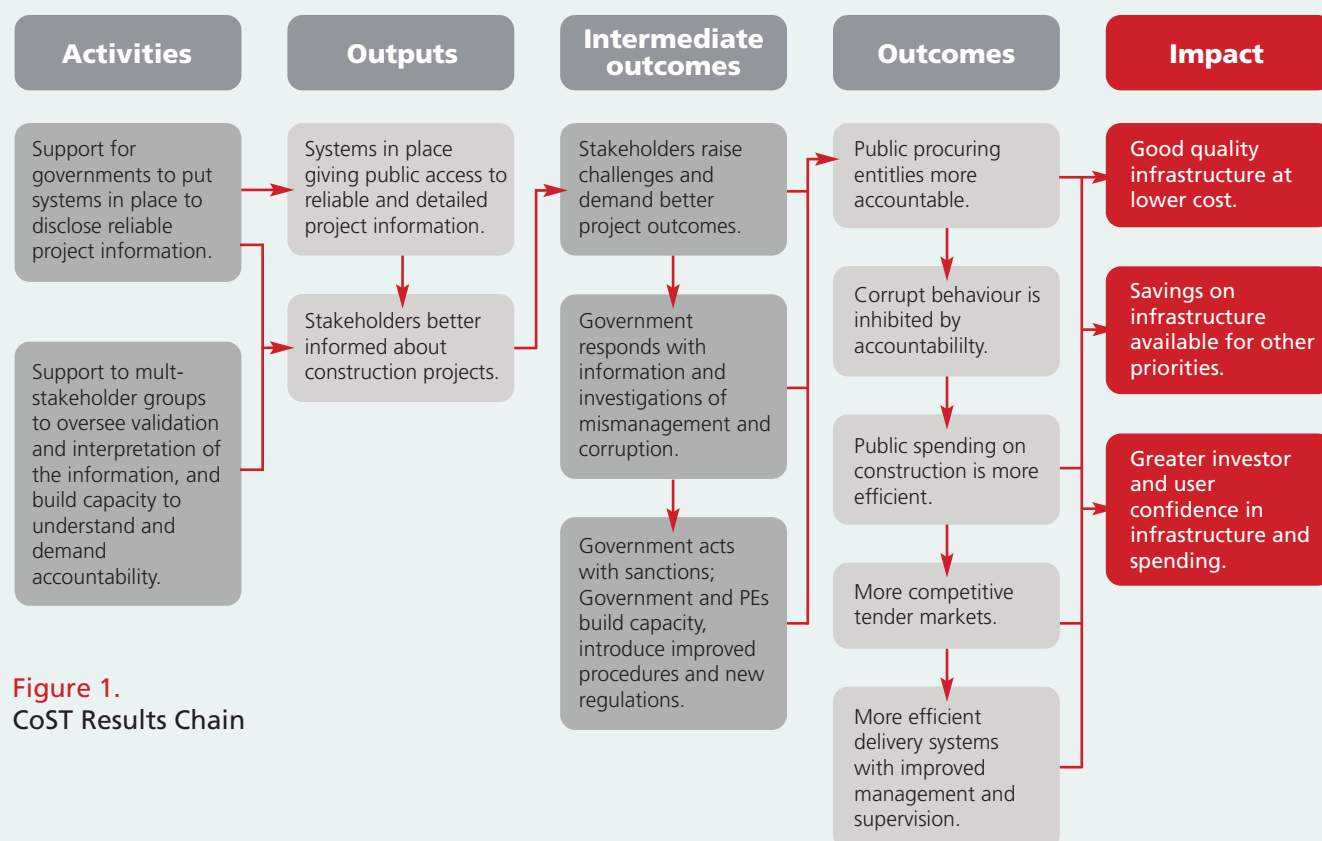
## Overview of CoST

CoST aims to improve the value for money spent on public infrastructure by increasing transparency in the delivery of public sector construction projects. This approach produces domestic and international benefits through helping to curb mismanagement, waste, and corruption and reducing risks to public safety from poor building practices. It also helps to improve fairness in competition for contract awards and encourages foreign direct investment and development finance into a country's construction sector.

CoST is an independent non-profit organisation. It is governed by a Board of Trustees and its day-to-day operations are managed by an International Secretariat. It is currently funded by a grant



Photographs courtesy of Engineers Against Poverty and the World Bank.



**Figure 1.**  
CoST Results Chain

# Guidance Note 8



from the World Bank's Development Grant Facility, valued at \$1.5 over three years. The CoST Global Programme was launched in late 2013 following a successful three year pilot project between 2008 and 2011. Since the launch Afghanistan, El Salvador and Uganda have joined the former pilot countries (Ethiopia, Guatemala, Malawi, Philippines, Tanzania, United Kingdom, Vietnam and Zambia) as participating countries.

CoST is poised to make a significant contribution to improving value for money invested globally in public sector infrastructure. Its approach has been tried and tested, it has proven viable in diverse countries and with adequate financing it can be rapidly scaled-up. As a practically focused and country led initiative, CoST has great potential to be aligned with global transparency initiatives such as OGP. This is demonstrated by both Guatemala and the UK including CoST in their respective OGP Action Plans.

## How does CoST fit with OGP Principles?

OGP Principles	Alignment with CoST
Transparency: information on government activities and decisions is open, comprehensive, timely, freely available to the public and meets basic open data standards (e.g. raw data, machine readability).	CoST supports the disclosure of information throughout the construction cycle. Participating governments commit to this process through establishing a 'Formal Disclosure Requirement', which often forms part of national procurement regulations. CoST is also developing a 'construction transparency' index that all participating countries will report against.
Citizen Participation: governments seek to mobilise citizens to engage in public debate, provide input, and make contributions that lead to more responsive, innovative and effective governance.	National CoST programmes are steered by a Multi-Stakeholder Group that includes representatives of civil society. Civil society is also a key target audience for the information that is disclosed.
Accountability: there are rules, regulations and mechanisms in place that call upon government actors to justify their actions, act upon criticisms or requirements made of them, and accept responsibility for failure to perform with respect to laws or commitments.	Government procuring entities are responsible for proactively disclosing an agreed set of information that is accurate and accessible to stakeholders. They are usually also responsible for disclosing additional information on a reactive basis when requested to do so. CoST ensures mechanisms exist through which citizens can raise concerns and obtain answers.
Technology and Innovation: governments embrace the importance of providing citizens with open access to technology, the role of new technologies in driving innovation, and the importance of increasing the capacity of citizens to use technology.	CoST supports the development of information systems that help to inform and empower citizens and enable them to hold decision makers to account.

# Guidance Note 8

## How to join CoST

Countries interested in finding out more about CoST and exploring the possibility of joining the global programme should contact the CoST International Secretariat (see below). There is considerable flexibility during the initial stages - the group or individual may come from any of the stakeholder groups and the International Secretariat has wide discretion on starting the engagement. This 'Engagement Status' phase ends either when the country applies for and is accepted as a participating country, or it signals that it does not intend to proceed further with CoST.

The CoST Board will designate a country to be of 'Participating Country' status when it receives a formal application from the country's designated government entity, together with a viable implementation plan. The International Secretariat assists in the completion of the implementation plan, which should include the following commitments:

- A desire to enhance transparency and accountability in the construction sector and to adopt CoST principles
- A public pronouncement of intent to implement a programme for increasing transparency in construction
- An intent to engage with the private sector and civil society in oversight of the programme
- Commitment of at least one infrastructure procuring entity to participate initially in implementing the programme
- Commitment to liaise and share information with the international CoST Board and Secretariat during implementation of the programme.

## Conclusion

CoST is tried and tested and it has proven effective in diverse political and economic environments. It is available to OGP countries, as a cost effective tool that can be incorporated into action plans and help meet country commitments.

The CoST International Secretariat is ready to work with OGP member countries to explore how CoST can help to obtain better value for the money invested in infrastructure.



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# Guidance Note 8



## *Guidance notes in this series:*

1. Impact Stories
2. Joining CoST
3. Developing an Implementation Plan
4. Establishing a Multi-Stakeholder Group and National Secretariat
5. Completing a Scoping Study
6. Designing a Disclosure Process
7. Designing an Assurance Process

## *For more information and to contact us:*



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**Improving infrastructure through openness and accountability**