Minutes of CoST Interim Board Meeting No. 2 London, 1-3 November 2011

Participants	
Board Members:	**In Attendance:**
Chrik Poortman (CP), Chairman	Zlatina Loudjeva (ZL), IS
Bekure Ketema, (BK), Government	John Hawkins (JH), IS
Hart Schaefer (HS), World Bank	Graham Hand (GH), IS
Bob McKittrick (BM), Business	Bill Paterson (BP), IS
Vincent Lazatin (VL), Civil Society	Jill Wells (JW), IS
Petter Matthews (PM), IS	Claire Schouten (CS), IS

Item 1. Chairman's welcome and opening remarks

1.1   The Chairman welcomed those present. He thanked all those involved in finalising the DGF grant agreement and explained that it provided important resources that will enable the IB to develop the global programme. He explained that the focus of this meeting would be to discuss the draft global programme design document. He paid tribute to Bill Paterson and others who had contributed to it, including members of the IAG, MSGs and external reviewers.

Item 2. Approval of the minutes of IB Meeting No. 1 held on 23/09/11

	Action	Responsible	Deadline
2.1	The minutes of the previous meeting were approved. They will be circulated amongst MSGs and published on the CoST website.	IS	Mid November

Item 3. Matters arising from the previous meeting

	Action	Responsible	Deadline
3.1	Obtain legal advice on establishing CoST as an independent legal entity and report options to IB members.	IS	As soon as possible
3.2	IB members will be reimbursed for their travel, accommodation and other reasonable out-of-pocket expenses. If needed they can apply for a per diem that will be pegged to rates published by the UN.	IS	Immediate effect
3.3	Publish a press release that makes reference to the G20 endorsement of CoST and the signing of the DGF grant agreement.	IS	7 November
3.4	Circulate electronic copy of the ToR for the Communications Adviser amongst IB members.	IS	7 November

Item 4. Global programme design document			
	Action	**Responsible**	**Deadline**
	General		
4.1	The design document will form a 'base' document from which other documents will be developed. It will eventually be published, at a time to be coordinated with the publication of other documents.	IS	N/A
4.2	The IB will exercise discretion when deciding what constitutes 'Government' (in the context of 'government support'). A large state or province may be considered appropriate for example, whilst a small municipality might not.	IB	N/A
4.3	MSG members should be appointed, elected or nominated by a constituency because s/he is seen as being part of that constituency and able to represent its interests and perspectives. Once appointed the individual acts in an 'ad hominem' capacity (i.e. as an individual rather than a representative of a constituency).	N/A	N/A
4.4	CoST IS will provide a low cost information management system (including a disclosure template) in the short term. Ultimately we hope the private sector will respond to the demand for a more sophisticated system.	IS	Jan 2012
4.5	Donors/investors in infrastructure should be encouraged to include the costs of assurance in project financing. It could for example be part of the technical assistance budget.	IB, IS	N/A
4.6	CoST IB will consider funding the costs of assurance in the short term, but participating countries will be expected to establish alternative methods for funding this function in the long term.	IB	N/A
4.7	Explore the possibility of establishing an 'Assurance Lite' approach in the short term. This could involve one FTE employed by the MSG/host.	IS	Feb 2012
4.8	We will continue to describe CoST as improving 'value for money', but this is defined as delivering a better return on investments rather than improving the quality of infrastructure.	IB, IS	N/A
4.9	The resources needed for capacity building of PEs and civil society will be significant and we must seek to align our efforts with similar initiatives as a way to secure efficiencies and delivering better value for money.	IB, IS	N/A
	International governance		
4.10	Figures 15 and 16 will be subsumed into a single graphic. It should represent only the two principle bodies i.e. the Delegate Assembly and the Board.	WP	N/A
4.11	The Delegate Assembly will bring together all voting members on a bi-annual basis to elect the Board. This	WP	N/A

	process will take place in the context of a larger 'Global Forum' that will operate like a conference. The Global Forum can operate on a virtual basis between meetings.		
4.12	Voting members include one representative of each of the three stakeholder groups from each country in the preparation or implementation phase of CoST, plus representatives of international business, international civil society and funders.	WP	N/A
4.13	In the initial stage an international industry body that has a global reach and is seen broadly as being legitimate will represent the private sector. A similar body will be identified to represent civil society. Each body will be charged with responsibility for organising their constituency and involving them in subsequent elections.	IB, IS	N/A
4.14	Alternates will be elected at the same time as the members of the Board but will only participate formally if a member steps down (not if the member is unable to attend a particular meeting).	WP	N/A
4.15	The Board will comprise 13 members in total. Twelve of these will be elected and the 13th member (the Chair) will be co-opted by the elected members. The Chair will select an alternate from amongst the members of the Board if/when necessary.	WP	N/A
	Financing		
4.16	The Board will have access to technical expertise from the IS and other sources as necessary. Technical experts will be invited to attend Board meetings and give advice as necessary.	WP	N/A
4.17	CoST will not operate a system of certification. Instead it will develop a series of indices against which CoST countries can be assessed. Consequently there will be no 'certification' or 'validation' phase, countries remain in the implementation phase.	WP	N/A
4.18	Preparing the indices is a priority task requiring priority funding. When preparing them we should make use of existing indices as much as possible.	IS	Before next meeting
4.19	The IB will have full access to all financial information. The IS will publish summary income and expenditure figures on the CoST website.	IS	N/A
4.20	References to the costs incurred during the pilot phase will be deleted.	WP	N/A
4.21	Detailed estimates of anticipated costs of the programme over the next three years will be prepared. These should be included in the design document.	IS, WP	End Jan 2012
4.22	CoST international will fund priority (short term) capacity building of PEs.	N/A	N/A

4.23	Governments have to commit to improve information management systems and should seek funding for this separate from CoST. The Bank has a range of financial models that might be used as examples of how to structure this.	IS	N/A
4.24	Subject to the availability of funds, CoST international will support core operating costs (e.g. employment of a coordinator, administration and MSG meetings) in the short term. National CoST programmes must work to replace this income over time.	N/A	N/A
4.25	Develop a template that can be used as the basis for national fundraising efforts.	IS	End Feb 2012
	Monitoring and evaluation		
4.26	Baseline studies are needed in all CoST countries. They will be funded through the international programme where necessary.	IS	N/A
4.27	The scope of the baseline study needs to be broader than in the pilot with additional indicators and more qualitative information.	IS	N/A
4.28	The IS will work closely with those contracted to complete the baseline studies to help ensure quality control.	IS	N/A
4.29	An external M&E consultant will be sought early to provide input to the baseline studies and the M&E process.	IS	End Feb 2012
	Uses of the design document		
4.30	We will produce a series of additional documents: a) Brochures aimed at (1) Funders, (2) potential participating countries, (3) civil society and (3) business. b) 'CoST Rules' that describe the features of CoST that individual countries must adhere too if they want to participate in the global programme. c) A 'CoST Handbook' or 'Manual' that guides participating countries in their efforts to operate national programmes. d) A 'Quick Start' guide that explains in very concise terms how countries can plan and initiate a national programme. e) A 'Media Kit' that explains CoST (and the issues underlying the need for better transparency and accountability in construction) to journalists and encourages them to provide good quality coverage of CoST activities.	IS	Various to be determined
4.31	We will 'test' new publications with representatives of our key audiences and circulate amongst IB members before publication.	IS	N/A
4.32	The design document will be reworked to reflect the	WP	Jan 2012

	changes agreed by the IB. The title should make clear that the document presents options for consideration by the interim board. It will also be edited and eventually published. The timing of publication will be carefully coordinated with the publication of other documents.		

Item 5. Fundraising

	Action	Responsible	Deadline
5.1	Look into the possibility of establishing a privately administered Multi-Donor Trust Fund.	ZL	Before next meeting
5.2	Follow-up previous contacts with GIZ.	HS	Before end Dec 2012
5.3	Follow-up previous contacts with Norad. Subject to this CP may arrange a visit.	HS, CP	Before end Dec 2012
5.4	Arrange meeting with AusAid. GH to provide his contacts to WP.	GH, BP	Before end Dec 2012
5.5	Make a follow-up visit to Brussels. HS will contact Jean-Louis	CP, ZL, HS	First QTR 2012
5.6	Explore possibility of a high-level meeting with DFID, utilising the contacts of ICE, EAP and RAE.	IS	First QTR 2012
5.7	Use the upcoming CoST presentation in South Korea to make contacts with Government and introduce CoST. HS to provide contacts to VL.	HS, VL	November 2011
5.8	Identify appropriate contacts in ADB and arrange meetings. ZL will provide details of previous contact to VL.	ZL, VL	Before end Dec 2012
5.9	Explore possibility of Bulgaria, Kazakhstan or Kyrgyzstan joining CoST and consider potential interest as a means of re-engaging with EBRD.	ZL	First QTR 2012
5.10	Contact Chief Executive of AfD with a request for a meeting to discuss potential involvement in CoST.	GH	Before end Dec 2012
5.11	All those involved in fundraising to copy ZL and PM in on all correspondence.	IB, IS	N/A
5.12	Encourage MSGs to approach major infrastructure donors to try and solicit financial support for CoST from TA component of project budgets.	IS	N/A

Item 6. Short term operational issues

	Action	Responsible	Deadline
6.1	The immediate priority is to re-engage with existing (Pilot) CoST countries. CP will send an e mail to all MSGs briefing them on IB Meeting 2, to be followed by a letter from the IS outlining what needs to happen next.	CP, IS	End Nov 2011
6.2	MSGs will be provided with an initial grant (according to needs) to cover core operating costs for the first 3 months.	IS	Jan 2012

Construction Sector Transparency Initiative

		Responsible	Deadline
	During this time they will be asked to prepare an implementation plan, including financial needs for the remaining 9 months of year 1 of the DGF.		
6.3	Build capacity of coordinators to understand the changes in CoST. This is likely to require a combination of written materials, telephone discussions and country visits.	IS	N/A
6.4	Circulate 'Success Stories' Briefing Note and put it onto the CoST website.	IS	Nov 2012

Item 7. Other business

	Action	Responsible	Deadline
7.1	We will not identify a CoST Ambassador at this stage, although it would be useful to cultivate a small number of high profile individuals to speak about CoST and use their profiles to raise awareness of CoST.	IS	N/A
7.2	UK MSG has secured agreement from the Highways Agency to test the new CoST disclosure template. This is part of its ongoing work with Infrastructure UK.	N/A	N/A

Item 8. Next meeting

		Responsible	Deadline
8.1	IB Meeting No. 3 will be held between 19 and 20 March 2012 in London.	IS	N/A

These minutes were approved as an accurate record of the meeting.

December 2011

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Christiaan J. Poortman   Date
Chairman