

Minutes of CoST Interim Board Meeting No. 3 London, 19-21 March 2012

Participants

Board Members:

Chrik Poortman (CP), Chairman
Bekure Ketema, (BK), Government
Hart Schaefer (HS), World Bank
Bob McKittrick (BM), Business
Vincent Lazatin (VL), Civil Society
Petter Matthews (PM), IS

In Attendance: (not all present for all sessions)

Zlatina Loudjeva (ZL), IS
John Hawkins (JH), IS
Graham Hand (GH), IS
Bill Paterson (BP), IS
Jill Wells (JW), IS
Claire Schouten, (CS), IS
Nina Neeteson, (NN), IS
Tendai Nyoka, (TN), IS
Kirsten Hommann, (KH), World Bank

Item 1. Chairman's welcome and opening remarks

- 1.1 The Chairman thanked all those present for attending and all those who had helped to organise the meeting. The next 6-9 months will be critical for CoST and the deliberations over the next few days are vitally important. The external environment is shifting in ways that are potentially helpful to CoST. A number of high profile transparency initiatives have been launched and we need to position CoST to be aligned with them.
- It was agreed to change the order of items in the agenda. The discussion followed the sequence recorded in these minutes.

Item 2. Approval of the minutes of IB Meeting No. 2, 1-3 November 2011

	Actions & Decisions	Responsible	Deadline
2.1	<p>The minutes of the previous meeting were approved subject to the following amendments/clarifications:</p> <ul style="list-style-type: none"> Item 4.12 – The frequency of meetings of the Delegate Assembly changed from “bi-annual” to “every two years.” Item 4.13 - It was confirmed that voting rights for countries kick in as soon as they are accepted as implementing CoST. This has been reflected in the updated Global Design document. It was agreed that the Minutes of IB Meetings should not be published on the website, but they will be distributed to current MSGs and former IAG members. 	IS	N/A

Item 3. Matters arising from the previous meeting

3.1	It was agreed that all matters arising would be dealt with under other agenda items.	N/A	N/A
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Item 4. Programme report

4.1	Produce a quarterly HTML CoST newsletter with special editions as needed.	IS	End April 2012
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4.2	The UK is not eligible for financial support through the DGF.	IS	N/A
4.3	Develop materials to support MSG efforts to promote CoST to the local private sector.	IS	June 2012
4.4	National programmes should be encouraged to raise resources to MSG operations. The IB may need to consider how long MSGs should be supported by the international programme.	IB	N/A
Item 5. Operational policies and procedures			
5.1	Develop policy on (a) 'allowances' for attending MSG meetings and (b) reimbursements and per diems for international travel (see 11.2).	IS, KH	Mid April 2012.
5.2	All contracts entered into on behalf of CoST should state that consultants are responsible for payment of taxes.	IS	N/A
5.3	The draft was approved subject to the changes discussed. It was acknowledged that the policies and procedures will need to develop over time.	N/A	N/A
Item 6. Financial report			
6.1	National programmes can apply for a grant of up to \$20k for the period April to December 2012. Funding will be disbursed in three month tranches, each one being subject to satisfactory progress against the objectives/outputs agreed for the previous quarter.	IS	April 2012
6.2	Finalise the reporting template.	IS, KH, JH	April 2012
6.3	If national programmes are successful in securing direct funding, we will explore the possibility of reallocating DGF funds intended for national programmes, to the international programme.	IS, KH	N/A
Item 7. Global programme design			
7.1	Delete references to "shares for General Vote" on p. 95 and elsewhere. Voting powers of the Delegate Assembly will be confined to electing the Board.	BP	End March 2012
7.2	Delete footnote on p. 88.	BP	End March 2012
7.3	The IS should "support and coordinate" not "guide and manage" (p.76).	BP	End March 2012
7.4	Replace sentence (p. 76) that reads "the Board would operate as an executive committee with decision-making power" with " the Board sets policy and strategy."	BP	End March 2012
7.5	The Chair of the Board will have executive responsibility. This will involve giving support and advice to the IS on an occasional basis.	IS, CP	N/A
7.6	The phased participation in CoST is discontinued. A country can become part of the CoST programme once it commits to the CoST criteria and the Board has approved its entry into the programme. A new and important criteria will be an agreement to collect and disclose information that will form part of a 'transparency index'. The details of how this will work will be summarised in a 'one pager'.	BP, IS	End March 2012

7.7	Conditions for joining CoST are currently set out in Box 4 (p. 33). The 8 items in paper F are sub-items of those in box 4. It was agreed to collate the items in paper F (minus those items requiring funding) with the items in Box 4 and to develop a series of milestones for implementation. WP and JH agreed to do this and presented the result to the IB on day 3 (see Annex B).	BP	End March 2012
7.8	The indices should as far as possible draw on existing data sources. The broad categories presented by BP are appropriate, but there is a need to develop indicators to support them.	IS, BP	N/A
7.9	Develop a ToR for a short-term consultancy to develop the indices. The consultant will be required to confer with BP (see 7.8).	IS, ZL, BP	May 2012
7.10	Existing data sources will be augmented by data produced by national CoST programmes. This data should be subject to verification on a regular basis, possibly every two years.	IS	N/A
7.11	It was confirmed (as agreed during IB2) that we would not collect data from non-CoST countries.	N/A	N/A
7.12	Finalise the design document by incorporating the changes agreed in IB3 and by ensuring it is internally consistent.	BP	End March 2012
7.13	Once the actions described in 7.12 are complete, it will be necessary to have the document edited.	IS	End April 2012
7.14	Multistakeholder working remains a core element of CoST. The IS and IB will retain some flexibility in how it is defined so as to avoid creating barriers to institutionalising the CoST approach.	N/A	N/A
Item 8. Outreach and communications			
8.1	We need to be clear about how CoST can be aligned with other transparency initiatives. This will help others see the value of what it can offer.	N/A	N/A
8.2	We must develop a range of messages for various audiences. Our communications should focus on outputs rather than process	N/A	N/A
8.3	CoST has been asked to participate in a World Bank Institute Event (WBI) on 'Open Contracting' in South Africa in May or June. We will explore the possibility of organising a launch event for the global programme and (subject to our partner's agreement) launch of CoST South Africa.	IS	Early April 2012
8.4	Should the proposed launch event go ahead (see 8.3), we will make use of online platforms, blogs etc. to help minimise costs and maximise impact.	N/A	N/A
8.5	The links between CoST and OGP should be developed. South Africa is one of the founding members of the OGP. We will also try to get the Philippines and UK governments to openly support CoST in OGP meetings. If the Philippines host the next OGP meeting this might be a good alternative opportunity for launching CoST.	IS	N/A
8.6	The possibility of changing the 'CoST' name was considered, but it was agreed to retain it.	N/A	N/A

8.7	Develop draft communications strategy.	IS	Before IB4
Item 9. Establishing the CoST legal entity			
9.1	The charitable objectives of the new entity should be sufficiently broad to encompass what CoST is doing currently and what it might reasonably be expected to do in the future.	IS	April 2012
9.2	References in the document to “construction” should be changed to “provision of public infrastructure.”	IS	April 2012
9.3	Infrastructure should be defined in broad terms to include what is sometimes termed social (e.g. housing, hospitals, schools) and economic (e.g. roads, water, energy) infrastructure.	IS	April 2012
9.4	The ‘catch-all’ clause (3.1.6) will be retained.	IS	April 2012
9.5	The charitable objectives will make no reference to ‘stimulating economic growth’.	IS	April 2012
9.6	The Board should have the right to set criteria for membership of the Delegate Assembly.	IB, IS	N/A
9.7	There will be a collegiate voting system for the election of the Board and the document will be amended to reflect this.	IS	April 2012
9.8	The processes used by individual MSGs to nominate individuals should be consistent. Details will be included in the MSG handbook.	IS	July 2012
9.9	The policy Advisory Group to be dispensed with.	IS	April 2012
9.10	Clause 43.4 – which states that notice of Board meetings need not be given to trustees outside the UK - is not applicable and will be deleted.	IS	April 2012
9.11	The Articles will be finalised and signed by Board members electronically (with hard copy in post) and submitted to the Charity Commission after Easter. It was noted that CoST can operate as a charity before its acceptance by the Commission.	IS	April 2012
9.12	Circulate revised articles amongst IB members.	IS	End March 2012
Item 10. Draft implementation plan			
10.1	The priorities were agreed with fundraising and outreach the highest priorities. The promotional materials will be updated to ensure consistency with the latest version of the Global Design document.	IS	N/A
10.2	For reporting purposes, and assuming it does not create unreasonable bureaucratic demands, we will capture the in-kind and financial commitment raised at country level (see 6.2).	IS	April 2012
10.3	KH was confirmed as alternate to HS on the Interim Board.	N/A	N/A
10.4	Donors can become observers of the IB.	N/A	N/A

10.5	The 'Three Year Budget' (Annex 3) was approved subject to minor amendments including reversing the sequence of 'international' and 'national' programmes and minor reworking of terminology.	IS	End April 2012
10.6	The projected budget for the global programme (Annex 2) - suitably revised - will be included in the design document.	IS, BP	End March 2012
10.7	RSA and Uganda will be short-term priorities for potential new CoST countries. Indonesia may be a prospect in Asia, particularly because of its involvement in the OGP. We will remain open to the possibility of high income countries and ICE networks might be useful in this regard.	IS	N/A
10.8	Develop fundraising strategy.	IS	Before IB4
Item 11. Other business			
11.1	The revised criteria for country admissions and the programme output indicators were agreed. The output indicators are self-reported by MSGs, most likely on an annual basis.	N/A	N/A
11.2	The revised wording for expenses/reimbursements was approved in principle, but the World Bank will need to check for compatibility with the DGF (see 5.1).	IS, KH	N/A
11.3	The next IB meeting should discuss options for private sector funding for CoST.	IS	N/A
11.4	The next meeting of the IB will take place on Wednesday May 23, 2012. It will be a 'virtual' meeting and subject to availability, will make use of World Bank A/V facilities.	IS	N/A

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



May 2012

Christiaan J. Poortman
Chairman

Date