

Minutes of CoST Interim Board Meeting No. 8 12 -13 August 2013

Participants

Board Members:

Chrik Poortman (Chair)
George Ofori (GO)
Per Nielsen (PN)
Bekure Ketema (BK)
Bob McKittrick (BM)
Vincent Lazatin (VL)
Petter Matthews (PM)
Tendai Nyoka (TN), Company Secretary

In Attendance:

Jared Haddon (JH1)
John Hawkins (JH2)
Lara Samuels (LS)
Bernadine Fernz (BF)

Apologies:

Jose Luis Irigoyen

	Actions & Decisions	Responsible	Deadline
Item 1. Chairman's welcome and opening remarks			
1.1	The Chair welcomed all those present, particularly GO & PN who were recently appointed to the Board. He said that interest amongst prospective CoST member countries was high and that our international profile had been boosted by the G8. Whilst this is cause for optimism, he reminded the Board that we continue to face challenges, particularly with regard to financing.	N/A	N/A
Item 2. Approval of the minutes of IB Meeting No. 7			
2.1	Item 5.4 should be worded stronger than "encourage." Subject to that amendment, the minutes of the previous meeting were approved as an accurate record.	N/A	N/A
Item 3. Matters arising from the minutes of the previous meeting			
3.1	Professor George Ofori was appointed to the Board and will take the role of Deputy Chair. Per Nielsen was appointed to the Board, which meant it was no longer appropriate to recruit him as an Industry Adviser.	N/A	N/A
3.2	Potential fundraisers in the UK context fall into one of two categories; 'charitable' fundraisers who tend to follow an established approach and others who specialise in developing proposals for particular institutional funders. The latter is likely to be more appropriate for CoST, but the need has not yet arisen.	N/A	N/A

Item 4. Programme update			
4.1	The Board noted the difficulties experienced in some national programmes with regard to civil society participation. It is essential that civil society is able to fully participate in all aspects of CoST, including importantly project selection. This should be reflected in the MoU that is proposed between the national and international programmes.	IS	August
4.2	The DGF target for countries developing 'Formal Disclosure Requirements' might be difficult to meet, but it would be appropriate to include formal commitments by individual PEs in reporting.	IS	
4.3	The success of CoST UK is important to the whole CoST programme. It should be communicated to the UK MSG that the Board recognises this and that the IS will provide as much support as it can.	IS	August
4.4	Send M&E framework to Board members.	IS	August
4.5	Send design document, transparency index paper and feedback from external consultation to GO & PN.	IS	August
Item 5. Financial report			
5.1	Approximately 50% of DGF 'Overhead' costs will be transferred to 'Establishing a CoST global programme'.	IS & JH1	When appropriate.
5.2	Balance currently available in 'Strengthening CoST in current countries' is committed; EAP will use its own resources in the short term, until the resources for Year 3 are transferred. This is done in the expectation that other resources will be available towards the end of December.	N/A	N/A
5.3	Consider approaching GIZ about the possibility of 'end of financial year' funding again in 2014.	IS	August
Item 6. Draft Business Plan			
6.1	Generally the BP is well written and the activities, objectives and budget realistic and appropriate. A number of relatively minor modifications were suggested. Subject to them being incorporated into a final version, the BP was approved.	IS	September
Item 7. Applications from new countries			
7.1	The Board approved the application that had been submitted by the Ugandan National Roads Authority (UNRA). A letter should be written to convey this decision and it should include the following observations: <ul style="list-style-type: none"> Once the MSG has been appointed, it should be given the opportunity to approve the projects that have been selected for inclusion by UNRA. 	IS	ASAP

	<ul style="list-style-type: none"> Although 'CoST Uganda' is being initiated by UNRA, the goal should be to bring additional PEs into the programme in time. Therefore consideration should be given to including other parts of the Ugandan Government in the MSG. 		
7.2	The World Bank could potentially talk to UNRA about use of 'Red Flags' if it would be useful.	JH1 & JH2	TBC
7.3	The Board agreed that it was premature to consider the draft application that had been submitted by the State Road Agency of Ukraine (Ukravtodor). A letter should be sent from the IS, encouraging them to develop their application further and submit it for approval.	IS	ASAP
7.4	The Board noted that the World Bank country office in Ukraine will continue to play an important role in the short-term in bringing together the various actors.	N/A	N/A
7.5	The Board welcomed the application from the Afghanistan Ministry of Economy (MoE) and noted the particular challenges of improving transparency and accountability in an environment that is still affected by conflict.	N/A	N/A
7.6	The Board noted that there were some 'gaps' in the application and that they were the result of the limited time available to develop the application before the Board meeting. Given the potential complexities in Afghanistan, it was recommended that a country visit be organised to discuss the application directly with those involved.	IS	To be agreed with MoE
Item 8. Contingency arrangements for funding shortfall			
8.1	The Board noted the continuing difficulties in securing the financial investment that is needed to develop the programme in line with its ambition. Whilst it remains optimistic about the future of the programme, it also considers it prudent to anticipate what would need to happen should we not attract sufficient funding.	N/A	N/A
8.2	In this worst case scenario, 'scaling back the programme' and 'closing CoST' would both be given further consideration. So would the possibility of merging CoST with another programme. The next Board meeting should be presented with some more detailed information on the levels of income (or other factors) that should trigger a decision.	IS	Before next Board meeting.
Item 9. Fundraising			
9.1	Another attempt will be made to engage AusAID and the Government of Indonesia, possibly in parallel.	GO/IS	August
9.2	A further approach will be made to AsDB.	GO/VL	August
9.3	An approach will be made to BMZ regarding German Government funding. CP made a contact with a senior	Chair	Aug/Sep

	BMZ official previously that will be used in the first instance.		
9.4	We will make an approach to the Swedish International Development Cooperation Agency (SIDA).	PN/IS	Aug/Sep
9.5	FIAC might be able to provide some help in relation to the EU and will be approached.	PN	Aug/Sep
9.6	It would be useful to develop some bullet points on the advantages to companies of becoming supporters of CoST.	IS	Aug/Sep
9.7	The Board agreed that it would be willing to accept funding directly from companies, including those that offer support as part of efforts to rehabilitate their image. This will not include companies whilst they are debarred by international agencies.	N/A	N/A
Item 10. Priorities for next six months			
10.1	<p>The following priorities were agreed:</p> <ul style="list-style-type: none"> • Fundraising – including finalising the agreement with the Dutch Ministry of Foreign Affairs and submitting an application to Siemens. • Bringing in new countries – including Uganda, Ukraine and Afghanistan. New countries that are able to bring resources will not impose an undue burden on existing resources. Those that don't bring resources might, so caution should be exercised. • Strengthening existing national programmes – including importantly moving towards routine disclosure. If possible regional capacity building events will be held. 	IS	On-going
Item 11. Other business			
11.1	Follow-up interest that was expressed previously by stakeholders in Ghana.	IS & GO	Sep/Oct
11.2	<p>The draft MoU was approved in principle for use, subject to the following amendments:</p> <ul style="list-style-type: none"> • Emphasise the importance of establishing the routine disclosure of information. • Include a reference to the prudent use of resources. • Include a reference to the importance of multi-stakeholder working. • Consideration should be given to including government as a signatory in addition to the IS (on behalf of the international programme) and the MSG. 	IS	ASAP
11.3	Consideration to be given to how the MoU can help to manage the risks identified in the draft Business Plan.	IS	September

12. Date of next meeting

12.1	A virtual meeting will be held on Tuesday 19 November 2013. Details will be circulated in good time.	IS	TBC
12.2	The next physical meeting is likely to take place in London in April 2014.	IS	TBC

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



August 2013

Christiaan J. Poortman
Chair

Date