



CoST: The Infrastructure Transparency Initiative

*Business Plan 2017-2020
For Publication*

June 2017



Acronyms

DFID	Department for International Development
EAP	Engineers Against Poverty
FDR	Formal Disclosure Requirement
GDP	Gross Domestic Product
IDS	Infrastructure Data Standard
IS	CoST International Secretariat
ITI	Infrastructure Transparency Index
MSG	Multi-stakeholder Group
OCDS	Open Contracting Data Standard
OCP	Open Contracting Partnership
OGP	Open Government Partnership
PE	Procuring Entity
SISOCS	Information System for the Monitoring of Works and Supervision of Contracts (developed by the Government of Honduras)

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Executive Summary

CoST is now established as the leading global initiative aimed at improving transparency and accountability of investment of public infrastructure, with fifteen countries currently committed to its implementation and a growing track record of achievement. This progress was recognised recently by the Open Government Partnership (OGP) when CoST became the only international initiative to be recognised twice in its [Open Government Awards 2016](#).

This Business Plan builds on the recommendations of a recently completed strategic review by translating them into a series of ambitious objectives and by providing a realistic plan to deliver them. It is aimed at partners who are interested in supporting our efforts and scaling-up the impact of our work.

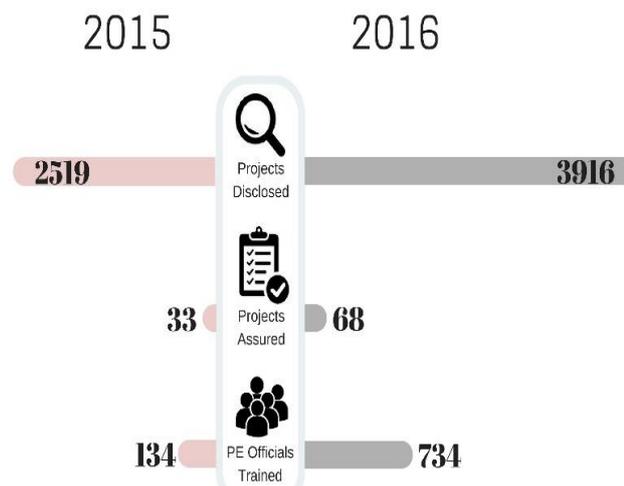
Need for CoST

Investing in public infrastructure is a vital part of efforts to meet pressing global challenges such as climate change, poverty, rapid urbanisation and ageing populations. According to the International Finance Corporation, infrastructure investments which are well planned and executed tend to boost GDP and offset any increase in debt, or in other words, they pay for themselves.¹

However, it is estimated that up to a third of investment in public infrastructure could be lost through corruption, mismanagement and inefficiency.² With \$78 trillion expected to be invested infrastructure between 2014 and 2025³, the potential financial losses are enormous. And unless we stem these losses, the anticipated social and economic benefits will be unrealised and the poorly constructed assets could become a public liability which in extreme cases, may even fail causing injury and death.

CoST addresses these challenges directly. It works with government, industry and civil society to promote greater transparency and accountability in public infrastructure. This helps to inform and empower citizens and enables them to hold decision-makers to account. Informed citizens and responsive public institutions help drive reforms that reduce mismanagement, inefficiency, corruption and the risks posed to the public from poor quality infrastructure. This approach has the potential to significantly reduce losses and if successful, could increase productive investment by up to a third without having to mobilise additional investment.⁴

Figure 1: 2015 and 2016 in comparison



¹IFC. (2012) Poverty Literature Review Summary: Infrastructure and Poverty Reduction. IFC.

²Stansbury N. (2005), 'Exposing the foundations of corruption in construction', in Chapter 2, 'Corruption in Practice', Transparency International Global Corruption Report

³[Oxford Research \(2014\). 'Capital project and infrastructure spending Outlook to 2025'. PwC](#)

⁴ The potential saving is based on the previously referred to estimated losses from corruption, mismanagement and inefficiency

Approach

Our approach is based on four 'core features' - disclosure, assurance, multi-stakeholder working and social accountability. The first three are already well established and the fourth is now being introduced as part of refining and improving our approach.

- **Disclosure** is the publication of data from infrastructure projects. Forty data points are disclosed by procuring entities (PEs) at key stages throughout the entire project cycle in the Infrastructure Data Standard (IDS) format.
- **Assurance** is an independent review that highlights the accuracy and completeness of the disclosed data and identifies issues of concern for the public.
- **Multi-stakeholder working** brings together government, industry and civil society in a concerted effort to pursue the common goal of improving transparency and accountability in public infrastructure. This is typically achieved through a multi-stakeholder group (MSG) where each stakeholder group has an equal voice in leading a CoST programme.
- **Social accountability** refers to efforts made to ensure that the disclosed data and assurance reports are taken-up and used by stakeholders – especially civil society and the private sector - to strengthen accountability and deliver practical improvements.

CoST provides a flexible approach that supports implementation across diverse political, economic and social contexts. Our members at a national and sub-national level decide how this approach must be adjusted to meet their specific priorities.

Achieving impact

The relationship between CoST's core features and the impact they are aimed at delivering is further illustrated in our Theory of Change (ToC) (see Figure 6). It maps the causal links between interventions and outputs and shows how these contribute to outcomes and impacts. The ToC assumes that the political economy in any setting must be conducive to increasing transparency and accountability, with adequate space for civil society and industry participation and sufficient government capacity to respond to stakeholder demands.

Since its launch in 2012, CoST has achieved a range of outcomes and intermediate-impacts including cost savings, cancelation of poorly planned and unnecessary projects and improvements to project preparation, procurement and data management at a sectoral level.

The impact of CoST will increase as the volume of data that is disclosed is scaled-up. We are already beginning to see in those countries where data is disclosed on hundreds and thousands of projects, that it becomes a powerful tool for tracking investments and driving improvements in performance and value for money across government.

Goals & Objectives

This Business Plan is structured around two strategic goals:

- Building our global footprint to make transparency and accountability in public infrastructure the norm
- Strengthening on the ground implementation to help maximise our impact

These strategic goals will be met through achieving the following four objectives.

1. Strengthen the CoST brand by using a new vision, mission and theory of change to clearly communicate how we achieve our outcomes and impacts to a global audience.
2. Develop a broad range of tools and standards that will scale-up the disclosure, validation and interpretation of infrastructure data including developing the Infrastructure Transparency Index and working with the [Open Contracting Partnership](#) to ensure the Infrastructure Data Standard can be used as an open data standard.
3. Adopt a flexible delivery model that will increase our global footprint by:
 - a. Attracting at least 12 high, medium or low income countries, sub-national levels of government, individual PEs or individual megaprojects to join as either participating or affiliate members.
 - b. Persuading international and regional organisations to adopt our tools and standards as part of their frameworks.
 - c. Scaling-up the amount of infrastructure data that is disclosed, validated and interpreted by our current members.
4. Further strengthen the governance and legitimacy of CoST by electing or appointing the Board through stakeholder participation.

The Organisation

CoST is an independent not-for-profit organisation led by a Board of six members including one elected representative each from government, industry and civil society. The Board currently outsources the International Secretariat function to Engineers Against Poverty (EAP), an independent NGO based in London. EAP has been involved in CoST since its origins and it has hosted the International Secretariat since 2012. Whilst this arrangement has provided flexibility and been beneficial, the Board has requested a review of options for meeting the Secretariat function in the future. This will help to ensure that we continue to be effective, efficient and deliver value-for-money to our supporters.

Finance Plan

Delivering this Business Plan requires substantial investment in the programme of up to £7.5m over the next three years. The UK Department for International Development (DFID) has approved up to £5 million in-principle to support this work. This contribution is contingent on us mobilising additional investment. Financial contributions can either support the overall Business Plan or be targeted at specific interventions.

Conclusion

CoST is now poised to substantially increase its global impact. We have the organisational capacity, a well-developed approach, a portfolio of committed implementing partners, the support of leading international agencies and a coherent Business Plan. The final element is the financial investment required to put these into action.

This Business Plan is aimed at potential partners including multilateral and bilateral donors and private foundations who are willing to consider supporting our efforts. We welcome the opportunity to discuss it with them and commit ourselves to be flexible in finding ways to work with them.

1. Introduction

CoST is now established as the leading global initiative aimed at improving transparency and accountability of investments in public infrastructure. Its approach has evolved over time and through rigorous testing in diverse settings.⁵ Fifteen countries are currently committed to implementing the CoST approach, it is supported by leading international agencies and it has a growing track record of achieving impact. This progress was recognised recently by the Open Government Partnership (OGP) when CoST became the only international initiative to be recognised twice in its [Open Government Awards 2016](#).

Whilst we take pride in these achievements, they are not a cause for complacency. The CoST Board is of the view that we can and must do more to further strengthen our approach and increase our global impact. For that reason, it commissioned a wide ranging strategic review of CoST in 2016. The review confirmed the strength of our approach and made the case for additional resourcing and wider application. It also made a series of recommendations aimed at helping us to further strengthen our efforts and increase our global footprint.

This Business Plan builds on the recommendations of the strategic review by translating them into a series of ambitious objectives and by providing a realistic plan to deliver them. It will be used in the first instance to structure a discussion with current and potential supporters and might be subject to further refinement based on those discussions. It is anticipated that it will be necessary to develop a detailed implementation plan that reflects the resources that are eventually available.

2. The need for CoST

Investing in public infrastructure is a vital part of efforts to meet pressing global challenges such as climate change, poverty, rapid urbanisation and ageing populations. The International Finance Corporation has pointed out that infrastructure investments which are well planned and executed tend to boost GDP and offset any increase in debt, or in other words, they pay for themselves.⁶ This is particularly true during the current period which is characterised by low interest rates and high unemployment. Not surprisingly, governments and international agencies now recognise the urgent need to deliver more and better public infrastructure. This recognition is also very apparent in the Sustainable Development Goals.⁷

However, a high proportion of investments in public infrastructure are poorly planned and executed and this increases the risk of corruption, mismanagement and inefficiency. It is estimated that up to a third of investment could be lost this way.⁸ With \$78 trillion expected to be invested in infrastructure between 2014 and 2025⁹, the potential financial losses are enormous. And unless we stem these losses, the anticipated social and economic benefits will remain unrealised and the poorly constructed assets could become public liabilities which in extreme cases, could even fail causing injury and death.

Corruption, mismanagement and inefficiency in public infrastructure, as in many areas of public service provision, are linked to weak governance in terms of policy, legal and regulatory systems and institutional capacity. The nature of the construction industry and the way infrastructure services are delivered create structural vulnerabilities that can result in

⁵ Between 2008 and 2011, CoST was piloted in 8 countries before being relaunched as a global programme in 2012.

⁶ IFC. (2012) Poverty Literature Review Summary: Infrastructure and Poverty Reduction. IFC.

⁷ Goals 6,7 and 9 directly relate to delivering infrastructure services whilst goal 16 focuses on governance and effective and accountable institutions

⁸ Stansbury N. (2005), 'Corruption in Construction', Global Corruption Report Transparency International

⁹ [Oxford Research \(2014\), 'Capital project and infrastructure spending Outlook to 2025', PwC](#)

significant losses. Transparency International's 2005 report on corruption in infrastructure highlights 13 different features of infrastructure projects that make them particularly prone to corruption.¹⁰¹¹ The situation can be compounded by the political economy within a country, where policy choices are frequently driven by personal and political agendas.

CoST addresses these challenges directly. It works with government, industry and civil society to promote greater transparency and accountability in public infrastructure. This helps to inform and empower citizens, enabling them to hold decision-makers to account. Informed citizens and responsive public institutions are mutually reinforcing and help drive reforms that reduce mismanagement, inefficiency, corruption and the risks posed to the public from poor quality infrastructure. This approach has the potential to reduce losses and if successful, could increase productive investment by up to a third without mobilising additional investment¹².

3. Our Approach

CoST provides a range of tools and standards that support the disclosure of data into the public domain. It also helps to process and organise the data into information that informs and empowers stakeholders and enables them to hold decision makers to account. Ultimately, this supports the delivery of good quality infrastructure and services that improve lives.

Our approach to date has been based on three core features; disclosure, assurance and multi-stakeholder working. We will continue to develop these features and add a fourth, building social accountability. This section describes these core features and how they function together to deliver systemic change.

CoST provides a flexible delivery model that supports implementation across diverse political, economic and social contexts. Our members at the national and sub-national level decide how this approach must be adjusted to address their particular challenges. These adjustments are typically informed by the results of a scoping study that is completed in the early stages of a programme.

“Corruption exists in the shadows and the great thing about CoST is that it shines a light in those dark areas and illuminates them.”

Geoff French, Industry Leader and Past President of the International Federation of Consulting Engineers (FIDIC)

CoST routinely assesses the performance of members to ensure they achieve their priorities.

Regular feedback and advice is provided to members to acknowledge their successes and help improve their programmes. However, where progress is slow or where there has been a breach of the CoST principles, CoST has a [performance monitoring process](#) in place that can lead to a member being declared inactive and ultimately, their CoST status being revoked.

3.1 Disclosure

CoST increases transparency by enabling Procuring Entities (PEs) to disclose data on public infrastructure investments. The Infrastructure Data Standard (IDS) comprises 40 data points that are disclosed at key stages throughout the entire project cycle (see Figure 2). It includes

¹⁰Stansbury N. (2005), 'Exposing the foundations of corruption in construction', in Chapter 2, 'Corruption in Practice', Transparency International Global Corruption Report

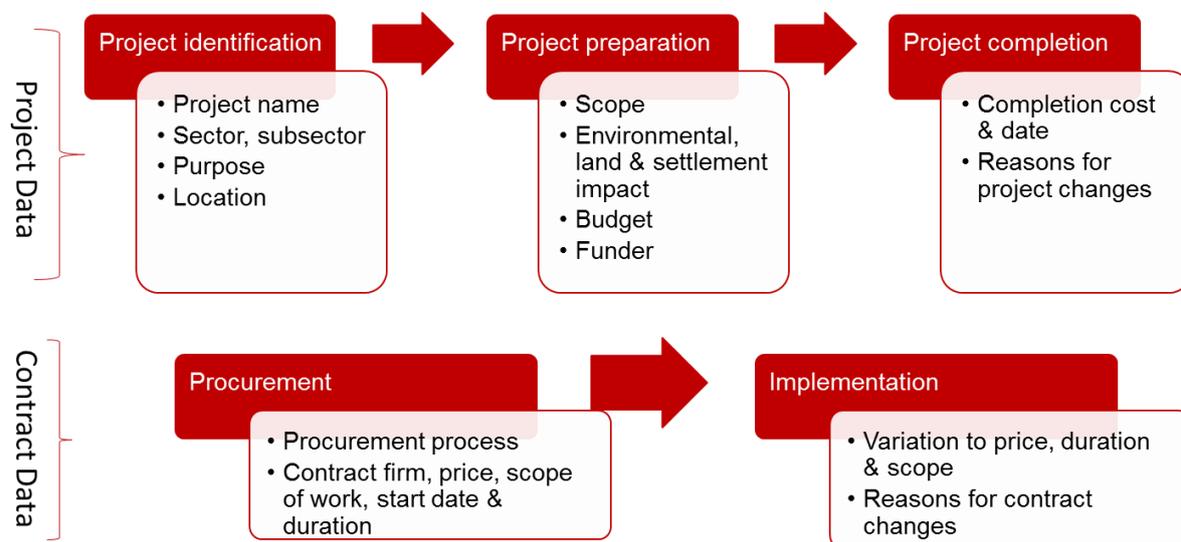
¹¹ The thirteen features include the uniqueness, size and complexity of an infrastructure project, the number of contractual links, the concealment of work, a culture of secrecy, entrenched interests, the cost of integrity and a lack of due diligence.

¹² The potential saving is based on the previously referred to estimated losses from corruption, mismanagement and inefficiency

data that summarises the project itself and the individual contracts of which it is comprised. Figure 2 below summarises the IDS.

PEs are responsible for disclosing data and CoST helps build their capacity to meet this obligation. This typically includes developing disclosure manuals and training officials in their use.

Figure 2: A summary of the CoST Infrastructure Data Standard



CoST has also been driving digital innovations that enable the disclosure of data from public infrastructure investments and improve access for stakeholders. This includes enhancing existing e-procurement portals in [Guatemala](#) and the [Philippines](#), in addition to creating new information platforms in Costa Rica, [Ethiopia](#), [Honduras](#) and [Thailand](#).

Box 1: Building capacity to disclose and use infrastructure data in Honduras leads to Open Government Partnership Award

CoST Honduras, in partnership with the World Bank, developed SISOCS – a subsystem of the national e-procurement portal – which provides easy access for citizens to data on over 600 road projects. Pulling data together into a single source, SISOCS aggregates data provides greater transparency on over US\$600m in investment. CoST Honduras is now working with the Government to expand SISOCS to all sectors and its installation is currently underway in an additional eight Procuring Entities. CoST Honduras has trained 175 municipal Citizen Transparency Commissions to empower communities to use this information to demand accountability. Citizens have then formed their own monitoring groups to compare SISOCS data with direct observation by measuring roads, reviewing materials and assessing their status to highlight cases where works have either not been done or are insufficient. The citizens are working closely with the CoST Honduras Assurance Team to put pressure on those responsible and demand better value from their public infrastructure. This work was recently recognised with an Open Government Partnership Award.

CoST programmes often start on a 'voluntary' basis, i.e. in the absence of any statutory requirement to disclose information. However, Governments are expected to eventually establish a legal mandate to make disclosure a statutory requirement across the public sector. The legal mandates can also include the other CoST core features of multi-stakeholder working, assurance and social accountability. Honduras and Guatemala are good examples of where the introduction of such a legal mandate has led to an exponential increase in the transparency of public infrastructure with citizens having access to data from hundreds and thousands of projects respectively – see figure 3 above and figure 4 below.

Figure 3: The number of projects where data is disclosed in 2015 and 2016 in Honduras

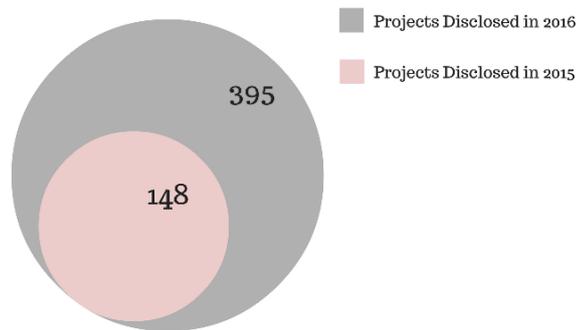
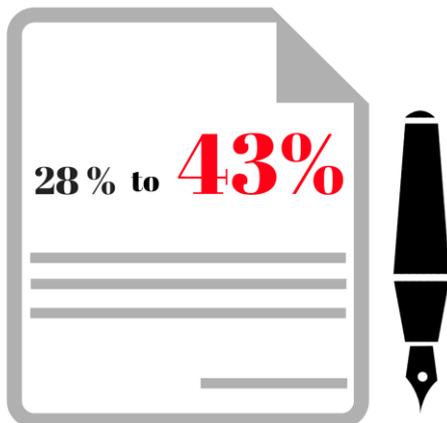


Figure 4: The increase in compliance with the IDS since a legal mandate was introduced to Guatemala



During the period of this Business Plan we will further strengthen our approach by ensuring the IDS can be used as an open data standard and by developing an Infrastructure Transparency Index (ITI). We will work in partnership with the [Open Contracting Partnership](#) to ensure that the data points in the IDS are machine readable and interoperable by aligning it with the Open Contracting Data Standard. As a result, the data disclosed will be easier to use, share and be built upon by stakeholders.

The ITI is being developed in association with CoST Honduras and when complete, will provide governments with a simple-to-use set of indices that will enable them to report on the

level of transparency within public investment in infrastructure. Levels of compliance with transparency requirements are often low¹³ and the ITI is intended to illustrate the level of compliance and provide an incentive to government (or individual PEs) to improve their performance.

3.2 Assurance

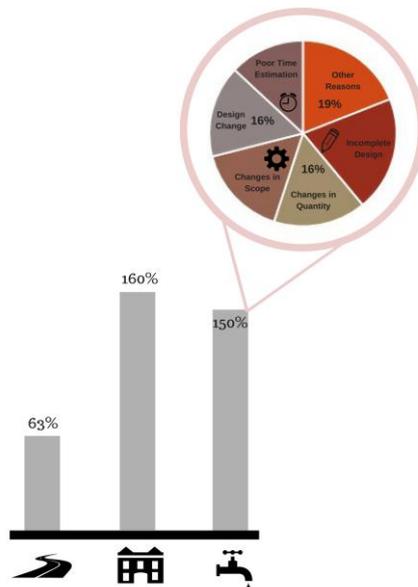
The assurance process involves an independent review of the data disclosed by PEs. It ensures that the information is accurate and complete, that it conforms with the IDS and where necessary, it also identifies 'issues of concern' that need to be addressed.

The value of assurance is that it is a preventative measure. It is not unlike a 'spot check' in which any individual project could be selected and subjected to scrutiny. This increases the likelihood of problems being identified and provides a powerful incentive for PEs to ensure that they do not occur in the first place. The roads directorate in Guatemala reported that this

¹³ CoST (2011), Report on Baseline Studies: International Comparison
<http://www.constructiontransparency.org/documentdownload.axd?documentresourceid=42>

threat led to substantial improvements in the integration and coordination of suppliers and the quality of road construction.¹⁴

Figure 5: Average time increase in construction from the Ethiopian roads, buildings and water sectors and the reasons for the time increases from the water sector



Ideally, a government agency (typically an audit body) accepts responsibility for the assurance process. However, where this is not possible, for example where public trust in the agency is low or it does not have the necessary capacity, consultants are appointed for the task by the multi-stakeholder group (MSG).

In the early stages of a CoST programme, the focus of assurance is at the project level. In a mature programme and when the volume of disclosure increases, the focus shifts to include performance statistics such as time and cost increases at a sector level (e.g. roads, water or housing) and on providing recommendations for improvements. Figure 5 provides an example from Ethiopia of the performance statistics that can be generated. Box 2 provides an example from Ukraine of the issues an assurance report can highlight. In all cases the assurance report is published by the MSG, often as part of a public event at which its findings are discussed by stakeholders. These events focus public attention and help build the demand for improvements.

Box 2: Highlighting low levels of competition in the Ukraine

CoST Ukraine's first assurance report demonstrated how the assurance process can highlight issues of concern at a sectoral level. The report shows how the UAH 3,399 billion (GBP £90 million), a third of the total annual investment in the Ukraine roads sector, is allocated across 17 regions and the level of competition from over 120 public road reparation contracts. The issues include:

- **Lack of competition in the market** – in three regions, one company won all tenders;
- **Lack of justification for funding distribution** – almost 50% of the allocated funds for road repairs were provided to five out of the 17 regions;
- **Poor quality works** –the surface finishing and durability requirements were not met, representing an inefficient use of funds;
- **Discrepancies across pricing** – average prices of repairs for one kilometre of road varied considerably across the different regions.

Local stakeholders state that the assurance report provides for the first time independent and credible analysis of these issues.

¹⁴Ariel Alvarado from the Roads Directorate in an interview for a film on CoST Guatemala https://www.youtube.com/watch?v=Bno1T3-lvMM&list=PLiT5yZCAR4SHb76ObBzHBI_xNf0kZWwB&index=2

3.3 Multi-stakeholder Working

Multi-stakeholder working refers to representatives of government, industry and civil society coming together to address complex governance challenges. Typically, this is achieved through a multi-stakeholder group (MSG) that oversees a CoST member programme. By bringing the three stakeholder groups together into a structured process with equal voice, a consensus can be reached that helps to ensure that the solutions developed are realistic, practically focused and likely to receive broad support. The support and participation of each stakeholder group also brings a high-level of legitimacy to the reform effort, which can help sustain it during periods of political or social disruption (see Box 3).

“European contractors have started to implement an irreversible process towards the elimination of corruption in their sphere of influence which also includes a zero-tolerance approach to corruption. Our practical experience is, however, that anti-corruption tools must be identified that encourage positive behaviour by all parties simultaneously and that we must combine our efforts with others to be successful. CoST is very effective in bringing together stakeholders from across the institutional spectrum.”

Frank Kehlenbach, Director, European International Contractors

Multi-stakeholder working provides definite benefits, but it can be difficult to introduce where it is unfamiliar and where trust between stakeholders is low. It is vital to provide capacity building support in the formative stage of MSGs to build trust and establish the ‘rules of the game’ for its operation (see Box 3).

MSGs are typically convened on a voluntary basis. They do not therefore have their own legal status and in most cases, a host organisation is appointed to execute the decisions of the MSG. In addition, ‘host organisations’ administer grants, employ staff and appoint consultants on the instruction of the MSG.

We are conscious that flexibility is important where multi-stakeholder working is concerned. MSG’s have proved effective, but governments can propose alternative mechanisms to engage industry and civil society and be expected to demonstrate that there is a broad consensus for the proposed approach.

Box 3: Building trust in Guatemala

During the 2015 political turmoil in Guatemala which saw the President and Vice President jailed for corruption, the MSG continued to function and operate successfully. This required considerable support from the International Secretariat to convince reluctant partners, especially from civil society, to continue to work with the reformers in Government. It also required clear rules of the game, to ensure each stakeholder group felt they had an equal voice in the decision-making process. Since the political turmoil, the MSG has published two assurance reports and seen new procurement legislation provide an enhanced legal mandate for disclosing data in the IDS format.

3.4 Social accountability

Mature programmes have begun to go beyond transparency by using the disclosed data to mobilise collective action and demand social accountability. It has always been recognised that social accountability is essential to translate transparency into practical improvements, but until now our focus has been primarily on the supply side of this equation.

During the period of this Business Plan we will work in partnership with other international organisations to do more with stakeholders especially with civil society and the private sector to ensure that the disclosed data and assurance reports are used effectively. We will promote the tools developed by partner organisations, develop tools where there is a need and provide

training to civil society and the media to understand the information disclosed and use it to monitor investments and improve accountability. Box 4 provides an example of this type activity from Malawi.

Our new focus on social accountability demonstrates the relationship between the CoST international programme and national and sub-national programmes. In this case the need for social accountability was proven through implementation at the national level and subsequently recognised at the international level and incorporated into the CoST approach. We are confident that strengthening social accountability will help drive meaningful reform and result in systematic improvements.

Box 4: Empowering civil society in Malawi leads to Open Government Partnership Award

CoST Malawi has worked closely with civil society to empower citizens to demand accountability in public infrastructure. This work recently won international recognition when CoST Malawi won a 2016 Open Government Partnership Award.

Radio broadcasting reaches almost 90% of Malawians. CoST Malawi regularly hold live radio debates where questions from listeners are posed to a panel from government, industry and civil society, allowing citizens country-wide to have their say on public infrastructure investment. The debates indicated very strong public interest and CoST Malawi subsequently built on this by launching an innovative toll-free SMS platform to provide citizens with a real-time reporting mechanism for infrastructure related problems their local areas. Malawians can now text details of any public infrastructure project where they have concerns with its delivery. All information received is submitted to the relevant authorities, who are provided an opportunity to respond through the radio debates and to address the concerns through remedial actions. The actions to date have include the cancellation and re-tendering of road contracts and establishing a whistle blowing mechanism for the roads sector.

4. Achieving impact

The previous section summarised the core elements of the CoST approach that work in concert to deliver impact. The relationship between our approach and achieving impact is further illustrated in our Summary Theory of Change (ToC) (see Figure 6.). This ToC reflects our revised Vision and Mission (see 4.1) and it maps the causal links between our interventions and outputs and how these contribute to our outcomes and impacts. The ToC assumes that the political economy is conducive to increasing transparency and accountability, with space for civil society and industry participation and the capacity for government to respond to citizens' demands for the outcomes and impacts to be realised.

To date CoST has achieved several outcomes and intermediate-impacts on individual projects and at a broader sectoral level. These include the re-design of a road in Ethiopia that saved 6 months' construction time and USD 3.5m, the introduction of a whistleblowing mechanism for the Malawi roads sector, improvements to project preparation, procurement and data management in Guatemala, tighter waste disposal practices on Honduras construction sites and contracts cancelled in Malawi and Honduras to stop on-going wastage of public funds.

Figure 6: Summary Theory of Change

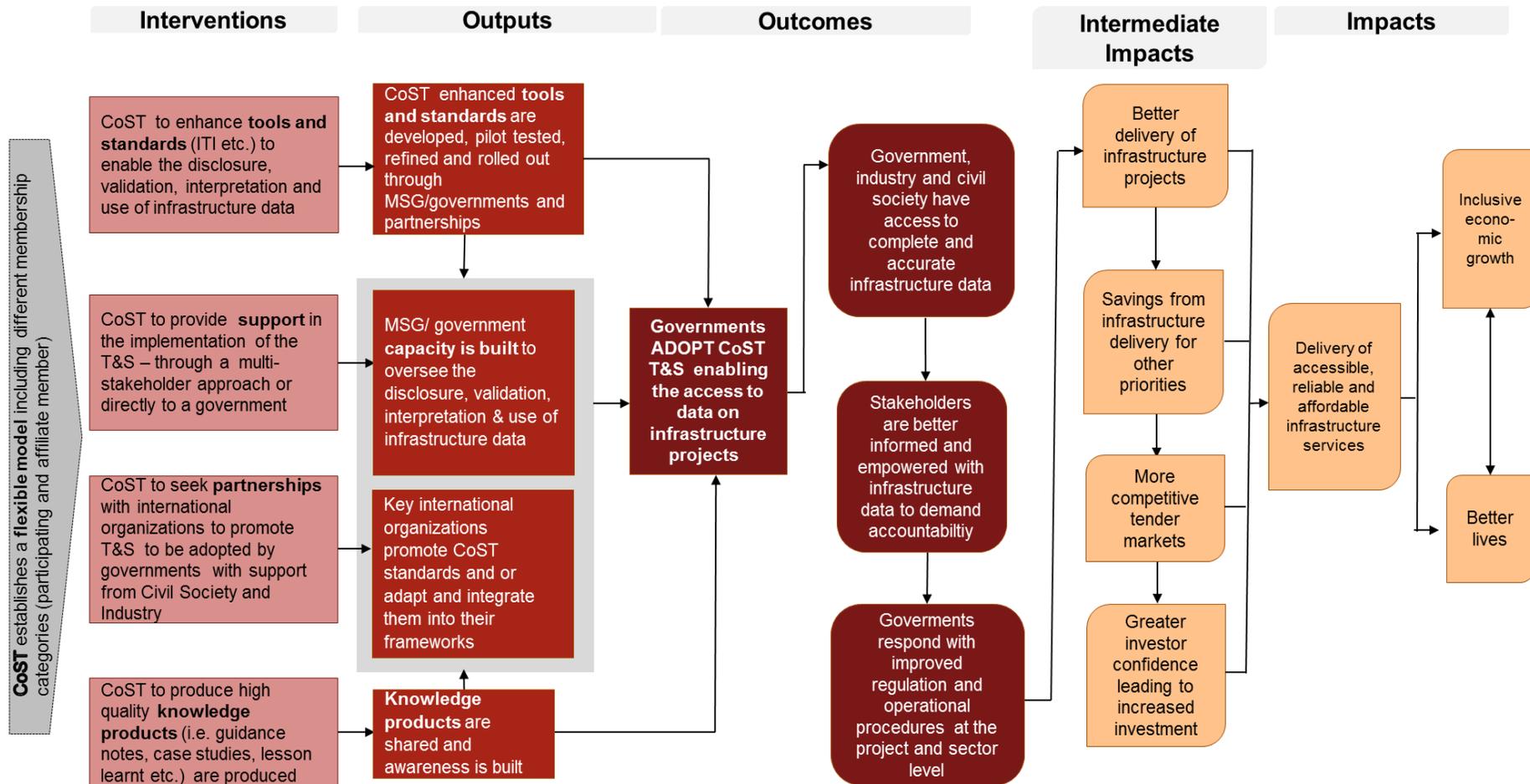


Figure 7: Examples of intermediate impacts achieved by CoST in 2016



Digitalising Data in Guatemala



Whistle Blowing mechanism in the Malawi roads sector.



Changes to construction site waste disposal practices in Honduras

5. Goals & Objectives

This Business Plan is structured around two strategic goals:

- Building our global footprint to make transparency and accountability in public infrastructure the norm
- Strengthening on the ground implementation to help maximise our impact

These strategic goals will be met through achieving the four objectives described in this section.

5.1 Strengthen the CoST brand by using a new vision, mission and theory of change to clearly communicate how we achieve our outcomes and impacts to a global audience.

CoST has clarified its vision to emphasise its focus on public infrastructure and the benefits of greater transparency and accountability for citizens. The new mission then more clearly articulates what CoST does to achieve the vision. The vision and mission have been used to develop the new ToC in figure 6.

Vision: Better lives from better infrastructure

Mission: Disclose, validate and interpret infrastructure data to empower stakeholders to hold decision-makers to account.

The CoST name will be retained, but its articulation as the ‘Construction Sector Transparency Initiative’ will be discontinued. We will over time replace ‘construction’ with ‘infrastructure’ and refer to the initiative as ‘CoST: The Infrastructure Transparency Initiative’. The activities in Table 1 aim to capture and communicate our outcomes and impacts based on our vision and mission to a global audience.

Table 1: Activities to achieve objective 5.1

Activity	Year of delivery		
	Year 1	Year 2	Year 3
Develop a comprehensive monitoring, evaluation and learning framework based on the Theory of Change that will capture our outcomes and impacts.	√		
Communicate these outcomes and impacts, together with our revised vision and mission, through a communications strategy that includes the creation of new marketing materials such as guidance notes, case studies and films.	√	√	√
Engage with international stakeholders by participating at global and regional forums	√	√	√

5.2 Develop a broad range of tools and standards that will scale-up the disclosure, validation and interpretation of infrastructure data

High quality tools and standards will be developed to assist governments, industry and civil society to disclose, validate and interpret infrastructure data. We will consult with stakeholders to ensure that the tools and standards meet their needs and are user-friendly. The tools and standards will be published and made freely available on the CoST website.

In implementing this Business Plan, CoST will deliver the activities in Table 2

Table 2: Activities to deliver objective 5.2

Activity	Year of delivery		
	Year 1	Year 2	Year 3
Commission learning pieces on the core features of CoST to better understand how our tools and standards have been implemented and how they could be improved and broadened	√		
Work with the Open Contracting Partnership to align the IDS with the OCDS ¹ to provide an open data standard for infrastructure projects.	√		
Develop an Infrastructure Transparency Index as a tool to measure and report transparency at a national or subnational level.	√		
Identify if and how CoST can disclose, validate and interpret data on the quality of the built infrastructure.	√		
Work with the Honduran Government to develop a licensing agreement and methodology that will allow CoST members to adapt and apply the SISOCS disclosure platform for their own use.	√		
Establish and operate a new help-desk to provide support and advice to users of our tools and standards.	√	√	√
Develop knowledge products – such as guidance notes, e-learning courses and webinars – and continue to provide high quality technical assistance	√	√	√
Develop a self-assessment or ‘health-check’ tool for assessing the performance and ‘institutional health’ of a CoST programme.		√	

5.3 Adopt a flexible delivery model that will increase our global footprint and the amount of infrastructure data that is disclosed, validated and interpreted.

The success of CoST and our claim to be a ‘global’ initiative is dependent on extending its application into high income countries and on scaling up the amount of data that is disclosed, in our current programmes.

To achieve this, CoST is developing a delivery model that provides for the flexibility that is more likely to attract high income countries into the programme whilst maintaining the structure and legitimacy that current CoST national programmes tell us they require of the model. This

will be achieved by enabling countries, sub-national levels of government, individual PEs and individual megaprojects to join CoST. The intention is to then develop two membership categories – participating and affiliate - that are sufficiently flexible to attract at least 12 new members to join CoST from high, medium and low income economies over the next three years whilst maintaining the integrity of the core features.

A study into the potential value of CoST in high income countries is being commissioned. Its results will inform the development of each membership category and help to ensure that CoST appeals to potential members across the income spectrum.

Public sector organisations will be encouraged to voluntarily apply tools and adopt standards without having to join CoST. They will have no obligations to CoST and will not benefit from grant support. They could purchase technical assistance from us, but we would not endorse or verify their efforts.

CoST will build strategic partnerships with international and regional organisations who can help promote CoST by incorporating our approaches into their frameworks. Governments would then access our tools and standards through these organisations. The inclusion of the CoST IDS by [Global Infrastructure Basle](#) in its Sustainable and Resilient Infrastructure Standard is an early example of this approach.

In implementing this Business Plan, CoST will deliver the activities in Table 3.

Table 3: Activities to deliver objective 5.3

Activity	Year of delivery		
	Year 1	Year 2	Year 3
Publish a Guidance Note that will establish the criteria and the process for joining as either a Participating or Affiliate member	√		
Build strategic partnerships with international and regional organisations who can help promote CoST by incorporating our tools and standards into their frameworks	√	√	√
Continue to provide grant funding to Participating Members to support the scaling-up of the amount of infrastructure data that is disclosed, validated and interpreted	√	√	√

5.4 Further strengthen the governance and legitimacy of CoST by electing or appointing the Board through stakeholder participation.

The composition of the CoST Board will be refreshed to ensure it continues to be efficient and effective and retains a high degree of legitimacy. An internal governance review will identify a broad based and consultative process for refreshing the Board. The membership of CoST will participate in the review and in implementing its recommendations.

The Board will also commission an independent review of the International Secretariat function. It will identify and evaluate options for meeting the Secretariat function in the long-term and make recommendations to the Board.

In implementing this Business Plan, CoST will deliver the activities in Table 4.

Table 4: Activities to deliver objective 5.4

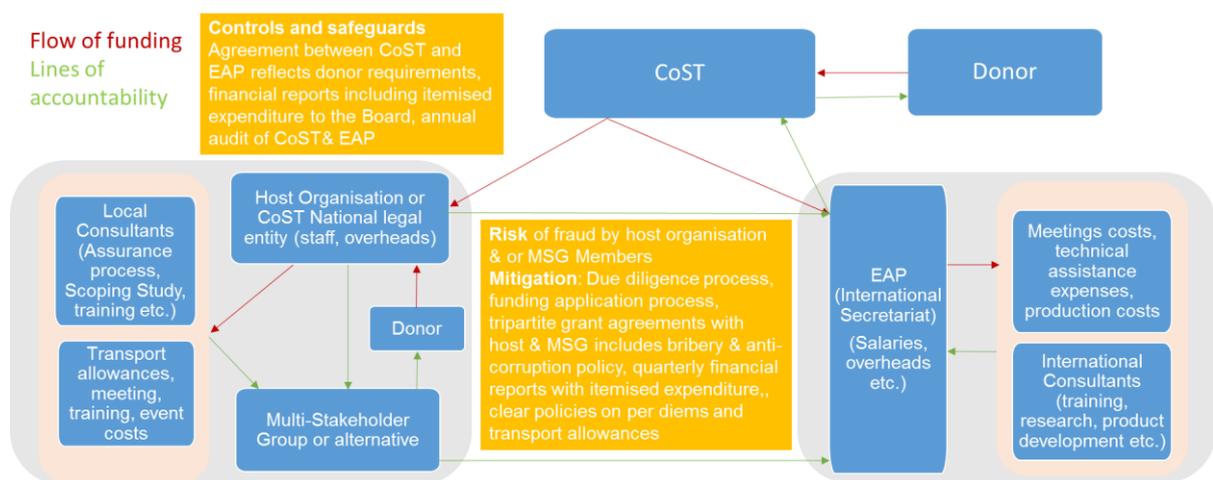
Activity	Year of delivery		
	Year 1	Year 2	Year 3
Undertake an internal review and identify a broad based and consultative process that identifies how the Board will be elected and/or appointed.	√		
Implement the agreed process for electing or appointing the Board by March 2018			
Commission an independent review of the International Secretariat function that will recommend how the international programme should be managed in the long-term.		√	

6. The Organisation

CoST is registered as a charity and a not-for-profit company in the UK. It is governed by a Board of Directors comprising six members and its day-to-day operations are carried out by an International Secretariat. The Board meets four times per year and its responsibilities include setting strategy and policy, approving budgets, admitting new members and monitoring finances and operations. Board meetings are also attended by ‘observers’ representing our financial and strategic supporters.

Whilst individual CoST programmes are not a formal part of the organisation, its operations and the lines of accountability and flow of funding are core to the organisational structure (see figure 8).

Figure 8: Lines of accountability and flow of funding



The Board

The Board currently comprises six members and it was established in 2011 by the International Advisory Group that oversaw the DFID funded CoST Pilot Project 2008 – 2011 (see Annex 1). Three members were appointed to ensure continuity and three were elected (one from each sector) from amongst CoST national programmes. The Board retains overall responsibility for policy, strategy and appointing and removing members.

The International Secretariat

The Board currently outsources the Secretariat function to Engineers Against Poverty (EAP), an independent NGO based in London. EAP has been involved in CoST since its origins and it has hosted the Secretariat since 2012. The Secretariat is staffed by four part-time EAP employees (see Annex 1) and a small network of specialist consultants.

The outsourcing of the Secretariat has provided flexibility that has helped CoST weather difficult periods, for example when it was inadequately resourced from 2012 - 2015. It has avoided having to take on long-term financial commitments for example to employees and for leasing office space. Whilst this arrangement has previously been beneficial, during the period of this Business Plan the Board will look at alternative models for meeting the Secretariat function to ensure it continues to offer value for money to its supporters.

To deliver this business plan, the Secretariat will need to expand by appointing additional staff and building its pool of consultants to deliver a broader range of specialist services. It will also for the first time appoint regional managers to provide support and advice which was previously provided out of London. This will help to bring greater economy and efficiency to the programme and closer support and advice to our Members.

7. Value for money

CoST has a strong track record of delivering value for money to its supporters. This was recognised in a recent independent evaluation of World Bank support to CoST which described the hosting arrangements of the Secretariat as providing good value for money.¹⁵ The organisational structure highlighted above is fundamental to how CoST delivers value for money based on the three e's of economy, efficiency and effectiveness.

CoST also achieves economy by using open competitive bidding on high value service contracts and through publishing standardised guidelines for managing travel expenses and procurement. We will further drive economy by appointing regional managers based in their region of operation to provide more localised, and tailored support to CoST members their region. We will also expand our pool of technical advisers and establish a flexible help-desk to respond to requests for assistance from members.

We drive efficiency by building the capacity of MSGs to deliver value for money by sharing examples of best practice and assisting them to build the capacity of local expertise (see Box 5).

Box 5: Assurance - improving the value for money of public infrastructure

We have improved the economy, efficiency and effectiveness of the assurance process by overcoming several challenges including limited competition due to operating in small markets, conflict of interest as the firms were often bidding for government contracts and poor quality reports. Ethiopia tested a model of recruiting and training individual consultants through a competitive process, rewarding them with additional work upon production of high quality independent reports. This successful approach was shared with Malawi where the appointment of an individual consultant led to a much-improved assurance report and at a lower price. Ukraine has followed suit with the training and quality assurance by an international consultant, helping to build local capacity and leading to high quality independent reports and significant local interest.

¹⁵Vaillant C., Spray P. (2015), Independent External Evaluation of the Construction Sector Transparency Initiative (CoST), Agulhas Applied Knowledge p vii

We also utilise digital solutions to reduce costs and travel time. Email, instant messaging and web-based meetings are regularly used to communicate and convene meetings with national programmes, strategic partners and the CoST Board. Where physical meetings or workshops are required, we have designed them to serve several purposes (see box 2).

We will continue to prioritise activities that improve our efficiency including:

- Train a pool of consultants to deliver technical assistance to CoST programmes
- Secure a licencing agreement to redevelop SISOCS – the Honduras web-based transparency portal
- Share the costs of developing a new open data standard for infrastructure projects and a help-desk facility to support its' implementation with the Open Contracting Partnership
- Build strategic partnerships to assist us in promoting the use of our tools and standards
- Continue to use global events such as the Open Government Partnership Summit and the OECD Global Integrity Forum to promote CoST rather than organise our own events.

We drive our effectiveness forward using a result based approach. This is principally through the funding of national programmes where applicants must meet certain criteria to be eligible for funding and meeting a set of agreed targets to receive the next tranche of the approved grant. In the next period, we will commission learning pieces on the CoST core components of disclosure, assurance, multi-stakeholder working and social accountability. This will enable us to understand how our current tools and standards are being used, and how developing them could lead to improved effectiveness and scaled up application.

Annex 3 provides further information how we currently achieve value for money and the actions we intend to take forward as part of this business plan.

Box 6: Efficient delivery of the Strategic Review

The recently completed Strategic Review was undertaken by consultants recruited through an open competitive bidding process and appointed on a lump sum contract basis.

To reduce the proportion of the budget spent on expenses, the consultants and the International Secretariat agreed that there would be no country visits. Instead, the national programme managers would be consulted as a group and then interviewed on an individual basis as part of a training programme held in London. The consultants also held several other interviews with representatives from the national programmes and with international stakeholders by skype and telephone.

The Strategic Review Advisory Panel of twelve experts, representing high profile organisations such as the African Development Bank, the World Bank, GIZ, the European International Contractors Association, Bechtel and Transparency International, added considerable value to the process. Several organisations covered their own costs to participate at meetings, with approximately 60 days given by Panel Members on a pro-bono basis. Panel meetings were organised alongside CoST Board Meetings allowing us to reduce travel costs and negotiate a lower accommodation and meeting venue rate.

8. Our Strategic Partners

CoST works with a range of strategic partners to help it meet its mandate. This section describes those partners and their roles and explains how our approach to strategic partnerships will develop during the period of this Business Plan.

Department for International Development (DFID): CoST was launched by DFID as a three-year pilot project in 2008. In 2015, it agreed to provide up to £7m over five years¹⁶. DFID has observer status at CoST Board meetings.

Dutch Ministry of Foreign Affairs (MFA): Provides financial assistance to CoST and has observer status at CoST Board Meetings. The MFA has also assisted CoST in making introductions to their Embassies and by introducing us to other potential strategic partners such as Hivos.

European International Contractors (EIC): EIC is an independent association representing the European construction industry. Its membership includes 15 National Industry Federations who represent 200 companies. EIC endorses CoST and has been very active in supporting our efforts to introduce CoST into European countries.

Hivos: Hivos is an international organisation seeking new solutions to persistent global issues. It believes that transparency, citizen engagement and accountability are essential for an open society. CoST and Hivos have recently agreed to work together and it is likely that Hivos will provide support for citizen engagement to encourage the uptake and use of the data disclosed through CoST.

Open Contracting Partnership (OCP): The OCP works to open public contracting through disclosure, data and engagement so that public money is spent honestly, fairly, and effectively. CoST has signed an MoU with OCP to align its Infrastructure Data Standard with OCP's Open Contracting Data Standard.

Transparency International (TI): TI is a global movement that works towards a world free of corruption. TI National Chapters participate in many CoST MSGs and the CoST Secretariat is collaborating with TI in Berlin to align our efforts at the international level.

World Bank: The World Bank has supported CoST since its origins. It participated in the International Advisory Group that oversaw the pilot project (2008-2011) and provided grant support (2011-2014). It also helped CoST engage with the G20 and other global initiatives. The World Bank has observer status on the CoST Board.

9. Financing Plan

Delivering this Business Plan requires substantial investment in the programme of up to £7.5m over the next three years. The UK Department for International Development (DFID) has approved up to £5 million in-principle to support this work. This contribution is contingent on us mobilising additional investment. Financial contributions can either support the overall Business Plan or be targeted at specific interventions.

The budget summarised in Table 5 covers the full operational costs for the next three years starting from July 2017. It is informed by the actual costs from the last eighteen months and experience of developing and managing the budget for the last five years. It includes the disbursement of grant funding for on average GBP 80,000 per annum initially for 10 Participating

¹⁶ DFID has initially invested £2m into CoST over the first 2 years of our agreement. The balance of up to £5m over the remaining 3 years of our agreement was subject to completing a Strategic Review and new Business Plan.

members in year 1, growing to 12 in year 2 and 18 members in year 3. The budgeted fees include the estimated time charges of the International Secretariat¹⁷, the staff salaries of the National Secretariats in Participating members and the local rates for assurance team members. The budget expenses cover the remaining costs for delivering the proposed activities. Finally, the budget includes overheads at 8% of the total cost of delivering objectives 1 to 4.¹⁸A detailed budget is included in Annex 2.

Table 5: Budget summary

		Year 1 GBP	Year 2 GBP	Year 3 GBP	Total GBP
Objective 1	Fees	299,970	240,225	225,750	765,945
	Expenses	53,600	47,500	47,260	148,360
Objective 2	Fees	473,200	438,700	400,400	1,312,300
	Expenses	149,520	146,034	187,250	482,804
Objective 3	Fees	682,150	860,450	1,216,100	2,758,700
	Expenses	258,375	360,925	459,990	1,079,290
Objective 4	Fees	109,575	46,200	46,200	201,975
	Expenses	207,528	35,178	35,178	277,884
Overheads		178,713	174,017	209,450	562,181
Total		2,412,631	2,349,229	2,827,578	7,589,439

10. Risks

Table 6 below identifies the key risks to the programme and how CoST will manage to reduce or eliminate them.

Table 6: Measures to reduce or eliminate programme risks

Risks	Impact	Probability	Measures to reduce or eliminate risks
1. Existing members drop out of the programme			An on-going dialogue with stakeholders will help to pre-empt any issues that may lead to a member withdrawing. If a member withdraws, a communications strategy will then be developed to manage the potential consequences. CoST has grown to the point where one member withdrawing is less of threat to the overall programme
2. No high income members join the programme.			CoST is undertaking a study to understand the value of the programme in high income countries. Develop an on-going strategy for attracting and prioritising new members.

¹⁷The fee section of the budget is based on EAPs day rate of £525 per day, an International Consultants day rate of £625 per day and local consultant day rate of £250 per day.

¹⁸The overheads covers the International Secretariats' non-salary costs including office space and facilities, insurance, telephone charges, ICT service provider, capital equipment etc.

Risks	Impact	Probability	Measures to reduce or eliminate risks
3. Unable to attract additional funding	Yellow	Yellow	Donors and private foundations are the principal target audience for our advocacy strategy. A plan will be put in place to scale-back the programme if required.
4. Secretariat fails to deliver technical support and knowledge products.	Green	Green	EAP has led the Secretariat for more than 5 years with the same leadership managing relationships with members and developing the design of CoST. This has led to a high degree of trust and mutual respect with members.
5. New 'affiliate' members use the CoST brand to 'CoST-wash' business as usual	Green	Green	Guidance will be developed that clearly describes the rights and obligations of affiliate members. The Board will carefully assess the applications of potential affiliate members and the International Secretariat will monitor their performance.
6. The new international governance structure is ineffective and lacks legitimacy.	Yellow	Green	A review will establish how the Board will be appointed or elected using a participatory process that delivers value for money.
7. Inconsistent political support at national level.	Red	Yellow	CoST requires national programmes to institutionalise disclosure through a formal disclosure requirement. This is usually legislation that mandates disclosure of CoST project information by procuring entities. We also have a process for managing poor performance that can lead to a programme being declared 'inactive' and ultimately lead to revoking a Members' CoST status
8. National or Regional instability	Yellow	Green	The MSG can become an anchor during periods of instability with the private sector and civil society representatives continuing the programme. If necessary, a process has been established where a member can temporarily declare itself inactive where the political instability means that the programme cannot in the short-term continue.
9. Elite capture of MSGs	Yellow	Yellow	MSGs are required to have clear terms of reference and governance arrangements for appointing or electing members, and decision-making. These processes are monitored by the International Secretariat on behalf of the CoST Board.

Risks	Impact	Probability	Measures to reduce or eliminate risks
10. CoST attracts new members but does not attract the necessary funding	Yellow	Yellow	Countries are being encouraged to identify their own financial resources to ensure their national programmes are sustainable.
11. Misuse of funds	Red	Green	Grant agreements between the Secretariat, Host Organisation and MSG establish how grant funding should be used. It also includes our Anti-Corruption and Bribery Policy. This Policy was devised to comply with the UK Bribery Act 2010. We also require MSGs to provide a financial report on a quarterly basis as part of the grant agreement. We also undertake due diligence checks on the host organisation
12. Members do not disclose information	Red	Green	The Board monitors progress of national programmes in meeting the objectives specified in their implementation plan and complying with the CoST principles on an annual basis. The Board expects disclosure to be a key part of any national programme and will take action including suspension and expulsion if the objectives of the programme are not being met or the principles are not abided with.
13. Lack of space for civil society to operate	Red	Yellow	Civil society participation is a requirement for any national programme. The Board will not accept applications to join the programme where civil society participation is not included. It will also take action where participating countries renege on their commitments and exclude civil society. If the Board considers a breach of the CoST principles has taken place, then it can declare the programme inactive or revoke the Members CoST status.

11. Conclusion

CoST is now poised to substantially increase its global impact. We have the organisational capacity, a well-developed approach, a portfolio of committed implementing partners, the support of leading international agencies and a coherent Business Plan. The final element is the financial investment required to put these into action.

This Business Plan is aimed at potential partners including multilateral and bilateral donors and private foundations who are willing to consider supporting our efforts. We welcome the opportunity to discuss it with them and commit ourselves to be flexible in finding ways to work with them.

ANNEX 1. Board Members and International Secretariat Staff

Board Members

Christiaan (Chrik) Poortman is Chair of the CoST Board. Previously he was the Director of Global Programmes at Transparency International (TI) – managing and guiding TI’s programme of global priorities in its fight against corruption. Prior to joining TI, Mr Poortman was working at the World Bank in Washington DC as Regional Vice President for the Middle East and North Africa. Before that, he was Country Director for South East Europe during which time he oversaw the World Bank’s assistance programs in the Balkans, including the post-war reconstruction activities in Bosnia Herzegovina and Kosovo. Much of Mr. Poortman’s career at the World Bank was devoted to Sub-Saharan Africa in a number of different assignments, including as the World Bank’s Country Manager in Zimbabwe during 1990-94. Before joining the World Bank, Mr. Poortman worked as an economist in the Ministry of Finance and Economic Planning in Swaziland.

George Ofori is the Deputy Chair of the CoST Board. He was recently appointed as a Professor at South Bank University, London. Prior to this he was a Professor at the National University of Singapore where he was Director of the M.Sc. (Environmental Management) programme and Co-Director of the Centre for Project Management and Construction Law. He is also a Guest Chair Professor at Tsinghua University in Beijing, China. He is a Fellow of the Chartered Institute of Building, UK; Fellow of the Royal Institution of Chartered Surveyors, UK and Fellow of the Society of Project Managers, Singapore. He is also a Fellow of the Ghana Academy of Arts and Sciences. He has authored five books, numerous international referred journal papers, conference papers, and book chapters. His main research area is construction industry development. His special interest in this area lies in the improvement of the construction industries of developing countries. He was the Founding Co-ordinator of the CIB Working Commission 107 (W107) on Construction in Developing Countries of the International Council for Research and Innovation in Building and Construction (CIB) (1997 to 2007). He has been a consultant to international agencies (including AusAid, the International Labour Office, United Nations Human Settlements Programme and Commonwealth Secretariat) and governments mainly on construction industry development. He has undertaken major consultancy assignments in Malaysia, Bahrain, Botswana, Ghana, Indonesia, Malawi, Singapore, South Africa, Swaziland and Tanzania.

Vincent Lazatin is the civil society representative on the CoST Board and Chairman of the CoST Philippines Multi-Stakeholder Group (MSG). Mr. Lazatin is the Executive Director of the Transparency and Accountability Network (TAN), a Philippine-based network of 26 civil society organizations, non-governmental organizations, and academic and research institutions focusing on transparency and accountability in governance. He is also the executive director of Bantay Lansangan (“Road Watch”), a partnership with the Philippines’ Department of Public Work and Highways, formed to reduce corruption in public works. He is also the immediate past chairman and a current member of the Civil Society Coalition for the UN Convention against Corruption, based in Berlin, Germany. Mr. Lazatin a member of the Board of Trustees of the Galing Pook Foundation. Prior to his full-time work with TAN, Mr. Lazatin spent 17 and a half years in the fund management industry, both in the United States and the Philippines.

Per Nielsen is the industry representative on the CoST Board. Per Nielsen is a self-employed engineer with 35 years’ experience as an international contractor engaged in mainly large infrastructure projects. He has held many senior positions within NCC, Sweden and NCC International with activities in a large number of countries. Today Per is engaged in the two contractors associations FIEC and EIC with a specific responsibility for issues concerning the

fight against corruption. He was acting Chairman for a Joint Working Group developing the “FIEC/EIC Statement on Corruption Prevention in the Construction Industry” and has also recently been a liaison representative for the Industry in the ISO working committee, drafting the new ISO 37001 Anti Bribery Management System. Per became involved with CoST during the pilot phase.

Alfredo Cantero is the government representative on the CoST Board and a member of the CoST Honduras Multi-stakeholder Group (MSG). He has served on the CoST Honduras MSG since its inception and joined the CoST Board in 2015. Alfredo has worked extensively in the Honduran government and private sector, including in the Office of the President under the current administration of President Hernández (2014-2018) and the administrations of Presidents Porfirio Lobo Sosa (2010 - 2014) and Ricardo Maduro (2002 - 2006). He is currently Director of the Strategic Delivery Unit in the Office of the President.

Petter Matthews is the International Secretariat representative on the Board. He is a senior built environment and international development specialist with over thirty years’ experience. He has been involved in CoST since its establishment in 2008 and he became the Executive Director in 2012. Petter’s early career involved periods as a tradesperson, building sub-contractor and construction manager. He has worked for government, international agencies and NGOs in many parts of Africa, Asia and Oceania. Petter on the Advisory Board of the ‘Engineering, Social Justice and Peace’ Journal.

International Secretariat Staff

Petter Matthews (Executive Director) – see above

John Hawkins (Head of Programmes) is a specialist in UK and international procurement policy and governance in the construction sector. He has extensive experience in researching the interaction between infrastructure procurement and social development, and in developing transparent procurement and contract policy for construction. Since 2008, John has played a central role in the Construction Sector Transparency Initiative (CoST), as Policy Advisor to the International Secretariat for the pilot phase and now as Programme Manager where he is responsible for developing country programmes in partnership with the MSGs and engaging with countries who are interested in joining CoST. He has recently drafted the Guidance Note series on establishing and implementing a national programme. John joined the Engineers Against Poverty team in November 2011 to take on the role of Programme Manager. Before this he was responsible for knowledge creation and transfer in civil engineering best practice at the Institution of Civil Engineers.

Bernadine Fernz (Associate Director) is a qualified barrister and well versed in the issues of good governance, transparency and accountability. Before joining EAP, Bernadine worked with the Overseas Development Institute, where she was responsible for the Climate Funds Update, an innovative initiative designed to increase the transparency and accountability of public climate finance flows and provide insights and analysis on global climate finance architecture and instruments. She has worked extensively in the private sector, focusing on both renewable and conventional energy technologies and infrastructure. Bernadine also has experience with mega-infrastructure projects; as a consultant with Deloitte & Touché, she worked on Iskandar Malaysia, a regional mega-infrastructure and economic development initiative within Southern Johor. Her experience includes extensive research on Masdar City in Abu Dhabi and she has a keen interest in sustainable cities. Since 2012, Bernadine has played a key role as Policy Advisor to the International Secretariat on the Construction Sector Transparency Initiative (CoST). Her remit includes supporting the

development of country programmes in partnership with the MSGs and engaging with countries who are interested in joining CoST.

Eleanor Morgan (Communications Manager) joined CoST in October 2015 as the Communications Manager. With five years' experience in international development programmes, her primary role is to develop the organisation's communication strategy and engage stakeholder in its activities. She also supports CoST country programmes to develop their own communications platforms. Eleanor is an experienced bilingual communications professional, with a diverse background in international development covering infrastructure, enterprise, legal aid and healthcare. Her previous role involved leading multi-stakeholder communications for Euclid Network, the European community of civil society leaders and social entrepreneurs. Eleanor has also worked in France and holds a BA in French Studies from the University of Sheffield.

Mia Jeannot (Programme Officer) joined CoST in October 2015 and is the Programme Officer. With three years' experience in international development programmes, her primary role at the International Secretariat is to conduct and manage the monitoring and evaluation of the CoST programme. Mia is also the CoST Company Secretary. Before joining CoST, Mia was a team leader on the International Citizenship Service (ICS) programme for Restless Development Zambia. On the ground, she led the implementation of Restless Developments strategy in rural communities, overseeing volunteers, monitoring progress against project objectives and managing budgets. Mia has also worked in Brazil and India and holds a BA in Politics, Philosophy and Economics from the University of York.

ANNEX 2: Budget

Output		Year 1 GBP	Year 2 GBP	Year 3 GBP	Total GBP
Objective 1: Strengthening the CoST brand with a new vision, mission and theory of change that clearly communicates how we achieve our outcomes and impacts to a global audience					
Output 1.1: Update and publish our marketing material such as the factsheet to reflect the new vision, mission, theory of change and delivery model	Fees	18,945	5,875	0	24,820
	Expenses	2,440	2,040	1800	6,280
Output 1.2: Commission and publish (i) an update of the international film and (ii) two new films from participating members that captures the impact of CoST	Fees	41,400	15,900	14,300	71,600
	Expenses	11,400	5700	5700	22,800
Output 1.3: Launch and maintain a re-developed website for the international programme	Fees	25,125	18,375	11,375	54,875
	Expenses	0	0	0	0
Output 1.4: Organise side events at international & regional conferences that promotes transparency & accountability in public infrastructure and the results from CoST	Fees	31,500	31,500	31,500	94,500
	Expenses	39,360	39360	39360	118,080
Output 1.5: Publish internal branding guidelines for the International Secretariat, CoST Board, National Secretariats and MSGs on how to use the new vision, mission, messages and ToC	Fees	5,950	0	0	5,950
	Expenses	0	0	0	0
Output 1.6: Establish a comprehensive MEL framework that reflects the ToC, and is capturing data from Participating and Associate Members on a quarterly basis	Fees	50,550	44,700	44,700	139,950
	Expenses	0	0	0	0
Output 1.7: Communicate the outcomes and impacts from Participating and Associate members to our stakeholders through conventional and social media (e.g. Newsletters, case studies, blogs, twitter, facebook etc.)	Fees	65,500	65,500	65,500	196,500
	Expenses	400	400	400	1,200
Output 1.8: Using our data to generate research	Fees	61,000	58,375	58,375	177,750
	Expenses	0	0	0	0
Objective 2: Develop a broad range of tools and standards that will scale-up the disclosure, validation and interpretation of infrastructure data					
	Fees	41,625	0	0	41,625

Output 2.1: Commission learning pieces on the core features of CoST to better understand how our tools and standards have been implemented and how they could be improved and broadened	Expenses	0	0	0	0
Output 2.2: Formalise an agreement and develop guidelines with the Honduras Government that will allow Participating and Associate Members to re-develop the Honduras SISOCs disclosure platform software tool that assists procuring entities to collate and disclose project data in the IDS format	Fees	9,600	0	0	9,600
	Expenses	1,530	0	0	1,530
Output 2.3: The International Secretariat publish indices and a methodology for an Infrastructure Transparency Index that measures transparency within public infrastructure	Fees	17,425	0	0	17,425
	Expenses	0	0	0	0
Output 2.4: Develop an open data standard for infrastructure projects with the Open Contracting Partnership based on the OCDS and the IDS	Fees	41,350	0	0	41,350
	Expenses	1,530	0	0	1,530
Output 2.5: Develop tools and guidelines that will assist the implementation of the assurance process and the use of the assurance reports and disclosed data	Fees	69,300	52,600	26,300	148,200
	Expenses	0	0	0	0
Output 2.6: Develop a self-assessment tool that will allow Participating and Associate members to evaluate their progress	Fees	0	26,300	0	26,300
	Expenses	0	0	0	0
Output 2.7: Develop a series of knowledge products such as guidance notes, e-learning courses and webinars that guide the establishment and implementation of CoST.	Fees	61,100	86,500	65,000	212,600
	Expenses	0	0	0	0
Output 2.8: The International secretariat provides technical assistance participating and associate members such as by developing training courses, facilitating MSG workshops, running manager workshops etc.	Fees	79,800	97,800	111,100	288,700
	Expenses	146,460	146,034	187,250	479,744
Output 2.9: Establish help-desks to provide technical support on the implementation of CoST	Fees	153,000	175,500	198,000	526,500
	Expenses	0	0	0	0
Objective 3: Adopt a flexible delivery model that will increase our global footprint and the amount of infrastructure data that is disclosed, validated and translated.					
	Fees	8,500	0	0	8,500

Output 3.1: Publish a Guidance Note that establishes the criteria for joining CoST as either a Participating or Affiliate member	Expenses	200	0	0	200
Output 3.2: At least 3 Participating or Affiliate Members to join CoST by December 2017, a further 4 by December 2018 and finally an additional 5 by December 2019 from high, medium and low income economies.	Fees	23,000	30,750	38,250	92,000
	Expenses	8,575	12,005	17,150	37,730
Output 3.3: The completion of 8 scoping studies that provide a comprehensive summary of the existing situation by December 2019	Fees	43,750	50,000	62,500	156,250
	Expenses	3,960	3,960	3,960	11,880
Output 3.4: Establish a multi-stakeholder approach that suitable to the context that oversees and leads a CoST programme	Fees	0	0	0	0
	Expenses	24,000	28,800	36,000	88,800
Output 3.5 Establish a National Secretariat to manage a CoST programme on a day to day basis	Fees	273,600	326,400	537,600	1,137,600
	Expenses	37,000	44,200	55,000	136,200
Output 3.6: Participating and Affiliate Members publish assurance reports that validates and interprets the disclosed infrastructure data, highlighting issues of concern to the public	Fees	158,200	199,000	260,200	617,400
	Expenses	70,400	89,600	118,400	278,400
Output 3.7: Build the capacity of government officials to disclose data from their infrastructure programmes through training and developing guidance materials.	Fees	47,500	77,500	83,750	208,750
	Expenses	50,000	80,000	100,000	230,000
Output 3.8: Build the capacity of civil society and the media to understand and use disclose data through training, radio debates, social media etc.	Fees	55,000	76,000	103,000	234,000
	Expenses	52,000	84,000	105,000	241,000
Output 3.9: Participating and affiliate member uses the methodology and indices to publish national transparency index for infrastructure	Fees	45,000	60,000	90,000	195,000
	Expenses	0	0	0	0
Output 3.10: Persuade international and regional organisations to adopt and promote our tools and standards	Fees	27,600	40,800	40,800	109,200
	Expenses	12,240	18,360	24,480	55,080
Objective 4: Further strengthen the governance and legitimacy of CoST by electing or appointing the Board through stakeholder participation					
Output 4.1: Identify a broad based consultative process for electing or appointing the Board	Fees	10,125	0	0	10,125

	Expenses	0	0	0	0
Output 4.2: Implement the agreed process for electing or appointing the Board by March 2018	Fees	53250	0	0	53,250
	Expenses	172350	0	0	172,350
Output 4.3: Organise up to 4 CoST Board meetings per annum	Fees	46,200	46,200	46,200	138,600
	Expenses	35178	35178	35178	105,534
Overheads		178,713	174017	209,450	562,181
Total		2,412,631	2,349,229	2,827,578	7,589,439

ANNEX 3: How CoST delivers value for money

3 Es	Good Practice	Example	
		Current practice	Proposed actions
Economy <i>(Lowest price for inputs of the required quality)</i>	Use of best practice procurement processes for big ticket items	<p>Open, transparent and competitive bidding by the International Secretariat</p> <p>Benchmarking and 'should cost' analysis carried out by national programmes</p>	Consolidation of suppliers to streamline the supply base by the international Secretariat.
	Bulk procurement of goods and services to secure discounts.	<p>The International Programme is managed by a small staff team. Each staff member fulfils a variety of roles, ensuring maximum utility.</p> <p>Procure international consultants on a recurring basis based on performance to maximise utility and continuity.</p> <p>Assurance consultants are re-engaged by national programmes where they have performed successfully</p>	
	Review salaries against the local market. Accounting for hours/attendance.	<p>International Secretariat and National Secretariat employees are engaged on 'should cost' rates</p> <p>Assurance team & Scoping studies use local consultants, hired at 'should cost' rates</p>	Employ regional managers initially in Central America and Africa to provide localised, tailored support.
	Outsourcing functions which can be done more cheaply externally.	<p>Building a pool of international consultants, including:</p> <ul style="list-style-type: none"> M&E expert 	Establishing a helpdesk function which uses consultants to answer queries on a demand led basis and potentially use the Open

		<ul style="list-style-type: none"> • Communications consultant • Technical experts. 	<p>Contracting Partnership Help Desk for the new Data Standard</p> <p>Outsource the production of promotional materials</p>
	Building capacity of implementing partners in procurement.	<p>Operational procedures provide guidelines on procurement and travel expenses for the international and national programmes</p> <p>Lesson learning/ capacity building sessions held with Country Managers to share best practice from across the programme.</p>	Review and update the operational procedures to ensure they reflect the breadth of the CoST programme and current best practice.
Efficiency <i>(Inputs produce outputs of required quality for lowest cost)</i>	Selecting the most appropriate types of inputs balancing costs and quality.	When the International Secretariat procures services, inputs are designed and considered based on desired outcomes and an 80/20 quality /cost approach.	
	Selection and monitoring of partners according to their efficiency of delivery.	<p>National programmes apply to the International Secretariat for grant funding on a competitive basis using a standard application form.</p> <p>Quarterly reporting process by national programmes. Monitoring activities, outputs and finances.</p> <p>MSG monitor partners to ensure effective delivery or programme</p> <p>The International Secretariat carries out due diligence checks</p>	

		on the host organisation who will receive approved grant funding.	
Minimising training costs by using a training of trainers approach.	International Secretariat train national programme managers to carry out activities and to train in country teams Country managers train others to carry out core activities of CoST	International Secretariat to train international consultants to build technical assistance capacity Webinars and e-learning packages to be developed to be able to deliver training remotely.	
Minimising costs using ICT.	Hold Board meetings and discussions by email, skype and telephone. Regular communication between the International Secretariat via skype calls, instant messaging and email.	Development of an online monitoring system- digitalised quarterly reports. Better utilisation of time and therefore cost reductions. Agreement with Honduras Government for other COST members to use and develop SISOCS to their country context. Using online video platforms, such as webex, to host meetings.	
Consolidation of similar interventions to benefit from economies of scale.	Conducting trainings and capacity building workshops at a national level with other local organisations to build partnerships, broaden reach and increase impact for minimal cost increases	The International Secretariat will build partnerships to help promote its tools and standard and support capacity building in-country Share the costs with the Open Contracting Data Standard for developing the open data standard for infrastructure projects	

	Ensuring quality of outputs through quality assurance and monitoring.	<p>Quarterly reporting of national programmes to assess outputs against log frame. MSG and National Secretariat conduct quality assurance on activities and outputs.</p> <p>QA by the International Secretariat on outputs from national programmes</p> <p>QA processes for production of external materials</p>	Build the capacity of MSGs and National Secretariats to QA national programme outputs
Effectiveness <i>(outputs achieve outcomes)</i>	Choosing outputs to target a problem in a holistic way.	<p>CoST tools and standards are adapted to suite the country context typically based on the outcomes of a scoping study which has analysed how CoST can value to improving transparency and accountability</p> <p>Developing and running local training sessions which builds capacity of government and civil society to disclose and use infrastructure data.</p>	Development of “learning pieces” to identify how CoST tools and standards have been implemented and can be improved and broadened.
	Ensuring that goods and services are targeted (geographically and/or to particular groups and institutions) where they can have most impact.	<p>Conducting Technical Assistance visits to offer targeted support to national programmes.</p> <p>CoST activities are developed in line with a country context and are designed to meet stakeholder needs.</p>	
	Building capacity of government to deliver services and ensure sustainability.	CoST aims to institutionalise transparency and accountability within Government. This	

	<p>means a national programme may close once it has achieved this aspiration.</p> <p>Trainings run with PE's to build their capacity on issues relating to transparency and accountability.</p> <p>Establishment of web-based disclosure portals and a formal disclosure requirement enables government to deliver on transparency promises.</p>	
Incentivising the private sector to deliver services to ensure sustainability.	The private sector participates on the Multi-Stakeholder Group in each national programme and is also represented on the Board.	
Building the capacity of community groups to support services to ensure sustainability.		<p>Strengthening or establishing citizen monitoring groups to use disclosed data and hold governments to account</p> <p>Conducting capacity building workshops to ensure work is carried out, to an effective and efficient standard, even when CoST is gone/ moves on</p>
Ensuring that activities are joined-up across outputs.	<p>Working in partnership with OCP to share costs e.g. OCDS/IDS.</p> <p>Using global events or partnerships to promote CoST rather than our own event</p> <p>Data captured through monitoring process is incorporated into</p>	Works across sectors, private, public and civil society to ensure that activities are relevant, and the outputs are complimentary

	communications materials	
Consulting with and influencing government and other key actors in order to maximise outcomes.	<p>An Advisory Panel consisting of representatives from key institutions was appointed to provide oversight and direction for the Strategic Review. It also secured high level buy-in into the process and outcome.</p> <p>The MSG uses assurance findings to influence the government to adopt positive reform and address issues of concern.</p>	
Piloting different approaches to increase effectiveness with rigorous M&E.		Identify 4 or 5 more mature programmes to apply a more intensive M&E framework that will capture outcome and intermediate-impact indicators
Maximising wider socio-economic benefits beyond the measured outcomes.	The Theory of Change in figure 6 highlights how CoST contributes towards broader socio-economic benefits	