Minutes of CoST Board Meeting No.20
25 and 26 October 2016

Participants	
Board: Chrik Poortman (Chair) George Ofori (GO) Alfredo Cantero (AC) Vincent Lazatin (VL) Petter Matthews (PM) Per Nielsen (PN)	**In Attendance:** Marcelo Rozo (MR) World Bank (25 October only) John Hawkins (JH) International Secretariat Bernadine Fernz (BF) International Secretariat Eleanor Morgan (EM) International Secretariat Joe Ching'ani (JC) CoST Malawi **Apologies:** Mark Harvey, DFID Jan Meijer, MinBuZa

	Discussion & Decisions	Responsible	Deadline
Item 1. Chairman's Welcome and Opening Remarks			
1.1	The Chair welcomed all those present and thanked JC and CoST Malawi for hosting the CoST IS Board. JC was welcomed to the meeting in an observer capacity. Both CoST Malawi and CoST Honduras were congratulated by the Board on their success in being shortlisted for the OGP Civil Society Award.	N/A	N/A
1.2	The Chair noted the pertinence of the comments made by the Vice President of Malawi at the CoST Malawi assurance event, regarding the need to provide clear explanations for all assurance findings. It was agreed that in future, CoST should encourage programmes to discuss the findings of assurance reports with the Government prior to their dissemination in order to establish a joint approach which can be presented at the report's launch.	JH, BF	N/A
Item 2. CoST Strategic Review			
2.1	The Strategic Review (SR) is now complete and there is overall satisfaction with the final report and the recommendations. The concerns the Board and IS had with the previous draft were dealt with following a meeting with the consultants in August. The revised report has improved significantly. The SR report recommends several approaches already under consideration by CoST, such as greater flexibility on membership and an increased focus on strategic partnerships. The Strategic Review Advisory Panel (SRAP) were commended for their valued contribution to	N/A	N/A

	the process. The Board is open to the suggestions outlined by the consultants and will work with all stakeholders to realise the potential of CoST as highlighted by the report.		
2.2	The Board approved the SR report for publication. The IS will follow up with DFID, MinBuZA and the World Bank (WB) to obtain their approval on a no objection basis. The report will then be published on the CoST website.	JH	Dec 2016
2.3	MR reported a suggestion from MinBuZa to include greater analysis on how CoST has succeeded in reaching its higher objectives. This is outlined as a recommendation for CoST in the SR report. Nonetheless, it was also noted that impact evidence has been highlighted as a challenge by all stakeholders. The Chair encouraged the IS to develop its Monitoring and Evaluation (M&E) framework as it will be vital for both countries and donors.	JH MJ	June 2017
2.4	The SR report will be disseminated amongst the SRAP with gratitude for their support. In addition, the IS will publish a response to the report and its recommendations. MR will circulate the final report amongst WB colleagues.	JH MR	Nov 2016
Item 3A. CoST Business Plan			
3A.1	The Board agreed that the revised vision was an effective means of communicating to stakeholders in an engaging manner, whereas the SR proposal was deemed to better reflect a mission. The new CoST vision is: "Better lives from better infrastructure"	IS	N/A
3A.2	The Board suggested that the revised mission was too long but the SR proposal did not accurately capture the work of CoST. There was also debate regarding certain terminology including 'public infrastructure' and 'data'. The Board requested that the International Secretariat (IS) revisit their revised mission in order to make it shorter and stronger. The focus should be on the initial statement in the IS revised version. The final working suggestion of the meeting was "Disclosing, validating and interpreting infrastructure data to empower stakeholders to hold decision-makers to account."	IS	Jan 2017
3A.3	The Board agreed that there were risks associated with the lack of reference to the 'infrastructure' theme in its current 'CoST' brand. However, caution was advised regarding the legal implications of a name change and the impact upon countries. It was agreed to keep the name 'CoST' for now. However, the Board agreed to drop the 'Construction sector transparency initiative' from its organisational name and consider introducing a	IS	Jan 2017

	tagline that reflects its infrastructure theme: 'Infrastructure transparency initiative'. The IS will also explore means of increasing CoSTs' brand recognition through SEO development and consider the incorporation of 'infrastructure' into the CoST website domain name. Where appropriate, legal advice will be taken.		
3A.4	The IS will continue developing its Theory of Change (ToC) and consider how an international ToC is transferred to national programmes	JH	Jan 2017
3A.5	There was general approval for the proposed delivery model, following refinement. The Board outlined the need for greater distinction between between rights and responsibilities in for both participatory and associate membership categories. Further consideration will also be given to the risks involved with the flexible membership model, including over-investment of human resources without financial grant backing and the use of CoST as a sanitiser. IS will also provide greater clarity on the incentives of indirect engagement for donors, as oppose to sector partners such as the Open Contracting Partnership (OCP) and Transparency International (TI).	JH	Jan 2017
3A.6	There was consensus on the need to increase the number of Board members with one additional representative from each sector: namely government, industry and civil society. Consideration is required on the type of roles that would best support CoST such as research, fundraising etc. The Board also agreed that the current membership should be refreshed and that there was general agreement to further explore the Delegate Assembly model. This is in part due to the legal implications of not undertaking this approach, given that it is included in CoST's Articles of Association as well as the legitimacy gained from a participatory process to electing the Board. The IS will explore the costs of a delegate assembly and the attitudes of donors before the Board reaches a decision.	JH	Jan 2017
3A.7	CP, VL and PN confirmed that they would open their positions at nominations at the next renewal of the Board.	N/A	N/A
3A.8	IS will incorporate Board discussions into a draft business plan. Should any immediate consultation be required, the IS will contact the Board electronically. The draft plan is due to be delivered to DFID in December.	JH	Dec 2016
3B	**International Secretariat**		
3B.1	Engineers Against Poverty (EAP) was appointed to host the International Secretariat by the Board in July 2015 for two years. The Board agreed to renew EAP's position for a three-year term from mid-2017 to mid-2020 due to the proposed changes to the Board. It also agreed that there	N/A	N/A

	should be a review of the International Secretariat during this period with a recommendation of the most effective means of delivery its function.		
3B.2	Given the close relationship between EAP and CoST, the IS will include a regular update briefing on key EAP activities for the Board.		
Item 4.	**Approval of the minutes of Meeting 19**		
4.1	The minutes of meeting No.19 were approved as an accurate record of the meeting.	N/A	N/A
Item 5.	**Matters arising from the minutes of Meeting 19**		
5.1	Consideration needs to be given on how CoST tackles the incorporation of PPPs into its disclosure and assurance models. Given their complexity, it is seen as a significant challenge.	N/A	N/A
5.2	IS still needs to develop its thinking with regards to the appointment of Host organisations. An update will be provided at the next Board meeting.	IS	Feb 2016
5.3	Led by CP and MR, CoST will continue to pursue alignments with the World Bank's open contracting and transparency and accountability initiatives. CoST will need to identify champions in the World Bank to push this forward; presentations of CoST's work will be made on an ongoing basis.	CP, MR, IS	N/A
5.4	PM will circulate the link and abstract for the Hertie School of Governance's latest governance report, this year on infrastructure. A hard copy will also be made available to the Board.	PM	Dec 2016
5.5	IS will continue to explore a global 'SISOCS'; Malawi and Thailand are already pursuing use of its open source code.	N/A	Ongoing
5.6	GO intends to submit a proposal for a task group to the International Council on Innovation and Construction. The task group will consider transparency and anti-corruption in construction, with the aim of furthering and extending the reach of CoST. Further information will follow in early 2017.	GO	2017
Item 6.	**Financial report**		
6.1	Apologies were made by IS for the delay, this was due to staff changeovers. As CoST's income has increased, the IS's financial management systems our being enhanced. This has included moving to an online purchase ledger. Only the summary income and expenditure was presented to the Board. The detailed expenditure will be issued to the Board following the meeting.	JH	Dec 2016
6.2	For this year, IS is currently reporting a significant surplus principally for the DFID grant. There are plans in place to reduce the surplus including further grant allocations to	N/A	Ongoing

	national programmes. The IS is to meet with DFID and discuss the surplus to ensure that expectations are satisfied and further disbursements will continue. For MinBuZa, IS is on track to use all funds.		
Item 7.	**Programme report**		
7.1	**Scoping studies**		
7.1.1	PM will be visiting CoST Afghanistan in November to ascertain the current status and likelihood of progress. A national secretariat has been appointed funded by a grant from the International Secretariat. CoST Afghanistan has completed a Scoping Study which identifies a lack of understanding of CoST from stakeholders and recommends for a measured start to the programme. For example, initially focusing disclosure and assurance on three to four projects like CoST Ukraine. It also recommends that the Ministry of Finance takes on a leadership role.	PM, IS	Ongoing
7.1.2	Both the new CoST Costa Rica programme and the project in Southeast Asia will deliver scoping studies by the end of the year.	BF	Jan 2017
7.1.3	Given the success and demand for CoST programmes with the FCO, this should be explored in further detail; a similar initiative could work in Eastern Europe for example.	BF, IS	2017
7.1.4	IS allocated funding to CoST Botswana to complete a scoping study. However, the programme has stalled due to queries over the funding Grant Agreement; specifically, its use of British law as oppose to local law. Following lengthy discussions, the funding has been revoked and reallocated to other performing CoST countries.		
7.2	**Disclosure**		
7.2.1	CoST is on target with regards to disclosure, primarily due to the significant efforts of CoST Guatemala. El Salvador has also begun disclosing, with an e-procurement platform due to launch next year following IADB funding.	N/A	N/A
7.2.2	Given the closing civil society space and the current state of emergency in Ethiopia, the IS and national programme is considering how CoST will function in the environment.	JH, IS	Ongoing
7.2.3	Together with CoST Honduras, BF is managing the development and pilot of the Infrastructure Transparency Index with support from VL. A consultant has been appointed but difficulties in language are a barrier. A draft should be ready for the Board's comments in the New Year.	BF	Ongoing
7.2.4	CoST IS's noted the Board's concern about promoting the membership of 15 countries, when only 5 countries are actively disclosing information. IS will reflect upon its	IS	Ongoing

	communications to mitigate this risk; this will also be supported by the development of a robust M&E framework.		
7.3	**Assurance**		
7.3.1	About 100 projects from 5 countries have been subject to assurance this year a similar number to the entire pilot.	N/A	N/A
7.3.2	In Ukraine, a consultant funded by the WB provided training to potential assurance consultants to ensure they had the capacity to undertake the assurance process. However, there is concern amongst stakeholders globally about the improper application of international standards and 'whitewashing' behaviour. IS will speak with its WB contacts as a loss of their support would result in a lack of legitimacy.	JH, IS	Jan 2017
7.3.3	Following the presentation of CoST Malawi's assurance report at the event attended by the Board, PN noted a strong pattern between the better performance of donor financed projects compared to locally financed projects. Further exploration was recommended in order to demonstrate the potential and impact for CoST to stakeholders at a regional and international level.	N/A	N/A
7.4	**M&E Framework**		
7.4.1	IS will deliver a presentation on the current M&E Framework and how it will be further developed at the next Board meeting. The further development is likely to include hiring a consultant to bring in a fresh perspective and to overcome current capacity constraints. IS will also follow up on this matter with the Hertie School of Governance.	IS	Feb 2017
7.5	**Refreshing programmes**		
7.5.1	CoST Vietnam: Following a positive meeting in May, there has been little follow up and there is uncertainty about the level of commitment from the Ministry of Construction. It is possible that the FCO project in Southeast Asia could revive momentum but high-level government support is critical. IS should review whether it is appropriate to continue Vietnam's membership status following the conclusion of the FCO funded project.	IS	Feb 2017
7.5.2	CoST UK: IS has not received any feedback from the UK Government concerning its letter regarding the inactive status of the programme. Under the new delivery model, there could be an opportunity for the UK to be associated with CoST in a reduced capacity. GO offered to speak with Chartered Institute of Building (CIOB) about advocating for CoST UK at policy level.	IS, GO	2017
7.5.3	CoST Zambia: The Government has not yet responded with regards to its inactive status. The original deadline for remedial action has passed and the programme is partway through its three-month extension. Should no	IS	Jan 2017

	action be taken by the Zambian Government by mid-December, the Board will inform the Government and the MSG Chair that its membership has been revoked.			
7.5.4	VL and BF had positive meetings with the British Embassy in the Philippines and government stakeholders in September. The meetings confirmed that there is still an opportunity for CoST despite having concerns with the new government as the civil servants seem to have space to promote reforms. The Under Secretary for Budget Management, as CoST Philippines Champion, is very supportive and a number of other actors across government, industry and civil society have shown their support. The Board remained concerned about government commitment which has been a challenge in the past. Nonetheless, it was noted that a strong and dynamic Country Manager could also turn the programme around. The British Embassy in the Philippines has suggested that funding would be available, should CoST submit an application. The IS and VL could also look at hiring a consultant on a short-term basis to further explore the potential of re-constituting the programme. An MSG could be convened in the next three months (allowing for inactivity over the holiday period), however strong private sector representation may take more time. VL agreed to provide an update at this point on the potential for an active CoST programme in the Philippines and the Board would review the case further at this point.	VL, BF, IS	Mar 2017
7.5.5	CoST Uganda: The African Freedom of Information Centre (AFIC) has been appointed as the new host organisation. They are recruiting a national secretariat. The IS will visit the team in early 2017. A report has been provided to DFID on the CoST Uganda grant funding. DFID and the IS have agreed that the next grant instalment to CoST Uganda will have a small deduction to account for the missing furniture and equipment and the overcharging of rent. Lessons have been learnt by the IS with regards to appointing a host organisation and the need for thorough due diligence processes in their selection.	JH, IS	Jan-Mar 2017
7.5.6	CoST Botswana: Following its lack of progress in recent months and change in Country Manager, JH will inform the Public Procurement and Asset Disposal Board (the lead Government institution) and the CoST Botswana MSG during his upcoming country visit that the Board is concerned by the lack of progress and that action will be taken by the Board if this continues.	JH	Ongoing
7.5.7	Given the growing membership of CoST, both the IS and the Board noted a further strain on resources. Going forward, greater consideration will have to be provided to	IS	Ongoing

	how CoST supports poor-performing countries and uses resources efficiently. Ultimately, success needs to be driven by impact and not the number of countries.		
8	**Application from Panama**		
8.1	Following the FCO-funded regional workshop in Lima last Autumn, Panama has submitted an application to join CoST. The application has taken time to arrive; the country has not always been forthcoming with information and some details are still outstanding from the application. The MSG still needs to be strengthened, currently there are only two civil society representatives and the British Chamber of Commerce representing industry. The Board noted particular concern about the lack of representation for the construction industry. IS will formally revert back to Panama and request the missing information especially construction industry representation on the MSG, in addition to speaking to sources on the ground to understand the local context. In particular, VL will follow up with the local TI Chapter in Panama to understand their view of the programme given their lack of involvement. The Board will continue to consider the application following the submission of additional information.	BF	Nov 2016
8.2	IS and Board will review the criteria for joining CoST, given the increase in countries wishing to join the initiative.	IS	2017
9	**Meeting IATI reporting requirements**		
9.1	Following on from CoST's open data policy, the initiative will now pursue compliance with IATI reporting requirements on donor funding. Initially, this will involve publication of annual budgetary information.	IS	2017
9.2	In the longer term, the IS will explore publication of expenditure information. However, this would involve spending at national level and is therefore more complex and time consuming for all involved.	N/A	Ongoing
10	**Outreach activities**		
10.1	Communication training will be provided to countries at the next Country Managers workshop, in particular regarding social media. CoST will also develop a programme hashtag for universal use.	EM	Ongoing
10.2	CoST IS attended a post-Anti-Corruption Summit workshop at Wilton Park, along with representatives two CoST countries (Ukraine and Afghanistan). The event lacked discussion of the political complexity of governance reforms with over emphasis on technical solutions such as disclosure portals and applications. The IS also attended the International Open Data Conference in Madrid where they met with Transparency International and agreed that there should be continued	N/A	N/A

	exploration of synergies between the CoST tools (IDS, assurance and multi-stakeholder working) and TI Integrity Pacts.			
10.3	The MoU commitments with OCP need to be actioned – in particular, the alignment between the OCDS and IDS. An initial concept note has been developed by Open Data Services for the IS and OCP. The alignment will turn the IDS into an opendata tool. Costs are estimated to be between GBP £70-80,000 and will be shared between OCP and CoST. A ToR and budget will now be developed. The new tool is can be piloted in aligned countries such as Honduras and the Ukraine.	JH, IS	2017
10.4	Given the OGP Award nominations, the IS will explore a side-event at the OGP Summit in December. The Board will be invited to participate in due course.	IS	Dec 2016
10.5	CP recently signed an MoU on behalf of CoST with Global Infrastructure Basle (GIB). GIB have incorporated the IDS into their Sustainable and Resilient Infrastructure standard.	N/A	N/A
10.6	The EIB are very keen to work with CoST and have sent a letter endorsing the programme as a whole and specifically CoST Ukraine. The IS will continue to explore this relationship with high-level meetings.	PM	2017
10.7	Following the SR, the IS is now developing a business plan which will form the basis of CoST fundraising efforts in 2017. Donors will be kept informed in advance of the business plan, by dissemination of the SR report and publication of a CoST response to the report.	N/A	N/A
10.8	Overall partnerships with development banks require further analysis. These partnerships are highlighted as one of the main delivery mechanisms from the SR. However, there is not currently sufficient impact evidence to engage this stakeholder. CP and MR continue to hold regular sessions to promote CoST at the WB. Consideration needs to be given to the development of a sample of case studies which highlight the synergies and complementarities of CoST with OCP for example. This targeted outreach in the WB could then be replicated across MDBs.	N/A	Ongoing
10.9	IS will review relevant events in 2017 to share with the Board and support forward planning.	IS	N/A
11	**Other business**		
11.1	An OECD study exploring the best means by which to target OECD countries for CoST membership will commence shortly. Furthermore, the IS is reviewing the OGP National Action Plans to understand which countries are interested in infrastructure and open government. The review will highlight a number of target countries to engage at the OGP Summit.	N/A	2017

11.2	The Board officially congratulated Honduras and Malawi on their OGP Civil Society Award. It is an incredible achievement at both the national and international level.	N/A	N/A
11.2	The Board agreed that holding its meeting and supporting the CoST Malawi programme had been highly valuable. In principle future meetings should be held on a rotational basis between London and a CoST country. London-based meetings are cheaper, however there is qualitative value to supporting a CoST country on the ground both locally and for the international Board. Country visits should always be combined with relevant activities such as CoST Malawi's Assurance Report launch. The Board should also allocate time to visiting the country and interacting on a personal level with CoST national colleagues and the locals.	N/A	N/A
11.3	The next meeting will be online to discuss business plan before or after Christmas - date and time TBC. CoST Honduras again extended an invitation for the Board to host their next meeting in Honduras and the Board has provisionally accepted. The proposed dates are 28-29 March 2017, followed by a touristic activity on 30 March. All dates are subject to confirmation. The IS and AC would look to secure participation from WB and IDB in the Board activities.	N/A	N/A

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

28 March 2017

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Christiaan J. Poortman   Date
Chair