

## Terms of Reference

### Review of CoST, The Infrastructure Transparency Initiative

#### 1. Introduction

The CoST International Secretariat is seeking a team of experts to carry out an external review of CoST, the Infrastructure Transparency initiative on behalf of the UK Department for International Development (DFID) and the Dutch Ministry of Foreign Affairs (MinBuZa).

CoST is a UK registered charity with a Board of Trustees that has outsourced the management of the programme to Engineers Against Poverty. DFID is providing up to £7 million to CoST between April 2015 and July 2020 as part of the [Infrastructure for Cities and Economic Development Programme](#)<sup>1</sup> (ICED).

MinBuZa is providing €1m between October 2018 and December 2021 as part of its economic development programme. This second contribution to CoST follows a similar grant between July 2014 and December 2017.

#### 2. Background

CoST works with government, industry and civil society to promote the disclosure of information on public and public/private investment in infrastructure. This information helps to inform and empower stakeholders (e.g. citizens, NGOs, media and Parliamentarians) and enables them to hold decision-makers to account. Strengthening accountability helps to identify and prevent corruption, mismanagement and inefficiency. Ultimately, this results in better value for money and better-quality infrastructure and services. CoST is currently supporting work in 14 countries, including five fragile and conflict affected states. An overview of CoST's operational approach and its main features can be found [here](#).

CoST started with a three-year pilot from 2008-2011, funded with a £3.4 million grant from DFID. DFID then stopped providing funding to the CoST International Secretariat, due to a change of Government, shifting priorities, staff turnover and a feeling amongst some advisers that a more appropriate funding source would be multilateral development banks.

DFID re-engaged with CoST in 2015 and is providing £7 million of core funding from April 2015 to July 2020 as part of the ICED programme.

The primary objective of the DFID support is to scale up and enhance the impact of CoST to reduce corruption and increase value for money in public sector funded construction projects. Since the start of the ICED programme support, the CoST International Secretariat has secured programme funding from a range of sources including the FCO Prosperity Fund, and MinBuZa whilst CoST members have secured funding from donors such as USAID, MCC, GIZ and the FCO

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<sup>1</sup> ICED is a complex, multi-component and multi-partner programme. The programme was designed to respond to the key constraints to sustainable growth and economic development through developing and delivering large-scale programming in the energy, urban and infrastructure sectors.

### 3. Strategic Review

DFID commissioned a [strategic review](#) of CoST that concluded in September 2016. That review aimed to answer three questions:

- a. How can CoST significantly increase its global impact? Can its current programme delivery model achieve that increase? And if not, what changes could be made?
- b. To what extent does CoST's current delivery model enable it to catalyse systemic change and institutionalise transparency and accountability?
- c. What should the objectives be of a significantly more ambitious CoST programme?

The review made several recommendations that are available in the published [report](#). The two main risks identified by the review were: CoST fails to develop a delivery model that functions at scale and that CoST fails to raise funding from other sources leaving DFID with a disproportionate burden share.

### 4. CoST Business Plan

In response to those recommendations, CoST developed a [business plan](#) which is based on two strategic goals<sup>2</sup> and four objectives:

- a. 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.
- b. 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.
- c. Adopt a flexible delivery model that will increase our global footprint by:
  - Attracting at least 12 high, medium or low-income countries, sub-national levels of government, individual Procurement Entities or individual megaprojects to join as either participating or affiliate members.
  - Persuading international and regional organisations to adopt our tools and standards as part of their frameworks.
  - Scaling-up the amount of infrastructure data that is disclosed, validated and interpreted by our current members.
- d. Further strengthen the governance and legitimacy of CoST by electing or appointing the Board through stakeholder participation.

### 5. Objectives and scope of the review

In July 2020, DFID's funding to CoST will come to an end. There is therefore a need to conduct a review to assess CoST with regard to its relevance; effectiveness; efficiency; impact; sustainability; complementarity and help inform a decision about further support beyond 2020. To this end, the external review will answer the following key questions:

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<sup>2</sup> Building our global footprint to make transparency and accountability in public infrastructure the norm; Strengthening on-the-ground implementation to help maximise our impact.

- a. To date, how effective has CoST been in terms of achieving the objectives set out in the Business Plan and developed an approach that will enable it to expand the breadth and depth of its global footprint and offer (tools and standards) to new countries/geographies, subnational governments and large-scale infrastructure projects – see section 4.
- b. To date, how effective has CoST been in terms of achieving the objectives set out in the ICED Programme? This should include consideration of the key performance indicators listed below that are included in the ICED logframe.

Indicator(s)
<b>Outcomes</b>
Number of Formal Disclosure Requirements (FDRs) imposing a formal/legal obligation on PEs to disclose information.
Number projects where data is: <ol style="list-style-type: none"> <li>a) Disclosed in the IDS format</li> <li>b) Subject to assurance by CoST members.</li> </ol>
Number of new: (a) CoST members (b) Affiliate members.
<b>Outputs</b>
CoST develops and publishes: <ol style="list-style-type: none"> <li>a) The ITI methodology that measure transparency within public infrastructure and that will be implemented at a national level by stakeholders is developed and published</li> <li>b) An ODS for infrastructure projects with OCP based on the Open Contracting Data Standard and the CoST IDS is developed and published.</li> </ol>
Training on implementing CoST is delivered in member countries: <ol style="list-style-type: none"> <li>a) Number of Government staff trained</li> <li>b) Number of civil society or media representatives trained</li> <li>c) Number of private sector representatives trained.</li> </ol>
(a) Number of international and regional organisations recommends or incorporates CoST tools and standards as part of their approach to improving infrastructure governance. (b) Number of invitations to participate at international and regional events to promote CoST tools and standards
Number of knowledge products (KP) that capture activities/results/lessons from implementing CoST that are disseminated.
£2.5m in additional funding is secured to fully fund the new Business Plan.

- c. How should CoST modify its strategy and operational model to become more widely recognised across the globe?

The review team should then assess the extent to which:

- a. **Relevance:** CoST's communication and advocacy activities have reached their intended audiences (member governments, the construction industry, multilateral development banks and civil society). CoST's work continues to be perceived to be relevant to its member governments, the construction industry, civil society and multilateral agencies.

**b. Effectiveness, efficiency and impact:**

- CoST has met the objectives set out in the CoST Business Plan;
- CoST has met its objectives set out in the ICED Programme log-frame;
- CoST has developed and implemented a value for money framework (VfM) that has enhanced its performance and delivered VfM.
- CoST has contributed to improving i) sector performance and ii) access to infrastructure services for local communities including women and vulnerable groups.

**c. Sustainability:** CoST has developed an operational model that has enabled it to:

- The extent to which the existing arrangements for hosting the International Secretariat provides value for money to CoST and its financial supporters and assess if alternative arrangements (e.g. competitive outsourcing, recruiting staff etc.) would be better.
- Diversify its funding base by securing contributions from other donors (bilateral, multilateral and foundations).
- Expand its technical assistance offer to new UK HMG and Dutch Government geographies, to middle- and high-income countries and to subnational governments.

**d. Complementarity:**

- The extent to which CoST has complimented the work of other DFID funded transparency initiatives including the Open Contracting Partnership and the Open Government Partnership and how it can build on this work.
- The extent to which elements of the CoST approach have been incorporated into the programmes, tools and standards or has been recommended as good practice by international and regional organisations and how can it build on this work.

## 6. Indicative programme

Depending on team availability, it is envisaged that the external review would begin in May 2019 and report by the end of August 2019. The exact schedule of work will be agreed with the appointed external reviewer. The review will be UK-based but could potentially include visits to several CoST member countries. To expand the scope of the external review, interviews/meetings may take place via telephone /videoconference.

An anticipated schedule is set out below, with key activities in bold:

Item	Date
<ul style="list-style-type: none"> <li>• <b>Kick-off:</b> <ul style="list-style-type: none"> <li>○ Meet with the International Secretariat to discuss the methodology and aims of the evaluation</li> <li>○ Submit a final approach, methodology, potential field visits to CoST members, timetable etc. for discussion with the working group</li> </ul> </li> </ul>	Weeks 1 - 2
<ul style="list-style-type: none"> <li>• <b>Desk study and field work</b> <ul style="list-style-type: none"> <li>○ Undertake desk study and field visits to CoST members</li> <li>○ Carry out interviews in country and other key stakeholders</li> <li>○ Desk study</li> </ul> </li> </ul>	Weeks 3 to 10
<ul style="list-style-type: none"> <li>• Check in meeting with working group to discuss progress and emerging findings</li> </ul>	Week 6

<ul style="list-style-type: none"> <li>• Check in meeting with working group to discuss progress and emerging findings, and present skeleton report structure for approval</li> </ul>	Week 9
<ul style="list-style-type: none"> <li>• Provide presentation and draft report on to working group for comment</li> </ul>	End of week 12
<ul style="list-style-type: none"> <li>• Finalise the report following comments from working group</li> </ul>	Weeks 14-15
<ul style="list-style-type: none"> <li>• Provide final report to the International Secretariat</li> </ul>	End of week 15

## 7. Deliverables

An initial draft of the report should be shared with the CoST Secretariat for review at the end of week six. A final report will be provided at the end of week nine. This report will inform the design of future programmes and may be used as supporting evidence during the business case approval stages. The final report should be around 40-50 pages including annexes if required.

## 8. Budget

The supplier will need to provide a detailed budget with costs broken down by tasks and a timeline indicating when deliverables will be completed. We expect the total cost of the review to be no more than £75,000 and to include all relevant taxes.

## 9. Selecting the review team

The CoST International Secretariat is seeking to identify an expert(s) who will be able to undertake this study. The expert(s) are likely to have a background in monitoring and evaluation and of governance, transparency and accountability preferably in public infrastructure. Prospective consultants should submit proposals that include the following information:

- a. A methodology of no longer than 4 pages that structures the review and meets the objectives.
- b. A short description of the teams' knowledge and experience of monitoring and evaluation, and of governance, transparency and accountability preferably in public infrastructure
- c. CVs of the study team (no longer than 2 pages per person)
- d. An outline programme for the review indicating time and resources to deliver the scope of work.
- e. A statement of availability to do the work in the restricted time available
- f. Budget

Proposals will be assessed by working group consisting of a representative from DFID, MinBuZa, the World Bank (the World Bank is an observer on the CoST Board) and the CoST International Secretariat on a 90% technical and 10% price basis. This group will then review the outputs from the review.

**The deadline for proposals is 10am UK time Monday 20<sup>th</sup> May 2019.** Please email proposals to John Hawkins, CoST International Secretariat Head of Programme at [j.hawkins@infrastructuretransparency.org](mailto:j.hawkins@infrastructuretransparency.org). Please contact John for any clarifications or further information (T: +44 (0)20 3206 0489).

## 10. Data and information sources

The CoST International Secretariat will provide progress reports, VfM reports, newsletters, CoST's business plan, annual reviews and log-frames and any other

relevant documentation. It will also provide a list of potential interviewees and can facilitate interviews if required.