

CoST IN ACTION

OVERHAULING THE HONDURAS ROAD FUND

CoST – the Infrastructure Transparency Initiative (CoST)

is the leading global initiative improving infrastructure transparency and accountability. Since **CoST Honduras** joined the initiative in 2014, it has seen significant impact at both a project and sectoral level.

Below is one example of this impact.

ROAD MANAGEMENT IN HONDURAS

The **Road Fund (Fondo Vial)** was the public body responsible for maintaining Honduras's 14,000 km network of roads. It had suffered from a lack of accountability and poor management, with repercussions on quality and safety.

WHAT WERE THE KEY ISSUES?

Lack of transparency in the transport maintenance network



Unsafe roads
6x more traffic fatalities in Honduras than the UK



The Road Fund had become **politicised** and money was assigned based on political allegiances rather than community needs.

There were rumored links to **organised crime**

US\$ 112 million / 2700m Lempiras was invested in the Road Fund between 2014-2017, when CoST showed it to be consistently underperforming and disclosing incomplete project data



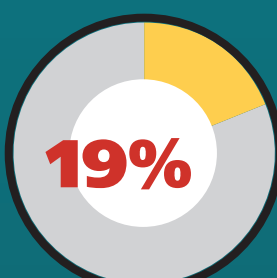
DISCLOSURE

Disclosing data on public infrastructure projects allows citizens to hold decision makers to account. Since 2015, Honduras has been disclosing infrastructure data on the online platform, **SISOCS**, which was developed by the Government of Honduras with support from CoST Honduras and the World Bank. Alarm bells were raised when the Road Fund failed to disclose key data in accordance with the **CoST Infrastructure Data Standard** which requires 40 data points to be published at key stages of the project cycle.

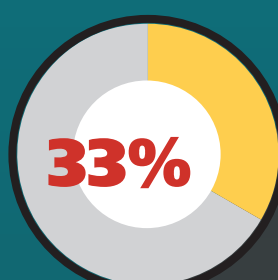
WHAT DOES THE DATA TELL US?



The amount of Road Fund data on infrastructure projects available on the SISOCS database



The Road Fund disclosure rate for the contract management phase of road projects



The Road Fund disclosure rate for the contract implementation phase of road projects

The gaps in data disclosure gave CoST Honduras an indication of where issues, and potentially crimes, had been hidden



THE RESULT



CoST Honduras Multi-Stakeholder Group presented their concerns about the Road Fund to the authorities in May 2016

The President of Honduras issued an executive decree to dismiss the Road Fund's directors and investigate potential corruption



Thanks to the work of CoST Honduras the Road Fund was dismantled, and in 2018 the Directorate of Road Heritage Conservation was built in its place.

Data published on SISOCS assisted the Intervention Commission (Comisión Interventora del Fondo Vial) in understanding what went wrong and how the new, transparent agency will be a success.