

Terms of reference: Opening-up climate finance infrastructure to public scrutiny

1. Introduction

CoST, The Infrastructure Transparency Initiative is looking for a consultant(s) based in South Africa to support a project that will help to open-up climate finance infrastructure to public scrutiny, ensuring that safeguards are in place in the financing and delivery of low carbon, resilient public infrastructure. The project has the support of GIZ and will commence in early 2023 and last for 12 months.

2. Background

The commitment by high income countries to mobilise \$100 billion per annum by 2020 to support climate action in emerging economies is critical to both mitigating climate change and adapting to its negative consequences. Infrastructure lies at intersection of both mitigation and adaptation. Despite the commitments to date falling short of the \$100bn target, many governments are planning huge investments in climate resilient, low carbon infrastructure; the [spending target](#) for investment in sustainable infrastructure in EMDEs (other than China) for 2030 is close to \$2 trillion.

However, the infrastructure sector is known for its waste, mismanagement and corruption, with the [IMF](#) estimating that losses average 30 per cent worldwide and more than 50 per cent in low-income countries.

The G7 has recognised the importance of transparency as one of the core values in its Partnership for Global Infrastructure and Investment. In addition, the 2020 UN Independent Expert [Report](#) on Climate Finance highlighted the importance of transparency and data to help disaggregate and track climate finance from broader development finance. In a recent [podcast](#) on CoST and climate change we emphasised the importance of transparency as a safeguard for monitoring reconstruction in Honduras follow two devastating hurricanes in late 2020.

3. About CoST

CoST has built a reputation for building the capacity of government, the private sector and civil society in integrating transparency, participation, and accountability into infrastructure investments around the world. It achieves this by supporting government to publish data on over 76,000 infrastructure investments; training civil society and journalists to use the published data; convening community meetings that allow citizens to raise issues about their local infrastructure services, and facilitating a dialogue between the private sector and government to build trust and improve business integrity.

CoST is an independent not-for-profit organisation that employs a highly experienced team that has developed a series of tools and standards which are being applied in 20 countries around the world.¹ This includes the [G20](#) endorsed [Open Contracting for Infrastructure Data Standard](#) (OC4IDS) as a tool for promoting transparency which allows stakeholders to monitor each stage of an infrastructure project. Co-developed with the Open Contracting Partnership, the OC4IDS is an open data standard that describes how to publish structured, interoperable

¹ Current members and affiliates are City of Bogota (Colombia), Costa Rica, Dominican Republic, El Salvador, Ecuador, Ethiopia, Guatemala, Honduras, Jalisco State (Mexico), Malawi, Mozambique, Municipality of Coamo (Puerto Rico), Panama, Sekondi-Takoradi (Ghana), Thailand, Timor-Leste, Uganda, Ukraine and West Lombok (Indonesia)

data that has been integrated into government systems in Honduras, Indonesia, Malawi and Ukraine.

The CoST approach has led to [saving \\$460m of public money](#) in Thailand, producing evidence used to [close a corrupt road fund](#) in Honduras, [increasing competition](#) in the Ugandan construction industry and [saving \\$8.3m of public money](#) in Afghanistan. These achievements were recently recognised by the [Basel Institute of Governance](#).

The CoST [business plan](#) identifies responding to the climate emergency as a key priority, ensuring that the billions of dollars that are invested in adaptation and mitigation open to public scrutiny. This project will help to kick start CoST's response by identifying the data and information that is required to bring transparency to climate-related infrastructure investments. It will also form part of a broader project, that will review the Open Contracting for Infrastructure Data Standard (OC4IDS) to ensure it is responding to stakeholder needs. This broader project will be funded by the World Bank Global Procurement Partnership Multi-Donor Trust Fund.

4. Partner country

South Africa has been identified as a partner country for this project due to its recent commitment to CoST and its partnership with Germany and other donor countries towards a just energy transition.

For example, last year the Ministry of Infrastructure and Works published [its National Infrastructure Plan 2050](#) that commits to 'open reporting on infrastructure projects at various stages of development and implementation, in line with the Open Contracting Partnership and CoST Infrastructure Transparency Initiative.'² This follows a [study](#) published in 2019, highlighting interest within the South African Government, private sector and civil society in the CoST approach and that considerable improvements could be made in improving infrastructure transparency. The CoST International Secretariat is also aware that efforts are being made to use the review of public procurement legislation to turn this National Infrastructure Plan 2050 commitment into action by mandating public reporting of infrastructure procurement based on the OC4IDS. The investment from this project can help the South African Government to implement this commitment.

In addition, the [political declaration](#) on the just energy transition in South Africa that was announced at the Glasgow COP in November 2021 has seen donor countries including Germany committed \$8.5bn in climate finance. A large part of this finance will be deployed towards new infrastructure as South Africa not only shifts from coal to renewable energy but builds new value chains premised on a 'whole economy' approach to the transition. The \$8.5bn will, in effect, represent 'kick-start' finance at best; a [new study](#) suggests that \$250bn will be needed by 2035, two-thirds of which will be needed for infrastructure development. However, a recent report sponsored by GIZ highlighted challenges with tagging climate finance and the limited availability of project-level data.³ It is understood that South Africa is a priority partner for GIZ due to the G7 Partnership for Global Infrastructure Investment.

² It goes on to state that "Open-data portal dashboards provide key information, including who is winning contracts, time and cost overruns, and variations in infrastructure investment. This means the data can be used by the private sector, civil society, the media and public to identify red flags relating to competition, efficiency and corruption, thereby bolstering efforts to reform infrastructure development. The open reporting should also provide useful market intelligence to the private sector. The Ukraine is currently using this approach to reform the delivery of highways, with great effect"

³ <https://www.climatepolicyinitiative.org/wp-content/uploads/2021/01/South-African-Climate-Finance-Landscape-January-2021.pdf>

Infrastructure data standards are already referred to by South African institutions. In addition, the existing GIZ technical assistance structures, especially the new Transparency, Integrity and Accountability in South Africa project with its public procurement transparency working field but also GIZ's climate-related programmes offer ideal conditions to align activities.

5. Objective and methodology

The objective for the project is to develop and model an open data standard that helps to open up climate finance related infrastructure projects to public scrutiny. The approach to deliver this objective is as follows:

4.1 Multi-stakeholder engagement in South Africa

Critical to the success of this project is obtaining the support and input of stakeholders in the partner country. As South Africa is an ideal country for implementation, in a first step, the landscape of actors in SA would be examined and discussed with GIZ South Africa with the goal of forming a small multi-stakeholder steering group with key government institutions, such as the Presidential Climate Commission, National Treasury, Department of Mineral Resources and Energy, the Industrial Development Corporation the private sector associations such as the National Business Initiative and leading civil society organisations such as Open Up and Corruption Watch. The selection of stakeholder will be coordinated with GIZ's Countering Corruption in South Africa Project. Existing relevant multi-stakeholder groups will be analysed and in coordination with GIZ's Countering Corruption in South Africa Programme be considered for possibilities of further establishing the CoST standards in infrastructure and coordination purposes to avoid duplication. We will also aspire to have balanced gender participation on the steering group.

CoST's multi-stakeholder governance methodology aligns well with that of the South African Presidential Climate Commission (PCC) and, indeed, President Ramaphosa. The climate finance deal would not have been done last year had it not been for the game-changing work of the PCC which has operated in a very open and inclusive way while forging consensus amongst key stakeholder groups for the urgent need for a just energy transition. The [Just Energy Transition Partnership](#) (JETP) could be an ideal entry point for CoST in South Africa, which will enable it to establish itself in due course as applicable for all public infrastructure investments.

It will also include broader outreach with about 12 to 15 stakeholder interviews and a survey to ascertain the data that is required to bring transparency to climate-related infrastructure investment and their appetite for testing and using the standard.

The approach of stakeholders that play a role in anti-corruption or climate related projects of GIZ South Africa will be coordinated with respective programmes in order to identify shared objective and synergy opportunities.

4.2 International consultation

In addition, we will consult with CoST members to ensure that the data points identified in South Africa have global applicability and take into account lessons from tools such as [InfraS](#) that examines different dimensions of sustainable infrastructure. This includes how [InfraS](#) highlights those projects where the environmental risks may have a higher impact on local communities that are often poorer and more marginalised.

It will also require engagement with several international experts, especially those who are familiar with tracking climate finance investments such as at the Climate Policy Initiative and

with CoST members to understand their interest in the extension. This consultation will form part of a broader review of the OC4IDS.

4.3 Mapping and developing a climate finance OC4IDS extension

The next step will be to carry out a mapping exercise that identifies some examples of budget tracking and the data that has been published to date on climate finance investments in South Africa and in other countries. The CoST team will use this information along with results from stakeholder engagement to develop a draft extension to the core OC4IDS that includes the data points that should be published on climate related infrastructure investments. A focus group meeting with representatives of each of the three stakeholder groups (private sector, government and civil society) will be held to test attitudes towards the extension and to ensure it reflects stakeholder needs before a final version is produced.

4.4 Modelling and applying the OC4IDS climate finance extension

A model example will be developed on how the extension can be applied to a real climate-related infrastructure project. The model example will be included in technical guidance on how to publish this data in an accessible and interoperable format. The project will be selected during the mapping and engagement activities.

Ideally, the OC4IDS climate finance extension would be applied on a sample of climate investments overseen by the multi-stakeholder steering group. The application would be achieved by integrating the OC4IDS and the climate finance extension into a government open data system such as [Vulekamali](#). A Government institution would agree to the application of the extension on their climate related infrastructure investments with the process overseen by the steering group. This would be a stepping-stone towards the broader application of the OC4IDS, providing citizens with access to consistent and useable data from infrastructure investment across all sectors including health, transport and energy. However, additional resources would be required to realize the application of the extension. Steps will be taken to identify potential sources of funding, including GIZ, other bilateral donors, foundations and the Government itself.

Lessons from the modelling, and potentially the application, will be drawn and recommendations made from which the climate finance extension can be improved and the adoption by the South African Government can be potentially applied.

6. Role of the consultant

The role of the consultant will be to principally support the multi-stakeholder process including, identifying and engaging stakeholders, developing and carrying out a survey and stakeholder interviews. The tasks will include:

- Leading the establishment of a multi-stakeholder steering group and convening it at regular intervals throughout the 12 month project.
- Carry out 12 – 15 interviews with stakeholders from government, the private sector and civil society that identifies their views on the data that should be made public.
- Supporting the development of a survey that will capture a broader range of views of the data that should be made public.

- Completing a mapping exercise that identifies some examples of budget tracking and the data that has been published to date on climate finance investments in South Africa.
- Support the analysis of the information from the interviews, survey and mapping and the development of a report that will recommend the data points that should be included in the extension.
- Convene a focus group meeting that tests attitudes towards the proposed extension.
- Supporting the modelling of the extension on one to two climate related infrastructure projects in South Africa.
- Engage stakeholders to assess the appetite for a broader CoST programme in South Africa based on a study that was published in late 2019.
- Identify funding for a potential broader pilot of the data standard.

You will receive support from the CoST International Secretariat in delivering these tasks.

7. Request for a proposal

We are looking for an individual, team or organisation with the knowledge of climate finance related infrastructure projects, transparency and or multi-stakeholder working. It will be important that the applicants have a deep understanding of the South African context and the skills to carry out the tasks stated above.

We would like the consultant(s) to be available by mid-February 2023 with most tasks taking place within the first 2-3 months of the project. The budget for this assignment is £13,000 GBP and includes travel costs along with your time.

If you are interested in this role, please submit a 2 page CV for each proposed consultant and a short proposal, no longer than 4 pages that would set out why you are the right person, team or organisation for this assignment, your approach and a budget to John Hawkins, Programme Director (j.hawkins@infrastructuretransparency.org) by 10am GMT, Thursday 26 January 2023. Short-listed candidates will be invited for an interview during week commencing 30 January 2023.