# Minutes of CoST Board Meeting No.46 17-18 May 2023

| Participants | |
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| **Board:**<br>Chrik Poortman (CP) (Chair)<br>Gavin English (GE)<br>Vincent Lazatin (VL)<br>Rueben Lifuka (RL)<br>George Ofori (GO)<br>Petter Matthews (PM)<br>Oleksii Sobolev (OS)<br>Claire Schouten (CS)<br>**EAP Board (Items 11 and 12 only)**<br>Paul Jowitt (PJ) Chair<br>Mark Harvey (MH)<br>Rupert Sydenham (RS)<br>**Observers:**<br>Majed El-Bayya (MEB), World Bank (Items 1 to 6)<br>Undala Alam (UA), FCDO<br>Simon Stevens (SS), FCDO (Items 12 to `15) | **Secretariat:**<br>Natalie Forsyuk (NF) (Items 1 to 8)<br>Hamish Goldie-Scot<br>Manuel Gonzalez (MG)<br>John Hawkins (JH)<br>Sean Henderson (SH)<br>Evelyn Hernandez (EH)<br>Olive Kabatwairwe (OK)<br>Soren Kirk Jenson (SKJ)<br>Lauren Pemberton-Nelson (LPN)<br>Maria Prado (MP)<br>**Apologies:**<br>Zlatina Loudjeva, Strategic Advisor |

| | Discussion & Decisions | Responsible | Deadline |
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| **Item 1. Chairman's Welcome and Opening Remarks** | | | |
| 1.1 | The Chair welcomed OS and RL as new members. He also thanked GO and VL at their last Board meeting for 15 years of service on the CoST Board and during the pilot phase. | N/A | N/A |
| 1.2 | The Chair also informed the Board of the sad passing of Hart Schafer a former World Bank Vice President. Hart was the first World Bank Observer during the CoST pilot phase and was instrumental in the design of CoST and identifying start-up funding from the World Bank.<br><br>It was agreed that an article would be published on the CoST website recognising Hart's role in CoST. | LPN PM | June 2023 |
| **Item 2.** | **Approval of the minutes & matters arising** | | |
| 2.1 | The minutes from the 45th meeting were approved as accurate. | N/A | N/A |
| 2.2 | The Federal Ethics and Anti-Corruption in Ethiopia has committed to forming a new Multi-Stakeholder Group. The formal review process has concluded with the Board content with the renewed Government commitment. | N/A | N/A |

| 2.3 | The Board agreed that CoST Afghanistan should with immediate affect be formally closed following consultation with trusted partners. The Board expressed its gratitude to Integrity Watch Afghanistan which was the host organisation. The CoST website will be updated to reflect this decision. | LPN | June 2023 |
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| **Item 3.** | **Context** | | |
| 3.1 | The Board was briefed on the current context that CoST is operating highlighting the external challenges post Covid, the war in Ukraine and the climate emergency along with the internal challenges, principally insufficient funding. UA expressed gratitude to the IS for how it responded to the challenges arising from the protracted nature of decision-making within FCDO. | N/A | N/A |
| **Item 4.** | **Board membership** | | |
| 4.1 | The updated schedule for the rotation of Board members was discussed. It highlighted that the vacant government and then private sector positions would be elected in late 2023 and mid 2024 respectively. The Board indicated they would like the vacant positions to be filled as soon as practically possible.  CoST IS to look at how the elections could be brought forward. | PM | June 2023 |
| 4.2 | The Board confirmed the appointment OS to serve the remaining term representing government, a period of approximately 18 months to two years. | N/A | N/A |
| 4.3 | The Board confirmed the appointment of RL. | N/A | N/A |
| **Item 5.** | **Financial report** | | |
| 5.1 | The Board approved the financial report up to 31st December 2022 with one correction. It acknowledged that whilst the financial position had improved it was still insufficient to run a global programme. | SH | June 2023 |
| 5.2 | The Board was informed that earlier in the month that CoST had signed a 2-year framework contract with the Inter-American Development Bank (IADB). The contract consists of several work packages based on the CoST tools and standards. IADB offices in Latin America can then engage CoST on a call-off basis to provide support based on these packages to help safeguard their investments. The Board was reassured that the CoST IS can decline a request. The Board welcomed this opportunity and acknowledged that the CoST IS had thought through the risks (See 10.1 below).. | N/A | N/A |
| 5.3 | GE offered to provide an introduction to an expert on managing framework agreements within DT Global International. | GE & EH | June 2023 |
| **Item 6.** | **Ukraine reconstruction** | | |
| 6.1 | The Board thanked the CoST IS for preparing a discussion paper on the reconstruction of Ukraine. It agreed with the | N/A | N/A |

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| | proposed approach of using the CoST assurance process to verify, monitor and systematically analyse the data published on the DREAM digital management system. | | |
| 6.2 | OS highlighted that a cost from the war is the loss of accountability with civil society and activists focused on supporting the war effort. Journalists will monitor reconstruction but they do not understand the data. Thus, the technical expertise that CoST offers helps to fill this gap. | N/A | N/A |
| 6.3 | Unfortunately, in the immediate weeks after Russia's illegal invasion, the MSG collapsed due to it being a voluntary initiative and the lack of leadership from the National Secretariat with the team largely having departed Ukraine. | N/A | N/A |
| | The recruitment of a National Manager should be prioritised. That individual will help to revamp MSG and approach donors including FCDO, USAID and GIZ. OS stated that CoST is a well-known brand in Ukraine and should be involved in supporting the reconstruction effort. | IS | ASAP |
| 6.4 | CoST should aim to sign an MoU with the Ministry of Restoration based on verifying the published data, and then secure funding to support its work. RISE Ukraine is supportive of this approach and there will be no objection from other Ukrainian or international CSOs. | N/A | N/A |
| 6.5 | The Board was supportive of engaging the private sector to understand their attitudes towards working on the reconstruction of Ukraine. | N/A | N/A |
| 6.6 | CoST IS to provide UA with a note where CoST adds value to the DREAM digital management system and RISE. | JH | June 2023 |
| | It is important to develop a communications approach outlining where CoST adds value with RISE. | JH & LPN | |
| | It was agreed that it was important to identify a person to lead CoST in Ukraine to help engage donors. | NF | ASAP |
| | It was agreed that mapping exercise of the different relationships would be helpful. | NF | ASAP |
| **Item 7.** | **Business plan review** | | |
| 7.1 | The CoST IS had refined the priorities outlined in the current Business Plan during a workshop over the previous two days. The refined priorities are:<br>• Increase the impact from infrastructure transparency to benefit people and economies<br>• Increase global recognition for infrastructure transparency, participation and accountability<br>• Improve the quality and use of infrastructure data through learning and shared technology<br>• Ensure there are sufficient resources to enable infrastructure transparency | N/A | N/A |
| 7.2 | The Board thought the refined priorities were more of a change than is immediately apparent. The Board agreed that the initial assessment of the business plan should be | CoST IS | Sep 2023 |

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| | completed by the CoST IS with the outcomes summarised in an internal paper with some outline costs. It would then be reviewed and finalised and potentially published when the funding envelope became clearer. | | 4 |
| 7.3 | It was also agreed that a capacity assessment of the CoST IS would be of value. | CoST IS | Sep 2023 |
| **Item 8.** | **Member update** | | |
| 8.1 | The CoST IS provided an update to the Board on the performance of CoST members and affiliates. Highlights included: <ul><li>The high performing members include Sekondi-Takoradi (Ghana), Jalisco (Mexico) and Bogota (Colombia). Each member is largely self-funded and all are sub-national members. They are also a vehicle for promoting infrastructure transparency within a country.</li><li>CoST Malawi is uniquely carrying out budget tracking to connect it with infrastructure investment.</li><li>Mozambique is developing a disclosure portal with the Roads Fund being highly committed.</li><li>CoST Uganda has been nominated for Southern Africa Collective Action award by the Basle Institute of Governance. It also won the first CoST Alfredo Cantero award.</li><li>In the coming weeks, Infrastructure Transparency Indexes (ITI) will be published in Ecuador, Panama Costa Rica and West Lombok (Indonesia).</li><li>CoST is now formerly part of the Federal Ethics and Anti-Corruption, Ethiopia work plan underlying their renewed commitment. The have formerly approved office space and appointed dedicated staff. An interim MSG has been established with some former members to provide continuity. - aligning with OC4IDS.</li></ul> | N/A | N/A |
| 8.2 | Current challenges include a lack of Government commitment in El Salvador but the MSG members remain committed. | N/A | N/A |
| 8.3 | There is a lack of progress with the two affiliate programmes Coamo in Puerto Rico and Dominican Republic. The Board agreed to retain the current position that affiliates should pay for support. | N/A | N/A |
| 8.4 | The Board agreed that CoST Honduras is now inactive. The Government has not engaged with the CoST IS since it was elected, the domain for SISOCS (disclosure platform) has expired thus no data is being disclosed and the MSG is not being convened. The Government of Honduras and the MSG to be informed. | EH MG | June 2023 |
| 8.5 | CoST Timor will be declared inactive if the new Government does not respond within a three-month period to a letter from | JH EH | July 2023 |

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| | the Board outlining concerns that successive administrations have not followed up on the commitments in their application to join CoST including publicly launching the programme. | | |
| 8.7 | The Board will write to the members as follows:<br>• Congratulating CoST members, Jalisco, Bogota, Sekondi Takoradi (Ghana) and Thailand on their progress<br>• Encouraging CoST El Salvador, Guatemala, Ecuador, Ethiopia, Mozambique, Malawi and West Lombok in their efforts. | OK, MG, EH | June 2023 |
| **Item 9** | **Application to join CoST** | | |
| 9.1 | The Board approved an application to join CoST as a member from Kaduna State, Nigeria in principle. It requested that further due diligence is undertaken to ensure we are clear about the opportunities and risks. The Board also thought the initial number of infrastructure projects in the implementation plan where disclosure and assurance would be tested should be higher. | OK EH | June 2023 |
| 9.2 | The Board supported the approach to admissions based on refreshing membership rather than growing membership. It was agreed that any future members need to commit financial resources in their application. | N/A | N/A |
| 9.3 | There is interest in the CoST tools and standards from the Province of Nusa Tenggara and the Regency of Mataram (Indonesia), Zambia, Nepal, Kenya and Scotland. | N/A | N/A |
| **Item 10** | **Working with non-members** | | |
| 10.1 | MG shared with the Board how the CoST IS would shortly work with the Inter-American Development Bank through a framework agreement. CoST would be paid on a commercial basis to support IADB investments in Latin America based on its principles and support package such as digital disclosure platforms, assurance and training.<br>The Board was excited to hear about this opportunity and it was reassured that we could say 'no' to a requested task if appropriate and that there is capacity to deliver by using our network in Latin America. | N/A | N/A |
| 10.2 | The Board expressed its thanks to SKJ for the personal time he has invested in building a strategic relationship with the Scottish Government and the influence CoST has had. SKJ highlighted how CoST was influencing fiscal transparency with an initial focus on infrastructure in Scotland and its commitments on infrastructure transparency as part of their open government action plan. | N/A | N/A |
| 10.3 | The Board was also made aware that CoST was invited to submit a proposal to OECD for capacity building training and is awaiting the outcome. | N/A | N/A |
| 10.4 | The Board agreed that the CoST IS should respond to these commercial opportunities. Care is needed to be given on i) | JH & PM | Sep 2023 |

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| | how many bids CoST responds to and ii) an assessment of the likelihood of being successful.<br><br>Written criteria are required to guide the assessment of opportunities and to inform any decision to bid for work. The IS will develop a draft for consideration by the board. | | |
| 10.5 | It was agreed that the business plan review paper would include an assessment of the proportion of commercial v non-commercial income that CoST should aim to generate. | JH & PM | Sep 2023 |
| 10.6 | In the medium-term, CoST should consider the risks and opportunities of establishing a commercial entity where the profits go back into the charity. | N/A | N/A |
| 10.7 | UA stated that FCDO would welcome the diversification of funding through commercial work and taking these opportunities. | N/A | N/A |
| **Item 11.** | **Joint meeting with Engineers Against Poverty** | | |
| 11.1 | On behalf of the CoST Board, GO thanked the EAP Board for supporting CoST especially during the recent challenging period. PJ accepted the commendation and stated that CoST had been beneficial to EAP and that the EAP Board is delighted with how CoST has grown over the last decade. | N/A | N/A |
| 11.2 | EAP has hosted the CoST International Secretariat since 2011. It was agreed that this relationship should be retained for as long as it continues to be beneficial for both parties. | N/A | N/A |
| **Item 12** | **Working with the World Bank** | | |
| 12.1 | The IS shared progress on our project with the World Bank. This includes a review of the OC4IDS, commissioning a learning paper on how the CoST approach has contributed to procurement reform and broader impact and delivering a virtual training course.<br><br>The Board welcomed the further development of the relationship with the World Bank and acknowledged the positive and helpful role played by MEB. | N/A | N/A |
| **Item 13** | **Digital promotion** | | |
| 13.1 | The Board thanked LPN for a presentation that highlighted how CoST's profile on twitter, LinkedIn and Instagram had grown. | N/A | N/A |
| **Item 14.** | **Any other business** | | |
| 14.1 | The Board thanked GO and VL for their long and dedicated service as members of the CoST Board and its precursor, the International Advisory Group. Their contribution over 15 years has helped to shape the organisation and leaves a lasting legacy. The Board also thanked NF for her contribution and welcomed the fact that she remains involved with CoST in an advisory position. | N/A | N/A |
| 14.2 | The next Board meeting will be the Annual General Meeting and will be held on Teams on Tuesday 27 June 2023. | CoST Board | May 2023 |
| 14.3 | No conflicts of interest were reported by Board members. | N/A | N/A |

| 14.4 | There were no safeguarding incidents reported since the last Board meeting. | N/A | N/A |
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| **Item 15.** | **Chair's closing remarks** | | |
| 15.1 | The Chair thanked members for travelling to London for the first in-person meeting in over three years. He also thanked all those who had joined the meeting virtually. He remarked that the IS had done an excellent job of developing the papers and managing the logistical arrangements for the meeting. | N/A | N/A |

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

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Christiaan J. Poortman                                                          Date
Chair