Joint Work Programme for Equitable Economic Growth in Cities

Cities Alliance
Cities Without Slums

**Figure 1:
Campaign Cities map**

Agona Swedu West

Cape Coast

Accra

Campaign City Brief
Cape Coast, Ghana

Population	Tourists per year	Employed in the hospitality sector	Wastewater generated
200,000	**100,000**	**10%**	**20,000** ton/year

A recognition of the importance of equitable economic growth (EEG), and the need to understand how EEG can be effectively promoted in secondary cities, led to the establishment of Cities Alliance's Joint Work Programme (JWP) on EEG in cities.

A trademark component of the JWP-EEG programme has been the Campaign Cities Initiative (2016–2020). This initiative began by creating local partnerships in eight secondary cities in Bangladesh, Uganda, Ghana, and Kenya. For each city, a diagnostic assessment of constraints to EEG was produced, resulting in the selection of a particular public good or service in the city that should be prioritised.

In Ghana, the Campaign Cities Initiative was implemented by the Institute of Statistical, Social and Economic Research (ISSER), University of Ghana, and Eparque, a consulting firm, from February 2017 to November 2019.

The initiative assisted the secondary cities of Agona Swedru and Cape Coast (see Figure 1) to prepare evidence-based policy recommendations concerning how municipal public goods and services could be delivered in a manner that directly contributes to EEG. In Cape Coast, the stakeholders identified sanitation, waste management, and the linkages to the tourism sector as priority areas of focus.

City context

Cape Coast, with an estimate population of approximately 200,000, is the capital of the Central Region of Ghana. Driven by both natural population growth and immigration, the city has been expanding at a fast pace. Cape Coast is also experiencing fast spatial expansion: from 2010 to 2018, the build-up area doubled while population density decreased by 38%.[1]

Cape Coast has several assets at its disposal which can be used to improve its competitiveness and liveability, create jobs, increase the income of its citizens, and reduce poverty:

→ **Strategic location** on the Trans-West Africa Highway that links 12 West African coastal countries, and between Accra and Sekondi-Takoradi, the capital of the Western Region of Ghana, the city is well connected to major economic centres.

→ **Historic and cultural assets and major tourism attractions**, mark Cape Coast as one of the main tourism hubs in Ghana. These assets include Cape Coast and Elmina Castles, which are UNESCO World Heritage Sites, some of the country's finest beaches, and a gateway to Kakum National Park. It is estimated that more than 100,000 people visit Cape Cost every year.[2] Tourism has contributed to the growth of the hospitality industry with over 10% of the workforce concentrated in the food and accommodation sub-sector. [3]

The appropriate management and expansion of the tourism sector has the potential to drive EEG in the city. The sector contributed between 3 and 5 percent of Ghana's GDP over the last ten years, and it is the fourth highest foreign exchange earner. In addition to boosting the food and beverage, and accommodation sectors, tourism contributes to the growth of the transportation sector, and creates jobs through the development of guided tours and cultural activities.

However, Cape Coast's rapid and uncontrolled urban growth and sprawl undermines the city's EEG potential. The city suffers from a lack of integrated planning and the municipality is technically and financially ill-equipped to face these challenges. As a result, Cape Coast is marred by inadequate provision of services such as water, sewage, wastewater, and solid waste management. This not only poses a risk to public health, but also increases the risk of floods and costal erosion (see Figure 1), and seriously undermines economic development through the growth of the tourism sector.

Approach and methodology

Each Campaign City initiative took around 24 months to complete, and consisted of the establishment of a City Level Partnership (CLP), followed by the preparation of three consecutive reports and associated workshops:

1. **Establishment of a City-Level Partnership (CLP):** The Campaign City process began by establishing a CLP that used existing local multi-stakeholder fora. The CLP consisted of representatives from local government, chambers of commerce, the informal economy and the broader community, as well as the JWP facilitator. Members of the CLP debated issues and were responsible for the preparing the reports throughout the process.

2. **Preparation of an Institutional Enabling Environment Report (IEER):** A description of the institutional parameters under which the Cape Coast Municipal Assembly (CCMA) operates was presented in the IEER.

3. **Preparation of a Local Assessment Report (LAR):** Based on the outcome of a workshop reviewing the IEER, the CLP identified one priority area of intervention to be further explored within the LAR: sanitation, waste management, and the linkages to the tourism sector. Input from the CLP was supplemented by a review of secondary data including census reports, national strategy reports and reports of previous surveys, and the collection of empirical data on the various variables of interest through household and business surveys, expert and key informant interviews.

4. **Policy Briefs and the Recommendations:** A Policy Brief and Recommendations were then developed based on the recommendations of the stakeholders.

The Campaign Cities initiative collaborated closely with CCMA, the Ministry of Local Government and Rural Development (MLGRD) at the national level, as well as informal and formal private sector, community organisations, academia, and Cities Alliance members with an active presence in Ghana including the UNCTAD, DFID and the World Bank.

Findings

The Campaign Cities IEER and LAR identified a number of challenges that must be addressed in order to foster EEG in Cape Coast:

→ **Cape Coast lacks the adequate infrastructure to leverage the potential of its tourism sector.** According to the LAR, poor sanitation and waste management creates health hazards for tourists, and reduce the aesthetic attractiveness of Cape Coast's tourist attractions. Open defecation in bushes or beaches are common among poor households, and most of the 45 tons of wastewater generated daily is disposed of directly into gutters. Solid waste is informally disposed of in public dumps or burned, and less than 10% of households have access to collection services. According to a tourism survey carried out by the Campaign Cities project, 74% of tourists cited poor sanitation as the least enjoyable aspects of their trip.

→ **Lack of sustainability considerations in spatial planning and development control.** A lack of development control is putting people and assets at risk, due to coastal erosion, damaging floods, and environmental degradation. Coastal erosion is increasingly a major threat to livelihoods and infrastructure. The identified human causes described in the LAR include sand mining, mangrove degradation caused by the encroachment of hostels development, and the pollution of Fosu Lagoon. The flood risk in the southern part of the city is particularly acute and can be partially attributed to heavy downpours, compounded by solid waste in drains, which prevents the free flow of liquid waste. Encroachment into mangroves and the close proximity to Fosu Lagoon also increases the risk.

→ **The capacity of Cape Coast Municipal Assembly (CCMA) to manage urban growth is inadequate.** The IIER and LAR showed that Cape Coast has an insufficient number of spatial planners, and the Land Use and Spatial Planning Act does not give them the authority to enforce the law. In addition, the Ghana National Urban Policy identifies additional challenges such as weak governance structures, parallel statutory provisions, and lack of institutional coordination. This has resulted in low level of development control, weak enforcement of land use plans and regulations, and high level of non-conformity of physical development to local plans.

→ **Urban planning is not integrated.** The LAR also identified a lack of connection between the different levels of government, a fragmentation of stakeholders and insufficient cross-sectoral and spatial integration. For instance, the private sector is disorganised, fragmented, and unable to maximise its potential. The private sector's umbrella body, the Ghana Tourism Federation (GHATOF), has limited power, and most local hospitality units operate independently. Urban-rural linkages are also sub-optimal, which reduces efficiency and restrains adaptive capacity and resilience to challenges such as climate change.

→ **Cape Coast's sources of finance are inadequate.** As in the case of other metropolitan assemblies in the country, the CCMA does not have adequate decentralised powers for capital investment and cannot mobilise internal revenue for operation and management of social services such as waste management.[4] According to the LAR, revenue mobilisation is sub-optimal, mainly due to poor collection of property tax. Moreover, only a minority of businesses are operating formally, and thus avoiding operating fees, while poor valuation and record keeping practices has also led to an ineffective land value capture mechanism.

Source: Erik Cleves Kristensen, 2006

Recommendations

The Campaign Cities policy brief and consultations identified measures to promote tourism development for EEG in Cape Coast, including:

→ **Improving sanitation to create an environment conducive to the growth of the tourism sector.** This includes providing incentives (financial, social, and other forms) for households to encourage construction of in-house toilet facilities, regulating sewage management, developing local by-laws on sanitation and faecal sludge management, developing an engineered landfill site, and improving coverage of solid waste collection through door-to-door collections and with provision of public waste bins.

→ **Developing and maintaining tourism products.** This involves developing a tourism development plan that could include actions such as renovating historically significant landmarks and creating tourism circuits around them, and in partnership with the private sector, identifying and developing new tourism products such as water sports tourism and heritage tourism.

→ **Leveraging untapped sources of financing.** Cape Coast should improve the tariff structure and collection rate for sanitation and waste management services, raise revenues from development permits and associated charges, and implement appropriate Land Value Capture mechanisms to fund infrastructure. For example, considering the rapid increases in land values, CCMA can purchase land and resell it at a later date in order to generate funds that can be allocated to the provision of infrastructure. Land Value Capture can also take the form of development rates in areas land values have risen rapidly as a result of the Assembly's investments or actions are plausible strategies of benefiting from the high land value increases in the metropolis.

→ **Strengthening the capacity of the CCMA.** The inadequate number of spatial planners and technical officers has been a major challenge for urban management which needs to be addressed. It is recommended that the CCMA liaises with the Ministry of Local Government and Rural Development (MLGRD) and Office of the Head of Local Government Service to recruit spatial planners for the municipality. At the same time, CCMA will benefit from developing a programme aimed at training various departments of the Assembly on the significance of spatial planning and its importance for facilitating economic development, increasing revenue generation, and enhancing disaster risk management.

→ **Integrate the preparation of SDFs and Structure Plans/Local Plans as a part of Medium Term Planning.** The Medium-Term Development Plans (MTDPs) of the MMDAs are seen as the most important activity of MMDAs. These plans typically cover a period of four years and usually have very little spatial planning dimensions. Integrating spatial planning guidelines into the MTDP would make it binding for MMDAs. This could be completed by participatory approaches in the LP preparation process and education of the general public on the LPs can engender active citizen participation in development control.

Endnotes

1   Eparque Urban Strategies (2019) based on Forestry Commission's land Cover Data and USGS Landsat 8 (2018).
2   Akyeampong, K. (2009). Public–private partnership in the provision of basic education in Ghana: challenges and choices. Compare, 39(2), 135—149
3   Eparque Urban Strategies (2019) based on GSS Population and Housing Census (2010))
4   Cities Alliance. 2017. Institutional Enabling Environment Report (IEER), Cape Coast Metropolis and Agona West Municipality, Ghana. Prepared as part of the Cities Campaign of the Cities Alliance Joint Work Programme (JWP) for Equitable Economic Growth in Cities.