SECTION II.
Secondary City Case Studies From Eight African Countries
CAPE COAST: GHANA

KOFI KEKELI AMEDZRO AND BRIAN H ROBERTS
Ghana is a country of many kingdoms and has a long history of colonial occupation. It was one of the first African countries to gain independence, in 1957, led by its first president, Kwame Nkrumah. At that time, Ghana had a standard of living equivalent to 80% of Spain; however, over successive decades, its economy collapsed due to military coups and poor governance. This situation led to the country’s implementation of the IMF’s Structural Adjustment Programme and Economic Recovery Programme measures in 1983. Since 2000, the Ghanaian economy has recovered to become one of the strongest growing economies in Africa. National wealth and prosperity have improved, but unfortunately, the benefits have not been evenly and equitably distributed.

Ghana’s development pattern is characterised by a north-south divide (Figure 7.1). Urban development is concentrated heavily in the country’s southern half, where colonial settlement infrastructure was located, and focused on facilitating trade and economic activities. The north lags far behind the south. As a result, there are significant inequities in the country’s development, forcing many living in the northern parts and other remote areas to migrate to cities searching for employment and a better quality of life.

Modern Ghana is urbanising rapidly, but Accra and Kumasi, which are the primate and metropolitan regions, have benefited the most from this improved prosperity. Secondary cities tend to have weak economies, poor urban management and governance, inadequate public and private sector investment, and are poorly connected by transportation and communications systems. These factors have been significant impediments to their growth and development. The government is seeking to address the issues facing secondary cities and to support their development (World Bank, 2018).

This chapter explores the urbanisation, growth, and development of secondary cities in Ghana. It examines some of the critical challenges facing the management and development of secondary cities and the policies needed to support their development. A case study of Cape Coast is presented, which explores the development issues facing this secondary city in more detail. The chapter argues the need for significant urbanisation and regional economic development policy changes to create more equitable and sustainable development for the country’s system of cities — especially its secondary cities.

### 7.1 Urbanisation and Secondary City Development in Ghana

Ghana’s population of 30 million comprises a variety of ethnic and religious groups. Ghana’s urban population has been increasing quite rapidly since Independence. Ghana was 23% urbanised in 1960. In 2010, the urban population reached 51% (see Figure 7.2 Urban and rural population, 1960-2020). It is now estimated to be 57% urbanised (2020) and this is projected to increase to 73% by 2050 (see Source: Author’s Construct based on 2018 World Urbanisation Prospects Review Data Figure 7.3). A significant proportion of urbanisation growth has occurred in the South, in the Accra Metropolitan Region. The migration stream from Northern Ghana to the South is very significant, with about 83% of the people migrating from Upper West Region going to Accra. In Upper East Region, it was 48%, and from the Northern Region, 74.7% (Adaawan & Owusu, 2013). Migration to Kumasi was 17%, 25% and 52% among those interviewed who indicated that they migrated from Upper West, Northern, and Upper East regions, respectively. These trends in urbanisation are not expected to change as the country becomes more urbanised.
7.1.1 Ghana’s Population Growth

Between 1960 and 2010, Ghana’s population quadrupled, from 6 million to over 24 million. It is currently 30.8 million and projected to increase to 50 million by 2050. The population growth is partly attributable to the improvement in life expectancy (from 43 to 64 years for females; from 38 to 60 years for males) since Independence. The increase in life expectancy is attributed to economic and social development reflected in improved education, health care, and nutrition (Ghana Statistical Service, 2010). The highest absolute growth in population was for the intercensal period between 1984 and 2000, although the highest annual average increase was between 2000 and 2010. The population growth rate increase between 1960 and 1970 was 2.44%. The intercensal period (1984 to 2000) recorded the highest population growth rate, peaking at 2.73%. The 2000 to 2010 intercensal period witnessed a marginal decline in the growth rate, to 2.69%.
7.1.2 Demographics of Metropolitan and Secondary City Development

Figure 7.4 shows the total and urban distribution of the national and urban population from the 2010 Population and Housing census. Ghana has a two-tier structure of government: central and local government. Local governments are grouped into three types:

- (6) Metropolitan Assemblies
- (56) Municipal Assemblies
- (154) District assemblies

Sub-district political and administrative structures include sub-metropolitan, district, urban, town, zonal, area councils, and unit committees. These are subordinate bodies of assemblies. There is also a complex customary land administration structure that overlays many local government decision-making processes, especially land management. This overlying structure adds to both complexity and delays in decision-making. Figure 7.4 shows the geographic areas of local government and the proportion of the total and urban population in each assembly or local government area.

Table 7.1 shows the changing share of population size, number of settlements, and cumulative urban settlements by size (class) between 2000 and 2010. Urban areas with a population of less than 50,000 are growing, but at a proportionally slower rate than larger urban areas with populations up to 500,000. This trend is expected to continue over future decades.

<table>
<thead>
<tr>
<th>Population Class</th>
<th>Share of urban population (%)</th>
<th>No of urban settlements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2000</td>
<td>2010</td>
</tr>
<tr>
<td>&gt;1 million</td>
<td>35</td>
<td>31</td>
</tr>
<tr>
<td>500,000 to 1 million</td>
<td>0.0</td>
<td>4</td>
</tr>
<tr>
<td>250,000 to 500,000</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>100,000 to 250,000</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>50,000 to 100,000</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>20,000 to 50,000</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>10,000 to 20,000</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>5,000 to 10,000</td>
<td>16</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: NSDF Study (2013) based on 2000 and 2010 Population and Housing Census by GSS.

Ghana’s system of cities is dominated by two large metropolitan regions: Accra and Kumasi. These metropolitan regions create the most well-paid professional public and private sector jobs. Other cities and towns in the districts struggle to create decent jobs or attract skills and investments. The 2010 National Population and Housing Census data show 456 towns and cities with populations of over 5,000 people in Ghana. Nearly one-third of the urban population lives in the Accra Metropolitan region. Almost a third of the urban population resides in the largest cities (size classes 1 and 2). The remaining urban population lives in secondary cities, small-sized urban centres and the urban centres ranging between 100,000 and 1 million.

Between 2000 and 2010, the class-1 (metropolitan region) settlement share of the urban population declined. However, the urban population share of secondary cities increased considerably (except for settlement size class 7). This emphasises the significance of secondary cities and how they will play a significant role in Ghana’s urbanisation discussion (See Figure 7.5).
The Dynamics of Systems of Secondary Cities in Africa

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The Accra Metropolitan Region had the largest share of the urban population, but this has declined from 35% to 31%. Notwithstanding the decline, it still had nearly a third of the total urban population by the close of 2010 (Table 7.2). The percentage share of the urban population in secondary cities increased, and the trend shows this is likely to increase further. Aside from the rise in the percentage share, the number of secondary cities and other smaller-sized urban centres also increased rapidly.

### 7.1.3 Patterns of Growth in Secondary Cities

Africapolis provides useful data to the change in Ghanaian metropolitan and secondary cities’ growth patterns (Table 7.2). Population estimates published by Africapolis are higher than those of the Ghana Statistical Service (GSS). They incorporate urban development areas that fall outside the boundaries of administrative areas designated as ‘urban’ by GSS. The Africapolis data provides a truer representation of the urban agglomeration population of towns and cities’ economic structures. In Ghana, the annual average population growth rates for secondary cities have averaged 5.4% since 1990. Kumasi and Accra have grown at 5.4% and 5.8%.

#### TABLE 7.2 | Population growth, density and built-up Areas of Ghanaian cities

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accra*</td>
<td>1,185,614</td>
<td>2,167,932</td>
<td>3,882,529</td>
<td>4,452,483</td>
<td>4,694,492</td>
<td>3718</td>
<td>1197.69</td>
<td>4.91</td>
</tr>
<tr>
<td>Kumasi*</td>
<td>684,899</td>
<td>1,207,199</td>
<td>2,376,694</td>
<td>2,802,344</td>
<td>2,964,812</td>
<td>5053</td>
<td>554.62</td>
<td>5.77</td>
</tr>
<tr>
<td>Takoradi</td>
<td>136,914</td>
<td>289,595</td>
<td>550,839</td>
<td>679,797</td>
<td>724,797</td>
<td>8063</td>
<td>84.31</td>
<td>5.85</td>
</tr>
<tr>
<td>Tamale</td>
<td>157,808</td>
<td>202,317</td>
<td>274,022</td>
<td>312,881</td>
<td>321,565</td>
<td>2157</td>
<td>145.08</td>
<td>2.95</td>
</tr>
<tr>
<td>Cape Coast</td>
<td>71,531</td>
<td>82,291</td>
<td>178,492</td>
<td>217,377</td>
<td>227,260</td>
<td>5720</td>
<td>38</td>
<td>6.69</td>
</tr>
<tr>
<td>Koforidua</td>
<td>68,148</td>
<td>97,378</td>
<td>165,633</td>
<td>201,417</td>
<td>210,340</td>
<td>3316</td>
<td>60.75</td>
<td>4.96</td>
</tr>
<tr>
<td>Obuasi</td>
<td>77,211</td>
<td>115,564</td>
<td>154,049</td>
<td>173,463</td>
<td>179,171</td>
<td>4643</td>
<td>37.36</td>
<td>2.74</td>
</tr>
<tr>
<td>Sunyani</td>
<td>46,279</td>
<td>77,013</td>
<td>132,530</td>
<td>152,389</td>
<td>159,829</td>
<td>1925</td>
<td>79.17</td>
<td>4.65</td>
</tr>
</tbody>
</table>
The Dynamics of Systems of Secondary Cities in Africa

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<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Ho</td>
<td>45,396</td>
<td>61,658</td>
<td>104,532</td>
<td>135,349</td>
<td>141,395</td>
<td>4230</td>
<td>32</td>
<td>5.38</td>
</tr>
<tr>
<td>Techiman</td>
<td>34,094</td>
<td>56,187</td>
<td>99,964</td>
<td>127,596</td>
<td>134,513</td>
<td>2483</td>
<td>51.38</td>
<td>5.62</td>
</tr>
<tr>
<td>Somanya</td>
<td>14,064</td>
<td>15,600</td>
<td>87,303</td>
<td>111,948</td>
<td>121,633</td>
<td>3556</td>
<td>31.48</td>
<td>14.04</td>
</tr>
<tr>
<td>Berekum</td>
<td>27,643</td>
<td>39,649</td>
<td>87,008</td>
<td>111,449</td>
<td>117,841</td>
<td>3309</td>
<td>33.68</td>
<td>7.13</td>
</tr>
<tr>
<td>Mankessim</td>
<td>12,722</td>
<td>25,481</td>
<td>96,101</td>
<td>110,072</td>
<td>119,995</td>
<td>4809</td>
<td>22.89</td>
<td>10.25</td>
</tr>
<tr>
<td>Hohoe</td>
<td>25,505</td>
<td>35,277</td>
<td>85,913</td>
<td>106,138</td>
<td>112,368</td>
<td>8830</td>
<td>12.02</td>
<td>7.62%</td>
</tr>
<tr>
<td>Agona Swedru</td>
<td>35,994</td>
<td>45,614</td>
<td>56,080</td>
<td>101,476</td>
<td>105,771</td>
<td>5554</td>
<td>18.27</td>
<td>5.48%</td>
</tr>
<tr>
<td>Lomé/Aflao</td>
<td>26,393</td>
<td>38,927</td>
<td>73,389</td>
<td>84,649</td>
<td>88,688</td>
<td>6927</td>
<td>12.22</td>
<td>4.77%</td>
</tr>
<tr>
<td>Winneba</td>
<td>31,369</td>
<td>40,017</td>
<td>69,548</td>
<td>80,974</td>
<td>84,105</td>
<td>3245</td>
<td>24.95</td>
<td>3.87%</td>
</tr>
</tbody>
</table>

Source: Africapolis Database 2020* metropolitan regions.

The current growth rate in the three largest urban areas in Ghana is around 5%. In secondary cities, the rate is slightly faster. In satellite secondary cities, such as Agona Swedru and Winneba, west of the Greater Accra Metropolitan Area, growth rates exceed that of the metropolitan region. These are spillover populated areas and are becoming prone to significant land speculation. The secondary cities of the north are less densely populated. Still, they are experiencing high growth rates due to rural-urban migration and higher rural birth rates than in southern district cities.

The average urban densities of Ghana’s largest urban agglomerations are around 4,500 people per km². Secondary cities like Takoradi and Hohoe exceed 8,000 persons per km² (pp km²). On average, the per-unit cost of infrastructure provision services in secondary cities is relatively cheap compared to in metropolitan areas.

“

In Ghana, the annual average population growth rates for secondary cities have averaged 5.4% since 1990. Kumasi and Accra have grown at 5.4% and 5.8%.

“
7.1.3.1 Inequitable Economic Growth and Development

Inequitable economic growth between cities and regions remains a significant challenge for Ghana. The core development problem for Ghanaian secondary and smaller regional cities is that they are not receiving an equitable share in the distribution of grants, infrastructure, investment and economic growth. This leads to growing inequity in regional shares of development and prosperity, undermining the country’s development potential.

Figure 7.6 shows the development index for districts in Ghana from 1990 to 2018. National Human Development Index (HDI) indicators have improved from 0.454 to 0.596 during that period. The HDI has shown that the most significant improvement in recent years has been in the country’s remoter regions, in the country’s interior. The HDI is highest in the most urbanised regions, as reflected in employment, health, and educational data, and in the opportunities created by cities in these regions. In the Northern District, secondary cities like Tamale still lag behind the metropolitan regions and more prosperous southern districts.

7.1.3.2 Regional Wealth and Capital

Ghana has experienced a significant improvement in per capita wealth compared to other African countries. Table 7.3 shows the mean International Wealth Index- IWI (Ardiwijaya et al., 2014) score for Ghana’s regions for selective years, 1995–2017. Overall national and regional wealth levels have improved significantly except for in the Greater Accra Region. The map shows the deciles for regions based on the IWI score.

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Ashanti</td>
<td>25.4</td>
<td>30.7</td>
<td>38.4</td>
<td>48.4</td>
<td>57.5</td>
<td>61.7</td>
<td>3.93%</td>
</tr>
<tr>
<td>Brong-Ahafo</td>
<td>18.1</td>
<td>23.3</td>
<td>30.7</td>
<td>40</td>
<td>45.5</td>
<td>47.3</td>
<td>4.26%</td>
</tr>
<tr>
<td>Central</td>
<td>24.8</td>
<td>25.7</td>
<td>29.1</td>
<td>42.3</td>
<td>51.9</td>
<td>56.3</td>
<td>3.63%</td>
</tr>
<tr>
<td>Eastern</td>
<td>23.2</td>
<td>26.4</td>
<td>30.2</td>
<td>42.2</td>
<td>47.6</td>
<td>49.3</td>
<td>3.33%</td>
</tr>
<tr>
<td>Greater Accra</td>
<td>44.5</td>
<td>49.7</td>
<td>55.9</td>
<td>61.7</td>
<td>65.6</td>
<td>67.5</td>
<td>1.83%</td>
</tr>
<tr>
<td>Northern</td>
<td>17.9</td>
<td>21.3</td>
<td>26.9</td>
<td>34.8</td>
<td>41.9</td>
<td>44.3</td>
<td>4.02%</td>
</tr>
<tr>
<td>Upper East</td>
<td>18.3</td>
<td>20.7</td>
<td>22.4</td>
<td>28.6</td>
<td>39.5</td>
<td>44.7</td>
<td>3.96%</td>
</tr>
<tr>
<td>Upper West</td>
<td>17.2</td>
<td>19</td>
<td>22.9</td>
<td>32.5</td>
<td>41.1</td>
<td>45.2</td>
<td>4.29%</td>
</tr>
<tr>
<td>Volta</td>
<td>15.6</td>
<td>20.5</td>
<td>26.4</td>
<td>36.5</td>
<td>45.5</td>
<td>49.7</td>
<td>5.17%</td>
</tr>
<tr>
<td>Western</td>
<td>20.9</td>
<td>26.5</td>
<td>33.3</td>
<td>42.6</td>
<td>54.7</td>
<td>60.5</td>
<td>4.73%</td>
</tr>
</tbody>
</table>

Source: Subnational Human Development Index 2018 and International Wealth Index Map Global Data Lab.
The Accra Metropolitan Region’s wealth growth has risen more slowly than that of other regions of Ghana. By African country standards, it was already high. However, the living standards and wealth in the country and regions have improved and had caught up with the national capital region since 1995. The growth in regional wealth can be explained by decentralisation and structural reforms introduced in the 1990s and the roles provincial capital secondary cities play in driving growth. The expansion of demand for consumer goods and services in these cities has created jobs — especially in informal trades, commerce, and transport, but little in the higher value-added manufacturing and services sector employment.

However, despite regions benefiting from national urban growth, wealth and capital are increasingly concentrated in the metropolitan regions and a few larger secondary cities (ESRI, 2020). There is significant leakage of money and skills migration to the metropolitan regions. Secondary cities are failing to attract investment capital or retain profits for reinvestment. This is because the control of capital remains largely with residents living in Accra and Kumasi, or with diaspora interests outside the country. The latter control capital in land and private money lenders (including foreign exchange) and financiers that provide credit for traders and farmers. Remittances and intergovernmental transfers and grants play a significant role in injecting capital into Ghanian regions and their secondary cities. The problem is that little capital is invested in strategic economic infrastructure and technologies needed to improve productivity, develop local value-adding or import substitution businesses needed to grow local economies. The results of this situation are that regional secondary cities perform poorly, are not well managed, and are under-capitalised.

The growth in regional wealth can be explained by decentralisation and structural reforms introduced in the 1990s and the roles provincial capital secondary cities play in driving growth.

7.1.3.3 Connectivity Between Systems of Cities

Until recent years, connectivity between regional capitals and cities in trade, communications and transport has remained low. Significant efforts have been made to improve the national and regional road, telecommunications, and electricity grid networks – especially to more remote areas. These hard infrastructure improvements have played a significant role in lifting national and regional living and income standards. Air services have improved to Kumasi and five secondary cities since 2010, but these flights hub through Accra. Air services that connect secondary cities to each other directly are infrequent.

However, connectivity is not just concerned with hard infrastructure services. Connectivity to support economic and social services relies increasingly on the availability and quality of telecommunications, involving the use of mobile phones and the internet, access to data and information, e-governance, and the networks of diaspora and business connections both within Ghana and outside its borders. Apart from the Accra Region, the country is falling behind in developing the soft infrastructure services needed to support local government, business, and communities.

A survey of Information Communications’ and Technology (ICT) use in Ghana (Ghana Statistical Service, 2020) in 2020 showed 54% of individuals aged five years and older own a mobile phone. This compares to 99.8% of Moroccans, for example, of which, 75.7% had smartphones 60.6% had computers (National Telecommunications Regulations Agency, 2018). When the data from Ghana was disaggregated by region (Table 7.4), 63.2% of individuals in the urban centres owned a mobile phone compared to only 44.8% of rural dwellers. In Morocco, secondary cities had ownership levels close to 70%.
In most rural localities, 80.9% of individuals use mobile phones for personal activities, compared to urban localities, at 67.8%.

### TABLE 7.4 | Communication device ownership for regions in Ghana

<table>
<thead>
<tr>
<th>Region</th>
<th>Phone</th>
<th>Laptop</th>
<th>Desktop</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ahafo</td>
<td>48.8</td>
<td>3.8</td>
<td>0.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Ashanti</td>
<td>54.5</td>
<td>5</td>
<td>2.1</td>
<td>1.8</td>
</tr>
<tr>
<td>Bono</td>
<td>55.9</td>
<td>3.1</td>
<td>1.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Bono East</td>
<td>48.3</td>
<td>2.8</td>
<td>0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Central</td>
<td>58.2</td>
<td>4.4</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td>Eastern</td>
<td>52.2</td>
<td>3.4</td>
<td>0.9</td>
<td>1.3</td>
</tr>
<tr>
<td>Greater Accra</td>
<td>73.7</td>
<td>14</td>
<td>1.6</td>
<td>4.2</td>
</tr>
<tr>
<td>Northern</td>
<td>42.8</td>
<td>1.8</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>North East</td>
<td>37.1</td>
<td>0.5</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Oti</td>
<td>42.2</td>
<td>1.6</td>
<td>0.2</td>
<td>0.5</td>
</tr>
<tr>
<td>Savannah</td>
<td>47.7</td>
<td>2.6</td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td>Upper East</td>
<td>43.9</td>
<td>1.4</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Upper West</td>
<td>36.3</td>
<td>2.6</td>
<td>0.4</td>
<td>0.9</td>
</tr>
<tr>
<td>Volta</td>
<td>52.7</td>
<td>2.4</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Western</td>
<td>49.3</td>
<td>4.4</td>
<td>1.7</td>
<td>1.5</td>
</tr>
<tr>
<td>Western North</td>
<td>47.4</td>
<td>1.7</td>
<td>1.5</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Source: Ghana Statistical Service (2020)\(^1\).

At the national level, the GSS survey results indicated that 73.3% of individuals aged five years and older used their mobile phones for personal activities, whilst 0.5% used them for business only. (This compares to 11% in Morocco, with heavy city-to-city business communication and online purchasing). In Ghana, levels of laptop, desktop and tablet use in regions, especially for business and education, remain low. Increasing the use of these devices for business and education would create significant opportunities for improved economic development and public service delivery, including health and welfare payments.

More than 58% of individuals in Ghana use online services for banking; the rate of online banking in Ghana is amongst the fast-growing in Africa (World Bank, 2017). In most rural localities, 80.9% of individuals use mobile phones for personal activities, compared to urban localities, at 67.8%. Online services for procurement of goods and services by businesses in secondary cities are strongly orientated towards Greater Accra Region. There is no well-developed city-to-city network of business and trade in Ghana.
For this to occur, local manufacturing firms and trading businesses in secondary cities will need to become more innovative and connected and identify opportunities to use ICT services to add value to the production of locally produced products and services — especially in the food industry. Increasing the use of these devices for business and education would create significant opportunities for improved economic development and public service delivery, including health and welfare payments.

### 7.1.4 Local Governance and Financial Management

A significant problem for Ghanaian secondary cities is weak governance and financial management. For most secondary city local governments, outgoings on wages exceed capital expenditures for works and asset maintenance. Most secondary cities do not receive their full entitlement of central government transfers. These are often disbursed months behind the due dates of payments. Most receive less than 50% of their annual entitlement. Financial management capability is weak; the secondary cities lack the skills, staff, technologies, planning and budget management capability to oversee municipal financing.

### 7.2 National Policies on Urbanisation and Secondary City Development

Ghana's first national urban policy was prepared in 2012. Before that, Ghana’s urban settlements were managed using town planning/urban planning and its associated instruments. The first post-independence official plan was completed for Accra in 1958. Some town plans were prepared to guide other secondary cities and urban centres such as Kumasi and Tema.

The first historical document contributing to urban settlements and secondary cities’ management was the National Physical Development Plan (NPDP) (1963–1970). It provided a vision of the system or network of settlements and their functions to perform as service centres (see Figure 7.7). In this plan, the NPDP sought to develop multiple settlements that would prevent the concentration and provision of services in a few settlements.

The NPDP emphasised the economic significance of population concentration, noting that "services and facilities can be provided to a concentration of people more easily and economically than to people who are scattered throughout rural areas (Government of Ghana, 1965, p.14)". Thus, NPDP proposed a policy of a "planned settlement pattern to distribute economic and social investments" and for the many smaller settlements to become urban (Government of Ghana, 1965, p.14).
The National Development Planning Commission launched a national development plan in 1995 titled ‘The First Step: 1996–2000’ (Government of Ghana, 1996a). It set forth a 25-year long-term plan for transforming Ghana into a middle-income economy. It introduced a planning framework to guide ministries, departments and agencies in developing their plans. With five long-term objectives focused on human development, economic growth, rural development, urban development, and the enabling environment. The plan recognised that Ghana’s urban development was characterised by spatial polarisation. It noted that investment and development were limited to a few cities and enclave economies, with stronger linkages to overseas economies than its own hinterlands. It indicated that “excessive urban bias manifested by development expenditures favouring the major cities had deprived rural service centres and the rural areas generally of adequate investment” (Government of Ghana, 1996a, p.37).

The Ghana Vision 2020 policy document attempted to address urbanisation and secondary cities challenges. It indicated the significance of urbanisation to national development but encouraged equitable distribution of urban growth between settlements of varying sizes. Specifically, it discouraged growth in Accra, Kumasi and Sekondi-Takoradi and encouraged growth in secondary cities and small towns. The objective was to reduce the pressures on these large cities. It sought to resolve the social, environmental and economic problems associated with large towns and cities while establishing a “hierarchy of service centres” with links to the rural settlements. It indicated that public investment in urban centres was to be restricted to towns of over 20,000 persons (Government of Ghana, 1996a).

The next policy document on secondary cities was the National Plan of Action on Human Settlements (Government of Ghana, 1996b). The spatially significant strategies related to secondary cities were intended to reduce Accra’s congestion and promote spatially equitable population distribution in settlements of varying sizes, particularly in small and medium-sized towns. It also sought to accelerate the growth of selected small and medium-sized settlements to provide infrastructure and services to support the rural sector and develop the settlement hierarchy via providing services appropriate to the population’s size, including in the hinterlands. Other medium-term plans that the commission prepared were the Ghana Poverty Reduction Strategy (2003–2005); Growth and Poverty Reduction Strategy (2006–2009); Ghana Shared Growth and Development Agenda I (2010–2013), and Ghana Shared Growth and Development Agenda II (2014–2017).

The Ghana Shared Growth and Development Agenda (GSGDA-I) 2010–2013 was prepared following the National Plan of Action on Human Settlements. It included a section on human settlements development with a stated goal of achieving well-planned and spatially integrated cities, towns, and villages. It identified the over-concentration of towns in the southern half of the country as a problem. The absence of intermediate cities between key urban settlements and rural settlements has resulted in less development in the northern part of the country. The object was to achieve a spatially integrated settlement hierarchy to decongest primary cities and select fast-growing settlements. It proposed that new growth points should be established to serve as countermagnets to fast-growing cities and regions and to accelerate the growth of medium-sized towns to large urban centres.

The second version of the Ghana Shared Growth and Development Agenda (GSGDA-II) 2014–2017 had strong spatially relevant objectives with the concept of secondary cities. It sought to achieve a spatially integrated, ordered hierarchy of human settlements and create well-structured and integrated urban development. It intended to promote resilient urban infrastructure and essential services and create an enabling environment to minimise rural-urban migration.
The National Urban Policy- NUP (Government of Ghana, 2012) Framework, prepared by the Ministry of Local Government and Rural Development (MLGRD) and approved in late 2013, is the most comprehensive expression of urban policy. Ghana is one of the few countries in sub-Saharan Africa to have developed an urban policy with an associated implementation plan to tackle urbanisation challenges and capitalise on its positive externalities (Githri et al., 2017). The NUP has seven guiding principles, three of which are spatially explicit: promote urban centres as engines of growth; promote socio-economic development through an integrated settlement system; and facilitate socio-economic development of lagging and rural regions. The goal of the NUP was to: Promote a sustainable, spatially integrated, and orderly development of urban settlements with adequate housing, infrastructure and services, efficient institutions, and a sound living and working environment for all people, to support Ghana’s rapid socio-economic development.

The NUP had twelve objectives:

1. Facilitate the balanced redistribution of the urban population.
2. Promote a spatially integrated hierarchy of urban centres.
3. Promote urban economic development.
4. Improve the environmental quality of urban life.
5. Ensure effective planning and management of urban growth and sprawl, especially in metropolitan regions and other large urban centres.
6. Ensure efficient urban infrastructure and service delivery.
7. Improve access to adequate and affordable low-income housing.
8. Promote urban safety and security.
9. Strengthen urban governance.
10. Promote climate change adaptation and mitigation mechanisms.
11. Strengthen applied research in urban and regional development.
12. Expand sources of funding for urban development and strengthen urban financial management.

These objectives have not been achieved in nearly a decade since the implementation of the NUP. For example, Objective 5, which relates to effective planning and management of urban growth and sprawl, failed. The Greater Accra Metropolitan Area has extended beyond the regional boundary on the Northern and Western borders, expanding into the Central and Eastern regions (Agyemang et al., 2017) (See Figure 7.8). The Greater Kumasi (Acheampong et al., 2017), Tamale (Kpienbaareh & Luginaah, 2020) and Cape Coast Metropolitan Areas have sprawled well beyond the administrative boundaries and capacities of the existing governance arrangements and institutions. There is little political will in Ghana to commit to proper urban growth management.

The goal of the NUP was to: Promote a sustainable, spatially integrated, and orderly development of urban settlements with adequate housing, infrastructure and services, efficient institutions, and a sound living and working environment for all people, to support Ghana’s rapid socio-economic development.
Programmes and projects explicitly targeting the support of secondary cities have been absent in Ghana for many years. The Urban Environmental Sanitation Project (UESP) was implemented to improve basic sanitation in Ghana’s urban areas. Accra, the largest metropolitan region in Ghana, benefited from this project. Sekondi-Takoradi, Tema, and Tamale also benefited from the UESP. The only programme developed to support secondary cities is the Ghana Secondary Cities Support Programme Project (GSCSP) funded by the World Bank (2018).

The programme’s development objective is to improve urban management and essential urban services in 25 selected municipal assemblies (MAs). It aims to strengthen the decentralisation support programme with responsiveness factor grants and its related district performance assessment tool. The GSCSP seeks to improve revenue collection (internally generated funds) and provide services such as electricity extension, streetlights, creation of walkways along roads, construction of markets, solid waste collection and management, and construction of storm drains.
The GSCSP encourages the MAs to develop spatial planning instruments such as Spatial Development Frameworks, Structure Plans, and Local Plans to manage the settlements’ physical growth and development within their territorial jurisdictions. This is because many of these MAs (which are secondary cities) do not have spatial plans to guide physical development. Hence, the resulting haphazard development manifested in the urban areas of these MAs.

The provision of the earlier-mentioned services is supposed to be based on the local plans of the MAs, without which the MLGRD will not provide approval for funding as a requirement of the projects. In addition to this, street naming and property addressing, which are heavily dependent on local plans, are an essential element of the GSCSP to encourage local plan preparation. The street naming and property addressing which is encouraged by the project also has the object of improving municipal financing via identification of businesses and properties.

The implementation of the GSCSP is a result of the increasing recognition of the significant role of secondary cities, yet the poor management and delivery of essential urban services in Ghana is partly due to the non-existence of spatial plans. Also, the provision of services is uncoordinated as a result of weak local government and absence of Local Plans to guide the service delivery.

The GSCSP will help improve the capacity of secondary cities in Ghana to develop critically needed infrastructure. A significant gap in the policy on the development of secondary cities is the lack of attention to improving the way secondary cities are connected into supply chains and how cities in regions and along development corridors can collaborate to enhance value-adding activities and reduce transaction costs. There has been little effort to plan for clustered secondary city development around the two large metropolitan regions’ peripheries: Accra and Kumasi. There are also opportunities to encourage secondary cities along the East-West corridor, forming part of the Lagos or Abidjan development corridor and the Accra to Bolgatanga Ouagadougou development corridor.

7.3 Case Study - Cape Coast

Cape Coast is a secondary city experiencing significant management and development problems (Agyei-Mensah & Ardayfio-Schandorf, 2007; Cities Alliance, 2017). It is the regional capital of the Central Region (Figure 7.9). The traditional name of Cape Coast is ‘Oguaa’, which originates from the Fante word ‘gua’, meaning ‘market or trading place’ (Ghana Statistical Service, 2014). The Portuguese named the city Cabo Corso, which means ‘short cape’ in Portuguese, and later, the city was later renamed Cape Coast by the British. It served as an important trading centre, including for the transatlantic slave trade. Many remnants from this period still remain, such as Cape Coast Castle, a major historical attraction and a World Heritage Site. Cape Coast was the first national capital of Gold Coast under the then British Colonial Administration, until 1877, when it was moved to Accra.

PHOTO 7.1 Old Gold Coast Slave Port
© Photo: Brian Roberts (2017).
7.3.1 Summary Profile of Cape Coast

Cape Coast is one of the oldest districts in Ghana. It was given the status of a municipality in 1987 and upgraded to metropolitan status in 2007. The city fronts the Gulf of Guinea and is the capital city of the Central Region. It has an administrative area of 122 km² of which the urban development area covers 38 km². Table 7.5 Summary Fact Sheet of Cape Coast is a fact sheet that provides a range of physical, social-economic and governance indicators for Cape Coast. Some of these indicators are analysed in more detail in the case study.

Gold Coast provides an ideal case study of a secondary city in Ghana. It is a university city and an important tourist destination that has significant development potential because of its tragic historical past as a slave centre. It has also been studied extensively (Agyei-Mensah & Ardayfio-Schandorf, 2007; Cities Alliance, 2017), providing some of the best historical data and information on a secondary city in Ghana. Its population is heterogenous, unlike other secondary cities in some parts of the country.

Despite the substantial historical investment in infrastructure and prosperity, the city has many urban development and management problems. These are typical of many secondary cities in Ghana. Significant support in the form of data collection and consultation with public officials was given to the authors, which has enabled insights into the city’s economic structure and competitiveness.

| TABLE 7.5 | Summary Fact Sheet of Cape Coast |

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Area</td>
<td>What is the estimated urban area in the city?</td>
<td>38 km² (Africapolis, 2018)</td>
</tr>
<tr>
<td>Demographics</td>
<td>What was the Estimate Population 2020?</td>
<td>221,025</td>
</tr>
<tr>
<td></td>
<td>What was the population in 2000 or the last census</td>
<td>118,106 (2010)</td>
</tr>
<tr>
<td></td>
<td>Is the city's share of the national population growing?</td>
<td>Urbanisation 3.2% Ghana (3.82%) Pop 2.4% (2000-2020)</td>
</tr>
<tr>
<td></td>
<td>Estimated Density of Population</td>
<td>5720/km² (Africapolis, 2018)</td>
</tr>
<tr>
<td></td>
<td>Has population density in the city increased or decreased?</td>
<td>Decreased Est 2.65% per year since 2000</td>
</tr>
<tr>
<td>Economic Strength</td>
<td>What is the city’s estimated GDP?</td>
<td>$426 m (2017)</td>
</tr>
<tr>
<td></td>
<td>An estimate of how fast is the economy-growing pa?</td>
<td>6.8% (Est 2019) 6.5% Ghana</td>
</tr>
<tr>
<td></td>
<td>What is the fastest-growing sector of the economy?</td>
<td>Wholesale and retail</td>
</tr>
<tr>
<td></td>
<td>What does the city mainly export or trade?</td>
<td>Tourism and Education</td>
</tr>
<tr>
<td>Income Levels</td>
<td>What is the estimated average income per month?</td>
<td>700.00 $ (US$120) (2020) Cost of Living Survey</td>
</tr>
<tr>
<td></td>
<td>How much higher are incomes in the capital city compared to the city?</td>
<td>Accra $ 1,992.74 (US 341) 2.8 times (2020)</td>
</tr>
</tbody>
</table>
7.3.2 Population and Social Characteristics

Cape Coast City's population at the 2010 census was 169,894, consisting of 82,810 males (48.7%) and 87,084 females (51.3%) (Ghana Statistical Service, 2013a). The estimated population in 2020 was 221,000 (Cape Coast Municipal Assembly, 2017a). The population has been increasing steadily over the various census periods; however, Cape Coast's rate has been below the national urbanisation growth rate. Since the 2010 census, the urban population has grown at 2.6% per year, compared to 3.5% for Ghana. National population growth for the country since 2010 was around 2.28% and falling.

Like all Ghanaian secondary cities, the daytime and non-resident populations are higher than the resident population. For Cape Coast, the daytime and visitor population are much higher than for other secondary cities in Ghana because of its attraction as a tourism and education destination.

Migration levels into the city remain high. Of the total population recorded for the 2010 census, 42.5% (72,162 persons), were migrants. One-third (23,808) of migrants were born in other parts of the Central Region, while 4% (3,120) were born outside the country, with 63% born in other regions of Ghana. The data also indicates that 15.6% (11,241) of the migrants come from the Greater Accra Region and 11.5% (8,305) from the Western Region, while only 1% (800) come from the Upper West Region.
The total number of households in the city is 40,386, with an average household size of 3.5, which is slightly lower than the regional average of 4.0 and the national average of 4.4. The average number of households per dwelling is 2.3, which remains higher than the regional average of 1.7. In the city’s urban areas, the average is 2.6, while the average figure for rural areas is 1.7. The average number of persons living in a house in Cape Coast is 7.9 (8.9 persons per house in urban areas and 5.9 persons per house in rural centres). This figure exceeds the national average of 7.1 persons in a house and a regional average of 6.1 persons in the Central Region (Ghana Statistical Service, 2013c).

As provided by the District Analytical report (Ghana Statistical Service, 2013c), the economic dependency ratio is 49.1% when two working people (15–65 years old) must take care of one non-working adult. The literacy rate of persons 11 years and older is 90% higher than the national average of 74.1% and the regional average of 78.2%.

7.3.3 Urban Development Dynamics in Cape Coast

Cape Coast’s built-up area has been expanding rapidly over the last two decades. In 2000, the total built-up footprint/settlements covered a land area of around 10.39 km². This increased to 29.80 km² by the end of 2018 (see Table 7.6). From 2010 to 2018, the total built-up area expanded by almost 15 km². Most of this settlement growth has displaced forest covers, which had the largest share of the metropolitan area’s total land area in 2000.

### Table 7.6 | Land Cover Use Changes in Cape Coast City, 2000–2018.

<table>
<thead>
<tr>
<th>Land Use/Cover</th>
<th>Coverage area in km², 2000</th>
<th>Coverage area in km², 2010</th>
<th>Land use coverage area in km², 2018</th>
<th>Absolute Change 2000-2010</th>
<th>Absolute Change 2010-2018</th>
<th>Absolute change 2000-2018</th>
<th>% Change 2000-2010</th>
<th>% Change 2010–2018</th>
<th>% Change 2000-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cropland</td>
<td>15.20</td>
<td>41.53</td>
<td>16.57</td>
<td>26.33</td>
<td>-24.96</td>
<td>1.37</td>
<td>63.39</td>
<td>-60.09</td>
<td>9.01</td>
</tr>
<tr>
<td>Forest</td>
<td>87.87</td>
<td>34.87</td>
<td>28.89</td>
<td>-52.99</td>
<td>-5.98</td>
<td>-58.98</td>
<td>-151.96</td>
<td>-17.16</td>
<td>-67.12</td>
</tr>
<tr>
<td>Grassland</td>
<td>3.81</td>
<td>28.87</td>
<td>28.87</td>
<td>-52.99</td>
<td>15.34</td>
<td>40.40</td>
<td>86.80</td>
<td>53.15</td>
<td>1060.61</td>
</tr>
<tr>
<td>Settlement/</td>
<td>10.39</td>
<td>14.89</td>
<td>29.80</td>
<td>4.50</td>
<td>14.91</td>
<td>19.41</td>
<td>30.24</td>
<td>100.15</td>
<td>186.89</td>
</tr>
<tr>
<td>Built-up</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td>3.37</td>
<td>0.49</td>
<td>1.19</td>
<td>-2.88</td>
<td>0.71</td>
<td>-2.18</td>
<td>-593.22</td>
<td>145.66</td>
<td>-64.56</td>
</tr>
<tr>
<td>Total</td>
<td>121.00</td>
<td>121.00</td>
<td>121.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


The settlement expansion rate is partly attributable to the growing population in the city, coupled with single-storey development. The increasing population growth has also mainly been contributed by in-migration and not entirely natural population growth. As much as 42.5% (72,162 persons) of Cape Coast City in 2010 were in-migrants. Also, the rampant settlement expansion rate exerts pressure on the limited infrastructure available in the city as the settlement expansion’s pace far exceeds the rate of infrastructure delivery/provision.
Settlement expansion has been most pronounced from the northern part of Fosu Lagoon, although the eastern and western parts of the core built-up area in the south are also expanding rapidly. (See Figure 7.10, Land Cover Change). The main reasons why the developments in the north part of the lagoon are increasing at a tremendous rate include (Eparque Urban Strategies, 2019):

- Availability of relatively flat land, which is easier to develop;
- Creation of new commercial activities (housing developments for commercial (renting/sales);
- Presence of Abura market (second largest in the city);
- Proximity to the Cape Coast Teaching Hospital, Cape Coast Nursing and Midwifery Training College and Cape Coast Polytechnic (now Cape Coast Technical University), which generate economic activity;
- Further development of educational facilities and their attendants demand for hostels (Cape Coast Technical Institute);
- Emerging entertainment centres and supermarkets (night clubs, movie houses, etc.);
- Sense of security (proximity to the Regional Police Headquarters just around Pedu junction);
- Availability of municipal services (100% access to potable water, 24-7 availability of electricity due to proximity to Cape Coast Teaching Hospital, good road conditions);
- Availability of a proper local plan (layout for some of the areas is pleasant and hence, attracts people);
- Relatively cheaper cost of lands in the areas developing as slums (these are common in the Abura area);
- Availability of newly constructed roads.
7.3.4 Built-Up Areas Density Changes

Built-up densities in Cape Coast have reduced significantly in the past decade. Built-up/settlement population density, which is defined by the persons per km² of developed land/built-up area, is a good indicator of land-use efficiency and can be used as a guide to estimate the demand and cost of infrastructure and service provision. It also offers a better perspective for urban planning and management purposes, compared to general population densities.

TABLE 7.7 | Built-up density changes in Cape Coast Metropolis, 2000–2018.

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Built-up area (km²)</td>
<td>10.4</td>
<td>14.9</td>
<td>29.8</td>
</tr>
<tr>
<td>Population in CCM</td>
<td>118,106</td>
<td>169,894</td>
<td>211,324</td>
</tr>
<tr>
<td>Built-up Population Density</td>
<td>11,367</td>
<td>11,410</td>
<td>7,091</td>
</tr>
</tbody>
</table>


The built-up population density in Cape Coast increased marginally between 2000 and 2010, from 11,367 pp km² to 11,410 pp km². However, from 2010 to 2018, a contraction from 11,410 pp km² to only 7,091 pp km² occurred (see Table 7.7). Over this period, rapid urban development and expansion of the urban area have occurred at the city's periphery, with densities falling rapidly in the central area. There was a significant change in compound size and reduction in the extended family living culture in Cape Coast.

Reduced built-up density and population growth have also widened the city's environmental footprint. The city is underperforming to achieve many targets of the Sustainable Development Goals (SDGs). A substantive effort is required concerning Goal 11 to halt urban sprawl, but there has been an evident lack of political will to do so.

7.3.5 Overview of Housing, Infrastructure and Urban Services

Cape Coast had 17,738 housing units in 2010, out of which 66.7% (hosting 75% of the population) were located in urban areas (Ghana Statistical Service, 2014). Cape Coast had an average of 2.3 households per dwelling, which is somewhat higher than the regional average of 1.5 and the national average of 1.6 as of 2010.\(^6\)\(^6\) There are approximately eight persons per dwelling in the city (nine, on average, in the urban areas and six in the rural settlements).

Table 7.8 provides a breakdown of housing in the City of Cape coast by dwelling type. The 2010 Population and Housing census recorded the most common housing type in CCM was the ‘compound house’, which constituted 58.2% of the total housing stock (Ghana Statistical Service, 2014). This was followed by ‘separate house’ and ‘apartment’ typologies, making up 17.0% and 11.4%, respectively, while improvised homes constituted 1.3% of the total housing stock. Few persons were resided in huts (1.3%) or uncompleted buildings (0.4%). The city trend indicates that the percentage share of compound houses will decrease considerably while the separate houses percentage share will increase. Improvised homes (kiosks/containers) are also growing in large numbers because efforts to provide low-income housing or social housing are non-existent.

Overcrowding within the existing housing stock was high, and it is likely to rise, as the 2010 Population and Housing Census provided evidence that this phenomenon is prevalent in the city. As of 2010, most households, including one-fifth to two-thirds of households with more than three members, resided in dwellings with just a single room, depicting a high overcrowding level (Ghana Statistical Service, 2014). Two-thirds of households in CCMA occupied only one sleeping room, far exceeding the regional and national averages of 64% and 54.4%, respectively.
There is a wide-ranging variety of quality housing in the City of Cape Coast. The dominant types of housing and the urban services provided have led to residential neighbourhoods being categorised as first, second-and third-class neighbourhoods.

The first-class residential neighbourhoods comprise areas with the highest housing quality, good road networks and clean surroundings. Water and electricity services are almost always in constant supply. Waste collection is by a truck on a house-to-house basis on determined days. These areas usually have greenery that are well-kept. Green Hill, North Ola, West End, First Ridge, Second Ridge, and Third Ridge and parts of Pedu are the first-class residential neighbourhoods in the city.

The second-class residential areas have decent quality housing stock, with good road networks and access to municipal services that are secure, although not as regular as in the first-class areas. Waste disposal in most second-class areas is via ‘skip bin’, public dumpsite containers usually in a designated area. Residents must walk to these skip bins to drop off their waste. Drains are well kept in most parts of these areas. The structural integrity of buildings remains solid. Toilet facilities are generally in-house, and water is in-house or on the premises. Akyem, Abura, parts of Adisadel, and Mempeasem are second class areas, and they constitute the largest share of houses in Cape Coast.

Third-class residential areas are mainly in the old or core parts of the city near the coast. Poor roofing and wall conditions and poor structural integrity characterise most of these buildings, mainly due to their age. These areas are very congested, with minimal or no vehicular access to most of the buildings. There are no in-house piped water systems, and hence, households there depend on community standpipes. Most of these houses do not have toilet facilities and rely on public toilet facilities. These core indigenous areas are mainly home to informal settlements, with drains filled with solid waste and human excreta.

Rental prices and land values have skyrocketed in Cape Coast due to the high urbanisation rate and economic growth. Within five years, rents in first-class residential areas increased by more than 100% (Eparque Urban Strategies, 2019). (Table 7.9) The rent for self-contained, single room apartments in first-class neighbourhoods has shot up by around 200%.

The second-class neighbourhoods such as Akyem, Abura, parts of Adisadel, and Mempeasem had the highest percentage increase of around 200% in rents charged for single rooms. Unfortunately, this is the type of room most of the residents in the city can afford. The smallest increase was recorded for three-bedroom houses/apartments in second-class neighbourhoods, for which the price increased by 75%.

### TABLE 7.8 | Types of dwelling units, 2010

<table>
<thead>
<tr>
<th>Type of Dwelling</th>
<th>Number</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate house</td>
<td>6,859</td>
<td>17.0</td>
</tr>
<tr>
<td>Semi-detached house</td>
<td>3,82</td>
<td>9.5</td>
</tr>
<tr>
<td>Flat/Apartment</td>
<td>4,586</td>
<td>11.4</td>
</tr>
<tr>
<td>Compound house (rooms)</td>
<td>23,488</td>
<td>58.2</td>
</tr>
<tr>
<td>Huts/Buildings (same compound)</td>
<td>474</td>
<td>1.2</td>
</tr>
<tr>
<td>Huts/Buildings (different compound)</td>
<td>54</td>
<td>0.1</td>
</tr>
<tr>
<td>Tent</td>
<td>76</td>
<td>0.2</td>
</tr>
<tr>
<td>Improvised home (kiosk/container)</td>
<td>507</td>
<td>1.3</td>
</tr>
<tr>
<td>Living quarters attached to office/shop</td>
<td>156</td>
<td>0.4</td>
</tr>
<tr>
<td>Uncompleted building</td>
<td>173</td>
<td>0.4</td>
</tr>
<tr>
<td>Other</td>
<td>193</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>40,386</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: GSS 2010 Population and Housing Census.
TABLE 7.9 | Changes in housing rent in Cape Coast, 2015–2019-GHC/month.

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>First Class</th>
<th>Second-class</th>
<th>Third-class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single room</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Single room, self-contained</td>
<td>80–100</td>
<td>250–300</td>
<td>200%</td>
</tr>
<tr>
<td>Chamber and hall</td>
<td>150–200</td>
<td>300–400</td>
<td>100%</td>
</tr>
<tr>
<td>2 Bedrooms</td>
<td>200–300</td>
<td>500–550</td>
<td>110%</td>
</tr>
<tr>
<td>3 Bedrooms</td>
<td>250–300</td>
<td>500–700</td>
<td>120%</td>
</tr>
<tr>
<td>4 Bedrooms</td>
<td>300–350</td>
<td>700–1,000</td>
<td>160%</td>
</tr>
</tbody>
</table>


In the southern part of the city, the third-class neighbourhoods experienced a rental price increase of over 100% for all housing categories for the same five-year period.

Within a short period, the surge in rents signaled strong demand and a dire need for housing provision in Cape Coast, yet resources and plans to meet these needs seem non-existent.

The rapid increase in rents in Cape Coast Metropolis (CCM), which is highly unaffordable for most of the population, has resulted in homelessness for some, and for others, sleeping in kiosks. These kiosks, which are mainly made of wooden structures, are usually not suitable for human habitation. They lack sanitary services and access to potable water. These have adverse health implications on the slum dwellers and the homeless. Aside from human-centred considerations, the kiosks also tend to mar the aesthetics of the urban landscape.

TABLE 7.10 | Land value changes in Cape Coast (GHc & USS), 2014–2019

<table>
<thead>
<tr>
<th>Plot Size</th>
<th>First Class</th>
<th>Second-class</th>
<th>Third-class</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 x 30m (900 m²)</td>
<td>5,000</td>
<td>25,000</td>
<td>38%</td>
</tr>
<tr>
<td></td>
<td>$1,457</td>
<td>$4,586</td>
<td>-</td>
</tr>
<tr>
<td>30 x 21m (610 m²)</td>
<td>-</td>
<td>30,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$5,503</td>
<td>$1032</td>
<td>-</td>
</tr>
<tr>
<td>30 x 18m (540m²)</td>
<td>7,000</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>


Akin to the rents, the price of land in Cape Coast has increased tremendously across various residential classifications (see Table 7.10). The rate of land price increases surpasses the increases recorded in rent for housing over the same five-year period (2014–2019). The land price for a plot ranging from 30.4 m x 30.4 to 30.4 x 21 m in the first-class residential areas rose by around 350%, suggesting an annual growth rate of approximately 70%. The increase in land price for the medium/second-class residential neighbourhoods was even higher as the price of a plot of land increased more than six times within five years.
While the land price is increasing, the city does not have any mechanism to capture and leverage land prices to finance infrastructure or services. Leveraging the sharp increase in the price of land is a well-known measure for financing infrastructure needs. Land value capture (LVC) methods vary significantly among different countries with varying policy and institutional frameworks (Eparque Urban Strategies, 2019). The Cape Coast Municipal Assembly can take advantage and develop some byelaws to capture land values within the city for developmental purposes.

### 7.3.6 General Municipal Services

#### 7.3.6.1 Water and Electricity Supply Services

Pipe-borne water is the primary source of potable water in Cape Coast and covers over 90% of the city (Cape Coast Municipal Assembly, 2017b). It is supplied by Ghana Water Company Limited, for which the Metropolitan Assembly has limited involvement. As of 2010, 33% of households had in-house pipe-borne water, 37.7% for urban areas and 18.8% for rural areas (Figure 7.11). As much as 35.6% of rural households have access to water outside their dwellings via public tap or standpipes, compared to 32% of urban households; 14.8% of urban houses access to pipe-borne water outside dwellings, compared to a higher figure of 26.0% for rural households. An emerging and increasing trend is the dependence on sachet water. Of households in rural areas, 16.7% relied on sachet water and 13.5% of households in urban centres relied on sachet water as their primary water source in 2010. A 2013 study conducted by Ecorys (2013) puts this figure at 30.6%.

The city experiences intermittent water shortages due to the installed waterworks system’s inadequate capacity to supply the entire city in the face of a growing population, as well as the educational facilities in the city. Perennial drying of Brimsu Dam (the source of water supply), power outages, the old infrastructure system, distributing water to the various destinations, and irregular payment of water bills remain some of the challenges confronting water supply in the city.

Electricity coverage in the city is estimated to be over 90% (Ghana Statistical Service, 2014). A few peri-urban and rural communities do not have access to electricity. Electricity supply to Cape Coast Metropolitan Area remains the sole responsibility of the Electricity Company of Ghana with little or no influence of the Metropolitan Assembly on service provision. The city experiences intermittent power fluctuations because of increasing demand, partly emanating from the new developing/sprawling areas. The other sources of power for lighting in the city as of 2010 were kerosene, at 5.8%, and torch/flashlights, at 1.8% (Ghana Statistical Service, 2013b).

#### 7.3.6.2 Waste Management (Liquid and Solid Waste Management)

The most notable method of solid waste disposal in the city as of 2010 was public dumpsite containers, popularly called ‘skip bins’, 56.7% of the populace disposed of their waste using this method (Ghana Statistical Service, 2013b). The urban-rural split for this method was 67.1% and 25%, respectively. Skip bins are usually full and spill over to their immediate environments because private waste companies contracted to collect them usually delay undertaking their responsibility. A little over a fifth (21.9%) of residents disposed of their solid waste at an open dumpsite. These sites are just concrete, open space/ground, or compacted slabs, and are not professionally managed. The garbage is usually burned, causing lots of local air pollution and a nuisance to their immediate neighbourhoods. The least used method was house-to-house collection by waste trucks, which accounted for only 5.5% (Ghana Statistical Service, 2014).
The dominant means of disposing of liquid waste in Cape Coast is by throwing these wastes into gutters (36.0% of households): 25.6% dispose of their liquid waste through a drainage system into gutters, while 18% throw their liquid waste onto their compounds. Throwing liquid waste on the street/outside, disposal via sewerage systems, via drainage systems into a soakaway or pits, and other methods, are 12.2%, 3.5%, 3.0%, and 1.8%, respectively (Ghana Statistical Service, 2013b).

The leading toilet facility used in Cape Coast is public toilets, creating many public health issues. Usage of this type of facility is the same in both urban and rural areas. The second largest is water closets, used by 38.4% of urban residents and 22.3% of rural residents. The most environmentally problematic issue is open defecation, which occurs in bushes and at the beach.

The management of faecal sludge is a significant problem in the city because private companies engaged in these activities dispose of this waste in un-engineered landfill sites and other unauthorised places. Liquid waste management remains poor because storm drains and gutters are usually abysmally managed and often choked with solid waste. This contributes to localised flooding in some parts of the city.

7.3.7 The Economy of Cape Coast

7.3.7.1 Employment Structure

Table 7.11 provides an estimated breakdown of the industry-sector employment structure for Ghana, Accra, and Cape Coast. Location quotients are shown comparing Cape Coast with the Ghana and Accra Region employment structure. Cape Coast City’s economic structure is dominated by the services sector (especially education, accommodation and food services, and health and social work activities), which employed nearly three-quarters (73.20%) of the workforce (2010 Ghana Statistical Service, 2013a).
The Dynamics of Systems of Secondary Cities in Africa

7. CAPE COAST: GHANA

TABLE 7.11 | Employment Structure of Cape Coast’s Economy, 2010

<table>
<thead>
<tr>
<th>Sector</th>
<th>Ghana %</th>
<th>Total</th>
<th>Accra %</th>
<th>Cape Coast %</th>
<th>Cape Coast %</th>
<th>LQ Cape Coast</th>
<th>LQ Accra</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, and fishing</td>
<td>39.9</td>
<td>4,139,098</td>
<td>5.3</td>
<td>4886</td>
<td>7.7</td>
<td>0.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>1.1</td>
<td>114,110</td>
<td>0.4</td>
<td>156</td>
<td>0.2</td>
<td>0.2</td>
<td>0.5</td>
</tr>
<tr>
<td>Oil and Petroleum</td>
<td>0.2</td>
<td>20,747</td>
<td>0.1</td>
<td>52</td>
<td>0.1</td>
<td>0.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>9.9</td>
<td>1,026,994</td>
<td>14.7</td>
<td>8367</td>
<td>13.1</td>
<td>1.3</td>
<td>0.9</td>
</tr>
<tr>
<td>Electricity and gas</td>
<td>0.2</td>
<td>20,747</td>
<td>0.3</td>
<td>263</td>
<td>0.4</td>
<td>2.1</td>
<td>1.4</td>
</tr>
<tr>
<td>Water supply; sewerage waste management</td>
<td>0.3</td>
<td>31,121</td>
<td>0.4</td>
<td>306</td>
<td>0.5</td>
<td>1.6</td>
<td>1.2</td>
</tr>
<tr>
<td>Construction</td>
<td>4.3</td>
<td>446,068</td>
<td>5.7</td>
<td>3441</td>
<td>5.4</td>
<td>1.3</td>
<td>0.9</td>
</tr>
<tr>
<td>Wholesale and retail motor vehicles</td>
<td>17.6</td>
<td>1,825,767</td>
<td>31.6</td>
<td>16182</td>
<td>25.3</td>
<td>1.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>5</td>
<td>518,684</td>
<td>6.3</td>
<td>2491</td>
<td>3.9</td>
<td>0.8</td>
<td>0.6</td>
</tr>
<tr>
<td>Accommodation and food service activities</td>
<td>4.3</td>
<td>446,068</td>
<td>9</td>
<td>6521</td>
<td>10.2</td>
<td>2.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Information and communication</td>
<td>0.5</td>
<td>51,868</td>
<td>1.3</td>
<td>555</td>
<td>0.9</td>
<td>1.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>0.8</td>
<td>82,989</td>
<td>1.8</td>
<td>759</td>
<td>1.2</td>
<td>1.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>0.1</td>
<td>10,374</td>
<td>0.2</td>
<td>13</td>
<td>0.0</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>1.1</td>
<td>114,110</td>
<td>1.9</td>
<td>1157</td>
<td>1.8</td>
<td>1.6</td>
<td>1</td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>0.9</td>
<td>93,363</td>
<td>1.5</td>
<td>819</td>
<td>1.3</td>
<td>1.4</td>
<td>0.9</td>
</tr>
<tr>
<td>Public administration, defence; social security</td>
<td>2.3</td>
<td>238,595</td>
<td>3.1</td>
<td>2051</td>
<td>3.2</td>
<td>1.4</td>
<td>1</td>
</tr>
<tr>
<td>Education</td>
<td>4.8</td>
<td>497,937</td>
<td>4.2</td>
<td>8751</td>
<td>13.7</td>
<td>2.9</td>
<td>3.3</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>1.5</td>
<td>155,605</td>
<td>1.8</td>
<td>2052</td>
<td>3.2</td>
<td>2.1</td>
<td>1.8</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>0.7</td>
<td>72,616</td>
<td>1.3</td>
<td>749</td>
<td>1.2</td>
<td>1.7</td>
<td>0.9</td>
</tr>
<tr>
<td>Other service activities</td>
<td>3.9</td>
<td>404,573</td>
<td>7.7</td>
<td>3792</td>
<td>5.9</td>
<td>1.5</td>
<td>0.8</td>
</tr>
<tr>
<td>Undifferentiated goods - and services</td>
<td>0.6</td>
<td>62,242</td>
<td>1.4</td>
<td>492</td>
<td>0.8</td>
<td>1.4</td>
<td>0.6</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>10,373,678</td>
<td>100</td>
<td>63852</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>


The Ghana Living Standard Survey 7 (Ghana Statistical Service, 2018) shows that, on average, urban areas have 32.4% of their working labour force engaged in wholesale and retail sub-sector, which substantiates this rapidly expanding sub-sector claim. The change of residential housing use to commercial shops in the city's core areas provides enough evidence for the booming wholesale and retail sub-sector.

The second-largest service sector sub-category that employed most people is education, which engaged more than a tenth of the city's labour force. This is attributable, partially, to the presence of the University of Cape Coast, then-Cape Coast Polytechnic (now Cape Coast Technical University), and numerous senior high schools such as Mfantsipim School, Wesley Girls' Senior High School, Holy Child High School, Adisadel College and St. Augustine's College, among other private and technical schools.

Education is one of the main economic activities driving population growth and the physical expansion of the city. The University of Cape Coast, Cape Coast Technical University, Mfantsiman Institute of Technology, and Cape Coast Nursing and Midwifery Training College create a growing demand for hostel accommodation and ancillary services. These institutions are located in the Pedu, Apewosika, Abura and Amamoma residential areas close to the university.
The food and accommodation sector, which is strongly linked to tourism and weekend visitors, comprises 10.21% of the workforce. Since the census, this sector has expanded, but it contracted significantly in 2020 due to the COVID-19 global pandemic. Several middle- to high-end hotels have been constructed in recent years, including the Pempamsie and Ridge Royal hotels, which significantly improved room space capacity at the higher end of the market. The city still lacks good quality 3- and 4-star capacity accommodations, for which there is a robust domestic market for the growing Ghanian middle class.

Of great importance to the Cape Coast tourism industry are its cultural heritage and historic buildings. Cape Coast Castle is a European-built fortress initially constructed in 1652. Its associated adjacent old port served as a trading post for European nations and was the British colonial administration headquarters for Gold Coast. It is a dark remnant of Ghana’s past. The city has many wonderful classical houses, office buildings and religious buildings (Agyei-Mensah & Ardayfio-Schandorf, 2007), but many are in a state of disrepair.

But Cape Coast is also known for its cultural events such as the Fetu Afahye festival, like all other major cultural events in Ghana, which brings music and dance performances and a procession of chefs that add to the city’s tourism industry. Cultural tourism can help significantly to diversify the city’s tourism base, along with ecological and educational tourism.

A significant proportion of the workforce in Cape Coast was once part of the agriculture and fishing sector. It engaged 7.65% of the active labour force in 2010. The industry is in decline due to increasing agricultural land losses and dwindling fish stocks. This population sector is among the least educated and most impoverished income groups in the city, as income is neither regular nor growing. A significant challenge for the city is developing education levels and skills within this workforce so that they may instead find employment in the trade, construction, health or tourism sectors.

The city’s industrial base is dominated by the manufacturing (13.10%) and construction sub-sectors (5.39%). Mining and quarrying are not big industries. The city’s main industrial centre is located along the West African highway (Armin Shangri soap manufacturing area). A proposed industrial site is planned to be developed at Esuakyir, where all artisanal workers will be located. A significant disadvantage for Cape Coast is that it is not a port city and relies on the port of Tema, 40 km east of Accra, for supplies and exports.

High congestion levels along the coastal highway and within the Accra metropolitan region mean high transaction costs, especially transport. The development potential of the city for attracting heavier manufacturing industries is poor. However, the city has the potential to develop small- and medium-scale more advanced manufacturing. To do this, it will need to concentrate on local niche value-adding industries that involve tourism and accommodation, services to government, the construction industry and agriculture-based processing.
The city’s main commercial hub is the commercial business district (CBD), where most banks and commercial office businesses are concentrated. The largest market is Kotokuraba Market (Asante, 2020), the largest and most heavily concentrated employment centre, which is undergoing extensive redevelopment. The second largest is Abura Market, north of the Accra-Takoradi Highway (West African Highway).

The CBD of the city has become very rundown. Many of its once-proud buildings need restoration. Much of the city’s basic infrastructure, especially WASH, requires significant repairs, improvements, or replacement. Roads have become severely damaged and encroached upon by illegal development. Given the city’s World Heritage status, it requires substantial investment in essential services and building restoration to stand with other World Heritage sites such as Luang Prabang (Leong et al., 2016), in Laos.

7.3.7.2 GDP and Competitiveness of the Economy

Table 7.12 shows an estimate of GDP by sector for the Cape Coast economy in 2018. The total GDP for the city's economy in 2018 was estimated at US$426 million. This estimate is likely to be higher, as much of the peri-urban population commutes to the city for work and shopping and spends money there rather than where they live. The estimated GDP per capita was $2,500 compared to $2,214 nationally. Agriculture contributed to less than 3.6% of the Cape Coast economy compared to 19.7% of the national economy. The manufacturing sector contributed to 26.3% of the city's GDP compared to 31.5% nationwide. Services contributed to 65% of the city's GDP compared to 43% nationally. The resources sector contributed to less than 5% of the city's GDP. The GDP data show the economy is becoming increasingly service sector-oriented. Growth is expected in the education, health and tourism sectors, with a decline in manufacturing as the economy's primary sector over the next decade.

A study conducted in 2019 by Cities Alliance assessed the competitiveness drivers for the Cape Coast economy. The assessment applied a tool for the rapid evaluation of city competitiveness developed by the Asian Development Bank (Choe & Roberts, 2011). The tool measures 6 primary and 32 sub drivers of economic competitiveness (or performance) derived from 58 indicators. (Table 7.13). The indicators have importance or influence upon the overall competitiveness of each city’s economy. The indicators consist of a mix of qualitative and quantitative indicators grouped into sets and subsets of drivers.

Table 7.13 shows the list of drivers and sub drivers and the number of indicators used for each. There are two sets of performance indicators measured by competitiveness. The first (2nd column) assesses the current level of competitiveness of driver performance for each indicator. The second (3rd column) measures the future or desired or aspirational target performance level set for the indicator by 2025. The difference between the current and target performance levels provides a measure of the competitiveness gap (4th column) in capacity needed to improve the performance of an indicator in contributing to the development of a city’s economy.

The target date of 2025 is an aspirational timeline set to improve the performance of indicators. A target of ‘4’ (see explanation of scoring system below) is equivalent to the achievement of national best practice performance; however, this may not be achievable for all indicators. For example, suppose Cape Coast is to improve the competitiveness of its tourism sector over the next decade. In that case, performance indicators must exceed the level of national competitiveness.
The current, target, and gaps in competitiveness or performance are shown in columns 2.4 of Table 7.12. Each indicator is assessed using a nominal (Likert) scaling system ranging from 0 to 5 (see Box 7.1). In some cases, 0.5 intervals have been used in scoring indicators to refine the data.

**BOX 7.1 | Scoring system**

- 5 = global best practice, with Singapore providing a general benchmark as a best practice guide.
- 4 = reflects national or regional best practice.
- 3 = national average.
- 2 = below the national average.
- 1 or below represents serious problems or issues associated with the performance of the indicator.
- 0 = not relevant or measurable.

---

### TABLE 7.12 | Breakdown of GDP and Employment by Sector Cape Coast Economy 2018(12)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Ghana % GDP</th>
<th>Ghana GDP $ (m)</th>
<th>Ghana % Employment</th>
<th>Ghana % GDP Est. GDP $m</th>
<th>Cape Coast</th>
<th>% GDP</th>
<th>GDP $ (m)</th>
<th>% Employment</th>
<th>% GDP Est. GDP $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, and fishing</td>
<td>19.7%</td>
<td>12,915</td>
<td>7.7</td>
<td>3.6%</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>13.6%</td>
<td>8,916</td>
<td>0.2</td>
<td>2.9%</td>
<td>12</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oil and Petroleum</td>
<td>3.8%</td>
<td>2491</td>
<td>0.1</td>
<td>1.5%</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>11.3%</td>
<td>7,408</td>
<td>13.1</td>
<td>14.2%</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity and gas</td>
<td>1.5%</td>
<td>983</td>
<td>0.4</td>
<td>2.9%</td>
<td>12</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water supply; sewage waste management</td>
<td>0.5%</td>
<td>328</td>
<td>0.5</td>
<td>0.8%</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>7.1%</td>
<td>4,654</td>
<td>5.4</td>
<td>8.4%</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale and retail; repair of motor vehicles</td>
<td>15.2%</td>
<td>9,965</td>
<td>25.3</td>
<td>20.7%</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>7.5%</td>
<td>4,917</td>
<td>3.9</td>
<td>5.5%</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation and food service activities</td>
<td>3.8%</td>
<td>2,491</td>
<td>10.2</td>
<td>8.6%</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information and communication</td>
<td>2.4%</td>
<td>1,573</td>
<td>0.9</td>
<td>4.0%</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>4.2%</td>
<td>2,753</td>
<td>1.2</td>
<td>5.9%</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real estate activities</td>
<td>2.2%</td>
<td>1,442</td>
<td>0.0</td>
<td>0.4%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>0.9%</td>
<td>590</td>
<td>1.8</td>
<td>1.4%</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>0.6%</td>
<td>393</td>
<td>1.3</td>
<td>0.8%</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public administration and defence; social security</td>
<td>3.3%</td>
<td>2,163</td>
<td>3.2</td>
<td>4.4%</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>3.2%</td>
<td>2,098</td>
<td>13.7</td>
<td>8.7%</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>2.1%</td>
<td>1,377</td>
<td>3.2</td>
<td>4.3%</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>0.1%</td>
<td>66</td>
<td>1.2</td>
<td>0.2%</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other service activities</td>
<td>0.6%</td>
<td>394</td>
<td>5.9</td>
<td>0.9%</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undifferentiated goods - and services</td>
<td>0.1%</td>
<td>66</td>
<td>0.8</td>
<td>0.1%</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>$65,556</td>
<td>100.0%</td>
<td>100.0%</td>
<td>$426</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Derived using Location Quotients of GSS Employment, Income, GDP, and World Bank sector data.
Qualitative scores are derived in several ways: using an expert panel assessment and averaging the scores (ii) the consultant team members assessment; information sources derived from public information and publications. Scores from the above assessment are rounded to 0.5.

Table 7.13 shows the current, targeted (2025) and gap analysis for drivers of competitiveness for the Cape Coast Economy. Information and communications technology services rank as weak (1.5) and require significant improvement to support the commerce, tourism, government, and education services industries. Improvements to the operations maintenance of infrastructure are crucial, especially essential WASH services and improved roads. Geographic information system mapping and inventory for all infrastructure and public assets are needed to enhance asset management and maintenance to improve urban services.

Land and property markets are inefficient, with significant improvements in transparency and a proper formal and customary land and local property tax registration system needed. A much greater focus is required on technology, innovation in business and government, and more effective promotion and targeting of business and investment opportunities. Many of these weaknesses for divers of competitiveness can be addressed to lift the city economy’s development and performance over the next 10 years.

**TABLE 7.13 | Drivers of competitiveness for Cape Coast economy**

<table>
<thead>
<tr>
<th>Drivers of Competitiveness</th>
<th>2018 Driver Performance of Indicator</th>
<th>Future Targeted Performance of Indicator 2025</th>
<th>Gap in Capacity</th>
<th>% Improvement in Driver Performance need to Meet Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. COST OF DOING BUSINESS</strong></td>
<td>3.1</td>
<td>4</td>
<td>0.90</td>
<td>23</td>
</tr>
<tr>
<td>1. Business Taxes and Charges</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>2. Business Regulation Procedures</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>3. Informal Fees</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>4. Utilities (Water and Electricity costs)</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>5. Labour costs</td>
<td>3.5</td>
<td>4</td>
<td>0.50</td>
<td>13</td>
</tr>
<tr>
<td><strong>B. DYNAMICS OF LOCAL ECONOMY</strong></td>
<td>2.8</td>
<td>4</td>
<td>1.25</td>
<td>31</td>
</tr>
<tr>
<td>1. Business Growth and Performance</td>
<td>2.8</td>
<td>4</td>
<td>1.25</td>
<td>31</td>
</tr>
<tr>
<td>2. Access to Finance</td>
<td>3.1</td>
<td>4</td>
<td>0.90</td>
<td>23</td>
</tr>
<tr>
<td>3. Business Dynamics</td>
<td>2.7</td>
<td>4</td>
<td>1.33</td>
<td>33</td>
</tr>
<tr>
<td>4. Land and Property Markets</td>
<td>2.0</td>
<td>4</td>
<td>2.00</td>
<td>50</td>
</tr>
<tr>
<td>5. Technology and Innovation</td>
<td>2.0</td>
<td>4</td>
<td>2.00</td>
<td>50</td>
</tr>
<tr>
<td><strong>C. HUMAN RESOURCES AND TRAINING</strong></td>
<td>3.1</td>
<td>4</td>
<td>0.92</td>
<td>23</td>
</tr>
<tr>
<td>1. Workforce Skill base</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>2. Available Manpower</td>
<td>3.5</td>
<td>4</td>
<td>0.50</td>
<td>13</td>
</tr>
<tr>
<td>3. Skills-enhancement programs</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>4. Research and Development/ Knowledge Systems</td>
<td>3.5</td>
<td>4</td>
<td>0.50</td>
<td>13</td>
</tr>
<tr>
<td>5. Education Facilities and Services</td>
<td>4.0</td>
<td>4</td>
<td>0.00</td>
<td>0</td>
</tr>
<tr>
<td><strong>D. INFRASTRUCTURE</strong></td>
<td>2.4</td>
<td>4</td>
<td>1.64</td>
<td>41</td>
</tr>
<tr>
<td>1. Transportation</td>
<td>2.4</td>
<td>4</td>
<td>1.63</td>
<td>41</td>
</tr>
<tr>
<td>2. Urban Infrastructure Services</td>
<td>3.3</td>
<td>4</td>
<td>0.75</td>
<td>19</td>
</tr>
<tr>
<td>3. ICT Services</td>
<td>1.5</td>
<td>4</td>
<td>2.50</td>
<td>63</td>
</tr>
<tr>
<td>4. Waste Management</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>5. Operations Maintenance of Infrastructure</td>
<td>2.0</td>
<td>4</td>
<td>2.00</td>
<td>50</td>
</tr>
</tbody>
</table>
### FIGURE 7.12 | Graph Showing Drivers of Competitiveness Assessment of Cape Coast economy

Source: Competitiveness Survey Cape Coast, Local Economic Acceleration Programme, Ghana, Cities Alliance (2019).

<table>
<thead>
<tr>
<th>Drivers of Competitiveness</th>
<th>2018 Driver Performance of Indicator</th>
<th>Future Targeted Performance of Indicator 2025</th>
<th>Gap in Capacity</th>
<th>% Improvement in Driver Performance need to Meet Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>E. RESPONSIVENESS OF GOVERNMENT TO BUSINESS NEEDS</td>
<td>2.6</td>
<td>4</td>
<td>1.44</td>
<td>36</td>
</tr>
<tr>
<td>1. City Government Regulation, Plans and Policies</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>2. Investment Promotion</td>
<td>2.0</td>
<td>4</td>
<td>2.00</td>
<td>50</td>
</tr>
<tr>
<td>3. Effectiveness of LGUs in its dealings with business</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>4. Legislative Reforms</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>5. City Political Leadership</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>6. City Administration Planning and Management</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>F. QUALITY OF LIFE</td>
<td>2.9</td>
<td>4</td>
<td>1.07</td>
<td>27</td>
</tr>
<tr>
<td>1. Public Amenities</td>
<td>3.0</td>
<td>4</td>
<td>1.00</td>
<td>25</td>
</tr>
<tr>
<td>2. Environment Sustainability</td>
<td>2.8</td>
<td>4</td>
<td>1.17</td>
<td>29</td>
</tr>
<tr>
<td>3. Housing</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
<tr>
<td>4. Peace and Security</td>
<td>2.8</td>
<td>4</td>
<td>1.25</td>
<td>31</td>
</tr>
<tr>
<td>5. Public Health</td>
<td>3.3</td>
<td>4</td>
<td>0.67</td>
<td>17</td>
</tr>
<tr>
<td>6. Civic Pride</td>
<td>2.5</td>
<td>4</td>
<td>1.50</td>
<td>38</td>
</tr>
</tbody>
</table>

OVERALL INDEX SCORE | 2.76 | 4 | 1.24 | 31 |

Source: Competitiveness Survey Cape Coast, Local Economic Acceleration Programme, Ghana, Cities Alliance (2019).
7.3.8 Environmental Challenges facing Cape Coast

Like most other secondary cities in Ghana, Cape Coast faces significant environmental challenges affecting its development and management. These have adverse economic and public health impacts affecting Cape Coast’s attractiveness as a place in which to visit and invest.

7.3.8.1 Uncontrolled Urban Sprawl

The rapid expansion of settlements resulting from poorly constructed single-storey buildings and weak urban development control systems has resulted in a high loss of forest cover and agricultural land within and outside the city. Urban development is having a significant negative impact on important environmental and tourism assets. National assets, such as Kakum National Park, a major tourist site in the city, are under significant threat of urban encroachment and other illegal development activities.

7.3.8.2 Coastal Erosion

Coastal erosion is becoming a significant emerging threat to livelihoods and infrastructure in Cape Coast (See Photo 7.2). A study on coastal erosion covering the Elmina, Cape Coast, and Moree shoreline (Jonah, 2015), indicates that coastal erosion occurs rapidly in the city, posing a significant threat to residential structures in Gegeano, a suburb of Cape Coast.

Other areas of the coastline are experiencing rapid coastal erosion and damage from vegetation clearing and mining activities. About 285,376 m$^3$ of beach sand is mined annually by commercial sand miners in Cape Coast (Jonah, 2014), impacting coastal hydrology. The adverse effect of sand mining construction material is not just a problem for Cape Coast. Most Ghanaian secondary cities are experiencing severe seaside or river erosion problems because of excessive sand and gravel extraction, which is unmanaged and illegal.
7.3.8.3 Degradation of the mangrove and Fosu Lagoon

The Kakum River estuary west of the city has extensive mangrove areas that are infringed upon, cleared, and filled to construct hostels for student accommodation as well as a cemetery. The Fosu Lagoon, a significant estuarine and bird habitat, has been highly polluted by the spill of oil liquid waste from auto repair and illegally constructed piggeries close to the lagoon (Eparque Urban Strategies, 2019). These problems are common to all secondary cities in Ghana. There has been a limited willingness of central and local government agencies to enforce environmental regulations and a lack of public funds to protect and restore important coastal and riverine habitats.

7.3.8.4 Flooding

Flooding is a significant concern for Cape Coast, particularly in the southern part of the city. Figure 7.13 shows low-lying areas that regularly flood in the residential areas of Amamoma, Adisadel, North Ola and Ameen Shangai areas (Nyabor, June 21, 2018 Citi Newsroom.) Like other secondary cities in Ghana, there are significant problems with the maintenance of drains and floodways and a lack of pride and responsibility in maintaining drainage channels and waterways.

Teaching the community to be more personally responsible for disposing of rubbish and other wastes and ensuring the local government budget has sufficient funds to build transfer stations and provide good waste management services has been a significant failure of urban management in Cape Coast. It is beyond the city government’s capabilities and resources to provide all the services necessary to create a clean city. More community catchment plans and partnership arrangements are needed to ensure that drains and floodways are regularly cleaned and maintained. The local government should resource these partnerships if flooding problems are to be reduced in future.

**FIGURE 7.13 | Flood risk areas in Cape Coast City**

7.3.8.5 Poor Waste Management in the City

Waste management in Cape Coast is poor. With an estimated waste generation rate of 165 tonnes per day, the Cape Coast Metropolis generated about 60,225 tonnes of solid waste in 2014 (CCMA 2015). Private companies try, as much as possible, to deliver on their contract requirements. Still, parts of the city are not accessible by motor vehicles, making it almost impossible to collect domestic waste. Private waste management companies’ capacity is less than the city’s waste and an engineered landfill site.

A growing management problem is increasing contaminants, especially plastics and toxic substances, in the city’s waste stream. Little attempt is made by residents or businesses to separate domestic waste (Gyimah et al., 2019), and efforts in recycling and recovery by the local government have failed. There is an insufficient volume in the waste stream for the viable recycling of plastics, metals and paper. Recycling needs to be better organised and privatised, with incentives to encourage recycling support in the community.

7.4 Priority Interventions for the Development of CAPE Coast

Cape Coast faces many development and urban management challenges; however, many can be turned into opportunities if given priority and addressed. Weak and corrupt management within the municipality has, over many years, stripped Cape Coast of its capacity to enforce good governance practices that are essential to developing prosperous local economies and the efficient delivery of public and community services. Cape Coast has come to rely on central government grants and transfers and international development assistance to develop and maintain essential services. These revenues are not enough to support the growth and management of the city.

The city must become more self-reliant, self-sufficient, and efficient in generating revenues from local taxes, development and infrastructure charges, and income from the sale of public services. It should also become more innovative in leveraging resources and public assets to create wealth with spinoff benefits for residents, businesses, institutions, and investors in the city.

7.4.1 Key Interventions

Three critical areas of intervention are necessary to improve the city’s management, planning, and development to make Cape Coast a more sustainable, liveable, and prosperous place to live and invest.

7.4.1.1 Municipal Financing System

Revenue mobilisation and management remain a challenge in Cape Coast. The over-reliance on intergovernmental transfer (District Assembly Common Fund) (which has been decreasing in recent years) and low internal revenue mobilisation and management make it almost impossible for the city to undertake capital investments in infrastructure and service delivery to support the development of the economy and community. The collected property taxes are below what should be possible to collect, and a system for land value capture is not operating. Cape Coast Municipal Assembly lacks a proper property tax collection system. This is due to out-of-date property records, out-of-date valuation of properties and poor record-keeping.

Given the rapid rise in Cape Coast land prices, action is needed to make taxation a vital source of internally generated funds for the assembly. Because of poor valuation and record-keeping practices, there are no effective land value capture mechanisms to capture some of the excessive land value increases in the assembly (Eparque Urban Strategies, 2019). Lastly, the Local Governance Act (Act 936, 2016) does not provide the assembly with the opportunity to borrow from the private market beyond the threshold of US $2,200, coupled with the poor financial status of the assembly.
These municipal finance challenges can be overcome, provided local governments are willing to reform and adopt modern municipal sector financial management practices. A functional municipal financing system for Cape Coast can be developed and administered effectively. Its municipal finance regime can be improved with a stronger emphasis on internally generated revenue. Measure that could help improve the financial status of the assembly to undertake transformative projects include strategies to implement land value capture that works with the local setting, engaging faith-based organisations (FBOs) to come together to fund specific projects, and updating the data for property rates using national service personnel and interns with oversight responsibility of the assembly and the Valuation Division of the Lands Commission.

7.4.1.2 Urban Planning and Management

The urban planning and management system in Cape Coast remains very weak. The planning system is prone to profiteering, and there has been an unwillingness for many years to enforce development control and building byelaws. The lack of various spatial plans, such as a structure plan to provide the vision and direction for the city's physical management, remains a problem. It contributes to the uncertainty over the urbanisation process being experienced. The city needs a well‑resource and staffed planning office with a financial commitment to facilitate spatial plans and development control enforcement. There must be a political willingness to commit to good urban planning and management, but this also calls for adopting a more inclusive and engaging approach to working with communities, businesses and institutions to develop workable and enforceable plans, with a role for the community to oversee their implementation. Two crucial areas of urban planning and management reform are:

- **Integrated Planning**: The Metropolitan Assembly lacks an integrated urban planning system that provides unity of purpose and drives the city's long-term development. The medium-term development plans prepared by the assembly only cover four years. The actions and strategies involved in the medium-term plan are not strategic and transformational enough to provide innovative, radical, and progressive development efforts. For instance, long-term developmental projects/programmes such as urban regeneration projects to revitalise the city's inner core are mostly missing.

- **Institutional Collaboration**: Moreover, the various departments and units of the assembly's plans are implemented in silos without strong participation and collaboration from other departments and units. Cross-sectoral integration, spatial integration, multilevel integration, and multi-stakeholder integration are mostly missing (Gonzalez et al., 2018). Despite these challenges, Cape Coast has significant opportunities that can be harnessed for its sustainable development.

7.4.1.3 Development Strategies

Strategies that can lead to sustainable and equitable economic growth include:

1. Develop an effective and participatory urban management system and plans for the city. The CCMA and the national government need to develop a more efficient and participatory urban planning and management system to manage the city effectively. The assembly has to prepare spatial plans, employ more spatial planners, and implement an effective development control mechanism involving the citizenry and implement permitting regimes that incentivise multi-storey residential or mixed-use apartments. Citizens must be continuously engaged in all these processes and made to understand the plans and strategies. Placing local plans in the communities and engaging the citizens can teach them to police their communities and prevent unauthorised physical developments in their neighbourhoods.

2. Develop a comprehensive plan for tourism development. The city has many historical sites, natural tourist attractions and well-known festivals to attract more tourists to create more jobs and revenue. Unfortunately, the tourism sector seems not well organised to harness opportunities in the industry. A comprehensive plan for the industry and linkages to the education sector can create many jobs. Moreover, other strategies such as developing proper sidewalks in Cape Coast with a Green Infrastructure network, creating theme parks, and more, can help boost the city's tourism sector. The sanitation issue, which remains a significant roadblock to the city retaining tourists, will have to be addressed quickly.
3. Undertake an inclusive urban regeneration programme. The city’s southern core and the nature of housing stock in this area require a massive but inclusive and participatory urban regeneration programme to revive the city. This can be done by collaborative efforts of the assembly, landowners/landlords, traditional authorities, real estate developers, State Housing Company Ltd., FBOs, the citizenry and other relevant actors. A medium to long-term urban regeneration programme can be developed, with the assembly leading the process. This participatory engagement can lead to good quality housing stock with much improved built-up densities and amenity levels. A face-lift can improve the tourism sector in the long term and help solve its housing problem.

7.5 Enhancing Secondary Cities Development in GHANA

The central and local governments can begin addressing the challenges facing the development of secondary cities in Ghana by adopting a more systematic, collaborative, and multi-pronged approach to urban management and sustainable development. Strategies that could be adopted at the national and city level include:

7.5.1 Promote Endogenous Employment and Economic Growth

Local government authorities of secondary cities, Regional Coordinating Councils, the Ministry of Local Government and Rural Development and other relevant actors need to ensure that local economic plans focus on a more endogenous development approach. Inland secondary or coastal secondary cities without good quality access to ports will continue to face economies of scale and high transaction costs. Prospects for export-orientated trade development will be limited to a few niche industries involving mining, agriculture, and tourism. With the world having reached peak trade, greater prospects of decoupling in developed economies and countries such as China seeking to adopt endogenous growth and boost domestic consumption and production, Ghana’s secondary cities have little choice but to look at increased localisation of production of many goods and services, as countries like Rwanda are doing.

In developing local economic development plans, secondary cities will need to create decent jobs, specialised and niche industries, and value-adding processing and services. These plans must focus intensely on small and medium-sized enterprise manufacturing sector jobs and other high-income earning jobs in the medium to long term to reduce the ever-increasing low-income informal service sector jobs that characterise most secondary cities in Ghana.

A regional analysis of the economic roles secondary cities can play, with linkages into regional or global value chains, should be appropriately considered in developing and implementing policies, plans, and strategies to promote employment in secondary cities. This will help reduce the consumption and unproductive secondary cities. Strategies strongly linked to skills development in emerging sectors like computing could also be considered medium-term towards the structural transformation of secondary cities’ economies. Lastly, economic development policies that seek to limit investments into the national capital area (Greater Accra Metropolitan Area) to the detriment of these secondary cities should be reconsidered in favour of more equitable and balanced development nationwide.

7.5.2 Promote the Development of Circular Economies

Adopting policies leading to a more circular economy is necessary to improve Ghanaian secondary cities’ sustainability. Ghanaian secondary cities are poor at waste recovery, recycling, and reprocessing. One notable exception is the collection of metal scrap for recycling. Efforts need to be made to scale up recycling, but this requires creating incentives and markets for waste products. Some companies collect plastic waste and recycle it into other reusable products, but support by the local government involving collaboration and programmes to scale up these activities in secondary cities is needed. One way of achieving scale for recycling is using regional secondary cities and forming partnerships with surrounding local governments to construct transfer station facilities in all smaller urban agglomerations. This would help create sufficient critical mass for some materials, such as plastics and paper, to set up viable recycling and reprocessing industries.
7.5.3 Develop a network of Corridor and Clusters

The development of the corridor and regional cluster networks of industry and cities engaged in collaboration to support value-adding and information exchange will enhance the overall sustainable urban development of local economies in the country (Figure 7.14). The National Spatial Development Framework of Ghana (2015–2035), which undertook a detailed analysis of the urbanisation trends and the various evolution of settlement size classes, set out a proposal for urban networks development.

**FIGURE 7.14 | Secondary cities based on development corridors and regional clusters**

A key focus of the initiative is the provision of infrastructure and transportation networks within these clusters to help increase yield economies of scale, provide the population threshold needed for the provision of certain types of infrastructure, and deliver all the requisite higher services that cannot be provided when the secondary cities or settlements are developed. The concept is based on balanced polycentric development to ensure equitable and balanced growth within the networks.

Moreover, the secondary cities/settlements cluster can be a more pragmatic approach to achieving a more balanced population distribution. Lastly, the secondary cities proved to be more resilient during the COVID-19 lockdown period than were Greater Accra and Greater Kumasi Metropolitan Areas.

### 7.5.4 Enhancing Connectivity of Secondary Cities and their Hinterlands

The national government has been developing a good transportation network throughout the country. The Ghanaian government named 2020 as the ‘year of roads’. Because of the COVID-19 pandemic, this initiative continued for 2021. Much of the effort has gone into the improvement of the national highway network. Efforts to revamp the railway sector are underway in secondary cities like Sekondi-Takoradi, which is now incorporated into the national railway network.

A significant gap in the road program is the development of the inter-secondary city network. This calls for the development of a regular network system of subregional connecting roads and air services. This needs to be coupled with a focus on developing good transportation networks, developing regional roads to link the secondary cities and their rural hinterlands and enhancing connections to metropolitan regions.

Building improved subnational connections within the national road network will help promote the quicker transfer of goods and services, trade, and passenger movement between secondary cities’ systems. The development of broadband and 5G telecommunication services must become a high priority for the government to support secondary cities’ development. This is a strategy that has been used successfully to support secondary city development in Rwanda (THINKING BIG – Broadband for Development in Rwanda, 2014).

### 7.5.5 Establish an Effective Participatory Urban Management System

Urban management remains problematic, even after many years of support from the national government and international development agencies and banks. Secondary cities do not have the resources to manage urbanisation, and the willingness to reform has been slowed by strong focuses within the political economy. Until there is a genuine commitment to urban management change, the many problems and challenges facing secondary cities’ development will remain. This is not a problem unique to Ghana. Reform to local government urban management is a global problem.

Improved transparency and accentuality are fundamental to better urban management, planning, and budgeting in Ghana’s local government. More progressive practices, such as participatory budgeting, are critical as they encourage citizens’ trust and policing of development. Participatory engagement in spatial physical and economic plans, which are the blueprints that give vision and direction for managing secondary cities, are necessary, incorporating partnerships for co-implementation with government, business, and communities. Citizens should be continuously engaged in all these processes, understand the reasons behind the plans and strategies, and have some ownership during implementation. Placing greater responsibility for implementing local plans in the communities and engaging the citizens provides a strong rationale for communities to police them and prevent unauthorised physical developments from happening in their neighbourhoods.
7.5.6 Second Secondary Cities Support Programme

The current Secondary Cities Support Programme is being implemented in 25 municipal assemblies under the auspices of the Ministry of Local Government and Rural Development with funding from the World Bank. This programme has been a major step in recognising support for the development of secondary cities in Ghana. A second, more ambitious program is needed to support projects and programmes that encourage greater collaboration between secondary cities to address scale and soft infrastructure to improve connectivity and resource sharing. Initiatives include developing data and information sharing for asset and infrastructure planning and management, shared public enquiry call-centres and e-governance ICT platforms, and pooled use of skills and technologies.

7.6 A New Agenda REQUIRED For Secondary Cities in Ghana

Secondary cities have played a key role as centres of local government administration and providers of higher-level education and health services, trading, and markets to support Ghana's development. Unfortunately, they have been a neglected area of public economic and physical development policy and planning until recent years. As a result, the development of Ghana's regions and cities has become distorted and dominated by Accra and Kumasi's primacy. The continuation of this trend is a high risk to Ghana if either of these cities is struck by a catastrophic event that would have a crippling impact on the country's whole. The World Bank's support for the secondary cities program is essential in recognising the importance of developing a more robust and more diversified city system, especially secondary cities, in Ghana.

The case study of Cape Coast identifies situations common to the management and development of most secondary cities in Ghana. Establishing an effective participatory urban management system and preparing spatial plans for secondary cities must remain a significant government priority. Most secondary cities in Ghana have been developing without spatial plans (particularly structure plans) to guide their development. The general urban management system needs to be transformed into more participatory approaches to enhance citizen involvement in planning and development monitoring and control.

A new urban agenda is required for the development of secondary cities in Ghana. This agenda must consider the need for capacity building and improved local government revenue generation; find ways that the national system of cities can become better connected; and help secondary cities engage collaboratively in expanding inter-regional trade, value-adding and governance. This is crucial to support the development and growth of more robust regional domestic markets and use public resources more efficiently and effectively to deliver government services. These transformative measures are needed for Ghana to move forward towards more equitable economic growth and spatially balanced development.
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Subnational Human Development Index 2018 and International Wealth Index Map GlobalData Lab.


ENDNOTES

(1) In 2018, a number of regions were split creating new regions. This increased the number of administrative regions from 10 to 16. The Volta Region was split into Oti and Volta regions while the Western Region was split into the Western and Western North Regions. The Brong Ahafo Region was split into Ahafo, Bono and Bono East Regions. The Northern Region was divided into Northern, North-East and Savannah Regions.

(2) In 2018, a number of regions were split creating new regions. This increased the number of administrative regions from 10 to 16. The Volta Region was split into Oti and Volta regions while the Western Region was split into the Western and Western North Regions. The Brong Ahafo Region was split into Ahafo, Bono and Bono East Regions. The Northern Region was divided into Northern, North-East and Savannah Regions.

(3) In Ghana, the main local governance units are generally called Districts. However, based on population size, they are designated as Districts with a population of 75,000 or less, Municipality with a minimum population of 95,000 and a Metropolitan Area being the highest with a minimum population of 250,000 (see Government of Ghana, Local Governance Act of 2016).

(4) Available at http://www.ccma.gov.gh/documents

(5) Note that 2010–2018 is 2 years shorter than the 2000-2010 period, yet the gains made from 2010–2018 in terms of settlement expansion have been very substantial and exceed the 2000-2010 decadal period.

(6) The Ghana Statistical Service was due to conduct the Population and Housing Census for 2020, however, with the onset of COVID-19, this could not materialize, and hence, only older statistics are used here.

(7) Values are approximate based on the midpoint of rent ranges and prices are in GH₵ / month.

(8) The data were collected and analysed by the author from a real estate agent in Cape Coast for Eparque Urban Strategies as part of a consultancy service for Cities Alliance.

(9) According to the Regional Director of the Land Use and Spatial Planning Authority, who has been managing the Physical Planning Department of CCM, educational land use constitutes a substantial amount of the total land use in the city.

(10) This information was gathered through a field interview with a hotelier at Pempamsie hotel.

(11) This information was obtained from the Regional Director of LUSPA.

(12) Subnational data on Ghana’s GDP at a regional level is not publicly available. The estimates for GDP are derived from Ghana Census Employment Data 2010, Ghana Living Standards Data, and employment updates.

(13) The sources of funds to the CCMA are transfers, internally generated funds (IGFs), and donations and grants. Moreover, the District Assembly Common Fund (DACF) is also supposed to supplement these sources, but the framework is not working properly and budgetary allocation to planning bodies is inadequate.

(14) From 2006 to 2015, the funds transferred to the assembly have fluctuated considerably. While in earlier years, excess payments were made to the assembly, recent years have shown a drastic reduction in the receipts from the DACF compared to projections, which reached as low as 4% in 2014 (IEER 2017). In 2018, a number of regions were split creating new regions. This increased the number of administrative regions from 10 to 16. The Volta Region was split into Oti and Volta regions while the Western Region was split into the Western and Western North Regions. The Brong Ahafo Region was split into Ahafo, Bono and Bono East Regions. The Northern Region was divided into Northern, North-East and Savannah Regions.
The Dynamics of Systems of Secondary Cities in Africa

DIRE-DAWA: ETHIOPIA

SAMSON KASSAHUN
Ethiopia is one of the oldest continuing civilisations in Africa. Located in the Horn of Africa, it is surrounded by six countries: Eritrea, Djibouti, Somalia, Sudan, South Sudan, and Kenya. It occupies a total area of 1.1 million km². With over 110 million people, it has the second-highest population in Africa and is the most populated landlocked country globally. The population is highly diverse, both geographically and culturally, with over 80 different ethnic groups. It is also one of the least urbanised countries in Africa.

The Federal Democratic Republic of Ethiopia is a developing country with a GDP of US$107.6 billion (2019) and a per capita GDP of $936 (World Bank Database, 2021). It ranks 184 out of 213 countries in global GDP per capita. The country is composed of 10 national regional states: Tigray, Afar, Amhara, Oromia, Somali, Benishangul-Gumuz, Southern Nations, Nationalities and Peoples’ Region; (SNNPR), Gambella and Harari, and Sidama; and two administrative cities, Addis Ababa and Dire Dawa.

This chapter seeks to delve into the changes and opportunities for the development of secondary cities. It presents an overview of urbanisation in Ethiopia and conducts a case study investigation of the secondary city of Dire Dawa. The city has a population of 466,000 and is in the eastern part of the country on the Dechatu River and railway to Djibouti. It is the second-largest city in the country, after Addis Ababa, the national capital (Central Statistics Agency, 2013), with a university and industrial centre. It was selected as the case study for the chapter because many of the urban management challenges it faces are common to other secondary cities in Ethiopia. The learning outcomes presented at the end of the chapter provide a basis for suggested urban policy initiatives and reforms to support the country’s sustainable development and the management of its secondary cities.

### 8.1 Urbanisation and Secondary City Development in Ethiopia

#### 8.1.1 History of Urbanisation

The pattern of urbanisation and the history of urban development in Ethiopia have significantly shaped the development of Ethiopian socio-economic, political, and cultural systems (Mammo, 1994; Akalu, 1973). Urban habitation in Ethiopia dates to the Axumite period around the 1st century AD. Axum and Lalibela Gondar (Solomon, 1996) were major symbolic politico-religious centres, which occupied a prominent place in the pre-twentieth century urbanisation. As the country’s first political capital, Axum has symbolic importance in its urban history, with Dungur Palace being a place of great importance (Butzer, 1981).
The Dynamics of Systems of Secondary Cities in Africa

8. DIRE-DAWA: ETHIOPIA

The eleventh and twelfth century towns such as Lalibela began flourishing, reflecting the magnificent architectural skills of that time and the establishment of Gondar as the national political capital. Small towns were an essential feature of the Ethiopian social and geographical landscape in the eighteenth and nineteenth centuries. With such significant institutions as palaces, markets, and churches performing a central role in the development, smaller towns such as Adwa, Motta, Dima, Ankober, Debre Birhan, and Debre Tabor emerged as centres of diverse permanent populations and commercial activities. Traditional economic structures characterised the initial stage of the urbanisation process. The history of urban development in Ethiopia following the Axumite period was marked by the absence of fixed urban centres resulting from the ‘political nomadism’ that prevailed in the country until Addis Ababa was built as the permanent seat of the government by Emperor Menelik II at the end of the nineteenth century.

A combination of physical, socio-economic, and political factors acted as forces in the lack of permanency and development of urban centres in pre-twentieth century Ethiopia. The rugged terrain and mountainous nature of the country hindered urban development. The topography prohibited contact between people and encouraged regionalism and regional isolation due to transportation and communications challenges (Mesfin, 1965). Consequently, Ethiopia entered the twentieth century with an exceedingly poorly developed urban base. Only three urban centres, Addis Ababa, Harar, and Mekele, had more than 10,000 people at the beginning of the twentieth century (Mammo, 1994).

8.1.2 Municipal Government Arrangements in Ethiopia

Addis Ababa and Dire Dawa have been established as ‘Chartered Cities’, accountable directly to the federal government, giving them status equivalent to regions. Addis Ababa is the country’s only primate city of over 3 million; it is 10 times larger than Dire Dawa, considered the second-largest city (Central Statistics Agency, 2013). Addis Ababa contains about 25% of the country’s urban population.

Ethiopia had a tradition of centralist authoritarian government until 1991 (Mongabay, 2022). Municipal structures were established in some cities, but the mayors were centrally appointed, and municipalities were treated as branches of the central government. When the current government came to power in 1991, it proclaimed a decentralised form of government. It developed a constitution that established the Federal Democratic Republic, consisting of nine regional states, the federal capital city of Addis Ababa, and the special administrative region of Dire Dawa. The government structure has four tiers — federal, regional, woreda (or city/municipal), and kebele (neighbourhood). The nine regional states have their constitutions. The country has introduced a dramatic change in terms of its traditions of governance. This legal framework has enabled increased participation of the regional states in matters that concern them.

Within the regions, cities and towns are classified either as urban administrations (accountable directly to the regional government) or woreda administrations (accountable to the woreda council). There are 925 urban settlements in Ethiopia, of which 84 have been granted status as urban administrations (as of February 2007). These generally have populations over 20,000. The vast majority (819 out of 925) of urban centres are classified as having a population of less than 20,000. There are 507 which have a population of less than 5,000. Figure 8.1 shows the agglomeration pattern of urban settlements in Ethiopia, most of which are located along valleys and ancient highways.

Some urban areas were governed by a parallel system of municipal government in which institutional structures, rights and responsibilities were assigned in legislation dating from 1945 (Federal Negarit Gazeta, 1945). Under the highly centralised Derg regime (1974-1991), Ethiopia’s municipalities were marginalised and did not function as independent local authorities. Since 2000, national decentralisation policies have formed part of large-scale government reform, creating institutional and legal frameworks for urban local government authorities. The objective has been to create and strengthen urban local government to ensure public participation, democratisation, and decentralised service delivery through institutional reforms, capacity building, systems development, and training.
In most regions, the Bureaus of Works and Urban Development are responsible for the regional government’s urban management and development issues. Most regions that have enacted legislation creating urban local government (or city) authorities have adopted an urban governance model that follows the elected council, elected mayor, mayor’s committee, and city manager system.

At the federal government level, responsibility for urban development matters lies with the Ministry of Works and Urban Development (MUDC) and rural development with the Ministry of Agriculture. Of the 925 urban settlements categorised as ‘towns’ by the Central Statistical Agency, 84 have been granted status as urban administrations, regarding the Regional City Proclamations referred to above (as of February 2007). As explained above, most others — mainly small settlements with populations less than 20,000 — have not. These smaller urban settlements function within and under the authority of woredas, pending their being granted separate formal status under the region’s urban legislation.

The Ministry of Urban Development and Construction (MUDHCo) defines and describes urban centres of different sizes, types of activity, levels of service provision, and importance in the national urban hierarchy in the following manner (NCE, EDRI & GGGI, 2015):

- **Metrópolis (capital) city** is the highest order settlement, including global cities with more than 5 million. In a national context, this refers to Addis Ababa, as it serves the highest order functions, such as the seat of government, the economic powerhouse, and the centre of culture.
- **Regiopolis (primary) cities** are defined as cities that have participated in CBDSD/UDF/ULGDP\(^1\) projects, excluding Addis Ababa, and including all nine regional capital cities and Dire Dawa. These cities may specialise or focus on a lower economic activity level and have a level of infrastructural organisation and complexity mainly focused within the urban core or ‘downtown’ area.
- **Secondary cities** are defined as the 18 cities that will only participate in the ULGDP capacity-building component. These cities are currently regionally important settlements, but in the future may evolve in size and prominence to regiopolis (primary) city status.

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\(^1\) CBDSD/UDF/ULGDP: Cities and Beyond, Development, and Urbanisation in the Developing World.

\(^2\) CBDSD/UDF/ULGDP: Cities and Beyond, Development, and Urbanisation in the Developing World.
Tertiary cities are those with a population of 20,000 or more. Tertiary cities function as access points to infrastructure and economic activities within zones and feature developed areas for commercial and light industrial activities, but most are designed around residential needs.

Urban villages are settlements identified as towns or urban agglomerations in the 2007 Combined statistical area census with 19,999 or less (CSA, 2007). These areas may have no clear zoning and may be communities that have grown organically from previously rural areas.

8.1.3 Demographics of Primary and Secondary City Development

However, the urban population is increasing rapidly, with an average growth rate of 4% per annum. The national census, conducted in May 2007 (CSA, 2007), has exhibited higher urban population figures and growth rates.

Ethiopia is approximately 22% urbanised, with 24.6 million people living in urban areas (CSA, 2007. Figure 8.2 Ethiopia urban, rural and total populations (1950-2050 projected). Ethiopia is expected to reach 40% urbanisation and an urban population of 50 million by 2050; compared to other African countries, Ethiopia’s level of urbanisation is low, but the urbanisation growth rate for the country exceeds 4.6% per annum (World Bank, 2020). The current growth rate is expected to fall, with an urbanisation level and population level by 2050 of 40% and 75 million, respectively (World Bank Group, 2015). Addis Ababa, with more than 3 million inhabitants, dominates the hierarchy of the country's urban system. Much of the country’s economy is based on agriculture, with coffee being the most significant export product.

Migration plays a significant role in urban population growth in Ethiopia (see discussion, Chapter 5). Figure 8.3 shows factors contributing to urban growth in Ethiopia, 2008–2037 based on the Ethiopian Urbanisation Review estimates. The urban population is expected to reach 36 million by 2028. Rural-urban migration is likely to contribute to more than half the urban population growth rate by 2037 (UN, 2018) A significant proportion of this will involve migration to secondary cities.
Figure 8.3 shows the percentage of the migrant population in regional capitals in 2007, the census year. Regional capital cities in Asosa, Harar, Semera and Logia are experiencing large increases in the growth rates of rural-urban migration. Some of this is associated with refugee movement. These cities are struggling to cope with rapid urbanisation (CSA, 2007).

The proportion of migrants in seven cities in 2007 ranged between 52% and 72% (Figure 8.4), indicating that more than half of the population are migrants in the majority of these cities. It is projected that by 2037, the major cities will house nearly a million people each. Migration remains a significant contributor to urban population growth (World Bank & GFDRR, 2017, p. 164). In these cities, more than half of the population are migrants. The migrant population in Jigjiga and Dire Dawa was a significantly smaller proportion of the population but rose more sharply. It is projected that by 2037, the population of the 10 major regional major cities will house nearly a million people each (CSA, 2007).
The population estimates for 2020 and the urban administrative area for the 10 largest Ethiopian cities are summarised in the table in Figure 8.5 Ethiopia urban concentration of population (estimates 2020). Addis Ababa has the country’s largest urban population. It is the only city in the country with a size of more than a million inhabitants. Figure 8.2 shows the location of these towns within regions, followed by a brief description of the 10 largest cities in order of population size.

Data and information on the growth and development of secondary cities in Ethiopia are poor. The last census was conducted in 2007, and 2019 was postponed. Figure 8.5 shows the current concentrations of urban population and 2020 estimates for the 10 largest cities. Most of Ethiopia’s urban population is concentrated in Dire Dawa, Adama and Mekele, followed by Hawassa and Bahir Dar. Figure 8.5 shows estimated population projections in regional capitals 2017–2037.

**FIGURE 8.5 | Ethiopia urban concentration of population (estimates 2020)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addis Ababa</td>
<td>2,757,729</td>
</tr>
<tr>
<td>Dire Dawa</td>
<td>252,279</td>
</tr>
<tr>
<td>Mek’ele</td>
<td>215,546</td>
</tr>
<tr>
<td>Nazret</td>
<td>213,995</td>
</tr>
<tr>
<td>Bahir Dar</td>
<td>168,899</td>
</tr>
<tr>
<td>Gondar</td>
<td>153,914</td>
</tr>
<tr>
<td>Dese</td>
<td>136,056</td>
</tr>
<tr>
<td>Hawassa</td>
<td>133,097</td>
</tr>
<tr>
<td>Jimma</td>
<td>128,306</td>
</tr>
<tr>
<td>Bishoftu</td>
<td>104,215</td>
</tr>
</tbody>
</table>

**Ethiopia Area and Population Density**

The surface area in Ethiopia is currently at 1,104,300km² (or 426,372,6137 miles square). Ethiopia has a population density of 83 people per square mile (214/square mile), which ranks 123rd in the world.

**FIGURE 8.6 | Population projections in regional capitals, 2017–2037**

Table 8.1 shows the town and city size distribution in Ethiopia from 1960 to 2007. The 2007 census report recorded 927 urban centres in the country. In terms of size distribution, towns of lower order are numerous. For example, there were only 43 towns with a population size of 2,000 to 4,999 in 1960, and in 2007 there were 325 towns. On the other hand, there were only 5 towns with a population size of 20,000 to 49,999 in 1960, and the number had increased to 61 in 2007. A study on urbanisation and urban land-use efficiency in the regional secondary cities and Addis Ababa satellite cities provide a good insight into how many of these cities are growing (Koroso et al., 2021).

### TABLE 8.1 | Town and city size distribution in Ethiopia, 1960–2008

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Cities</td>
<td>1,000,000+</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Medium Size Cities</td>
<td>200,000-499,999</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Medium Towns</td>
<td>100,000-199,999</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>50,000-99,999</td>
<td>0</td>
<td>3</td>
<td>10</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>Medium Towns</td>
<td>20,000-49,999</td>
<td>5</td>
<td>8</td>
<td>13</td>
<td>30</td>
<td>61</td>
</tr>
<tr>
<td></td>
<td>10,000-19,999</td>
<td>5</td>
<td>22</td>
<td>38</td>
<td>69</td>
<td>145</td>
</tr>
<tr>
<td>Small Towns</td>
<td>5,000-9,999</td>
<td>20</td>
<td>73</td>
<td>78</td>
<td>123</td>
<td>208</td>
</tr>
<tr>
<td></td>
<td>2,000-4,999</td>
<td>43</td>
<td>107</td>
<td>198</td>
<td>294</td>
<td>325</td>
</tr>
<tr>
<td></td>
<td>&lt;2000</td>
<td>310</td>
<td>335</td>
<td>372</td>
<td>396</td>
<td>161</td>
</tr>
<tr>
<td>Total</td>
<td>All</td>
<td>384</td>
<td>549</td>
<td>710</td>
<td>925</td>
<td>927</td>
</tr>
</tbody>
</table>


### 8.1.4 City Profiles

The following provides a brief description of the 10 largest cities (see Figure 8.5 and Figure 8.7).

Addis Ababa is the capital city of Ethiopia, and it was established in 1886. In 2017 the population was estimated at 3,434,000. Addis Ababa is one of the older primate cities in Africa. At an average altitude of 2400 m above sea level, it is also one of Africa’s highest placed cities. Addis Ababa hosts regional organisations such as the Organization of African Unity / African Union and the Economic Commission for Africa, contributing to African countries’ decolonisation and bringing Africa together as a political entity.

Dire Dawa’s population is estimated to be 466,000 (2017), making it the second-most populous city in Ethiopia. The city is home to a diverse set of ethnic groups, which gives it a cosmopolitan feel. The city is a major distribution point for goods and products transported from Djibouti’s port, which is the only seaport that is open to Ethiopia. Private sector investment began in Dire Dawa in 1991; however, improvement in the city and municipal services is needed and is expected by the Dire Dawa City Administration for the investment to continue.

Hawassa is located in Ethiopia’s southern part and currently serves as the capital city for the Southern Nations, Nationalities and Peoples’ Region (SNNPR). It is located 270 km from Addis Ababa, with a population size of 455,658 (2017). It has a tourist site known as Lake Hawassa, which is part of the Great Rift Valley. Hawassa is witnessing dynamic growth in real estate and other economic activities. The public sector is a vital engine of growth for the urban economy. Hawassa houses the regional government, regional services, and a university. Municipal investment currently focuses on drainage construction, road rehabilitation, waste management, and access road construction. Most businesses in Hawassa are involved in trade and retail, catering to local and regional markets. Industrial activities include food processing, textiles, and ceramics production, flower farms, baking, and edible oil processing.
Bahir Dar is the capital of the Amhara National Regional State. It was established between 1928 and 1933 and transformed itself from a small village to a town. Beyond being the capital city, Bahir Dar is also an important manufacturing centre and tourist destination. It lies on the shore of Lake Tana and is not far from the Blue Nile Falls. Bahir Dar has a population of about 362,297 (2017), of which 42% are at or below the poverty line. The city is experiencing a 5.5% growth rate, which challenges the city administration and municipal services offices’ service delivery capacity. Bahir Dar lies close to a fertile agricultural region of Ethiopia. Thus, part of its manufacturing base is related to agro-processing. It is home to Bahir Dar Textile Factory, Bahir Dar Edible Oil Factory, Youkuno Flour Factory, and several leather factories. The solid manufacturing base, in addition to the tourist trade, provides a sound base on which to form a strong city administration and the ability to provide municipal services.

Gondar city served as the capital of Ethiopia in the eighteenth and nineteenth centuries. However, the progress made during its history has reversed, as the federal agencies did not recognise it for a considerable period. Gondar was founded in 1635 and is one of the major tourist centres of the Amhara Region. Officials estimate that 40,000 visitors come to Gondar each year. Formal sector employment is found primarily in the distributive and service sectors, followed by civil service and large- and small-scale industries. Currently, the total population of Gondar city is 360,600 (2017). Many of the residents, however, work in the informal sector.

Mekele is the capital of the Tigray Regional Nation-State. It is attractive to federal, regional, and international organisations and migrants from many places. In 2003 the population was 165,858 people. According to the Central Statistics Agency projection in 2017, the total population of Mekele City was 358,529. It is home to approximately 713 grain mills, 474 food shops, and 123 public transport entities. It has an active urban-rural exchange of goods. The surrounding rural population receives veterinary services, fertilisers, pesticides, improved seed supplies, and agricultural research services. In turn, Mekele residents receive crops, livestock products, wood fuel, and construction wood and labour supply. Even though Mekele has 8,800 micro and small enterprises (MSE), many (65%) are in the informal sector. Further, it is estimated that 43% of the residents are below the absolute poverty line. The combination of poverty, high migration, and the significant informal sector challenge Mekele officials to provide good public services.

Adama is a city located in central Ethiopia, and it is one of the largest cities in the Oromia region. It is located around 99 km from Addis Ababa. Adama has a population of 355,485 (2017). It serves as an important transportation centre, as it is located along the road that connects Addis Ababa with Dire Dawa. Many trucks use this route to travel to and from the seaports of Djibouti.

**FIGURE 8.7 | Ethiopia’s 10 largest regional cities**

Adama is a city located in central Ethiopia, and it is one of the largest cities in the Oromia region. It is located around 99 km from Addis Ababa.
Dessie city lies on a main north-south transportation route in Ethiopia. It is an important distribution centre for the northern and eastern parts of the country. With an elevation of 2,470 m, Dessie lies nearly 25 km from its twin city of Kombalcha. Its altitude and relative proximity to the industrial setting of Kombalcha have resulted in Dessie attracting more commercial than manufacturing economic growth. Dessie is the administrative authority for nine rural areas and two urban centres. Its economic opportunity lies in transforming the surrounding rural production modes from subsistence farming to food processing production levels.

Jimma has a population size of 195,223 (2017). The city is located 330 km from Addis Ababa to Ethiopia’s western part, and it is a special zone in the Oromia region. Jimma city is at the heart of naturally blessed surroundings and with raw materials ideal for small and medium-scale enterprises and larger industries. Various investment opportunities include hotels, tourism, agro-processing and coffee, iron and steel, leather and chemicals, woodwork, and paper production. Micro and small enterprises are well-known change agents, and the city has been involving young people in different projects: agriculture, construction, livestock management, trade and industry, and service sectors.

Shashmene city has a population of 162,127 (2017). It is located 250 km from Addis Ababa. Shashmene has one of the best environments for agro-processing. The city is well suited for producing cash crops and food processing, with ample raw materials and fertile surroundings. It is expanding into animal husbandry, poultry, and related value chains. The city has good economic development opportunities, as it is situated at the junction of five major transport routes connecting the south and southeast of Ethiopia with the rest of the country.

8.1.5 Economic Geography of Secondary Cities in the Country

Ethiopia is a rapidly growing economy mainly dominated by its agricultural sector, which currently comprises 43% of GDP (World Bank, 2011). The Government of Ethiopia has, over the last two decades, adopted a program of Agricultural Development-Led Industrialisation (ADLI) which has resulted in a significant improvement in productivity. The ADLI program has seen growth in economic activities directly related to agriculture by creating demand for inputs, the processing of outputs, and the production of consumer goods. The impact of this, together with successful policies of the Sustainable Development and Poverty Reduction Program (SDPRP), the Plan for Accelerated and Sustained Development to End Poverty (PASDEP), and the first phase of the Growth and Transformation Plan (GTP), has been the reduction in rural poverty rates and improved average GDP growth of 9.25% over the past four years (World Bank, 2021).

The focus of the Ethiopian economy over the next decade is to sustain an average of 10% annual growth in real GDP and restructure the economy. In this regard, reducing the proportion of the workforce currently employed in agriculture (78%), widening the export base of agricultural and non-agricultural products, and increasing the non-agricultural share of GDP by around 1% per year is the focus area.

Despite its rapid economic growth and diversification, Ethiopia’s GDP per capita remains low due to its rapidly growing population. Ethiopia holds an ambition to reach low- and middle-income country (LMIC) status by 2025, defined as a GDP of US$1,045 per capita.

Economic data on regional economies is limited. Only a few studies have been conducted of regions to assess economic output and value-adding by industry sectors. The National Planning and Development Commission can prepare regional economic tables, but these are not publicly available.

8.1.6 Employment and Economic Development

Several of Ethiopia’s secondary cities are performing well in attracting investment and employment (Gulelat Kebede & Paterson Gauntner, 2019). Manufacturing employment and other formal private sector employment growth rates are rising, but the informal sector in construction, transport, trading and domestic services remains the most significant and fastest-growing job sector. A paper on manufacturing growth in secondary cities found that nine cities (Adama, Asayita, Asosa, Bahir Dar, Bishoftu, Gondar, Hawassa, Jijiga and Mekele) were growing faster than the national average throughout 2011–2018 (see the cities in the upper right quadrant of Figure 8.8). The authors
note that “cities represented by smaller bubbles started with a smaller manufacturing base in 2011, whereas larger bubbles started with a larger base.” The authors further note that Addis Ababa had not grown at the same fast pace as smaller cities, but still accounts for the highest level of employment growth, “having generated more than 40,000 net manufacturing jobs between 2011 and 2018” (Gulelat Kebede & Paterson Gauntner, 2019, pp. 1–2).

Several star-performing secondary cities, have outperformed Addis Ababa. Other secondary cities close to Addis Ababa (Bishoftu, Adama, and Hawassa), are not performing as well due to congestion, rising land and transaction costs. The efforts by the government to decentralise, has witnessed firms investing in regional economies, and cities such as Gonder becoming increasingly competitive. In the Ethiopian case, policies to promote secondary cities’ industrialisation can have positive impacts if pursued alongside investments in existing large cities (Economic Commission for Africa, 2017).

Among urban centres, the contribution of Addis Ababa is significant. For those years for which complete data was available for all the regions (1995/96 to 1998/99), Addis Ababa’s GDP share out of the total urban GDP stood at 35%. A key feature of the country’s urban sector is the prevalence of the informal economy (World Bank, 2011). The informal sector has grown to such a proportion that in early 2000, it accounted for almost 40% of urban employment.

It isn’t easy to estimate the contribution of the informal sector to total GDP. However, the gross value of income calculations in different informal industries indicate a significant rise in the informal sector share between 1996 and 2016. The unemployment rate is higher in Dire Dawa with 23.94%, followed by Dessie with 22.58% and Addis Ababa with 21.53% (Figure 8.9). On the other hand, the lower unemployment rate occurred in Gambella, Hara, and Asayita with 10.19%, 10.45%, and 11.70%, respectively. Ethiopia has not sustained growth rates close to this target in the past decade, due to its dependence on agriculture, subject to rainfall variability.
The policy of decentralisation, made real by the City Proclamations and Federal Charters, has led to a review of the planning process and indicates that the plans’ preparation is in the city administration’s hands. Increased local autonomy to ‘plan’ has been accompanied by the introduction of strategic planning (as opposed to master planning) and the recognition that fast-growing towns require a more flexible approach to planning their spatial layout to adapt more quickly to the changing urban landscape.

Proclamation No. 574/2008 provides a framework for planning in the country. A series of detailed manuals have been prepared to support implementation of the proclamation, especially in the City-Wide Structure Plans and Local (neighbourhood) Development Plans. Both provide helpful tools that could enable the planning of cities to be taken down to a local level and encourage people’s participation. They also identify the importance of considering how to develop rural-urban linkages. The internalisation and implementation of these approaches have been supported by significant investment in capacity building and training. The institutional division of responsibilities for planning between the federal and the regional urban planning institutes and cities also has been clarified, with a focus on the centrality of the urban administration’s role in planning, and with the federal and regional bodies providing the policy, regulatory, advisory and technical support functions.

In this regard, the government of Ethiopia has set a medium-term development goal to eradicate poverty through broad-based, equitable, and sustainable economic growth. The Growth and Transformation Plan (GTP), overseen by the National Planning Commission (NPC), is the key economic planning instrument that outlines the government’s key economic growth objectives over five years: GTP 1 covers 2010–2015 and GTP 2 covers 2015–2020. The current GTP seeks to eradicate poverty through strong economic growth and structural transformation of the economy. The national urban system supports many GTP building blocks, including social services, and consequently drives economic growth and poverty reduction that Ethiopia seeks.

Given the inequalities among the municipal authorities, there is a need to attract new investment and stimulate productivity and growth. At the same time, there is a need to ensure that growth and productivity reduce poverty and move towards sustainable development. In this regard, the land is essential for a productive urban economy, essential to house the urban population, and is a cultural resource. The land market for various activities (including housing, commerce, industry, infrastructure and services) needs to function efficiently and equitably. Effective urban land management presents challenges for policymakers and administrators because effective management requires increased financial and human resources.

![Unemployment rates in Ethiopian cities (2016)](image_url)

Source: Central Statistics Agency (2016).

**8.1.7 National Policies on Urbanisation and Secondary City Development**

The diagram above illustrates the unemployment rates in Ethiopian cities (2016). The cities are listed along the x-axis, and the unemployment percentage is shown on the y-axis. Each bar represents a city, with the height indicating the unemployment rate. The data is sourced from the Central Statistics Agency (2016).
8.1.8 Problems and Issues Affecting Secondary City Development

The urban system in Ethiopia is beset by problems, some of which were created due to misguided development policies of earlier times. One that can be considered a serious issue is ‘primacy’, which is the dominance of Addis Ababa. It is argued that primacy goes counter to promoting a balanced urban system and defused development to wider areas that aim to improve equity and reduce poverty. By tapping disproportionate material and enterprising human resources from many parts of the country, primacy leads to the deprivation of the rest of the urban system, especially if the degree of primacy is high, as has been Ethiopia’s case. Counter to this are arguments for a concentrated pattern of urbanisation; however, which one best fits the Ethiopian context is a question that needs to be addressed with further investigation.

Although the extent of primacy has declined over the last 25 years, Addis Ababa is still the dominant and primate city of the country, accounting for about 23% of the urban population, according to the 2007 Population and Housing Census (CSA. 2008). For the same period, the Two-City Index, a ratio of the largest city in the country to the next largest, was about eight. In other words, in terms of population size, Addis Ababa is eight times larger than Dire Dawa, the second largest town. A value greater than three is regarded as an indication of primacy.

Another issue is the low level of urbanisation in the country. It is now widely acknowledged that cities are ‘engines of growth’ and enable rural development in their immediate hinterland and beyond, especially if properly guided and enabled. At only 22%, however, the scale of urbanisation is too low to meet developmental goals and bring the desired positive change. A higher level of urbanisation is associated with agglomeration and economies of scale, but it also provides markets and social services to rural and urban communities. It creates job opportunities for residents and seasonal migrants from rural areas, thereby augmenting their incomes and improving livelihood without moving from their locations. Evidence from many countries indicates that an increase in farmers’ income directly impacts agricultural productivity and thus increases agrarian production, due to an increase in farm inputs to plots.

Moreover, most urban centres in Ethiopia are small towns that offer little choice to their residents and the rural communities in the hinterland, beyond markets and administrative services. Published and unpublished sources indicate that, in seeking a better life, rural migrants bypass such towns to eventually go to the few bigger ones or Addis Ababa, thereby hindering balanced population distribution and development.

Despite many other problems associated with Ethiopia’s urban system, no conclusive study has been undertaken on the subject, especially on the problems and mechanisms to deal with urban systems crossing regional boundaries and with Addis Ababa’s role in the national and regional systems. Tegegn Gebre-Egziabher (2002) examined the country’s urban challenges, argued for an urbanisation policy, and indicated prospective policy areas. The same study also indicated that regions are independently leading the development of their respective urban centres without having a typical picture of how urban centres should functionally be structured at the national level (Gebre-Egziabher, 2002; MoFAD, 2005).

8.1.8.1 Governance

Applying the Ibrahim Index of African Governance (IIAG), Ethiopia was rated 33 out of 52 African countries. It scored 46.7 points out of 100 in 2012, a rise of 0.7 points over the previous six years. Under safety and rule of law (Rule of Law, Accountability, Personal Safety, and National Safety), it scored 44.6; in participation and human rights (Participation, Rights, and Gender), the score was 36.3. For sustainable economic opportunity (Public Management, Business Environment, Infrastructure, and Rural Sector) the score was high, at 53.4 points, but this was a six-year decline of 1.8. Finally, in human development (Welfare, Education, and Health), the score was 52.6, an 8.0-point rise over the previous six years (Ibrahim Index of African Governance, 2012).

The Ethiopian government’s policies are promoted as an ‘Urban Good Governance Package’, consisting of institutional development, systems reforms, and capacity building measures to promote good urban governance practices in urban centres in order to facilitate accelerated and sustained urban development. The package has seven sub-programs:

- Land development and administration systems improvement.
- Public participation.
- Urban planning improvement.
• Urban infrastructure and service improvement.
• Organisation and human resource management reform.
• Urban finance and financial management improvement.
• Justice reform.

Through these sub-programs, the federal and regional governments have provided support to cities in the form of technical assistance, capacity building and training, and development and enactment of relevant laws and proclamations necessary to achieve the goals that have been set.

8.1.8.2 Urban Finance

Africa Economic Outlook notes the recent current and immediate financial outlook for Ethiopia (Crypoinvest, 2022):

• High annual growth since 2004 was sustained in 2011, though it was predicted to be at a slower rate in 2012 and 2013. Nevertheless, Ethiopia would still be among the fastest-growing non-oil producing economies in Africa.
• Macroeconomic challenges have given rise to high and persistent inflation. An expansionary monetary policy has been one of the main culprits, and a tighter monetary policy represents a bid to bring inflation down to single digits.
• The five-year Growth and Transformation Plan, which aims to foster high and broad-based growth, was expected to expand employment opportunities by emphasising the development of small and medium-scale industries.
• Significant progress towards the Millennium Development Goals (MDGs) has nonetheless so far, failed to generate adequate employment opportunities for the youth.

Ethiopia’s fiscal management efforts have improved the overall fiscal position, but this has declined since the COVID-19 pandemic. The fiscal deficit fell to 1.6% of GDP in 2010/11 from 1.7% in 2009/10. In 2011, the government introduced cash budgeting, which will obviate the central bank’s direct advances to meet temporary liquidity shortfalls. Nevertheless, the fiscal deficit is projected to rise during the GTP period, owing to its ambitious public spending plans.

At the secondary city level, finance is a significant issue for local governments. All secondary cities lack the necessary capital to fund infrastructure in order to support the provision and delivery of services that will support the development of local economies and growing urban populations (Federal Government of Ethiopia, 2010). There is a significant lack of capital when the sector targets strategically planned secondary cities and transport corridors like the railway from Djibouti to Addis in order to exploit the national resource endowment, such as agriculture (United Nations Economic Commission for Africa, 2017) and supporting manufacturing. The investment in development corridors is significant, but this has not been supplemented by crucial infrastructure investment to support value-adding and logistics, e.g., for cities like Dire Dawa and other cities along the route. Investments that help to create quality employment in urban areas, especially in secondary cities and towns, are critical for absorbing rural migrants and urban populations expanding from natural demographic growth (United Nations Economic Commission for Africa, 2017).

8.1.8.3 Infrastructure and Connectivity

Nosimilo Ramela of the business community captures some notion of the recent planned investments in Ethiopia’s infrastructure in Retail News East Africa (2010). In July 2010, the Ethiopian government had approved spending a record 70% of its total annual budget on poverty and infrastructure development. This is the largest spending on these programs by any African country. The budget stood at R44-billion (US$5.6 billion) for 2010/11, which was up by 20% from R36.4-billion (US$4.7 billion) in 2009/10 and is the most significant budget ever passed by the country’s parliament.
Although Ethiopia is one of Africa's poorest countries, it is one of the fastest-growing countries. Over the previous four years, the country's economy has grown by 11.2%, mainly due to improved infrastructure. The government says it is planning to attract more foreign investment in agriculture, mineral exploration, and hydropower. The breakdown of the budget was as follows:

- Ethiopia's nine federal regions would spend more than R13-billion (US$1.7 billion).
- R6.8-billion (US$879 million) will go to the country's road network.
- The rest of the development budget will be spent on electrification. Ethiopia has spent R27.8-billion (US$3.6 billion) on roads over the last decade.
- Domestic revenue accounts for R23-billion (US$3 billion) of the budget, while R8.5-billion (US$1.1 billion) comes from aid. Foreign loans and grants will pay for the R11.5-billion (US$1.5 billion) deficit.

Linkages between rural and urban areas remain weak due to poor roads, telecommunications, and knowledge management systems, limiting the scope for rural-urban transformation (OECD, 2020). Strengthening the national highway systems or roads and telecommunication between secondary cities, as Rwanda is doing, will be crucial to the development of a network system for cities. The development of stronger knowledge-base systems supporting the development of Ethiopia's secondary cities and towns will have a key role for rural development, and better coordination between rural and urban governance, policies and planning to promote an inclusive rural transformation of economies will lift regional output and trade.

### 8.1.8.4 Investment

The passing of the Ethiopian leader Meles Zenawi in 2012 raised concerns about the country's economic continuity (Deloitte & Touche, 2014). The economic vision of Ethiopia comprises the following key objectives that inform on planned areas of investments:

- Achieving MDGs targets by 2015.
- Attracting large volumes of FDI.
- Doubling the agricultural output.
- Infrastructure development.
- Achieving middle-income country status by 2023.
- Industrial development through prioritisation of strategic sectors.

These objectives and the policies linked to them are the product of a broad consensus within the ruling party and beyond and are likely to remain at the top of Ethiopia’s investment agenda. In 2011 (fiscal year [FY] 2010/11), the economy grew at 11.4%, marking the eighth consecutive year of rapid growth. Moreover, growth has continued to be broad-based, with industry, services, and agriculture growing by 15%, 12.5%, and 9%, respectively (African Development Bank, 2012). Hotels and restaurants, real estate, renting and business activities, and financial intermediation made the largest contributions to the services sector's growth. The services sector is expected to continue to grow rapidly, though at a slower pace than in previous years, at 7% and 7.6% in 2012 and 2013, respectively.

### 8.1.8.5 Human Capital Development

Since 1990 the UNDP has published the Human Development Index (HDI) in the Human Development Report for individual countries. From 2000 to the present, Ethiopia's HDI of 0.274 has risen, and in 2011 it was at 0.363, which gives the country a rank of 174 out of 187 countries with comparable data. As a Region, the HDI of Sub-Saharan Africa increased from 0.365 in 1980 to 0.463 in 2011, placing Ethiopia below the regional and global average. The world average in 2000 was 0.634 and in 2011 was 0.682 (Ethiopia Country Profile Human Development Indicators, 2020).
8.1.8.6 Land Use

Since the radical land reforms in 1975, all land in Ethiopia has been public property (Gebreselassie, 2006). Politically the reform ended the exploitative type of relationship that existed between tenants and landlords. Under the reform, tenants became operators with user rights. However, they had no right to sell, mortgage, or exchange land. The change of government in 1991 did not usher in any significant changes in Ethiopia’s land policy. A kind of ‘free market economic policy’ was adopted; government policy nevertheless decided to maintain all rural and urban land under public ownership. The December 1994 Constitution confirmed the status quo. In rural Ethiopia, the transfer of land through long-term lease or sales is not permitted (Constitution of The Federal Democratic Republic of Ethiopia 1995).

FIGURE 8.10 | Proportion of land under informal settlement in regional capitals, 2015 (%)

The informal settlement of land remains a significant issue in Addis Adaba and the regional capital cities (Nega et al., 2003). Figure 8.9 shows World Bank estimates for the proportion of land under informal settlement occupation in regional capitals in 2015. A World Bank Report (World Bank & GFDRR, 2017, p. 56) notes:

“Informal settlements represent a challenge associated with urbanisation, particularly due to the higher vulnerability to fire and other hazards associated with the high density of housing. Informal settlements are present in all the capital cities, with Jigjiga (14.4%), Adama (11.6%), and Harar (8%) each having a relatively higher proportion of their land area under informal settlements than the other cities [Figure 8.10]. Informal settlements are generally found on marginal lands, such as quarry sites, riverbanks, and hazardous areas and are highly vulnerable to disasters such as flooding.”

The international development agencies and others have undertaken extensive work (Yehun, 2017; Cochrane & Hadis, 2019) to explore the potential of land administration reform in urban and regional development that addresses many issues associated with the sector. These have included:

- Population and migration informal settlement.
- Maintaining state ownership of land and facilitating agriculture-led growth, i.e., the ‘China model’.
- Land privatisation and titling: Some policy commentators argue that the efficiency gains of land privatisation and formal titling in Ethiopia are potentially highly significant. This would allow agricultural entrepreneurs to consolidate land holdings and manage economically viable land units on a commercial basis.
- Encouraging land rental markets. The argument is that the full privatisation and titling model may have the consequences of rapid consolidation of farm areas and an increase in landlessness, which is politically unacceptable.
Enhancing tenure security (Nega et al., 2003). Some argue that it is tenure security, not land ownership, that is the issue. The basis of this scenario is that perceived insecurity of tenure restricts people's incentives to invest in land improving technologies and management systems.

Issues of land in Ethiopia, both urban and rural, stem from the Constitution, which has seen significant shifts from the pre-1975 era. The challenges brought about by the current Constitution need to be dealt with to overcome the current challenges that lead to the disincentive to maximise the commercial output of land. To improve the security of tenure, ownership registration, tax mapping, and disputes resolution to improve the management of secondary cities in Ethiopia, especially in the fast-growing regional capitals, are needed.

8.1.8.7 Environmental Management

Ethiopian secondary cities face significant environmental challenges (Countries Quest, 2022; Bartel & Muller, 2007). In the highlands, soil erosion is a major environmental problem. Deforestation, overgrazing, and poor land management accelerated the rate of erosion during the 1970s and 1980s. Many farmers in Ethiopia's highlands cultivate sloped land, causing topsoil to wash away. Flooding and soil erosion is significant problem in places like Dire Dawa (World Bank & GFDRR, 2017).

The Ethiopian government, during the 1970s, began to implement environmental conservation programs in rural areas. Some areas were closed for agricultural development, but policing this has proved almost impossible. In 1997 approximately 5.5% of Ethiopia was officially protected. However, Ethiopia's national parks and reserves continue to be endangered from poaching, encroachment, livestock grazing and illegal logging (World Bank & GFDRR, 2017). This has created environmental and economic impacts, leading to rising levels of rural-urban migration.

Ethiopia has ratified agreements intended to protect biodiversity, endangered species, and the ozone layer in the international environmental realm. The country has also signed treaties limiting nuclear testing and chemical and biological weapons. Ethiopia is a party to the World Heritage Convention. However, resources remain a problem in enforcing local laws and policies to protect vital areas of biodiversity, endangered species, and natural beauty.

In 1997 approximately 5.5% of Ethiopia was officially protected.

A study by the World Bank on City Strength Diagnostics in Nine Regional Capitals and Dire Dawa City Administration (Dire Dawa City Administration, 2020) highlights the many environmental issues facing the management and development of secondary cities in Ethiopia (World Bank & GFDRR, 2017). The report briefly examines flooding, seismic, landslide, volcanic and drought hazards affecting regional capital secondary cities. It notes the problems of poor environmental planning and management, the inadequacy of building construction and design, and the poor quality of materials used in secondary cities, compared to the capital, Addis Ababa. Both emergency management and facilities for disaster management are inadequate, as are regional government and community knowledge about disaster management.

The report calls for measures to improve urban risk management, water and solid waste management to improve the quality of water runoff and soil contamination, better mapping of hazards and floods to prevent the development of high-risk areas, improved skills development of local government staff and contractors and community education. Many of these measures call for urgent action; however, funding, equipment, and management expertise are limited, making efforts to improve the safety and quality of urban and peri-urban environments in many of these secondary cities very difficult. The recent effects of civil war have made matters worse.
8.1.8.8 Social Issues

The social issues in Ethiopia cities arise from a long history of ethnic relationships, the rise of ‘class’, and linking these to occupations in order to determine one’s standing in society. There is a significant level of social stratification related to social groupings: (i) ‘high-ranking’ family lineages and (ii) caste groups ascribed by birth and membership associated with concepts of culture and slaves, and the descendants of slaves are the lowest social group. The above is the traditional social stratum. In urban areas, the division of labour determines social class. Some jobs are esteemed more than others, such as pilots, lawyers, and federal government employees. However, some trades have negative associations, such as metal and leather workers and potters, and are considered low status and frequently isolated from the mainstream of society.

Symbols of social stratification in rural areas include the amount of grain and cattle a person possesses. In urban areas, the signs of social status are different. These include (i) wealth and high status, including car ownership (Every Culture, 2022), which is the chief criterion for social stratification; (ii) levels of education; (iii) neighbourhood; and (iv) type of employment or job.

8.2 Case Study Dira Dawa

Dire Dawa is Ethiopia’s second-largest city, with a population of 466,000 (2017), located some 515 km east of Addis Ababa. It is also 55 km north of the historic city of Harar and 311 km to the west of Port Djibouti. It was established as an urban centre in 1902 and owes its emergence to the Addis Ababa railway line. Dire Dawa is an important administrative city. It has grown as a commercial centre due to the railroad linking Addis Ababa with Djibouti, Ethiopia’s principal port for imports and exports. It is one of 18 secondary cities in the country. Dire Dawa is located in the semi-arid regions of Ethiopia, which deal with drought. In past decades, the cities in the semi-arid region saw a decline in annual rainfall and a rise in rainfall variability.

The City of Dire Dawa has a state status and is accountable to the federal government and the Ministry of Federal Affairs. Dire Dawa has a two-tiered system: the city and kebele administration. There are nine urban kebeles in the city of Dire Dawa. Dire Dawa City, since its establishment, has been an important commercial and transport corridor linking the Ethiopian hinterland with the coast. The city is the second largest after Addis Ababa, although other regional capitals will surpass Dire Dawa’s population in the future.
In 2008, UN-Habitat (Un-Habitat, 2008) studied Dire Dawa, outlining a range of issues affecting the city’s development. A more recent study by the World Bank (2017) analysed a range of planning and development issues linked to safety and resilience in Ethiopian cities. Feyissa, 2018) has conducted more recent case studies. This case study draws extensively upon these and other research to explore critical issues related to the local governance, urban management, socio-demographic, economic development, and environmental management issues to be addressed to improve the city’s planning and management of development. From the profile, key challenges facing Dire Dawa are outlined, and priority policy responses are needed for strategic intervention to enhance the management of urbanisation and the development of its economy.

Table 8.2, provides a broad profile and some basic indicators of Dire Dawa. Basic current socio-economic data on the city is difficult to obtain. More detailed studies are needed on urban development, stock and condition of infrastructure, population density, including night and day populations, economic, social, and environmental indicators. Without this information, it is not easy to plan for the city’s development and to prepare programs for managing assets and services.

### TABLE 8.2 | Development Indicator Profile of Dire Dawa

<table>
<thead>
<tr>
<th>URBAN AREA</th>
<th>Indicator Measures</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographics</td>
<td>What is the Estimated Urban Area in the City</td>
<td>137.7 km²</td>
</tr>
<tr>
<td></td>
<td>What was the Estimated Population 2017</td>
<td>466,000</td>
</tr>
<tr>
<td></td>
<td>What Was the Population In 2000 or the Last Census</td>
<td>229,000</td>
</tr>
<tr>
<td></td>
<td>Is the City’s Share of The National Population Growing?</td>
<td>3.57%</td>
</tr>
<tr>
<td></td>
<td>Estimated Density of Population</td>
<td>299 pp/km²</td>
</tr>
<tr>
<td>Economic strength</td>
<td>Has Population Density in The City Increased or Decreased?</td>
<td>Highly increased</td>
</tr>
<tr>
<td></td>
<td>What Is the City’s Estimated GDP?</td>
<td>2,355.92 Bn Birr 2015/2016 World Bank</td>
</tr>
<tr>
<td></td>
<td>How Fast is the Economy Estimated to Be Growing Per Annum?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What Is the Fastest-Growing Sector of The Economy?</td>
<td>Services, Agriculture, and Manufacturing</td>
</tr>
<tr>
<td></td>
<td>What Does the City Mainly Export or Trade?</td>
<td>Agricultural and Industry Products</td>
</tr>
<tr>
<td>Income levels</td>
<td>What Does the City Mostly Import or Consume?</td>
<td>Agricultural and Industrial Products</td>
</tr>
<tr>
<td></td>
<td>What Is the Estimated Average Income Per Month?</td>
<td>Unknown</td>
</tr>
<tr>
<td>Employment</td>
<td>How Much Higher Are Incomes in The Capital City Compared to the City?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>How Many People Are Employed in The City by The Industry Sector?</td>
<td>12.5%</td>
</tr>
<tr>
<td></td>
<td>How Big Is Informal Sector Employment?</td>
<td>27000</td>
</tr>
<tr>
<td></td>
<td>What Is the Unemployment Rate?</td>
<td>14.2% (8.7% Male and 20.6% Female)</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>Is There a Reliance on Remittances to Supplement Household Income?</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Estimate % of Households Living Below the Poverty Line</td>
<td>1999 (30%), 1999 (35%), 2004 (39%), 2010 (29%)</td>
</tr>
<tr>
<td>Public finances</td>
<td>What Is the Budget of The Municipality?</td>
<td>2015 (15%)</td>
</tr>
<tr>
<td></td>
<td>What Is the Gin Coefficient</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What Is the Budget of The Municipality?</td>
<td>Recurrent Budget 155,682,100birr</td>
</tr>
</tbody>
</table>
### URBAN AREA

<table>
<thead>
<tr>
<th>Indicator Measures</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>What % Of the City Population Has Access to Potable Water?</td>
<td>Capital Budget also allocated from 481,604,178* from the Government &amp; 162,000 from Matching Fund</td>
</tr>
<tr>
<td>What Are the Primary Sources of Funds and Expenditure?</td>
<td>Federal Government &amp; Revenue Collection</td>
</tr>
<tr>
<td>How Much Money Does the Municipality Spend Per Capita?</td>
<td>1367birr</td>
</tr>
<tr>
<td>What % of the City Population Has Access to Potable Water?</td>
<td>68% Pipeline at Home</td>
</tr>
<tr>
<td>What Is the Distance and Travel Time To The Nearest Largest City?</td>
<td>32% from a Different Source</td>
</tr>
<tr>
<td>What % of the City Population Has Good Sanitation?</td>
<td>88%</td>
</tr>
<tr>
<td>What % of the City Population Has Waste Management Collection</td>
<td>46%</td>
</tr>
<tr>
<td>What is the Length of Urban Roads</td>
<td>620 km (paved 176.72 km and unpaved 443.28 km)</td>
</tr>
<tr>
<td>What is the Distance and Travel Time to The Nearest Largest City?</td>
<td>515 km to Capital City with 7 Hours’ Drive and 48 km to Harar Next City With 30 Minutes Drive</td>
</tr>
<tr>
<td>How Many Intercity Flights or Buses are there a Day?</td>
<td>4 Flights to the Capital</td>
</tr>
<tr>
<td>Does The Municipality have a GIS with An Inventory of Infrastructure</td>
<td>In the Process of Establishing GIS for the City Asset Management</td>
</tr>
<tr>
<td>What % of the City’s Residents Live in Slums?</td>
<td>8%</td>
</tr>
<tr>
<td>What % of Households Rent</td>
<td>Unknown</td>
</tr>
<tr>
<td>What is the Cost of Land on The Fringe</td>
<td>It is a Lease Bid System, and it varies from time to time</td>
</tr>
<tr>
<td>How Rapid Has been the Development of Land and Housing</td>
<td>42,774 Primary Students</td>
</tr>
</tbody>
</table>

Sources: Computed from Dire Dawa City Administration (2020); Central Statistics Agency (2013); UN-Habitat(2008); NCE, EDRI & GGGI (2015).  
* 1US$ is equal to 38 Ethiopian Birr.

### 8.2.1 Profile of the City

#### 8.2.1.1 Social-Demographics

The 2007 Ethiopian Census estimated the population of the Dire Dawa region at 342,827, with 228,856 or 66% living in the urban area (United Nations Population Fund, 2008). The rural area population of Dire Dawa is estimated in 2018 as 108,610, spread over 38 rural kebeles (smallest administrative unit) and is inhabited mainly by Oromo (73.5%) and Somali (26%) (United Nation Population Fund, 2008). The World Population Review (2018) estimated the population of the city in 2020 at 252,279. Africapolis (2015) estimated the urban population in 2015 at 277,000 using an urban settlement area density assessment method. Figure 8.11 shows World Bank estimates of the urban population of Dire Dawa in 2017 at 295,000, with projections through to 2037 when it is expected to reach 800,000 (World Bank, 2017).

The difference in estimates of the population is related to the problem that organisations use different definitions of what constitutes ‘urban’. This difference is shown in estimates of the urban area by Africapolis at 34.8 km² in 2015 and the World Bank (2017), of 29.4 km² in 2016 (Figure 8.12). These discrepancies in estimates of population and area show the need for a consistent definition of what constitutes an urban area and population in Ethiopia.
Without this, it is a challenge for government and businesses to consistently assess demand for goods and services in the city and region.

The current population growth rate of the city is 3.8% but this may rise to over 5% in the next decade, depending on the impact of the new railway in creating significant opportunities for industrial investment, employment, and trade.

Dire Dawa has a cosmopolitan character due to its high level of cultural diversity. The ethnic composition of the city is: Oromo (33%), Amhara (29.5%), Somali (23.5%), Gurage (6.7%), Tigrayan (1.8%), Harari (1.2%), and people from southern Ethiopia, who have a long-associated history and culture as the result of migration (Dire Dawa Administration, 2020). Migrants and refugees constitute close to 30% of the city’s population. Of these, 45% are rural-urban migrants (Dire Dawa Administration, 2020) 55% are inter-city or international migrants.

8.2.1.2 Governance

Dire Dawa city is organised under the Federal Democratic Republic of Ethiopia “Dire Dawa Administration Charter Proclamation No. 416/2004”. As noted, the city has two tiers of administration – the municipality responsible for efficient and effective service delivery and administration of the city – and kebeles are responsible for administering local issues, including organising and mobilising the community in development activities, social and security issues.

A major challenge of Ethiopia’s ethno-federal political structure has been with contested identities and territorial disputes between the new regional states. Dire Dawa has been one of the most politically contested areas in post-1991 Ethiopia, as evidenced by a high turnover of its administrative structure and changes in political ownership of the city (Dire Dawa Administration, 2020). The political response to this instability, caused by the competition between Oromo and Somali political organisations over control of Dire Dawa, has been a power-sharing formula agreed to between the Oromo People’s Democratic Organization (OPDO) and the South Ethiopian People’s Democratic Movement (SEPDP), under the auspices of the federal government in 2006. The power-sharing formula, known as ‘40:40:20’, divides regional political leadership equally between the Oromo People Democratic Organization (OPDO) and Ethiopian Somali People Democratic Party (ESPDP) (at 40% each) and the remaining 20 % for other remaining parties (Addis Standard, 2019). The constant tensions and uncertainty over governance arrangements have impeded attracting investment to the region’s economy.
8.2.1.3 Urban Development

Dire Dawa City comes under the Federal Democratic Republic of Ethiopia “Dire Dawa Administration Charter Proclamation No. 416/2004.” Under this proclamation, the government confers self-government power and defines its legal, organisational structure and operations upon Dire Dawa.

The city is a major distribution point for goods and products being transported from the Port of Djibouti. Private sector investment in Dire Dawa began in 1991, after the change of the ruling regime. However, improvements in the execution of city and municipal services are needed and are expected if the investment is to continue.

Figure 8.12 shows the physical growth of Dire Dawa in 1973 and 2016. Significant growth has occurred in the northern part of the city with the development of the airport, and significant informal settlements have arisen to the west of the city. Africapolis data estimated the urban density of Dire Dawa at around 7,950 persons per km². This is higher than for any other Ethiopian secondary city; however, overall densities are falling due to the continuing spread of the city.

Figure 8.13 Site suitability map for housing development in Dire Dawa City

The land suitability for urban development in Dire Dawa has been mapped, and suitable building sites for housing development have been identified (Weldu & Derribew, 2016). Eleven factors such as land-use/land-covers, built-up, slope, flood sheets, road, aspect, airport, railway, soil, population density and proximity to the urban centre were evaluated. The research identified about 5.42 km² (8.04%), 25.58 km² (37.90%), 10.68 km² (15.83%) of the total urban landscape as very highly suitable, highly suitable, and moderately suitable, respectively. The analysis results are shown in the Figure 8.13 Site suitability map for housing development in Dire Dawa City. This analysis suggests the city needs to develop in a westerly direction to avoid environmental problems in the future.
8.2.2 Infrastructure and Urban Services

One of the most important measures taken by the Dire Dawa City administration is the outstanding work done by allocating a large budget for infrastructural installation of roads, electricity, water supply lines, and telephone services required to establish manufacturing projects. Dire Dawa Airport is the second most important airport in Ethiopia. Table 8.3 below shows aircraft, passengers, and air freight movements with the latest data available. There has been a significant increase in all these figures over recent years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Aircraft Movements</th>
<th>Passenger Movements</th>
<th>Airfreight Movements (Metric Tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>6,281</td>
<td>70,065</td>
<td>6,211</td>
</tr>
<tr>
<td>2002</td>
<td>7,027</td>
<td>69,611</td>
<td>7,001</td>
</tr>
<tr>
<td>2004</td>
<td>7,737</td>
<td>70,757</td>
<td>6,331</td>
</tr>
<tr>
<td>2006</td>
<td>7,119</td>
<td>69,177</td>
<td>6,178</td>
</tr>
<tr>
<td>2008</td>
<td>9,922</td>
<td>67,856</td>
<td>5,253</td>
</tr>
<tr>
<td>2015</td>
<td>18,025</td>
<td>213,621</td>
<td>6,352</td>
</tr>
</tbody>
</table>

Source: Ethiopian Airports Enterprise (2016).

The city’s electricity is supplied mainly from the national electricity grid connected to its various hydroelectric power stations. Apart from periodical floods, there is a low supply of water in Dire Dawa. According to the Water Supply and Sewerage Authority, the current supply coverage meets only 56% of the city’s needs.

Sanitation in Dire Dawa is a pressing issue. The problem is more pronounced in informal settlements and affects other residents, as drains fill with mud during flooding and are poorly maintained. Of all the houses in the city, 22% have no toilet facilities. Dry rivers, open ditches, and streets are being used as alternatives. Solid waste collection coverage is inadequate, with only 48% of solid waste collected. Sewerage and stormwater drainage systems are lacking and contribute to the worsening of the problem.

8.2.3 Human Capital

In education, an encouraging development has been the increased registration at national levels (from pre-primary to university) of Ethiopians wishing to go to school. Similar trends are observed in Dire Dawa. The gross enrolment ratio for primary education has increased by 22% in five years, and secondary school enrolment has increased by 62%. The other significant development aspect of Ethiopia and Dire Dawa’s education sector is the technical and vocational education training (TVET) program. The main objective of the TVET program is to eradicate poverty and ultimately improve the urban economy by producing a more skilled workforce. The concept of creating jobs instead of more job seekers needs further structural support, enabling new graduates to apply their knowledge in the broadest possible areas. Twelve per cent of the unemployed 15–39-year-olds in Dire Dawa currently have access to TVET. However, teacher qualifications, working conditions, and salaries remain a challenge.

Dire Dawa City is in an area defined as malaria-prone, and epidemic-like conditions can break out during flooding, as in 1981, 1985, and 1999. Action taken by health personnel seems to have improved the situation. For instance, in 2002 and 2003, 49 people died due to the disease each year; in 2004, it was 7. In Dire Dawa, there is only one public hospital with 220 beds and four private hospitals with 233 beds. This implies one hospital bed for every 610 people and one doctor for every 33,000 people.
The Dire Dawa economy has grown strongly over recent years despite periods of tension and instability, the latest being the effect of the COVID-19 pandemic. Dire Dawa is located close to Djibouti and Somalia. It became a favourable location for contraband goods and other forms of illegal trade. The city administration has struggled to build a post-contraband economy but has significantly improved tax collection. In 2015 the administration collected close to ETB 500 million (US$22.5 million) in taxes, rising to ETB 927 million (US$29 million) - a big step for a city once known for its minimal tax collection. The improved tax collection and its special administration status have allowed the city to use funds to improve infrastructure and services.

The economy of Dire Dawa is based primarily on rural agriculture, trade and construction. Sectors of the economy such as government services, transport, education, health and some small-scale manufacturing are growing and are expected to create more jobs in the future. The completion of the new electric railway between Dire Dawa and Djibouti in 2013 has significantly boosted the business sector, especially small-scale manufacturing, hotels, cafes, and other businesses along the railway route. It has been projected that the induced effect of rail could boost trade resulting from improved inter-regional communications, and that population growth will create more than 20,000 employment opportunities for Dire Dawa’s small and medium enterprises (SMEs). The city administration has provided for more individual and association applicants. More than 16.7 ha of land has been set aside by the city government for SMEs. Since 2010, 6 market centres, more than 800 shops and 1,335 kiosks have also become operational in recent years.

Despite efforts over many years to boost industry development with regional manufacturing, the sector's overall contribution to the city's economy, the employment opportunities and foreign investment have been minimal. Figures for the industry are not generally available. The major manufacturing industries are textiles, cement, food, and beverage processing. Except for a handful of the above medium-scale State-controlled industries, most are privately owned and operated. The Dire Dawa population derives their livelihood from informal trade activities (UN-Habitat 2008) Central Statistics Agency, 2010). Much of the job growth is expected to occur in the trade, construction, and transport sectors.

The current picture of trade and commerce has not been captured statistically. However, a study conducted by the city’s Industry and Trade Team indicated that in 1994, there were 2,888 legally licensed businesses in the city, of which 36% were retailers, 35% were in the service industry, and 28% were engaged in wholesale trading. Many wholesale traders are involved in khat (a traditional socialising drug) trading, primarily exporting it to Gode and Djibouti. The retail trading activities include clothing, electronics, household utensils, and food items. Most electronics materials that are available in Dire Dawa retail markets are believed to be contraband goods. There are currently 12 market centres; in Dire Dawa, each centre specialises in a specific product or merchandise. Street vendors also sell various commodities, including electronics, without having a proper license or registration.

The city’s Micro and Small Enterprise Development Agency (MSEDA) was established following the city administration’s restructuring in the early 1990s. The agency assists with business skills training, business counselling, production, and market centre development activities. It also facilitates access to start-up and operating financial resources of up to 20,000 ETB. In addition to individual counselling, the agency assists in forming trade associations and cooperative businesses. Outsourcing small construction works, street parking, and garbage collection services to MSE are under consideration by the city.

The MSEDA office recruits participants for the program from the city’s vocational and technical schools. So far, the program has provided business development training for 2,844 people; helped over 800 business operators access credit; and developed 79,056 m² of land for product preparation sites, two market centres with a business information centre, and banking service for 449 vendors engaged in the garment, food processing, fruit and vegetable, and small construction businesses. There is an attempt to link urban agriculture with MSE activities in the region.

Dire Dawa is a good stopover for tourists who wish to explore the nearby archaeological, historical, and cultural areas. The city is also home to a historic railway station, the Kefir Open Traditional Market, the Camel Market, and the nearby Italian Fort on Genda Gara Hill. Dire Dawa town is attractive and reflects a planned city; it has a grid and tree-lined avenues and unique Arab, French, and Italian architecture.
8.2.5 Development Challenges and Opportunities

Unemployment is one of Dire Dawa’s most visible challenges, followed by informality, periodic floods, and sanitation. Moreover, the land-locked country faces many development challenges because of poor national road networks and communications systems. The following are some of the more significant challenges facing the development of the city:

8.2.5.1 Land Management and Development

Dire Dawa has adequate land for urban expansion west of the city. It has around 57 ha of vacant land held by 18 government bodies (Dire Dawa Administration, 2020). There is potential for this vacant and underused land to be redeployed for development, and some steps have been taken to make full use of this land. The land issue is one of the significant factors affecting Dire Dawa’s development.

From an economic development policy point of view, Dire Dawa:

- Has no strategy or plan to provide a framework for developing the economy of the city.
- Lacks a strong and dynamic private sector.
- Appears not to have good networks to enhance the development of markets.

The main problems with and constraints to industrial development include:

- Insufficient market study for products that Dire Dawa can engage in.
- High cost of imported inputs.
- Shortage of quality local inputs.
- Shortage of machinery spare parts in the local market.

8.2.5.2 Trade and Commerce

There are opportunities for the development of trade and commerce in the city. There is adequate land for expansion (see discussion below on land and housing). However, the development of trade and commerce is constrained by:

- The high level of illegal and informal trade activities.
- The low regional level of incomes and available saving and income for households to spend.
- Most businesspeople lack the necessary education to adapt to modern-day business practices. (limited entrepreneurial skills and inability to use their creativity tends to lead businesses to focus on a limited line of trading, such as merchandise sales or electronics, or spare parts).
- Obtaining loans for start-up or expansion is difficult for many businesses because of the banks’ high collateral requirements.

These issues are common to Ethiopian secondary cities. Still, the proximity to Djibouti City (population 600,000) creates significant twinning opportunities and cost advantages for local businesses to develop strategic trading partnerships with this urban centre and port with a GDP per capita in 2020 of US$3,425, compared to US$ 936 in Ethiopia.
8.2.5.3 Micro and Small Enterprise Development

Micro and small enterprise development problems and constraints include the lack of each of the following:

- Access to start-up and operating money.
- Awareness about the available resources.
- Essential managerial and business skills by small business operators.
- Marketing skills to promote their products.
- Entrepreneurial skills to develop a new type of business with high-profit potentials and better markets.

The challenges and constraints to attracting investment in Dire Dawa include:

- A weak enabling environment with inadequate infrastructure to support industrial development.
- Lack of a one-stop-shop for dealing with business approvals.
- Lack of business culture.
- Limited capacity of local government to support economic development initiatives.
- Lack of skills and marketing investment opportunities.

8.2.5.4 Human Capital Development

Unemployment is one of the most visible and critical threats to the continued growth of the economies of Ethiopia and Dire Dawa. The unemployment rate for Ethiopia was 19.16% in 2016. It was 23.94% in Dire Dawa (Central Statistics Agency, 2016), slightly higher than for Addis Ababa with 21.02%. Of the unemployed, women constitute 32.6% (Central Statistics Agency, 2016). Further desegregated unemployment by age depicts another dimension of unemployment: the vast majority (83%) are in the age group 15–39 years, which is the most economically active segment of the society.

8.2.5.5 Development and Housing

Ethiopia's government recognises the rights of citizens to decent housing and commits itself to implementing international conventions and agreements, such as the UN-Habitat Agenda. This has not had an immediate effect on Dire Dawa. There is a shortage of 24,000 houses, which is expected to grow annually by 2,900 houses. The vast gap between demand and supply increases informal settlements, with more than 200,000 people living in slums or sub-standard housing. The city administration is working to regularise these settlements and provide title deeds to the occupants. The number of people living in precarious sites such as in the mountains or on streambanks is another manifestation of the housing problem. Cognizant of this critical problem, Ethiopia and the Dire Dawa governments have put housing development and provision at the top of their priorities list.

The Dire Dawa administration employs lease auction mechanisms to supply land for those interested in investment purposes. Individuals can get land for housing through a lease auction or by organising themselves in cooperatives for residential purposes. However, the level of informal settlement remains high in Dire Dawa. Most of these areas are located around the city and have very limited access to basic services, as well as poor living conditions (Kaganova & Zenebe, 2014). In 2011, Dire Dawa had 10,040 informally constructed houses, and the city administration embarked on a program of pro-active regularisation, resulting in 7,000 houses being regularised. By 2014, however, the city still had more than 10,000 informal houses because new informal settlements had emerged (Cities Alliance & World Bank, 2014).

According to data featured in the (Dire Dawa Administration, 2020), Dire Dawa has the most extensive coverage of informal settlements (1,770.7 ha). The vast majority (80%) are located on hillsides, and some are located in wetlands. These informal houses do not have access to basic services such as water, power, roads, etc.
8.2.5.6 Environmental Management

Environmental management issues especially flooding (Photo 8.3), are a problem for Dire Dawa. Vegetation loss due to land clearance for farming and charcoal making is significant, with one study showing that only 36% of the plots had tree regeneration after clearance (Milkias & Toru, 2018). The Dire Dawa Administration urgently needs appropriate policy and a strategy to avert the ongoing undesirable land-use change and soil loss. Improved land cultivation practices with appropriate implementation of soil fertility management measures and afforestation and reforestation activities are necessary.

The report, Safe and Resilient Cities in Ethiopia (World Bank, 2017), summaries many other environmental problems related to fire, flooding and earthquakes (NCE, EDRI & GGGI, 2015). The problems and risks strongly argue the need for improved water catchment management and water use and security, a switch to sustainable energy sources to reduce vegetation lost, and improved warning of and response to disasters (world Bank, 2017). The city does not have a disaster management plan or the necessary skills, equipment and technology to manage the damaging impacts of disasters and the pending effects of climate change. The city has a climate change plan, developed in 2011, but it needs to be updated and resourced (DDAEPA, 2011).

8.2.6 Policy Agenda Needed for the Development of Secondary City Economies

Two levels of urban policy development are needed to support the development of Ethiopian secondary cities. At the national level, a clear set of policy directions is required. Many of the proposals developed by the New Climate Economy (NCE), Ethiopian Development Research Institute (EDRI), and Global Green Growth Institute (GGGI) in the report, Unlocking the Power of Ethiopia’s Cities (NCE, EDRI & GGGI, 2015) indicate a need to focus at a national level on unlocking the growth potential of urban centres: fostering agglomeration or clustering of regional networks of towns and smaller cities, with secondary cities becoming economic and administrative hubs; and targeting the development of more compact, connected and resilient networks of cities (Figure 8.14). The report advocated the development of the Dire Dawa-Jigjiga Economic Corridor and International Trading Cluster (NCE, EDRI & GGGI, 2015).
At the subnational level, the following five policy agendas must be considered to boost the development of secondary cities:

1. Reduce urban unemployment.
2. Reduce slum areas.
3. Increase access to land and essential services.
4. Strengthen urban-rural and urban-urban linkages.
5. Adopt plans for climate change adaption in line with COP26.

To implement these, the existing policies and strategies of the Ethiopian federal government are focusing on measures to:

- Reduce urban unemployment to below 20% of the economically active population and thereby reduce urban poverty by increasing urban income levels and income equity: support MSE and accelerate the creation of urban-based employment, particularly where this complements rural linkages and delivery of housing and essential services.
- Reduce slum areas in Ethiopia’s main cities by 50% by launching a national integrated-housing development program that scales up Addis Ababa’s initiative, based on lessons learned, and which integrates public and private sector investment with micro-enterprise development and provision of essential services.
- Increase access to land and basic services, ensuring that there is sufficient access to land for the poor, for SMEs, and formal private sector industrial and commercial investment.
- Strengthen urban-rural and urban-urban linkages by consolidating efforts in the larger towns and launching a small towns’ development program.
Based on the national urban development policy and the objectives mentioned above, the government has developed two ‘packages’: the Urban Development Package and the Urban Good Governance Package, which secondary cities can use to improve their economy.

The Urban Development Package has five pillars: (i) a Micro and Small Enterprise Development Program; (ii) an integrated housing development program; (iii) a youth development program; (iv) provision of land, infrastructure, services, and facilities; and (v) support for rural-urban and urban-urban linkages (MoWUD, 2007).

The objectives of this package are to:

- Reduce unemployment and poverty through the creation of employment.
- Improve the capacity of the construction industry through the creation of small enterprises.
- Alleviate existing housing problems through the construction of houses.
- Promote urban areas as engines of economic growth.
- Improve urban social and economic infrastructure by providing serviced land for housing, MSE development, youth, and other development.

Initiatives started in Addis Ababa during 2003–2005, such as the integrated housing development program, MSE development, and technical and vocational education and training, are rolled out to the regions as part of this package.

The Urban Good Governance Package was developed to enable urban centres in Ethiopia to enhance sustainable urban development by employing and exercising good governance (MoWUD, 2007). The package has three sub-programs: (i) Land Development and administration systems reform sub-programs; (ii) Urban infrastructure and service reform sub-program; and (iii) Urban finance and financial management reform sub-program.

### 8.3 Enhancing the Development of Secondary Cities in Ethiopia

Effective governance of the implementation of the urbanisation vision is required to ensure that clear mandates exist for ownership of specific components of the strategy. This will help ensure that stakeholders can be coordinated in ways that make the best use of their skills and expertise and eliminate inefficient practices, such as divergent activities, process duplication and lack of overall coordination. Implementing the preferred option, therefore, needs a common or shared platform across government as a minimum. This will help take advantage of secondary cities’ benefits for economic inputs, supply chains, market, and knowledge functions, and improve urban-rural linkages. Integrated planning can also enhance international trade and national transport and infrastructure.

In this regard, there should be national and regional plans to support the efforts of secondary cities to develop, focusing on infrastructure, shared assets, and resources that add value to national supply chains and production systems. Recognition of the balance between national and local autonomy in policy, finance, and planning is essential in enhancing secondary cities’ development. The expected effects of devolution policies must be examined to determine whether and how they can enhance and strengthen regional growth poles. There should be a national framework whereby cities can be guided in land-use planning, user building and infra codes and regulation, transit-orientated development, density, sprawl, charging, utility provision, and public space.

Capacity building is another essential aspect to be considered, as it gives rise to a greater opportunity to manage urbanisation and bring economic development. The success of managing urbanisation requires building the capacity of professionals at both the federal and regional levels, urban and infrastructure planning practitioners, and relevant actors within the private sector. This creates a situation whereby the technical skills required for effective policy and understanding of complex urban development issues are improved.
The importance of critical infrastructure to boosting the economy of secondary cities should be acknowledged. Infrastructure is vital for driving development, as it facilitates access to transport, trade, and resources. Prioritisation of infrastructure is essential, as there are always limited resources to deliver it. Secondary cities need to be carefully linked to their actual demand and priority for their development objectives. Each secondary city has needs regarding the timing, capacity, and mode of transport required. Some prioritise movements of people and services, whilst others focus on manufactured goods and raw materials.

Ensuring municipal fiscal autonomy can help secondary cities grow. A city’s ability to finance its infrastructure and development needs can be attractive for investments for development. Local control of financial management and revenue-generating activities is helpful if there is the capacity to manage such activities. However, creditworthiness is a significant challenge for many secondary cities that often run deficits and have weak public financial management (PFM). Hence, cities need to improve their PFM to become creditworthy and investable cities.

### 8.4 Learning Outcomes

Dire Dawa has a unique administrative status, as it is a chartered city, answerable directly to the federal government. Its administrative function has been determined through politics, as it lies strategically between the states of Somali and Oromia. On the other hand, the city is endowed with good economic growth prospects. It has numerous market centres as well as cement, food, textile, and steel manufacturing plants. The town has excellent growth potential, as it is in the vicinity of Djibouti, Somaliland, and Somalia.

Although Dire Dawa has attempted to deal with persistent challenges, such as informal settlements, they remain challenging. The problem of informal settlements is also accompanied by high unemployment, poverty, and a massive backlog in housing. To emerge from this dilemma, the city needs to combine economic growth, land-use management improvements, and transport connections. This intervention could help the city take advantage of future opportunities. Moreover, ensuring reliable connectivity to Djibouti’s port will play a significant role in economic development.

There is a need to identify potential growth areas with adequate research into the environmental risks and minimize the impact on sensitive assets such as the water table. This research needs to be well-thought-out to reduce the effects of economic growth on the environment so that economic growth does not impede the city’s identity and overall competitiveness. Improving the supply of essential services in Dire Dawa is vital, particularly in water supply, housing, electricity provision, waste management, and sewerage. Balancing the water demand for domestic, commercial, and industrial use needs to be addressed urgently.
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ENDNOTES

(1) The MWUD was created in October 2005. Previously the federal mandate for urban development matters lay with the Ministry of Federal Affairs.

(2) CBDSD - Capacity Building for Decentralized Service Delivery; UDF - Urban Development Fund; ULGDP - Urban Local Government Development Project.


(4) The United Nations Millennium Goals Report states that an estimated 1 billion of the world’s population lives in slums. The MDG target is, by 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers—i.e., 10% of the total.
9

GABÈS: TUNISIA

LAURE CRIQUI
Tunisia is a small, compact nation in the Maghreb region of North Africa. It has a long history of urban settlement, dating back 5,000 years. In the 5th century BC, the ancient city of Carthage, now a seaside suburb of modern-day Tunis, rose to power to become one of the most dominant civilisations in the western Mediterranean.

In 1980, Tunisia was one of the first countries in Africa to become 50% urbanised. Urban settlements are confined mainly to the Mediterranean coastline. There are now 22 cities with populations over 50,000 located in this zone. Metropolitan Tunis, the capital city, is the largest, at 2.7 million. Most secondary cities are situated along the coast, with a few smaller ones, like Kairouan and Gafsa, located in more fertile areas inland.

The Ottomans and the French colonised Tunisia for more than 400 years before the country secured its independence, in 1956. The Jasmine Revolution of 2010-2011 saw the overthrow of the longstanding authoritarian government, spurring profound democratic and governance changes in Tunisia. Poverty levels have declined in recent years, but territorial inequalities persist and are decisive factors in bringing about further pressure for change (OECD, 2018). These pressures for change began in small inland cities before spreading to coastal urban centres.

The 2014 Tunisian Constitution\(^1\) opened avenues to shift from centralisation towards democratisation and decentralisation. Inclusive and equitable territorial development appeared central to democratic renewal to address local social demands. The revolution, regional disparities, democratisation, and decentralisation strategies have all been intertwined deeply in Tunisia since 2010. On the one hand, a new logic of ‘positive discrimination’ towards less-developed regions aims to address and change a firmly embedded centralisation legacy. On the other hand, the regulatory framework, laws, management tools, and financial and human capital are still work in progress to support territorial development policies.

This chapter examines urbanisation and secondary cities development in Tunisia. It includes a case study of the secondary city of Gabès, the country’s sixth-largest city and an important industrial centre. The chapter describes the emerging trends, patterns, and challenges of urbanisation of secondary cities in Tunisia; provides a profile of Gabès and its development challenges; and explores the policies and works in progress that support and enhance the development of secondary cities in the country, including the means for their implementation.
9.1 Urbanisation and Secondary City Development

Tunisia is 70% urbanised, with 12 million inhabitants living in urban areas (Figure 9.1 Urban settlement pattern, Tunisia). For the last 50 years, population and economic activity have been concentrated on the northern and eastern coastlines. More than half the national population, three-quarters of the urban population, and over 85% of national GDP is concentrated in Tunis and less than a dozen coastal cities – from Bizerte to Gabès. Centralisation and regional disparities in all local development fields – economic activity, social opportunities, administrative and political power – strongly influence secondary cities’ development.

9.1.1 History of Territorial Organisation and Municipal Government Arrangements

Following independence from France in 1957, the Tunisian Constitution of 1959 contained only one reference to local authorities, and the national State favoured de-concentration, i.e., decentralisation of administrative functions without devolution of political power (Turki and Verdeil, 2014). Local territorial administration followed a three-tier system: 24 governorates (provinces), 264 delegations and 2063 sectors. These institutions were directed by representatives appointed by the Ministry of Interior to implement national policies locally.

Municipalities existed, but they did not have a strong political role at the local level. Administrative boundaries were disconnected from functional living areas, economic influence zones and agglomerations. Cities had no political status, and local authorities had little political, administrative, and financial means. In 2011, the local resources share represented only 4% of the State budget and 2% of the national GDP (OECD, 2017). Without fiscal autonomy, local authorities had no genuine political autonomy (Picard and Guidara, 2015), making them dependent on State transfers and hampering their capacity to invest in local projects (Turki and Verdeil, 2014).

The 2014 Constitution committed to effective and equitable decentralisation, autonomy, and responsibility of local authorities for proper democratic and more accountable local governance. It created a new two-tier territorial architecture, with 350 municipalities (among which 90 were newly created and about 100 saw their territory expanded) and 24 forthcoming elected regional councils (Figure 9.2). A Ministry for Local Affairs was created in 2016, followed by the adoption of a ‘National Code for Local Authorities’ in May 2018. The first municipal elections took place in May 2018; since then, some mayors have denounced the lack of means, capacities, and autonomy to fulfil their missions and social demands, particularly in the context of COVID-19. Indeed, while financial decentralisation remains in progress, municipalities are now responsible for roads, rainwater management, public places, parks and green areas, solid waste management, public lighting, markets, and slaughterhouses. They share responsibilities with the State for local economic development and employment.
A consultative process for designing a National Strategy for Decentralisation and implementation tools were launched in July 2020. However, multi-level governance arrangements between State, regions, and municipalities remain fragile and undecided. Meanwhile, a complete, coherent regulatory framework remains pending, particularly regarding the alignment between decentralisation and de-concentration; this has created fractions and misunderstandings between local State administrations and municipalities. Being new, municipalities are still in the phase of organising autonomous administration and processes; 5-year local development plans – required by the 2018 National Code – are expected to follow soon, depending on the financial and human capital resources they manage to mobilise.

9.1.2 Urbanisation and Demographics of Primary and Secondary City Development

With a fertile north-east coastline strategically oriented towards the Mediterranean Sea, on the one hand, and a more desertic southwest area, on the other, the Tunisian geography has strongly shaped urban, economic and political development (Belhedi, 2019). During the colonial period, the French administration concentrated its presence in cities on the fertile northern coast, around mining centres, colonial settlements, ports and administrative centres (Belhedi, 1993). Furthermore, the colonial State strongly favoured Tunis; regional centres were regarded as places to control the territory, with little local development perspective.

This tendency was reinforced in subsequent decades. After independence, a State-led socialist development strategy relied on the nationalisation of industrial assets. Rapid urban growth started in the 1960s, with an average growth rate of 4% per year. The combination of public investment in extensive infrastructure and the creation of governorates and their administrative offices – hence, public employment, social and educational services – led to rural-urban migration towards coastal cities.

The shift towards a neoliberal economy in the 1980s did not change the trend much. Market-led development favoured territories with assets, infrastructure and openness to international trade. Export industries and tourism have benefited coastal cities, which had the comparative advantage of a strategic location for international exchanges (Belhedi, 2004). Meanwhile, the State compensated for the unequal development by investing in public and social amenities in small inland cities, with little success in promoting endogenous local development dynamics.

Nowadays, the traditional north vs. south imbalances and inequalities have shifted slightly to the eastern coastline vs. the western interior (Belhedi, 2019), without changing fundamental legacy and trends. Three patterns can therefore characterise urbanisation in Tunisia:

- A high level of primacy: Tunis and Sfax, and Sousse to a lesser extent, illustrate political-economic centralisation. Urban sprawl has engulfed neighbouring municipalities and agricultural land.
- Few medium-size cities: Today’s secondary cities are the capital cities of regional governorates, set as administrative centres in the 1970s and economic poles in the 1980s.
- The proliferation of small inland towns that face relative demographic growth but lack administrative, economic and social services is also a source of interior migration (both from rural areas to towns and inland towns to coastal cities or abroad).
Even though precise data on the population in urban areas is not available, there is consensus on the large urban agglomerations in Tunisia. These are represented by eight regional capitals (Lamine, 2008): Tunis, Sfax and Sousse constitute the three large metropolises, followed by Nabeul, Bizerte, Gabès, Kairouan and Gafsa, and then by a series of small inland towns with less than 100,000 inhabitants. Figure 9.3 and Table 9.1 Population of Tunisia’s primate and secondary cities show population change in these cities since 1990. The largest cities have had a more rapid growth than small towns due to economic attractivity and amenities (Lamine, 2008), resulting in a continuing concentration of the population in the northeast of Tunisia. Brief descriptions of these seven cities follow.

**FIGURE 9.3 | Rural and urban population per settlement size (thousands)**

![Graph showing rural and urban population per settlement size](image)

**TABLE 9.1 | Population of Tunisia’s primate and secondary cities**

<table>
<thead>
<tr>
<th>City</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>Est 2015</th>
<th>Area</th>
<th>Density</th>
<th>Average Annual Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tunis</td>
<td>1,206,599</td>
<td>1,576,054</td>
<td>1,886,872</td>
<td>2,442,503</td>
<td>585</td>
<td>4,174</td>
<td>2.96</td>
</tr>
<tr>
<td>Sousse</td>
<td>154,034</td>
<td>296,946</td>
<td>482,905</td>
<td>567,802</td>
<td>179</td>
<td>3,180</td>
<td>4.42</td>
</tr>
<tr>
<td>Sfax</td>
<td>376,035</td>
<td>443,125</td>
<td>499,879</td>
<td>520,896</td>
<td>278</td>
<td>1,874</td>
<td>1.08</td>
</tr>
<tr>
<td>Nabeul</td>
<td>45,479</td>
<td>102,123</td>
<td>193,305</td>
<td>220,351</td>
<td>109</td>
<td>2,022</td>
<td>5.26</td>
</tr>
<tr>
<td>Moknine</td>
<td>78,358</td>
<td>103,535</td>
<td>174,391</td>
<td>190,787</td>
<td>63</td>
<td>3,017</td>
<td>4.16</td>
</tr>
<tr>
<td>Bizerte</td>
<td>88,104</td>
<td>140,936</td>
<td>166,726</td>
<td>182,031</td>
<td>63</td>
<td>2,887</td>
<td>1.72</td>
</tr>
<tr>
<td>Gabès</td>
<td>114,348</td>
<td>143,947</td>
<td>165,634</td>
<td>176,522</td>
<td>65</td>
<td>2,712</td>
<td>1.37</td>
</tr>
<tr>
<td>Jerba Houmet Souk</td>
<td>48,424</td>
<td>105,841</td>
<td>129,731</td>
<td>142,650</td>
<td>295</td>
<td>484</td>
<td>2.01</td>
</tr>
<tr>
<td>Kairouan</td>
<td>89,977</td>
<td>111,850</td>
<td>130,612</td>
<td>141,853</td>
<td>26</td>
<td>5,443</td>
<td>1.60</td>
</tr>
<tr>
<td>Monastir</td>
<td>51,947</td>
<td>71,911</td>
<td>109,994</td>
<td>136,171</td>
<td>31</td>
<td>4,395</td>
<td>4.35</td>
</tr>
<tr>
<td>Gafsa</td>
<td>67,122</td>
<td>107,427</td>
<td>123,183</td>
<td>128,930</td>
<td>22</td>
<td>4,466</td>
<td>0.92</td>
</tr>
</tbody>
</table>

9.1.3 Brief Profile of National System of Cities

9.1.3.1 Greater Tunis

Tunis, the national capital of Tunisia, is the fourth largest city in the Maghreb region, with 2.5 million inhabitants. It comprises several adjoining administrative municipalities. The urban agglomeration expands along a gulf coast over 2,668 km². During the French colonial period, the city began rapid development at the end of the nineteenth century, introducing water, gas, electricity, roads, and street networks. Demographic growth accelerated after independence due to internal migration: new suburbs emerged either under the impetus of national housing programs or informal urbanisation. The latter now account for almost half the urbanised area beyond the historical city-centre. Tunis has a high political, administrative, and economic primacy and a natural demographic growth rate of 2.1%, which is higher than the national average. Tunis concentrates on Tunisian economic activity, with headquarters of major Tunisian companies, foreign investors’ concentration, and a predominantly tertiary sector.

9.1.3.2 Sfax

Sfax’s agglomeration consists of around 600,000 inhabitants and more than 220 km² of flat and accessible land, structured around radial communication roads. The centre encompasses the Old City (Medina), the modern city, built by the French colonial administration, and the port. Today, suburban municipalities account for 45% of the agglomeration’s population; this growth began in the 1970s, but is now slowing. Urbanisation has occurred informally, with lower-middle income groups encroaching on peripheral land. Urban sprawl has occurred, with minimal public transport services between peripheries and the city centre. The national railroad connects Sfax with northern and southern cities, and the airport offers few international flights. An old and insufficient bus service highly constrains internal mobility; personal vehicles, taxis and informal transport are therefore dominant.

Sfax is the first port in Tunisia, and it is where maritime commercial activity and related industrial activities offer economic and employment opportunities. One-third of the national fish production comes from Sfax. The hinterland is an agricultural production territory, particularly for olive oil. The region of Sfax is one of Tunisia’s most economically dynamic regions and accounts for around 20% of the national GDP (OECD, 2016).

9.1.3.3 Sousse

The urban agglomeration of Sousse represents around 400,000 people. It is still the Tunisian agglomeration with the highest growth rate, due to employment opportunities in the building sector, administration, education, and health, both in Sousse and neighbouring municipalities. Availability of affordable land and rents and a traditional industrial sector that still accounts for 30% of the workforce attract lower-income groups. Sousse is also a tourist destination due to the historical heritage in the old city. Like Sfax, Sousse is connected to other cities through an international airport and national railroad. At the agglomeration level, Sousse, Monastir, and Mahdia make up the 97 km² region connected by an omnibus train know as Metro du Sahel.

The economy of Sousse relies on industrial activity (transport machinery, textile, agribusiness) and tourism due to its proximity to seaside resorts and archaeological sites. However, since the revolution, the touristic sector has been fragile, and the COVID-19 crisis has worsened this revenue stream.

9.1.3.4 Nabeul

The urban area of Nabeul engulfs the agglomeration of Hammamet for a total of 155,000 inhabitants. Strategically situated between Sousse and Tunis, it benefits from its proximity to the Tunis economy, while offering new investment opportunities in the Gulf of Hammamet. The Gulf also constitutes an attractive destination for international tourism.
9.1.3.5 Bizerte

Bizerte's agglomeration encompasses several neighbouring municipalities of about 400,000 inhabitants, and it benefits from its proximity to Tunis. Due to its unique location on the northeast coast, Bizerte has long been a major commercial and military port. It is connected via the national railroad and highway to the capital and the international airport. It is the centre of a dense communication network with other neighbouring cities and ports.

Bizerte is an economic centre with commercial, fishery, shipyard and tourism facilities connected with processing and manufacturing inland zones. Its strategic location combines geographical advantages on the axis between Mediterranean traffic and inland regions and proximity with Tunis and infrastructure facilities to connect with international markets.

9.1.3.6 Gabès

Gabès is the southernmost secondary city in Tunisia, i.e., it is located at the end of the railroad relative to Tunis. It also has an airport and is otherwise connected to other Tunisian cities via highways. The urban area sprawls over 20 km along the Gulf and is fragmented by natural frontiers (oasis, rivers, and canals); discontinuous urban sprawl has progressively engulfed nearby villages. The urban agglomeration expands over peripheral areas and is estimated to host 235,000 inhabitants. Following a period of rapid growth during the 1970s and 1980s due to public investments in the industry sector, the city now suffers from a loss of attractiveness.

The Port of Gabès is the fourth largest in the country due to important national investments in the 1970s to make it an industrial pole. Since 1972, the industrial complex of Gabès has produced 1,300,000 tons/year of diammonium phosphate, 875,000 tons/year of phosphoric acid, 90,000 tons/year of calcium phosphate, and 330,000 tons/year of ammonium nitrate. The local economy relies on industrial, chemical, and phosphate transformation, offshore oil exploitation and petrochemicals, electricity and gas production, and cement production. The region was also an intensive agricultural production area. Industrial pollution has significantly affected the environment and natural resources, threatening traditional agriculture, fishing, tourism and the region's overall attractiveness.

9.1.3.6 Kairouan & Gafsa

Unlike other Tunisian secondary cities, Kairouan and Gafsa are situated inland and are therefore much less attractive for growth. Their size is due mainly to public and administrative services and their status as regional centres. The lack of economic and employment opportunities has limited population growth and employment attraction, as many people who prefer to migrate to coastal cities.

9.1.4 The Economic Geography of Secondary Cities

Tunisia's economic development has been shaped strongly by national policies and national-territorial planning (Dhaher, 2010). In the early decades of independence, the socialist State nationalised industries, equipment, and ports. It created national public agencies and enterprises to deliver urban services, operate national transport systems, and exploit natural resources. As a result, the geography of economic development followed national decisions on creating industrial hubs, depending on the comparative advantages of just a few cities. This strategy led to a concentration and specialisation of economic activities in said cities at the expense of endogenous growth and distributed local markets.

The shift to neoliberalism in the 1980s opened the Tunisian economy to international trade and markets. The State promoted export-oriented industries, manufacturing, and tourism. As a result of these policies, cities located on the Mediterranean Coast benefitted significantly compared to inland towns and cities. The better infrastructure, resources, and skills, reinforced by international attractiveness and private investments, further entrenched the geographic concentration of economic development opportunities in the larger coastal cities. Subsequently, private enterprises, both industry and services, are now highly concentrated in the three larger agglomerations of Tunis, Sfax and Sousse (see Figure 9.4).
During the 2000s, the Tunisian economy suffered from global economic downturns, due to its dependence on foreign markets and international sectors like tourism, the threat of terrorism, and civil unrest. Priority was directed to the most productive, attractive and promising assets to mitigate the impact of the economic downturn. This resulted in a continuing competitive advantage for dynamic coastal areas, with some compensation measures and subsidies offered to inland territories (Labiad, 2016).

“Since independence, Tunisia has given priority to the development of thriving cities, commercial openness, and industrial competitiveness. This policy was intended to meet the needs for public services and jobs generated by rapid growth in the major cities. As a result, Tunis and the central and northeast coastal regions occupy a dominant position in the country’s economic activities. Despite the importance of public investment and strong incentives to private investment in the interior regions, this export-based development model has created a ‘two-speed’ economy where the offshore sector, located primarily in the coastal regions, has developed rapidly. In contrast, the onshore sector struggles to grow and create jobs.” (OECD, 2018, p 114)

National economic policies have focussed territorial development on industry sector development, rather than clustering, while spatial concerns for equitable and sustainable development have been neglected (Observatoire Tunisien de l’Economie, 2019). Medium-term economic planning has remained disconnected from spatial planning (Dhaher, 2010), leaving economic forces rather than public strategies to shape territorial development (Ben Jelloul, 2017).

9.1.5 National Policies on Urbanisation and Secondary City Development

Altogether, political, demographic, and economic trends have resulted in Tunisia being an administratively centralised and economically polarised country. Until 2011, the State remained the sole actor for national economic development at the expense of regional and local entities (Chabbi, 2012). Thus, the central government has historically provided little autonomy for secondary cities to realise opportunities to support the country’s economic growth and the emergence of a well-developed network of regional competitive growth centres.

Subsequently, economic activities have become concentrated in the capital and secondary coastal cities. In contrast, small interior cities and regions lag in facilities, roads, healthcare, and leisure services due to low government investment and powerless local authorities (African Development Bank, OECD and United Nations Development Programme, 2016).
Concerns about regional development disparities emerged at the national level when the first national planning document was adopted in 1985 (Bennasr, 2012). Rather than promoting genuine political and economic regions, it subdivided the national territory into administrative entities with grants and transfers, doing little to encourage comparative advantage between cities and regions (Ben Jelloul, 2020). This economic regionalisation did not change either the overall top-down, centralised logic or geographical disparities.

Internal regions face substantial deficits in terms of employment, educational opportunities, and access to health services. At the same time, secondary cities on the coast have benefited on the one hand from economic development, therefore employment opportunities and being connected to international markets, and on the other from public investment in critical sectors like health, education, and administrative services. For example, the Ministry of Development, Investment, and International Cooperation has developed the Regional Development Index, which is a national synthetic indicator based on four components: living conditions, social and geographic indicators, human capital, and labour market indicators. This index clearly shows the geographical disparities in terms of local development (Figure 9.5).

This polarisation of economic, social, and political opportunities within the country has created frustrations. These imbalances have fuelled internal migration from rural to urban inland areas and from inland cities to coastal cities (Lamine, 2008). Migrants have settled in informal, unplanned settlements on the peripheries of secondary cities, thereby contributing to discontinuous urban sprawl and encroachment on agricultural land.

Regional disparities were among the factors in the 2010-2011 Jasmine Revolution, with conflict in inland towns arising from the unemployed and under-employed young labour force. This issue has become so critical that ‘positive discrimination’ towards inland regions is now written into the Constitution, and a report on national spatial planning has been published (République Tunisienne, 2020). The design of new regions to ensure balanced socio-economic development has become politically strategic (Bennasr, 2012); however, the role of secondary cities in forthcoming national policies for economic development and planning is still to be determined.

Since 2011, some transfers have been made, and legislation now acknowledges local authorities’ role in economic development, but transfer of political, financial and human resources to local authorities has been slow.

9.1.6 Issues Affecting Secondary City Development

Tunisia’s secondary cities are mostly coastal cities and economic centres, but they are not the most deprived municipalities in Tunisia, and they remain attractive for rural populations in search of socio-economic opportunities. However, their economies’ strong dependence on foreign and international sectors, including exports and tourism, creates a fundamental uncertainty for their ongoing development, considering the political, terrorist, and sanitary risks they face. Secondary cities’ dependence on national policies has also prevented them from developing autonomous and endogenous local development strategies (Picard and Guidara, 2015). The inheritance of top-down State control and centralisation has also hampered possibilities and opportunities for city-to-city cooperation across the country. Three key issues developed hereunder are affecting the development of secondary cities in Tunisia: local governance, human capital development, spatial concentration.
9.1.6.1 Local Governance, Governments, and Administrations

Municipalities are only two years old, and still fragile. Even though Tunisia now has a good governance system to ensure transparency, accountability, and efficiency for public management, transferring such responsibilities and tools to the local level will take time.

Municipalities face the challenge of weak administrative, human capital, and financial means, and struggle with the inheritance of highly concentrated political power. Highly constrained capacities still limit the mandate and degree of autonomy they are entrusted with through the Constitution: most local budgets are dedicated to operating costs and wages rather than investing in local projects; local civil servants’ positions are much less attractive than at the central level, resulting in many vacancies in management positions (Picard and Guidara, 2015).

Besides, mayors feel left alone to face and satisfy local social demands. Additionally, Municipal Councils were elected in 2018, with most newcomers not necessarily familiar with politico-administrative work. After a few months to get started, be trained, and take on appropriate local challenges, the COVID-19 crisis emerged and quickly slowed and constrained their activity, while also putting pressure in terms of social needs. Some municipalities have collaborated with local enterprises and civil society to design projects, vote for participatory budgets, and draft local development strategies to deal with this complex situation. Several international and bilateral development organisations have also played a significant role in supporting municipal projects and providing technical assistance to municipalities across the country. Reciprocally, some NGOs have consolidated and published data on public management and finances at the local level.

It is too early to evaluate the impacts of the national democratic changes at the local municipality level. The tension between people’s aspirations and political will for better local governance and the actual capacity of local governments and administrations to deliver will remain a challenge in the coming years.

9.1.6.2 Human Capital Development and Unemployment

Unemployment was one of the critical drivers of the Revolution: the ‘unemployed graduates’, a well-educated and young workforce that had been neglected for decades, could not find economic opportunities. Quality education has improved overall human development, but related jobs in the service sector are heavily concentrated in Tunis and are not accessible to those in other regions. Figure 9.6 shows the unemployment rates per region. These are disproportionately high for inland secondary cities, towns and regions, leading to push-migration to coastal cities.

The industrial sector has not generated enough quality jobs in most secondary cities due to both its intrinsic needs and global downturns. Similarly, the tourism sector is highly uncertain and dependent on both national and international contexts. Over decades, the concentration of economic activities in a few industries has devastated some traditional agriculture, crafts, and local entrepreneurship. Very specialised local economies cannot offer a diversity of opportunities to a young and dynamic population.

The frustration and lack of employment opportunities for qualified youth have fuelled discontent as well as internal rural-urban migration. This situation presents a risk of further social unrest if the new urban migrants cannot find employment opportunities in the cities to which they have moved. Human capital continues to be under-exploited at the local level but could constitute a competitive advantage for the country (OECD, 2019).
9.1.6.3 Spatial Issues: Migration, Urbanisation, and Agglomerations

As indicated earlier, even though Tunisia is already a highly urbanised country, with urbanisation at 70% and poverty rates continuing to decline, rural-urban migration continues. These internal migrations represent the country’s deep inequalities and constitute a threat for small, medium, and large cities.

Small inland towns suffer from low economic development and therefore offer little attraction for investment and qualified workers. They face a vicious circle of underdevelopment that public investment has not been able to address in recent decades (Dhaher, 2010). The risk for these regions is that people will not stay in the small and medium towns/cities, causing them to remain dependent on larger urban agglomerations, which will be detrimental to their future (Foued, 2015).

Attractive secondary cities are continuing to experience high migration levels and do not have the capacity to offer adequate, reasonable accommodation. Consequently, dispersed urbanisation occurs unplanned in the peripheries, neighbouring municipalities and agricultural land in a discontinuous and low-density way. Such an urbanisation pattern threatens environmentally and socially sustainable urban development and is a drain on fiscal revenues that local authorities will face in the coming years. Even though the Tunisian government has implemented large-scale national housing programs (Chabbi, 2012), it is unclear who will be in charge in the new decentralised system.

Finally, growing demographic and economic concentration occurs in the three emerging metropolitan regions: Tunis, Sfax and Sousse. This has created significant urban management issues that have spread over municipal boundaries in uncontrolled residential developments. The emergence of conurbations like Nabeul-Hammamet on the north-eastern coast signifies the disconnection between local administrative structures and urbanisation patterns. Rather than creating unified and coherent urban agglomerations based on complementary advantage, these de facto absorptions may hamper the emergence of sustainable city development strategies.

9.2 Case Study of Gabès

Gabès is the smallest of the main secondary cities, and it demonstrates the challenges Tunisian cities face today after decades of State-led regional economic development. Even though good infrastructure and economic conditions supported development over recent decades, their disconnection from the regional context and the lack of localised strategies and capacities now threaten such a development model’s sustainability. The history of Gabès is representative of the problems and tensions between national and local development concerns (Observatoire Tunisien de l’Économie, 2019).

9.2.1 City Profile

Gabès is an important city in the national and regional urban framework. Figure 9.7 shows Gabès municipality and territory. It is the southernmost city of the coastal corridor, a key hub between the northern and southern deserts; it is strategically located within the Gulf of Gabès and is a maritime oasis.

In the 1970s, the city of Gabès was the locus of a national policy to situate the Groupe Chimique Tunisien, which included a port complex and phosphate transformation industry facilities. In parallel, as the regional capital, it benefitted from public investment and services. These State-led decisions have fostered fundamental socio-economic changes: good connection with the northeast corridor, attractiveness and migration from surrounding regions, specialisation of economic activity and employment, significant health, educational and cultural amenities. It has also resulted in competition for natural resources, including land and water, and has caused environmental degradation (Carpentier, 2016).
## TABLE 9.2 | Profile of Gabès

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Area</strong></td>
<td>What is the estimated urban area in the city?</td>
<td>Africapolis 2015</td>
</tr>
<tr>
<td></td>
<td>65.08 km²</td>
<td></td>
</tr>
<tr>
<td><strong>Demographics</strong></td>
<td>What was the Estimate Population 2020?</td>
<td>Africapolis 2015</td>
</tr>
<tr>
<td></td>
<td>176,522</td>
<td></td>
</tr>
<tr>
<td></td>
<td>What was population in 2000 or last census</td>
<td>Municipalité de Gabès 2014</td>
</tr>
<tr>
<td></td>
<td>128,539</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Is the city’s share of the national population growing?</td>
<td>Africapolis 2015</td>
</tr>
<tr>
<td></td>
<td>+3.36 %</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Estimated Density of Population</td>
<td>Africapolis 2015</td>
</tr>
<tr>
<td></td>
<td>2,712 pp km²</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Has population density in the city increased or decreased?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>26.8 / pp km² (1975) to 55 pp km² (2017)</td>
<td></td>
</tr>
<tr>
<td><strong>Economic Strength</strong></td>
<td>What is the city’s estimated GDP?</td>
<td>US$591 m $3,349.6 (2020)</td>
</tr>
<tr>
<td></td>
<td>Estimate of how fast is the economy-growing pa?</td>
<td>2.7% (2018) about the means</td>
</tr>
<tr>
<td></td>
<td>What is fastest growing sector of the Economy?</td>
<td>national growth</td>
</tr>
<tr>
<td></td>
<td>What does the city mostly export or trade?</td>
<td>Public sector</td>
</tr>
<tr>
<td></td>
<td>Phosphate, oil, gas (manufacturing, textile)</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td><strong>Income Levels</strong></td>
<td>What is the estimated average income per month?</td>
<td>Average Monthly After Tax 740.00 DT US$ 258.51</td>
</tr>
<tr>
<td></td>
<td>9% below Tunis 810.42 DT (US$283.11)</td>
<td></td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td>How many people are employed in the city by industry Sector?</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>Agriculture &amp; fishing: 2,609</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mining &amp; energy: 2,251</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manufacturing industry: 13,566</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Construction &amp; public works: 8,195</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trade and commerce: 11,803</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transport: 3,899</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Education, health, administrative services: 26,361</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other services: 7,485</td>
<td></td>
</tr>
<tr>
<td></td>
<td>How big is informal sector employment?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What is the unemployment rate?</td>
<td>19.04 %</td>
</tr>
<tr>
<td></td>
<td>19.04 %</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>Is there a reliance of remittances to supplement household income?</td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Poverty Rate</strong></td>
<td>Estimate % of households living below the poverty line.</td>
<td>15.9% poverty rate</td>
</tr>
<tr>
<td></td>
<td>Is there any Gini Coefficient data?</td>
<td>Municipalité de Gabès 2018</td>
</tr>
<tr>
<td></td>
<td>What is the gini coefficient</td>
<td>Unknown</td>
</tr>
<tr>
<td>Indicator</td>
<td>Details</td>
<td>Source</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td><strong>Public Finances</strong></td>
<td>What is the budget of the municipality? 7 M$ est.</td>
<td>Portail des collectivités locales 2019</td>
</tr>
<tr>
<td></td>
<td>What are the primary sources or funds and expenditure? Local resources</td>
<td>Portail des collectivités locales 2019</td>
</tr>
<tr>
<td></td>
<td>How much money does the municipality spend/ capita? 55 $ est.</td>
<td>Author’s estimate</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td>What % of the city population has access to potable water? 98.7%</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has good sanitation? 88.6%</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has waste management collection 99%</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>What is the distance and travel time to the nearest largest city? 325 km to Capital City</td>
<td></td>
</tr>
<tr>
<td></td>
<td>How many intercity flights or buses is there a day? 2 flights to Capital</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Does the Municipality have a GIS with an inventory of infrastructure? Unknown</td>
<td></td>
</tr>
<tr>
<td><strong>Housing and Land</strong></td>
<td>What % of the city’s residents’ lives in slums? 0.07%</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>What % of households rent 17.85 %</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>What is the cost of land on the fringe Unknown</td>
<td></td>
</tr>
<tr>
<td></td>
<td>How rapid has been the development of land and housing Unknown</td>
<td></td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>Number of students who finish primary education 31.22%</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>Number of students who complete secondary education 43.74%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of students who complete tertiary education 14.73%</td>
<td></td>
</tr>
<tr>
<td><strong>Health Infrastructure</strong></td>
<td>Number of doctors per 10,000 people Doc/10,000 1.9 hospital bed per 1000 population</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td><strong>Attractiveness/Tourism</strong></td>
<td>Average n° of nights spent by tourists 1.6</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>Quantity of phosphogypsum rejected in the sea 13 000 T/day</td>
<td>Municipalité de Gabès 2018</td>
</tr>
<tr>
<td></td>
<td>Rate of green public places 10.77 m²/inhabitant</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
<tr>
<td></td>
<td>Share of individual “villas” within overall housing offer 83.35%</td>
<td>Office de Développement du Sud, 2018</td>
</tr>
</tbody>
</table>

Sources: Public documentation sources indicated in column 4.
Table 9.2 gives a profile of Gabès. It includes data collected from public sources on demography, economy, social indicators, governance, housing, and health. Some data is not available, nor is it disaggregated enough to prepare a complete profile of the city. There is a need for additional data to be gathered to enable the city to improve its planning and management of development and infrastructure and deliver social, community and environmental services. The difficulty of securing better information and data on Gabès is a problem shared with most other secondary cities of Tunisia and North Africa, as well. Without improved basic data and information on secondary cities, it becomes increasingly challenging to plan for their development.

9.2.1.1 Social-Demographics

Gabès is the regional capital of the governorate of Gabès, with an estimated population of 374,000 inhabitants in 2014. The city itself accounts for approximately one-third of the regional population; the nine other municipalities of the governorate have 40,000 inhabitants or less.

Even though Gabès still attracts migrants from neighbouring rural areas, its average annual growth rate of 1.24% between 2004 and 2014 is among the lowest in the country (Table 9.2). The lack of endogenous economic growth and alternative private investment beyond the port-industrial complex has slowed its momentum and natural demographic growth (Office de Développement du Sud, 2018).

The rapid industrialisation in the 1970s and 1980s and the large employment numbers in public services led to a relative homogeneity of the social structure, with the rise of a lower-middle and middle-income group (Carpentier, 2016), living in individual houses in the southern suburbs.

9.2.1.2 Governance

The municipality of Gabès extends over three delegations: Gabès Ville, Gabès Ouest and Gabès Sud, the more urbanised areas at the centre of the governorate. Early on, the new municipal council elected in 2018 launched a participatory budget exercise for 5% of its budget. With the European Union and Expertise France’s support, it engaged with local enterprises in collaborative environmental governance processes to foster corporate social responsibility initiatives. It also conducted a diagnostic process and prepared a participatory City Development Strategy (CDS) for Gabès with support from MedCities, UNDP and Cities Alliance. This CDS to assess the strengths and opportunities for the territory and design adequate local projects indicates, a positive trend towards reappropriation of local issues and perspectives by the new local authority, in partnership with active local civil society.
9.2.1.3 Urban Development

The urban area of Gabès spreads over 20 km along the coast in fragmented urbanisation due to natural obstacles, including the oasis and river. Roads and a canal also separate the city from the coastline. The agglomeration encompasses:

- The old city, Medina (classified as part of historical heritage), which suffers from a poor road network and traffic congestion.
- The colonial centre, which has a concentration of administration, commerce, and tertiary activities.
- The residential extensions in Gabès South, which emerged in the 1970s and 1980s with industrial and administrative development, and where some services, such as the hospital, university, and sports complex, have been delocalised.
- Recent informal settlements, including engulfment of villages and encroachments on the oasis on the western side of the city, which threaten valuable natural land and are in proximity to dangerous industrial areas.
- The port-industrial complex halfway between Gabès and Ghannouch, which creates a rupture in the urban landscape.

Although Gabès is well-connected to other cities due to the railroad and highways, this same infrastructure constitutes obstacles to inner-city mobility. The city centre is increasingly congested by private vehicles, while public transport from residential peripheries to central workplaces is inadequate. The public and green space rate is estimated to be 10.77 m²/inhabitant, much less than the desired norm of 15 m²/inhabitant (Office de Développement du Sud, 2018). Housing is mainly privately owned and single buildings, with little urban planning and few collective buildings. While individual housing conditions are acceptable for most of the population, urban development problems of poor quality and quantity of public space and road remain. These are acknowledged signs of deficient public urban policies.

9.2.1.4 Infrastructure and Urban Services

Gabès is a well-serviced city due to public investment made to support industrial development and regional capital status. Most urban services are provided by national enterprises or offices and not by the local municipality. Currently, 98.7% of the population has access to piped water networks and 88.7% has access to sewage networks. Those lacking connections are informal developments in the oasis. All households are connected to electricity, and there are 107.2 mobile connections per 100 inhabitants. Whilst 99% of solid waste is collected, it is neither sorted nor recycled, and is instead buried or incinerated, further contributing to air pollution.

9.2.1.5 Human Capital

Gabès has convenient sanitary and health infrastructure and facilities for a city of its size, with 1.48 hospital beds per 1,000 inhabitants. However, considering the increasing health issues due to air, water and soil contamination, these facilities would not cope with large-scale public health issues that may arise. Though the situation is satisfactory for now, it may not be sustainable (Office de Développement du Sud, 2018).

Gabès is also an important regional academic centre with its university of 12 faculties, three public and more than 50 private, professional training centres. However, while superior education was one of the attractions for migrants until the 2000s, the number of students and professors decreased in recent years, and student drop-out rates have increased (Fig. 9.9). This trend can be explained by

- the decreasing quality of life in Gabès due to environmental pollution;
- and the lack of employment opportunities for young graduates in the city (Fig. 9.10).
FIGURE 9.9 | Numbers of students and professors in university and faculties

Source: (Office de Développement du Sud, 2018).

43.35% of the unemployed population has a university degree, and 30.09% of graduates are unemployed.

FIGURE 9.10 | Age of unemployed population


Gabès also has a theatre, three cultural centres, a museum, and hosts many festivals. It offers extensive youth centres and sports complexes, which are adequate and commensurate with its function as a regional capital.

9.2.1.6 Economic Development

Equipped with large scale infrastructure and well connected through roads, rail, and maritime networks, Gabès developed because of the chemical industries and export of phosphate and exploitation of natural gas and offshore oil in the 1980s.

The port and industrial complex of Gabès-Ghannouch has been the main driver of development during recent decades. Still, global recession and saturation of its capacity increasingly limit its contribution to local economic activity. Indeed, only a third of the industrial zone is developed, thus providing less than anticipated employment for the local population. Additionally, because it is a national project, revenues from the industrial zone are transferred to the national budget, hence do not directly contribute to local municipality revenues. The public sector has become the main employer in recent times while few economic alternatives have emerged (Figure 9.11). Agricultural production remains limited, and the craft industry is weak; tourism is limited due to the poor quality and attractiveness of the urban environment. Informal economic activity and unemployment rates are rising (Observatoire Tunisien de l’Economie, 2019). In recent years, the prospects for economic growth have been diminishing. A reorientation and diversification of the economic base is required to ensure sustainable local development.
9.2.1.7 Environmental Issues

Gabès is unfortunately known as one of the most polluted cities in Tunisia due to its industrial and chemical wastes, especially those associated with phosphate exports (Göbel, 2013). Environmental degradation has been the primary concern of both the municipality and civil society in recent years. Hence, it has become the leading political priority and driver for local development projects.

The phosphate refinery in Gabès (Photo 9.2) is also responsible for environmental degradation, causing harm to public health, including high rates of cancer and kidney disease. Fish resources and biodiversity have been impacted significantly in recent years due to rising water temperatures and run-off of industrial effluents into the sea. The phosphate industry consumes significant water resources from a minimal supply. Polluted air is also fast becoming a public health issue.

Lastly, informal urbanisation impinges upon the land's valuable oasis. Gabès is one of the largest maritime oases globally and is located in a gulf that could become a significant wetland environmental asset if pollution problems in the harbour area were addressed. Not only has Gabès not taken advantage of its local natural assets, but the industries established under national development policies are causing deterioration of the city's natural and urban environment.
9.2.2 Development Challenges and Opportunities

The situation of Gabès is symbolic of the paradoxical position of Tunisian secondary cities at the intersection of national, regional, and local issues:

- As a nationwide important industrial centre, it drives economic, political, and demographic growth, but it remains dependent on domestic and foreign investment and trade and is vulnerable to external influences, both domestic and international.
- As a regional centre offering good social amenities and services, Gabès is attractive to migrants, but it has limited capacity to accommodate them. With pollution and other negative impacts from industry, this adversely affects its attractiveness to foreign investors, firms, and a qualified workforce.

Gabès has long been considered primarily as an industrial economic centre. In the context of State led policies and planning, its regional and local assets and resources have been neglected and have become degraded. The city’s image (i.e., as an industrial hub) is poor and adversely affects its sustainability model. Challenges unfold in all dimensions:

- Urban environment: Quality of life, air quality, green public places, street cleanliness, waste segregation, and oasis protection are significant issues. These issues are recognised and defended by the new Municipal Council and local civil society. Still, they must be addressed by local industries and public authorities because pollution and degradation threaten opportunities for alternative economic activities, such as agriculture, fishing, and tourism. The possible displacement of the industrial zone 60 km inland, to preserve the city from pollution, has also been considered.
- Social inclusion and identity: The image and attractiveness of Gabès must be redesigned to help it realise its economic potential: to promote tourism, value cultural heritage, promote higher tertiary functions, increase entrepreneurship, grow the craft industry, and diversify employment opportunities for a young and qualified workforce. Likewise, environmental, landscape and natural assets ought to be highlighted and valued to create appeal.
- These environmental and social challenges fundamentally rely on a change in the city’s economic structure and model. The concentration of growth in the industrial and chemical sector has damaged social and environmental sustainability, and economic development has plateaued. Diversifying the economic base, reconversion, or re-localisation of polluting industries away from residential areas and promoting alternative entrepreneurship in the agricultural and touristic sectors are opportunities to reorient the development trajectory of employment and to recover and preserve the environment.

9.2.3 Policy Agenda to Boost the City and Local Economy

The new national political context provides opportunities for more equitable and sustainable development of the city. Indeed, the new municipal council has elaborated local development strategies to value endogenous regional development potential (Observatoire Tunisien de l’Economie, 2019). Nevertheless, in partnership with local civil society and with support from international expertise, the reappropriation of local assets requires rethinking the development model followed for the last five decades. To turn into an attractive regional hub, critical areas for action addressed by the new Municipal Council include the following:

9.2.3.1 Improve the Urban Environment and Attractiveness

Gabès has important natural assets – the oasis and beaches, its cultural heritage, the Medina – that have been undervalued and polluted, with pollution causing both environmental and public health problems. There are social and economic costs as well: tourists pass Gabès without visiting, and hostels and resorts are few. The development of a tourism sector would require improvements in inner-city mobility and connections with neighbouring cities: the governorate offers the diversity of coastal, Sahara, thermal and mountain tourism areas.
Based on these assets, Gabès is considering a development strategy in partnership and collaboration with other smaller cities in a 50 to 60 km perimeter. Such improvements would also improve the city’s image and attractiveness to a qualified workforce, foreign investors, and entrepreneurs. A focus on a program of environmental restoration and containment of pollutants in the harbour area is essential to improving the city’s degraded area. Action to restore the environment would not only help improve public health, marine life, and create new opportunities for leisure, tourism and environmental employment and investment, but also enable a better quality of life for its citizens.

9.2.3.2 Diversify Economic Opportunities

Economic diversification could benefit from implementing metropolitan clusters that combine economic and technological skills with the promotion of Research and Development by improving connections between the university and industries. It would both enhance the corporate social responsibility of local firms and increase employment opportunities for graduates. Creating a local business hub and gathering the region’s entrepreneurs to develop joint visions for sustainable development and attractiveness could be fostered by more democratic and participatory political processes. To that end, Gabès has partnered with Bizerte in a joint initiative for ‘smart sustainable cities’, oriented towards a ‘smart oasis’, to develop an eco-district.

Gabès remains an important agricultural centre, with 40% of its revenues from the wholesale food market; as such, it supplies the cities of Medenine, Djerba and other southern towns. The agricultural potential was the traditional economic sector in Gabès. It could be revived in partnership with inland rural areas, where projects for geothermal sources for agriculture are being tested. To promote endogenous economic development, the city of Gabès ought to foster and encourage the emergence of local businesses and entrepreneurship.

9.2.3.3 Connect with the Hinterland and Small Towns

Opportunities to support regional clusters of towns and cities along with Al-Hammah, Medenine, and others could be encouraged so that they operate more as a network of trading and value-adding cities, together promoting the collaborative region’s economic development. The spatial master plan at the governorate level is under review (Fig. 9.12). Its goal is to transform the region into an economic development pole. In that respect, the role and place of Gabès as the regional metropolis is crucial, both within the governorate and beyond, including with western governorates (Office de Développement du Sud, 2018) and as far as with southern Algeria.

It could fulfil a regional metropolis’s role by taking advantage of its strategic location, rich heritage, and important amenities. It already has the necessary transport infrastructure to connect nationally and internationally (port, airport, railroad, highways), but reinforcement and connection with small inland towns must also be developed. This approach is slowly starting to take form, considering that municipal councils are only two years old and have spent one year dealing with the COVID-19 crisis.
9.3 Enhancing Development of Tunisia’s Secondary Cities: An Action Agenda for Moving Forward

Although the primacy of Tunis is pronounced, secondary Tunisian cities are not deprived of assets. They are well connected along the northeast coastline; they have benefitted from private investment and public services and continue attracting a workforce. Critical issues in terms of regional disparities have arisen, however, mainly between coastal and inland regions. Since the Jasmine Revolution, balanced regional development strategies have been a national priority for inclusive concerns, employment objectives, and macroeconomic development.

The objective is to develop regions’ competitive and collaborative advantages, capitalise on their assets, and improve competitiveness. To do so, regions must develop centres or clusters that would promote economies of agglomerations (OECD, 2018), i.e., regional metropolises that fulfil the functions of local markets and are engines for development (Belhedi, 2019).

Secondary cities in Tunisia have economic, social, and infrastructure assets to support this role. But they also face a legacy that has undermined their capacities, making them economically and politically dependent on national and international forces. To enhance their development as regional metropolises is crucial to the decentralisation strategy and therefore requires significant changes in national and local spatial planning logics. Some of these changes are iterated below.

- The emergence of genuine local political powers, combining actual decentralisation of administrative, financial, and human resources with functions and responsibilities: Municipalities do not yet have fiscal autonomy and must rely on uncertain State transfers, and they lack adequate revenue to finance strategic local development projects. The difficulties in providing appropriate waste management are signs of weak administrative and technical means at the local level that must be addressed to position municipalities as accountable and reliable service providers. This was an issue discussed at the consultative process initiated in July 2020.

- The promotion of endogenous economic development strategies beyond nationwide strategic sectors: Over past decades, sector-led economic policies and markets have led to high concentration and specialisation of economic structures and activities in each city. These economic activities were strongly dependent on either national or foreign investment and international demand for tourism. The global downturn, terrorism, and sanitary issues make these economic bases very uncertain and fragile. The promotion of local economic development strategies that rely on the diversity of local assets, entrepreneurship, and skills is critical to:
  - reducing uncertainty,
  - promoting employment,
  - increasing the economic and social sustainability of economic growth,
  - mobilising local investors and entrepreneurs at the regional level, which must be part of the new participatory governance promoted by the Constitution.

- A new national planning policy that incorporates regions around urban centres (Bennasr et al., 2015): Balanced regional development relies on compensation for disparities in inland areas and complementarity between secondary cities, regional metropolises, and smaller towns. These interdependencies benefit both medium and small cities and create functional economic and social territories. Connectivity infrastructure is critical to ensure efficient services delivery. The necessity for intercity cooperation, arrangements, and contracts will emerge around shared services, economic hubs, and social amenities.

Since the 2010-2011 Jasmine Revolution and the adoption of the 2014 Constitution and the 2018 Code for Local Authorities, Tunisia has been moving forward with its decentralisation and regional development agenda. The emergence of secondary cities as political powers and regional socio-economic centres is progressing; however, the tools and means to achieve such a transition must still be finetuned and consolidated.
While it is difficult to draft recommendations for a political process in progress, a few lessons can be drawn from the last 50 years, especially since this is the legacy within which the Tunisian State and cities must work. Ministries and national administrations had conveyed a centralised, top-down, and mono-sectorial vision of development, leading to regional and urban specialisations that neglected local assets and challenges and threatened the sustainability of development models.

...a few lessons can be drawn from the last 50 years, especially since this is the legacy within which the Tunisian State and cities must work

The future requires regional and secondary city development strategies to shift towards horizontal, collaborative, and diversified development strategies. Collaboration with local businesses and entrepreneurs, civil society, and neighbouring towns will initiate endogenous economic development. The territorial embeddedness of economic development must be at the centre of all diagnostics and strategies to ensure equitable, balanced, and sustainable growth. The newly elected municipal and forthcoming regional councils could play a critical role in promoting new local multi-stakeholder governance frameworks.
REFERENCES


Numbeo data base 2021 https://www.numbeo.com/cost‑of‑living/in/Gabes‑Tunisia


[Note: for English lang. vers. transl. UNDP, reviewed by International IDEA, see https://www.constituteproject.org/constitution/Tunisia_2014?lang=en]


ENDNOTES


(4) NB: Ariana is a neighbouring city of Tunis, within the urban agglomeration; likewise, Nabeul is located halfway between Tunis and Sousse.

(5) NB: Since independence, local data had been collected at the level of governorates, disconnected from urban patterns (OECD, 2019). Since the 2014 redefinition of municipalities, it is acknowledged that municipal boundaries have the strongest correspondence with urban areas. However, some cities encompass several municipalities, and little disaggregated data is yet available at the city level. All data, except that from Africapolis, is limited to the administrative boundaries of the municipality, i.e., the most dense, old, and consolidated urban area within the actual urban agglomeration as per Africapolis.
Angola was a Portuguese colony that gained independence after a 14 year liberation war in 1975 having experienced over 400 years of colonial rule. It is one of the most fertile, mineral, and petroleum-rich countries in Africa. However, tragically, it suffered 27 years of destructive civil war between 1975 and 2002. As a result, almost 4 million people became internally displaced persons (IDPs), and the flight of many rural families to the cities.

Angola has shown remarkable resilience in recovering from war, ranking 10th in Africa in terms of nominal gross domestic product (GDP) in 2020 of US$2,021 per capita. However, wealth and prosperity have not been equitably distributed across the population or geographically within the country. Angola’s Index of Multidimensional Poverty in 2021 was 48% and reached 58.3 in Huambo province (MPI 2021). Moreover, urban poverty has different characteristics than rural poverty and has risen sharply due to the COVID-19 pandemic.

Angola has a population of over 33.8 million. It is 68% urbanised, with an annual urbanisation rate of 4.25%, slowing from the 6% to 8% rates of the conflict years before 2002 (World Bank, 2021). Luanda, the national capital and primate city, dominates urbanisation. Its secondary cities are also developing rapidly, especially in the petroleum-rich provinces. However, the ravages of the civil war have presented many Angolan secondary cities with unique circumstances that most other secondary cities in Africa have not had to face. Angola’s post-war cities have had to deal with the clearance of mines, replacement of damaged buildings and infrastructure, and human capital loss.

The chapter begins by setting the historical context of urbanisation and secondary city development in Angola, leading to the case study of Huambo. The secondary city of Huambo, the capital of Huambo Province and the country’s third-largest city is selected as the case study to explore in more detail some of these challenges and improvements made to the development of the city. Huambo was designed as Angola’s first ‘garden city’ and has recently been designated as the country’s ‘Eco-Capital’ (Adalberto, 2020). The civil war severely damaged it, but the city has shown remarkable resilience in rebuilding damaged infrastructure and buildings and the local economy in light of many challenges.

### 10.1 Historical Urbanisation and Development

Angola’s armed struggle started in 1961, but its independence on November 11, 1975, also marked the beginning of a 27-year civil war that ended only in February 2002. A multi-party parliamentary constitution replaced a single-party regime in 1992. Constitutional changes were effected in early 2010 that increased the central power of the President of Angola, who is both the head of state and the government within a multi-party system. Under the Constitution, the president exercises executive power. Legislative power is shared between the president, the government, and Parliament.

After 2002, Angola experienced over a decade of sustained economic growth fuelled by revenues from their newly exploited oil deposits. The economy increased the rural migration of Angolans to the cities that had started during the war, with Luanda receiving a large part of this new urban population growth. The World Bank estimates that Angolan urbanisation rose from 57% in 2008 to 60% in 2012 and to 68% by 2021.
Political analysts consider that the 2010 Constitution grants the president almost absolute power. The consequences of these changes on the general direction of development are that Angola remains largely a centralised state, where local authorities still hold limited power and continue to be directed from the centre. Another consequence of this process is the Integrated Municipal Poverty Reduction Programme, a top-down initiative crafted and coordinated by the presidency via the Casa Civil. This program has taken the lead in the decentralisation agenda and has transferred sizeable resources to the municipalities to improve social services delivery.

As a result of this war-induced migration to the urban areas, the Government of Angola in 1999 through Law 17/99 (a), which aimed at strengthening the institutional capacity of the provincial governments, embarked on a process of de-concentration and decentralisation of public service functions to the provincial, municipal and communal administrations. Angola is divided into 18 provinces, each headed by a governor, assisted by one or two vice-governors and provincial directors in charge of the various departments in the province. The country also has 163 municipalities headed by municipal administrators. At the local level, Angolans are organised into communes headed by a communal administrator. There are approximately 335 communes in Angola.

The demand for greater decentralisation has come from civil society and opposition politicians and, after the 2017 change of government, reforms including municipal elections were promised. A spate of legislation on decentralisation was subsequently introduced through Parliament. In early 2021 constitutional amendments were introduced to permit municipal elections to be held across the country simultaneously.

### 10.2 Demographics of Primary and Secondary City Development

Independence in Angola arrived in November 1975, ending a colonisation process that contributed to the development of cities and towns. Internal migration increased rapidly due to the country’s outbreak of the civil war, which mainly affected rural areas and secondary settlements like Huambo in the Central Highlands. The Angolan civil war forced a considerable part of the population, composed mainly of people from those areas, to seek refuge in the coastal cities. As pointed out earlier, many cities experienced several decades of continuous population growth and high growth rates, especially the capital region and Luanda. In 2001, a year before the end of the war, Angola had one of the highest numbers of IDPs in sub-Saharan Africa, with 4 million or more displaced persons (IDMC, 2009).

**FIGURE 10.2 |** Graph showing estimates of urban and rural population growth in Angola (1955-2050)

![Graph showing estimates of urban and rural population growth in Angola (1955-2050)](source: UNDESA 2013.)
Of Angola’s 18 provincial capitals, it had five cities (Luanda, Lubango, Huambo, Benguela, and Cabinda) with populations above 500,000 in 2014, the year of the last census. The capital city of Luanda and the metropolitan city/province have a population of over 8 million. Table 10.1 below shows estimated demographic and geographic information for cities.

### TABLE 10.1 | Population, urban area, and densities for 14 leading Angolan cities

<table>
<thead>
<tr>
<th>Name of City (Colonial Name)</th>
<th>Adm. Population Census (C) 15/12/1970</th>
<th>Population Census (Cf) 16/05/2014</th>
<th>AA Growth Rate 1970–2014 (%)</th>
<th>Population Density* hab/km²</th>
<th>Area* km²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luanda</td>
<td>475,328</td>
<td>6,759,313</td>
<td>6.22</td>
<td>7,233</td>
<td>964.85</td>
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<td>Lubango</td>
<td>31,674</td>
<td>600,751</td>
<td>6.92</td>
<td>5,066</td>
<td>121.56</td>
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<tr>
<td>Huambo (Nova Lisboa)</td>
<td>61,885</td>
<td>595,304</td>
<td>5.28</td>
<td>6,226</td>
<td>96.36</td>
</tr>
<tr>
<td>Benguela</td>
<td>40,996</td>
<td>555,124</td>
<td>6.10</td>
<td>5,968</td>
<td>95.34</td>
</tr>
<tr>
<td>Cabinda (Tchiowa)</td>
<td>21,124</td>
<td>550,000</td>
<td>7.69</td>
<td>7,338</td>
<td>77.57</td>
</tr>
<tr>
<td>Malanje</td>
<td>31,599</td>
<td>455,000</td>
<td>6.25</td>
<td>8,763</td>
<td>53.52</td>
</tr>
<tr>
<td>Saurimo</td>
<td>12,901</td>
<td>393,000</td>
<td>8.07</td>
<td>10,077</td>
<td>40.14</td>
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<tr>
<td>Lobito</td>
<td>59,528</td>
<td>357,950</td>
<td>4.16</td>
<td>7,140</td>
<td>71.48</td>
</tr>
<tr>
<td>Kuito (Cuito)</td>
<td>18,941</td>
<td>355,423</td>
<td>6.89</td>
<td>8,863</td>
<td>40.10</td>
</tr>
<tr>
<td>Ulge (Carmona)</td>
<td>11,972</td>
<td>322,531</td>
<td>7.77</td>
<td>8,720</td>
<td>37.91</td>
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<td>Luena</td>
<td>2,539</td>
<td>273,675</td>
<td>11.22</td>
<td>4,968</td>
<td>56.46</td>
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<tr>
<td>Moçâmedes (Namibe)</td>
<td>12,076</td>
<td>255,000</td>
<td>7.18</td>
<td>9,098</td>
<td>28.93</td>
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<td>Menongue</td>
<td>3,023</td>
<td>251,178</td>
<td>10.57</td>
<td>6,691</td>
<td>38.48</td>
</tr>
<tr>
<td>Sumbe (Novo Redondo)</td>
<td>7,911</td>
<td>205,832</td>
<td>7.69</td>
<td>8,426</td>
<td>25.04</td>
</tr>
</tbody>
</table>

There are 22 secondary cities in Angola with populations between 100,000 and 1 million (Table 10.2). Overall, secondary cities are growing at a significantly slower rate than the primary capital city of Luanda. Luanda contains around 44% of the country’s urban population and over 25% of the national population. The country ranks 9th in Africa for primacy but has one of the fastest urbanisation rates for primate cities. The effect of primacy has created significant distortions in regional economic growth and development. In Luanda Province, GDP per capita is 10 times that of Zaire Province. Mineral-rich regions have high GDP per capita, but the profits and benefits tend to flow to the capital.

### Table 10.2 | Number of urban agglomerations by size, Angola (2015)

<table>
<thead>
<tr>
<th></th>
<th>Total Population</th>
<th>% Urban</th>
<th>Total Area (km²)</th>
<th>Average Density (pp km²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 to 10 million</td>
<td>1</td>
<td>1</td>
<td>6,979,211</td>
<td>44.0</td>
</tr>
<tr>
<td>1 to 5 million</td>
<td>5</td>
<td>1</td>
<td>2,864,294</td>
<td>18.1</td>
</tr>
<tr>
<td>500,000 to 1 million</td>
<td>4</td>
<td>3</td>
<td>1,204,070</td>
<td>7.6</td>
</tr>
<tr>
<td>100,000 to 300,000</td>
<td>5</td>
<td>7</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>50,000 to 100,000</td>
<td>5</td>
<td>7</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>10,000 to 50,000</td>
<td>5</td>
<td>7</td>
<td>13</td>
<td>59</td>
</tr>
<tr>
<td>Total Urban</td>
<td>16</td>
<td>22</td>
<td>40</td>
<td>96</td>
</tr>
</tbody>
</table>


### 10.3 Challenges Affecting Secondary City Development

The main challenges facing the development of secondary cities in Angola and the consequences are discussed briefly below.

#### 10.3.1 Governance

All levels of government below the elected national parliament are appointed. Participation and consultation in the local governance in Angola are very low. In secondary cities, local administrations tend to meet with traditional chiefs (sobas) within their administrative jurisdictions but rarely meet with any other actors. Church representatives, civil society organisations and notable businesspersons may be invited to Municipal Consultative Councils (CACS) at the discretion of the appointed administrators.
**TABLE 10.3 | Enabling environment rating for cities and local authorities**

<table>
<thead>
<tr>
<th>Enabling Environment indicator</th>
<th>20/40</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Constitution makes explicit mention of local governments as spheres of governance, detailing their recognised roles and responsibilities.</td>
<td>4</td>
</tr>
<tr>
<td>All responsibilities and powers are clearly defined in accordance with the Constitution, but some relevant statutory laws and regulations are missing.</td>
<td>3</td>
</tr>
<tr>
<td>Local assemblies and executive bodies are appointed.</td>
<td>1</td>
</tr>
<tr>
<td>Resources are not transferred or are transferred erratically and irregularly.</td>
<td>1</td>
</tr>
<tr>
<td>Local governments have some latitude in determining existing tax base and rates, but the central government is responsible for setting new taxes and accessing loans and financial markets.</td>
<td>3</td>
</tr>
<tr>
<td>There is no national framework of reference defining the qualifications and responsibilities of local government staff and no national strategy for training and promoting human resources in local governments.</td>
<td>1</td>
</tr>
<tr>
<td>Only partial rules and legal provisions on transparency in the running of local governments exist, and they are not followed systematically.</td>
<td>2</td>
</tr>
<tr>
<td>National legislation on citizen participation exists but is not applied.</td>
<td>3</td>
</tr>
<tr>
<td>Local government performance is not assessed.</td>
<td>1</td>
</tr>
<tr>
<td>There is no national urban strategy.</td>
<td>1</td>
</tr>
</tbody>
</table>


United Cities and Local Governments of Africa (UCLG Africa) conducted an assessment in 2018 of the institutional environments for local governments for all African countries. Table 10.3 shows the results of the assessment. Angola scored 20 out of 40 for institutional performance. A rating system was used to assess the strength of the enabling environment for 10 factors. For example, on constitutional recognition of local government, the rating system assigns a grade of 4, the highest score, to countries where the responsibilities of local governments are precisely and relatively exhaustively defined in the constitution. Conversely, the lowest grade of 1 is given to countries whose constitutions implicitly or explicitly limit the role of local authorities.

The assessment results show a need for significant reform of local government organisation and management arrangements, especially the appointment of competent staff, fiscal transfer, improving the skills and competencies of staff, and monitoring and evaluating local government performance. While these are all significant features of weakness in secondary city local government, Angola began a wide-ranging legislative reform from 2018 through 2021, downloading many responsibilities from central and provincial governments to municipalities. This was accompanied by the transfer of authority to raise taxes and the introduction of a law on participatory budgeting that was to be implemented across all municipalities in the country. However, much anticipated elections for the first municipal councils were postponed in 2020, on the excuse provided by the COVID-19 pandemic.

### 10.3.2 Local Economic Development and Finance

Angola has suffered the effects of lower oil prices and production levels, which began to fall dramatically in late 2014. The 2010 price-adjusted GDP contracted from US$104.5 billion to around US$98.7 billion in 2019 and has subsequently deteriorated further due to COVID-19. The oil sector accounts for one-third of GDP and more than 90% of export earnings. The risk of dependency on oil has led the government toward greater diversification of the mining sector and the expansion of agriculture. With increasing numbers of people living in cities, there is a need to boost the development of service industry sectors, where most jobs will be created in the future. The challenge is to boost the provincial service sector employment in secondary cities, especially in health, education and business services. This will require substantial central and provincial government investment in regional education, skills and training programs.

The banking sector is structured mainly around the country’s oil and fossil fuel resources sectors. In recent years, the development in Angola has slowed significantly against the backdrop of falling oil revenue, which has resulted in a significant reduction in real funds flows to local governments, especially the provincial capital secondary city.
In addition, with inflation at over 20%, the cost of capital has risen significantly, curtailing borrowing and capital investment in industry and business. The effect is extremely high unemployment rates, with youth unemployment exceeding 50% in many regional capitals.

Access to public finance has become a significant problem. In the post-civil war period, Angola borrowed and spent significant amounts on capital infrastructure recovery. Research has shown that public expenditure increases GDP, and public employees increased significantly at a regional level while oil prices remained high. However, the fall in oil prices has created an economic contraction, especially in inland provinces, showing that Angola needs, as one researcher notes, “a regional GDP growth policy that enables the country to adequately use the public debt in a period of crisis at the regional level but to decrease it during periods of growth” (Tvedten et al., 2018, p. 5). Moreover, with the regional economy being based on traditional agriculture, capital reserves and capacity to fund secondary city development have been severely curtailed.

10.3.3 Infrastructure

Most of Angola’s infrastructure in cities outside Luanda was destroyed during the long civil war (Encyclopaedia of the Nations, 2022). Millions of land mines were laid, and programmes to remove them have begun to slow. The presence of dislodged land mines hampers not only the physical building of infrastructure (roads, rails, seaports, airports, etc.), but they continue to maim and kill civilians. In addition, bridges, town water supplies, and buildings were severely damaged or destroyed. The inability to maintain infrastructure during the civil war and inadequate reparation and maintenance has resulted in most towns and cities with inadequate water supply, sanitation, and waste management services, although much has been done to make improvements.

Intercity and local transportation is a challenge in Angola. The civil war impacted the serviceability of roads, railways, and bridges severely. The nation’s ports were run-down, and some became obsolete. More than 60% of the paved road network needed repair. Fifteen years were needed, using international financing and contracting from countries such as China, to restore the road network to its pre-war standing.

10.3.4 Human Capital Development

The United States Agency for International Development (USAID) has observed that Angola’s low level of human development is at odds with its potential for economic prosperity, evident in its wealth of natural resources. Much of this paradox is explained by the social disruption and physical destruction generated by the civil war (USAID, 2021). The United Nations Development Programme (UNDP) Human Development Indicators (HDI) provide a composite measure of three basic health, education, and income dimensions. Angola’s HDI value for 2019 was 0.581. As a region, the HDI of sub-Saharan Africa increased from 0.365 in 1980 to 0.547 today, placing Angola above the regional average (UNDP, 2020). The HDI trends inform the national and regional level and highlight the significant gaps in well-being and life chances.¹

Angola, like the rest of Africa, faces the challenges of human capital flight. This began with the civil war when most essential workers left. Human capital flight has continued especially semi-skilled and labour migration to Luanda from the provinces. Among the challenges for Angola regions and secondary cities area severe skill deficit to support the development of local economies; they face the need for substantial local government capacity building through more local skills development and training. This requires a strong focus at the regional secondary city level on higher levels of tertiary training (Ndulu, 2004).

10.3.5 Land

Land issues in Angola that impact secondary cities’ development are like those in any other African country. Further improvements in land management and administration are essential in resolving disputes and ownership and enabling the land to be used as collateral to support business investment and housing. However, one of the legacies of years of war on land in Angola in the post-war years was the number of landmines that littered the
country (BBC News Africa, 2012). Landmines and impassable roads that cut off large development areas remain a severe constraint in some parts of the country to efforts to manage growth in rural areas and develop land for settlement, agriculture, forestry and tourism.

The risk associated with land development on urban land in some secondary towns affected by landmines is still being addressed by the government with international humanitarian assistance. This is a legacy of war that will continue to hold back the development of some regions for decades to come.

Urban land-use management in secondary cities was the responsibility of the Provincial Departments of Urbanism and Environment (DPUA), the provincial representation of the Ministry of Public Works and Territorial Planning. A recent decentralisation reform has transferred responsibilities down to newly created municipal departments, however. Two national institutes continue to work through provincial delegations of the Institute for Regional and Urban Planning (INOTU) and the National Geographic and Cadastre Institute (IGCA): INOTU is responsible for providing assistance and guidance to cities on urban planning, and IGCA is responsible for the land cadastre. These institutions are acutely under-staffed and under-funded across the country. Municipal administrations do not yet have the capacity to comply with those new responsibilities attributed to them.

**10.3.6 Environment**

Angola’s environmental problems are attributed to its rising population pressure and inadequacy of urban and rural infrastructure (Countries Quest, 2022). Examples of environmental challenges facing secondary cities in Angola include:

- Potable water is scarce for the urban poor, but more especially in drier climate areas.
- There is a net importation of food because Angola’s food production has not kept pace with the country’s rapid population growth.
- Traditional and unsustainable agricultural practices have led to widespread soil erosion and desertification. Siltation of rivers and dams is a problem related to uncontrolled soil erosion.
- Solid wastes have become a significant problem, with many secondary cities having insufficient or inadequate capacity to collect and dispose of waste.
- Deforestation, connected to the supply of the international commercial tropical timber market and firewood, is rapidly devastating the limited tropical forests in the north of Angola and dryland forest in other areas, with a severe biodiversity loss in peri-urban hinterlands of secondary cities.
- A national system of protected area parks and nature reserves exists, but lacks funding. As a result, in 1997, only about 6.6% of the land was significantly protected. With logging, poaching, and agricultural encroachment as continuing threats, Angola’s rural and urban environments face serious challenges.

Most secondary cities face problems with the overloading of water, energy and sewage networks. The main environmental problems in Angolan cities are as follows:

- Deterioration of the basic sanitation system and the collapse of few existing sewage networks that were left over from colonial times. As a result, there are difficulties in draining wastewater (domestic or industrial) and rainwater, which causes accelerated degradation of public roads and makes the use of certain buildings impossible. In addition, in unfinished buildings and in those where the water system is inoperative, human excreta from buildings are exposed to the open air. In peri-urban areas not served by the public water supply network, its inhabitants make clandestine connections to pipelines. In addition to exposure to the danger of high water pressure carried in these pipelines, in some areas, the water withdrawn is sometimes untreated.
- A decline in surface and groundwater quality in many cities and towns located along the seacoast or on the banks of rivers. The water drained from the compact surfaces of urban areas and channelled through the drainage systems flows into the adjacent aquatic systems, negatively affecting them, causing malodorous gases and centres of reproduction for malaria vectors.
- Increase in household production of solid waste, leading to the growth of landfill areas in the vicinity of urban centres. Angola still does not have the technology for industrial treatment (recycling,
reuse) of solid waste, so the destination of almost all the waste landfills is in the open, with all the consequences of pollution and impacts on health.

- Unplanned expansion of the urban area, to the detriment of the traditional agricultural production zone around the city. The spaces previously destined to supply food to urban, horticultural, fruit and poultry centres are now heavily populated by informal settlements with poor environmental conditions, and no basic sanitation, drinking water, electricity and green spaces.

- Industrial production zones surrounded by suburban neighbourhoods, discharging all their industrial pollution into these neighbourhoods, where it directly impacts the inhabitants. Such are the cases of cement factories, oil refineries, workyards of civil construction companies and other production centres surrounded by residences.

10.3.7 Social Issues

Historically, Angola has been a socially stratified country. Before Portuguese colonialism, indigenous royalty and wealthy trading families formed local elites. Portuguese colonialism created an extremely hierarchical society in which Portuguese rulers gave some advantages to African assimilados, i.e., assimilated people, over the great majority of indígenas (indigenous people). As a result, Angolan society was divided, mainly on regional and religious lines, and during the fight for the country's independence, society was further divided along political lines linked with the three principal liberation movements. Wealth and expenditure have become significant class indicators, and patronage is also a status symbol in Angolan society (Neto 2012b). However, most Angolans live in poverty, while the elites are very wealthy and tend to live in gated communities in cities. The discontentment arising from these contrasts poses a potential threat for social conflict in Angola, not only in Luanda, but also in larger secondary cities.

10.3.8 Competitiveness, Economic Efficiency, and Sustainability of Secondary City Development

The above factors have seriously impacted the attraction of Angola and its regions as a place to invest. As a result, Angola ranked 136 out of 140 countries in the 2019 edition of the Global Competitiveness Report (World Economic Forum, 2019). The petroleum industry once provided an important political and economic leverage to effect development in whichever direction the Angolan government wished. However, with the COVID-19 pandemic and the accelerating switch to renewable energy generation to address the growing impact of climate change, Angola and its cities will need to look more to an endogenous development model. The lack of competitiveness and the need for economic diversification calls for a significant shift in national and regional development policies in light of a switch to non-fossil fuel energy use in the future. Unfortunately, centralist government politics and policies have favoured the primacy of Luanda at the expense of the development of other cities in Angola. Subsequently, the country's development potential will require a greater focus on decentralisation. There is an urgent need to accelerate structural and geographic economic diversification and expand employment within the cities and regions of the country. This transformation is difficult, given that Angola and its city and regional economies remain heavily dependent on public investment, and the legacy of war adds substantially to risks and development cost of land outside the capital region. Much needs to be done to open up the potential for developing Angola's provinces and secondary cities. Under pressure from civil society and international financial institutions, the government is driving initiatives to try and create a more competitive business environment.
10.4 Case Study Huambo

PHOTO 10.1
Huambo showing the central administrative core 1952 (Nova Lisboa)


10.4.1 Context

The city of Huambo\(^2\), shortly after independence in 1975, had an urban area of 5,322 ha. During the next more than two decades, Huambo suffered from armed conflict, so that by 2005 only 403 ha were added to the urban area of Huambo, that is, a growth of only 7.5%. Between 2005 and 2009, before the National Urban Development Program (PNUH) launch, the urban area began to grow, averaging 91.3 ha/year and accelerating every year, reaching 253.3 ha annually by 2016, when the city covered 7,681 ha. Huambo’s post-war urban area growth from 2002 to 2016 was 44%, significantly less than other secondary cities\(^3\). The capital city of Luanda grew in area by 486% during the period from 1980 to 2014. In Huambo, the garden city, the expansion, to a large extent, filled in the existing voids and green spaces and resulted in densification within the old urban perimeter of the city.

Despite the rampages of war and COVID-19, Huambo has recovered to become an important and growing secondary city. Table 10.4 shows a range of urban indicators. The urban population is growing faster than the national rate of population growth, but slowing. The poverty rate is 32.9%, significantly below the national poverty rate at 41%. Angolans have a consumption level below the poverty line of 12,181 kwanzas (US$21) per month, according to the 2020 Poverty Report (Instituto Nacional de Estatística, 2019). Compared with other African secondary cities, the basic level of services and coverage is good, but connectivity regarding rail and air services to the rest of the country is poor, despite being an important station on the Benguela Railway. Literacy rates are slightly above the national average, but female rates are 10% lower than males. This is a significant barrier to women gaining access to better education and better-paid employment. Nevertheless, Angola’s level of expenditure on education of 4.3%, as a percentage of GDP, is commensurate with that of the rest of Africa.
### TABLE 10.4 | Urban indicators, Huambo

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Area</td>
<td>What is the estimated urban area of the city?</td>
<td>2,711 km²</td>
</tr>
<tr>
<td>Demographics</td>
<td>What was the estimated population (2020)?</td>
<td>766,915</td>
</tr>
<tr>
<td></td>
<td>What was the population in the last census (2014)?</td>
<td>530,736</td>
</tr>
<tr>
<td></td>
<td>Is the city’s share of the national population growing?</td>
<td>National 4.67 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Huambo 5.28%</td>
</tr>
<tr>
<td></td>
<td>Estimated density of population</td>
<td>6,226 ppm²</td>
</tr>
<tr>
<td></td>
<td>How many people are employed in the city by industry sector?</td>
<td>34% practice agriculture</td>
</tr>
<tr>
<td>Employment</td>
<td>How big is informal sector employment?</td>
<td>70% (estimate)</td>
</tr>
<tr>
<td></td>
<td>What is the unemployment rate for those over 15 years of age?</td>
<td>45.0% (estimate)</td>
</tr>
<tr>
<td></td>
<td>Estimate % of households are living below the poverty line</td>
<td>31.9%</td>
</tr>
<tr>
<td>Poverty Rate</td>
<td>What is the Gini coefficient</td>
<td>Huambo Province = 0.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>National = 0.60</td>
</tr>
<tr>
<td>Public Finances</td>
<td>What are the primary sources or of funds and expenditures?</td>
<td>Central government budget</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has access to potable water?</td>
<td>75% have access to potable water through standposts and wells. But only 12% with piped water in the home</td>
</tr>
<tr>
<td></td>
<td>How much money does the municipality spend/capita?</td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>What % of the city population has waste management collection?</td>
<td>34%</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has adequate sanitation?</td>
<td>39%</td>
</tr>
<tr>
<td></td>
<td>What is the length of urban roads?</td>
<td>126 km</td>
</tr>
<tr>
<td></td>
<td>How many intercity flights or buses are there per day?</td>
<td>1 flight per day, 1.5 hrs to Luanda</td>
</tr>
<tr>
<td></td>
<td>What is the distance and travel time to the nearest largest city?</td>
<td>Buses every 5 hours to Capital</td>
</tr>
<tr>
<td></td>
<td>What % of the city’s residents live in slums?</td>
<td>32% (estimate)</td>
</tr>
<tr>
<td></td>
<td>What % of households rent?</td>
<td>20% (estimate)</td>
</tr>
<tr>
<td></td>
<td>How rapid has been the development of land and housing</td>
<td>Estimated 3.5% per year</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td>Literacy rate 77.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Secondary students</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tertiary graduates 3.6%</td>
</tr>
<tr>
<td>Other facts about the city</td>
<td></td>
<td>44% have electrical connections</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30.5% Cell phone access</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8.9% Internet</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7.6 Computer</td>
</tr>
</tbody>
</table>


### 10.4.2 Social Demographics

The 2014 census recorded a provincial population of 2,019,555, of which 713,134 lived in the municipality of Huambo, representing 35.1% of the total provincial population. At that time, 595,304 people lived in the city (Table 10.5). Many families from rural areas fled or were forcibly evicted from their homes to Huambo during the conflict. The reconstruction of Huambo has created more favourable socio-economic conditions than in other urban localities, causing the migratory flow of populations from the countryside to the city. However, because of the conflict and the damage it caused to infrastructure, especially roads, the rural sector is still not a regular functional part of the economic system. Thus, commercial relations with the urban economy and the rural hinterland have become fragile. Although there has been some investment directed at urban infrastructure, a significant part of the population has settled in unplanned areas, further expanding the informal city.
Households in Huambo are mainly headed by men (55%), with 24% aged between 25 and 34 years. The average number of people per household in the city of Huambo is 5.1 people, with 19% having 7 or more members, and 12% having only one. More than half (58%) of households accommodate more than just immediate family members.

### TABLE 10.5 | Huambo population growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Provincial Population</th>
<th>City Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>598,545</td>
<td>38,745</td>
</tr>
<tr>
<td>1970</td>
<td>858,178</td>
<td>61,885</td>
</tr>
<tr>
<td>1991</td>
<td>1,524,000</td>
<td>300,000</td>
</tr>
<tr>
<td>2003</td>
<td>1,598,734</td>
<td>390,000</td>
</tr>
<tr>
<td>2010</td>
<td>2,355,454</td>
<td>530,736</td>
</tr>
<tr>
<td>2014</td>
<td>2,019,555</td>
<td>595,304</td>
</tr>
<tr>
<td>2020</td>
<td>2,437,000</td>
<td>766,915</td>
</tr>
<tr>
<td>2025</td>
<td>2,836,400</td>
<td>893,389</td>
</tr>
</tbody>
</table>


### 10.4.3 Governance

Angola has two levels of subnational government, provinces and municipalities. The Constitution (Government of Angola, 2010) also recognises sub-municipalities, such as “traditional authorities” and undefined mechanisms for citizen participation. The institutions of traditional power in Huambo Province encompass the former kingdoms of Bailundo, Huambo, Chingolo, Chiaca and Sambo. The municipality of Huambo, including the city and its immediate hinterland, has a network of traditional authorities. Their traditional jurisdiction is based on both geography and hierarchy. Traditional authorities’ legitimacy depends on the communities they represent and their capacity to dialogue with government representatives. Huambo traditionally has a king (Rei), 34 paramount chiefs (Sobas Grande), 148 chiefs (Sobas) and 46 subordinates (Seculos), for a total of 229 traditional authorities. The future role of traditional authorities in Angola has been discussed within the framework of decentralisation reforms.

After peace returned to Angola in 2002, policymakers initially considered decentralisation as a strategy to encourage national unity and reconciliation (de Oliveira, 2011). It is viewed as an instrument to promote participatory democracy and make governance more efficient. However, municipal governments in Angola, such as the one in Huambo, can still be described as deconcentrated state entities. There are no elected local councils, formal community participation, and representative bodies or mechanisms to express citizens’ concerns.

At the municipal level, all rules and regulations relating to the local level are provided by the Ministry of Territorial Affairs (MAT). Subnational authorities at the commune level are not elected but are appointed by the MAT based on the suggestion of the provincial governor. Municipal finances are attributed from the state central budget based on annual proposals and project plans presented and screened by the provincial authorities. Local governments have little authority in determining the current tax base and rates. The central government collects 85% of total tax revenues in Angola, and the provincial governments collect the remaining 15%. Municipalities are still not fiscal entities. Some of the revenues are to finance municipalities, such as 70% of property and real estate tax, 30% of license fees and 90% of the value of fines for administrative transgressions (SNG-WOFI, 2019).

The decentralisation program and the commitment to hold elections for municipal councils is widely supported by civil society and political parties, despite some provincial and central government authorities’ resistance to the dilution of their powers. The creation of a new level of local governance, ‘Autarquias’, will transfer real authority with ‘legal statutes’ that will give elected representatives the power to levy some taxes and implement their own municipal development plans. In May 2015, Parliament approved a plan to prepare local elections, but the 2022 schedule was delayed due to the COVID-19 pandemic.
10.4.4 Urban Development

The city of Huambo, being formally planned, differs from other cities in Angola that evolved over time. Huambo’s urban structure demonstrates both a utopian and an authoritarian vision of a city founded on modernist twentieth-century planning ideas influenced by the garden city concept.

While the Portuguese occupation of Angola was claimed to have lasted 500 years, the occupation of the area covered by the Province of Huambo only lasted for 72 years (Neto, 2012a). At the beginning of the twentieth century, the Central Plateau had the highest level of education and colonial culturalization of all the regions of Angola. The region is the historical centre of the Ovimbundu people. The colonial administration was more active there than elsewhere, and much of the commerce came to be dominated by Portuguese ‘bush’ traders replacing Ovimbundu merchants, who were increasingly excluded from commercial activities (Pacheco, 2001, p. 60).

The city of Huambo was founded in 1912 at a staging point and maintenance station on the Benguela Railway (CFB) as part of an envisaged project of large-scale white settlement, with ambitions of being a ‘modern’ European city (Figure 10.4). The kings of Bailundu and Wambu (particularly Ekuikui II and Katiavala I) opposed the penetration of the railway by ambushing workers and settlers. The Portuguese Army eventually subdued them, allowing expansion of the railway (James, 2018, p. 167)."

The CFB has a significant influence in Huambo, where from 1921, under the guidance of the governor, Norton de Matos, the city benefited from investments, qualified labour, and importation of modern construction materials. The lower part of the city was built with a focus on the station; the upper part was planned for administrative and residential functions. In 1923, a new Huambo plan was approved to transform the city into the capital of the colony, from 1928 to 1950, and to change its name to Nova Lisboa (dos Santos, 2017, p. 45).

FIGURE 10.4 | Original Preliminary Plan for the city of Huambo by Eng. Carlos Roma Machado, 1912

Source: Fonte (Neto 2012a, p. 171).
The city was supposed to grow inside well-defined limits, keeping its primarily white and ‘native’ populations apart. Racial segregation, however, was subverted in some neighbourhoods that were rather divided by wealth and social class. The preliminary design of the engineer Carlos Roma Machado (Figure 10.5) appears as the first graphic material that demonstrates the initial steps of the layout of a city with long avenues and some areas destined for housing, commerce and leisure. The railway line was located to the north and limited the growth of the city in that direction. At that time, the city was already functionally distributed with commercial, housing, and public administration spaces, with a place reserved for the construction of the governor’s palace (Neto, 2012a).

The garden city concept that influenced the design of Huambo grew out of a reaction to the effects of the Industrial Revolution on nineteenth-century European cities. Originally, the vision of the urbanist Ebenezer Howard (1850–1928) consisted of creating a central nucleus connected to satellite cities using highways, all of which were surrounded by green spaces, to control urban dispersion. Since its foundation, the city of Huambo has undergone several changes. The concept of the garden city was incorporated into the plan for Nova Lisboa (Huambo) in 1928 (Figure 10.5).

After the Second World War, Huambo grew well beyond its successive urban plans, stretching along the railway and the main roads and blurring its town limits. In the 1950s, Huambo fully developed its main urban features: a centre of administrative power ruling over a constellation of smaller settlements; an economic centre based on agriculture and trade, served by several roads and the Benguela Railway. It was on its way to becoming, by the end of colonial rule in 1975, Angola’s second-largest city and second industrial pole, after the capital Luanda (Neto, 2012b). The city kept its rural-urban solid interface, and urbanisation was moderated by the importance of agriculture and petty trade. A municipal market was added in 1953, near downtown, but urban commerce was dominated by the many (male) street vendors.

Despite some intensive agriculture and ranching projects, production mainly came from African peasant agriculture, while European settlers or corporations controlled commerce and transportation. Settlement by Europeans increased pressure for land that had belonged to peasants for centuries, and huge concessions were transferred gradually to the Portuguese for cattle ranching, plantations, or just for property speculation. Consequently, soils became degraded, and the extensive forest turned into a savannah (Pacheco, 2001, p.63–64).

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**FIGURE 10.5 | Urban plan of Nova Lisboa**

Source: Ingeniero Roma Machado (1928).
Industrialisation in Huambo was incipient except for the impressive CFB Central Workshops and the opening of a beer factory in 1959. Waged employment increased, but Huambo district's economy relied on trade based on peasant agriculture; however, most peasants had to look for work outside of Huambo to create income for paying their taxes. Huambo suffered both coercive and inductive labour recruitment. Enticement to job opportunities presented the possibility of escaping control from both state agents and village elders in the countryside.

In Huambo, labour recruitment responded to the demands from mines, public works, and coffee plantations in other parts of the country. Large numbers of ‘contract’ workers from Huambo were sent to the northern regions of Angola. Labour extraction meant the over-exploitation of villagers, which were, at least in central Angola, the backbone of agriculture. Small-scale farms were cultivated mainly by women. On the town outskirts, they were threatened by European urban expansion. Huambo supplied more than 46% of all ‘contract workers’ (contratados) in Angola in the 1960s. By the early 1970s, about 120,000 workers left the Central Plateau every year to the northern coffee plantations and mines. Huambo still attracted more people than it lost, but the city was for many a temporary stopping place between the village and the next big city (Luanda or Lobito).

In 1948 a new law on ‘native wards’ was passed by the colonial government and implemented after 1956 (Diploma Legislativo nº 2.097, 17 November 1948, 1948). The problem of ‘native housing’ became a political issue in the 1950s when apartheid was rising in South Africa. Native wards were justified on both sanitary and police concerns. It was feared that masses of ‘natives’ would overcome their internal ethnic differences and become aware of their collective power. The Overseas Urbanisation Office defended a clear divide between the native community and the European city. Therefore, ‘native wards’ were created at a distance from the ‘white city’ but connected to workplaces by rapid transport systems.
In Huambo, the prohibition of ‘native’ pockets inside town existed initially, but there was enough land in the periphery to avoid crowded slums. More impoverished Portuguese families also migrated to peripheral neighbourhoods, and those areas developed a mixed population shaped more by their income rather than by ‘race’. Overcrowded slums that characterised other Angolan cities were absent because the plateau topography allowed peri-urban space for self-building houses, often in village-like patterns with ill-defined city limits.

In 1947 an urban plan for Huambo was approved. However, the area under the plan’s jurisdiction had to be extended in 1959 to accommodate new bairros. Planners advocated apartment blocks and abandoned large gardens, backyards, and empty spaces around each house, which complicated essential municipal services; however, Huambo was, until 1960, a city of bungalows, detached and semi-detached houses with one or two floors and a few terraces. After the 1961 nationalist uprisings in Angola, and the reformist wave that followed, Portuguese citizenship was formally extended, and all former ‘natives’ were integrated into the Portuguese system of municipal councils in Huambo and other cities.

The Portuguese response to the armed struggle for national liberation in 1961 involved political reform, increased economic investment and expanding white immigration. Huambo grew rapidly, with two industrial zones developing on its outskirts, which finally challenged the urban economy’s predominance. By 1970, Huambo was an industrial centre of 62,000 inhabitants, second in size only to Luanda. A new plan for the city was prepared in 1972 (Figure 10.6). The rapid urban expansion resulted in diminishing land availability, and soil exhaustion affected agriculture, resulting in the flow of migrant workers to the northern and coastal regions of Angola reaching unprecedented levels.

In April 1974, a coup d’état in Lisbon led to negotiations for the independence of each of the Portuguese colonies. Between 1974 and 1975, most of the white population left Huambo and, in turn, Angola. Many Angolan residents left the city temporarily, owing to the escalating military conflict between the rival Angolan nationalist movements. In February 1976, the forces of the MPLA (Movimento Popular de Libertação de Angola / Popular Movement for the Liberation of Angola) government expelled UNITA (União Nacional para a Independência Total de Angola / National Union for the Total Independence of Angola), which had occupied Huambo since August 1975. The growth of support to UNITA from the United States and South Africa had significant effects from 1981 onwards. While UNITA gradually took control of the rural areas of Huambo Province, the government was left with little more than the capitals of districts and some comunas, which became like fortresses.

Initially unable to take the city of Huambo, UNITA destroyed railway and road bridges and targeted many buildings, including the CFB premises, with explosive devices. Most of the conflict was focused on the Benguela Corridor—a narrow strip of land covering about 20 km on each side of the railway. The government forces compelled people to concentrate around the district towns to protect them and remove them from contact with the guerrillas. The small towns were destroyed, and populations took refuge in Huambo, living as displaced people left to their own devices and removed from their rural livelihoods (Pacheco, 2001, pp.65–68). The rural area around the city of Huambo for about 3 to 5 km had been depopulated due to the fear of landmines, leading to the population being concentrated in the high-density peri-urban areas (Sambongo, 2016, p.3).
Peace negotiations in 1991, followed by the first general elections in 1992, did not bring peace, since Jonas Savimbi, the UNITA leader, rejected the electoral results. After 55 days of intensive fighting, UNITA gained control and occupied the city of Huambo from early 1993 to late 1994, when government forces retook it. During and between the periods of intense conflict and reoccupation of the city, all that could be looted, including zinc sheets, bicycles, motorcycles, vehicles, household utensils — everything possible was taken so that many people were left with almost nothing” (Pacheco, 2001, p.69). After a second short-lived peace agreement, the civil war resumed, and conditions in Huambo deteriorated, as many thousands sought shelter in the city from the war ravaging the surrounding countryside, despite the shelling of the city from UNITA positions nearby. Large camps of internally displaced people were installed at the city’s periphery under the auspices of international humanitarian organisations. There were 325,300 IDPs in the various settlements around the Province of Huambo by the end of the war (Relief Web, 2002).

The decades of war had inflicted extensive damage on the city’s material and social fabric. Huambo was one of the cities most affected by the civil war, which destroyed much of its infrastructure, such as the industrial sector in metal mechanics, textiles, building materials, leather, food, beverages, tobacco, wood, and the furniture sector. In 2002, the war ended, and the rebuilding of roads, bridges, and the railway began, with investments from Angola’s increasing income from the booming oil industry. Gradually, Huambo struggled to return to its former position as Angola’s second city. Commercial activity was slow to recover. In 1973, before independence, Huambo had 4,121 commercial establishments, but by 2012, 10 years after the war’s end, there were only 407 formally registered (da Costa, 2013, p.36). However, during the post-war period, the city grew geographically in an uncontrolled manner, the population and peripheral neighbourhoods (musseque settlements) increased, which today represent the majority of the urban area.

In 2003, shortly after the end of the war, an international consultancy firm proposed to the government to prepare structure and master plans of several provincial capitals, including Huambo. For the elaboration of the plan, the consultant team paid a short visit to Huambo, drew up the plan, and then ‘offered’ it to the provincial government. There was little local involvement from the provincial government and its departments responsible for urban planning (DPUA, INOTU, and IGCA) in elaborating the city’s urban plan (Weber, 2007). The approach to urban planning demonstrated an intention to promote growth with predominantly apartment living and the expansion of local services. The plan (Figure 10.7) made the over-optimistic projection that by 2025 Huambo would have
around 128,000 dwellings and need an expansion area of 3,500 hectares, assuming an average occupancy of 7 persons per dwelling. The projected densities are low by international standards of 103 persons per hectare. The Huambo master plan had not yet been approved at the time of writing in 2021.

In 2002, the Provincial Government of Huambo also began developing a program for land allocation for housing. As part of the post-war urban development program, the National Reconstruction Office (GRN) allocated 10,000 housing units to the Province of Huambo. The areas targeted by this process are mostly greenfield sites in peripheral expansion areas. This program constructed the Housing Centrality of Lossambo on the outskirts of Huambo (Photo 10.2), beyond the airport aimed at serving middle-class civil servants. The provincial government expected private investment to continue to expand the project beyond the limits of the already constructed core.

10.4.5 Infrastructure, Urban Services, and Settlement Typologies

The author developed a typology of urban settlement areas with different physical infrastructure and socio-economic characteristics in Huambo, based on local knowledge and examination of remote-sensing images. The characteristics used in developing this typology were the history of each settlement, the distance from the city centre, service levels, street patterns, and type of housing. The location of each type of settlement was identified from urban images and mapped. Typologies, rather than administrative boundaries, were used because administrative boundaries in the city of Huambo cut across settlement types, and each administrative area includes all three settlement types. This analysis enables comparisons of the data with other cities. However, a typology will change when new urban areas are developed or upgraded, or their residents make changes or move to other areas.

FIGURE 10.7 | Huambo Structural Plan, 2003

Source: Odebrecht et al., 2003.
Remote sensing was used to identify the settlement types. All areas were mapped into different zones based on satellite images. Experts who are familiar with the city’s urban layout were then requested to identify and categorise each type of development. The typology was based on urban form and types of housing, which reflect different socio-economic conditions and population density, tenure security, and access to urban infrastructure and public services, such as piped water and sewage system (Development Workshop, 2011a).

Even in colonial times, urban water supplies and sanitation services have been serious problems for Huambo, except for the downtown urban centre. Socio-spatial inequalities between the urban centre and the informal peri-urban areas of Huambo are significant, as they are in all Angolan cities. In peri-urban bairros, water was either carried by women and youngsters from watercourses and sources or bought from water carriers (aguadeiros) pulling and rolling barrels. Many people dug wells (cacimbas) in urban and suburban areas that provided families’ basic needs most of the year.

Four different settlement types were defined in Huambo (Figure 10.8):

1. Formal settlement. Housing made of durable building materials laid out according to an urban plan. Infrastructure for water and other services, though operation in practice may be erratic. This includes the old colonial city.
2. The newly built suburban ‘Centralidades’ constructed in the post-war period by the State or private sector developers.
3. Informal settlements. Unplanned housing areas without services, with various building materials (often adobe), referred to colloquially as ‘musseques’.
4. Semi-formal upgradeable settlement areas. An intermediate category, including lower-density land on the urban periphery where space remains for installing service lines and older housing dating from the colonial era consisting of houses in durable materials with some limited basic service infrastructure, although the operation of services in practice may be erratic. More recently, from the post-war era, new areas in this category have appeared. Plots have been made available by the State on which plot-holders can build their own house. There is better security of tenure and more likelihood of services provided in the future than in informal settlements.
Table 10.6 shows the geographical distribution of these settlement types in Huambo. The central, urbanised part of the city has had a piped water system since the 1940s. Peri-urban areas of informal housing surround the city centre. A few small informal housing areas have received essential services, including a piped water system, but most informal peri-urban areas did not have piped water.

In 2008, a Chinese-built project, financed by oil-backed loans, expanded the area covered by piped water and provided 21 standposts in peri-urban areas. By 2014, only 12% of the dwellings in the city of Huambo had piped water connections. At present, the primary source of water in many areas of Huambo is still from traditional wells. The high rainfall and geological conditions mean that hand-digging of wells is possible, except in the city’s northern area, where groundwater is more than 20 m below the surface. Figure 10.8 shows the geographical distribution of these settlement types in Huambo.

Even the households in the central, urbanised area have invested in hand-dug wells, so the most common water source in many formal and informal housing areas is hand-dug wells. In the northern part of the city, the primary water sources are rivers and protected deep boreholes (constructed by NGOs and, more recently, by the provincial government). Some hand-dug wells do not have water in the dry season, although the extent of this varies from year to year. Instead, households seek water at the wells of other households or from wells and boreholes with hand-pumps.

Most families live in self-built housing (80%), 11% live in privately rented houses, and only 3% live in purchased houses (with a quarter of those still paying off the purchase). The average dwelling has three rooms, with half of the rooms for sleeping and with three people sleeping per room (Instituto Nacional de Estatística, 2016).

Almost three-quarters of the urban homes in Huambo are built with adobe, and only 22.7% are made from brick or concrete blocks. Roofing for 90% of the houses is corrugated sheets, and 44% of the houses have earth floors.
10.4.6 Logistics

Minibus-taxi is the most common means of transport for those living in semi-formal settlement types, where roads in the interior of the bairros are generally in poor condition and are often impassable in the rainy season. Residents in the city centre use private cars and public buses as their primary modes of transport. The average time taken to reach work is usually less than 30 minutes. Nevertheless, those living in the formal housing areas have much shorter journey times than those in other areas, because they live closer to the main employment areas in the centre of the city, have better quality roads, and are more likely to use a private car (Development Workshop, 2011a, p.49).

The regional road network to Huambo remains poor, affecting the quality of rural-urban physical, emergency, and economic linkages. Half of the population in rural areas lives further than 2km from any road. The road density (Benmaamar, 2020 p.43) in the province is below the national average of 3.3 km per 100 km².

In well-serviced formal areas of the city of Huambo, the price of land is US$100–150/m²; in less well-served formal areas, it is US$30–70/m². The average price of land in the more accessible parts of informal areas is US$9/m², with a range of US$4–13/m², while in less accessible parts of informal areas of Huambo, the value of land is about US$5/m².

10.4.7 Human Capital

Huambo traditionally has had one of Angola's best-educated populations. However, in 2014, only 8% of the population aged 18 and over had completed the second cycle of secondary education (i.e., completed the 12th or 13th grade). On the other hand, 19% of the population aged 18 and over had completed primary education (had completed grade 6). The analysis by age groups shows that only 8% of the population aged 18–24 completed the second cycle of secondary education, whereas for the population aged 25–64, it is 9%, and for the population aged 65 and over, 2%. Of the population aged 5-18 years, 18% was outside of the education system. The proportion of the population in Huambo aged 24 or over with completed higher education represented only 4%. Men hold the lead, with about 2%, compared with 1% of women. One of the constraints to accessing the formal school system is the need for children to be documented with birth certificates or identity cards. In Huambo, only 68% of people had formal documentation, which is a barrier to certain citizenship rights, such as registering property deeds.

The decades of the conflict took a heavy toll on Huambo's citizens, not only to combatants, but also to the civilian population (usually women) who suffered as victims of antipersonnel mines. The 2014 census registered 14,688 disabled persons in Huambo and 55,712 in the province, one of the most severely impacted by the war.

10.4.8 Economic Development

Huambo's position on the railroad crossing the country from west to east is one of the potentials of this city. The Benguela Railway (CFB) connects Huambo to one of Africa's principal ports, Lobito, about 220 km to the west and then connects other cities east to the Republic of Congo and Zambia. The city of Huambo can become a strategic national and international centre once more, contributing to the enhancement of Angola's geo-strategic position in the region. The railway line was rehabilitated in 2012, giving the city the possibility of returning to exporting agricultural commodities grown in the central highlands; however, CFB's original function of transporting Katangan and Zambian copper may never be resumed. The railway still may have future potential for stimulating Angola's central provinces' economic and territorial development.
10.4.9 Environmental

Since colonial times Huambo has envisioned itself as the national leader in environmental matters. It has been the home to the country's Institute of Agricultural Research, which was considered in the 1960s as Africa's leading centre for innovation and crop studies. The Faculty of Agricultural Science host the Institute in Huambo.

The city of Huambo was built on the watershed that traverses the central plateau and is near the headwaters of several important rivers. The CFB railway runs along the crestline that divides the watershed of Cunene, towards the south-west, and the watershed Keve, running towards the north-west (in the city of Huambo). Flooding is not a risk in Huambo City, as rainwater drains away rapidly from its highland location, and there are no areas where water accumulates. On the other hand, erosion risk is high due to sloping ground and high rainfall, some of it occurring in short, heavy storms. The growth of the city has brought the occupied area close to the steep slopes. The removal of vegetation for urban development leaves bare soil surfaces, on which erosion can occur. Earth roads and paths that run down slopes allow sheets of water to gain momentum on a bare surface, and erosion often occurs where roads approach the edge of an existing gully or streambed.

The lack of piped water supply in most informal housing areas means that there is usually a significant movement of people going down to the valleys to collect water, and the paths formed in this way become erosion areas. Deforestation, another risk factor, occurred around Huambo City, particularly during the war, when access to the city was cut off and wood was used as fuel. Risk has also increased by the recent extraction of sand from streambeds close to the town. The removal of material from the streambed increases the speed of streamflow and thus increases erosion risk upstream and sedimentation downstream. Onaka (vegetable gardens) established along the stream have also been damaged or vegetation removed, causing severe erosion.

The increased demand for sand and gravel is due to the building boom in Huambo that started in 2002, with new houses built and older ones repaired with cement. The people who extract sand and gravel receive very low pay, but have very few options for livelihood strategies. The municipal administration has a low capacity to control this kind of extraction. Local people are aware that these short-term livelihood strategies negatively affect longer-term livelihood strategies (for example, destroying vegetable gardens), but they also understand that extreme poverty drives some families to these strategies (Development Workshop, 2011b, p. 41).

The production and sale of charcoal are one of the causes of deforestation. In the absence of employment in rural areas and little income from small-scale agriculture, this is an alternative source of income. The demand for coal comes almost exclusively from the city of Huambo. As long as there is demand for charcoal in urban centres, it will be challenging to reduce charcoal production and its impact on deforestation. This problem could be addressed by urban policies that promote access to alternative energy sources for cooking to reduce the use of charcoal.
Erosion damage is another important aspect, especially in the case of Huambo City. In many peri-urban areas of the city, cutting trees and shrubs causes gullies to form due to erosion, threatening homes and limiting future housing development. Therefore, the protection of urban vegetation is of great importance, as it can potentially contribute to more sustainable urban development (Weber, 2017, p.28, 39).

Much of the greenbelt around Huambo and inner-city green spaces and parks were stripped for firewood and fuel during the war and the city’s siege. As part of the plan to restore the original garden city, the Angolan Government has designated Huambo to be the ‘Ecological capital’ of Angola. To accelerate Huambo’s environmental recovery, the government is piloting a project aimed at reducing land degradation. In partnership with the Global Environment Facility and with input from the United Nations, the scheme aims to reduce unsustainable land use, stop deforestation, and promote better environmental practices. The Ecological House (Casa Ecológica) was built to host environmental projects, and later the CETAC (Centre of Tropical Ecology and Climate Change) was installed in the city by the Ministry of the Environment for the same purpose. Photo 10.3 shows an aerial view of one of the rehabilitated green corridors of Huambo.

The provincial government has invested resources in programs to protect the ecosystem and gradually reforest the city, making it cleaner, greener and environmentally self-sustainable. The park in the city centre, with its greenhouse, is being developed and expanded to become a base for researching and preserving indigenous plants. In addition, the existing green corridors in the city are being protected and reinforced. Green corridors were planned originally to serve as transition elements between the city’s upper residential and lower commercial-industrial areas. Figure 10.9 is a diagram showing a cross-section of the green corridor between Huambo’s high and low parts.
10.5 Development Challenges and Opportunities

FIGURE 10.10 | Huambo Land Readjustment Plan in Bairro Camussamba 2008

From 2005, the provincial government of Huambo, the local municipal administrations, and the communities started to implement a series of participatory planning projects in the periphery of the city of Huambo. A pilot land readjustment project was initiated in Bairro Fatima, located south of Huambo city. The DPUA (Direcção Provincial do Urbanismo do Huambo or Provincial Direction of Urbanism in Huambo) and the Institute for Territorial Planning and Urban Development (INOTU) were actively involved in this project. Figure 10.10 shows the Huambo Land Readjustment Plan in Bairro Camussamba developed by the author’s organisation, Development Workshop, in 2008 but published by UN‑Habitat in 2013. The organisation’s staff and the directors of DPUA and INOTU met regularly during the project’s implementation phase, making all major decisions together.

The concept of land readjustment is to assemble small peri-urban or peri-rural land parcels into a large land parcel, provide it with infrastructure in a planned manner, and return a portion of the reconstituted land to the original owners. This was achieved after deducting the cost of providing infrastructure and public spaces from selling a portion of then‑serviced land. In Angola, small landholders on the urban periphery rarely have title documents and are often considered informal occupiers. Hence the ‘model’ developed by the Huambo project team recognised their occupation of the land in ‘good faith’ and employed the land readjustment process to help formalise their occupation of the land and, at the same time, to provide them with the security of tenure.

Land readjustment or land pooling has been used in various countries (UN‑ESCAP, 1998). It is an appropriate solution to land distribution in areas located on the margins of existing urban areas, where there is scattered settlement, and where large tracts of land are unavailable for private sector subdivision-type land development. Since many peripheral settlement plots are not for sale, it is often difficult to find enough plots next to each other to develop a rational building development plan. Land readjustment is also appropriate in older urban settlement areas that need to be reorganised to access infrastructure and services.

Land readjustment provides an opportunity for planned development of land and infrastructure installation where plots in the urban fringe are small, irregularly shaped, and lack access to public roads. Land readjustment
has become an attractive alternative because the costly methods of forcibly acquiring land (i.e., creating land reserves or outright expropriation of land) have become increasingly unpopular with the public. Land-occupiers or claimant-owners can gain some considerable advantages and even profit by participating in land-readjustment projects. Unlike expropriation, land readjustment will return a significant part of the land to the original occupants, proportionate to each occupied area. Ideally, a partnership for development should be formed between the public and previous occupants and claimants - close links between these sectors needed to be established during community consultation and participatory planning. In Huambo, the project team explained the project's objectives to the community leaders and the population. Land tenure is an extremely sensitive issue. People were aware of forced removals in other parts of the country, and many feared losing their land and homes.

A land readjustment scheme is initiated when a municipality or government department designates an area about to be converted from agricultural to urban land use. A subdivision plan is developed as a unified plan for the area. The provision of infrastructure and services is financed by selling some of the plots within the area designated for commercial activities. The original landowners were provided with plots of land within the dimensioned area, which, although smaller in size than their original landholdings, now have provisions for infrastructure and services. Most importantly, they now have formal and legal documents that provide tenure security. With these improvements, the value of these new plots of land has significantly increased, and the plots of land now command much higher prices in the real estate market.

"A land readjustment scheme is initiated when a municipality or government department designates an area about to be converted from agricultural to urban land use."

The costs of basic infrastructure and services were recovered by selling surplus plots created through the land redistribution plan. The creation of these new plots provides an opportunity for distributing land more equitably and at the same time providing access to land for low-income housing. Land readjustment requires that the land ownership situation be clarified, and an accurate land cadastre registration system be implemented. In registering land, gender issues can be addressed, bringing women's rights to co-ownership of family property into the legal domain.

For the Huambo project, an urbanisation plan was developed in collaboration with DPUA, INOTU, and the local administration. The program demonstrated how stakeholder co-participation of government and communities could be implemented using basic planning techniques, inexpensive hand-held GPS units, and satellite imagery.

All partners involved in this planning process showed a simple and effective way to issue land tenure documents and prevent new slums and informal settlements. The application of the land readjustment technique is based on private-public cooperation and negotiation; it requires a significant investment in human resources and the training of local administrators and technicians. In particular, skilled negotiators must be trained.

While land readjustment provides an opportunity for both formal and informal landowners and occupiers to develop their land on the urban periphery, the system is not necessarily appropriate for large-scale city-wide planning. Master plans with strategic visions for developing large land tracts or legislatively designated changes in land use require different tools. It is common for large-scale formal or informal landowners/occupiers to use their land as a savings and investment instrument, contributing to increases in land values and land speculation. Therefore, there is little incentive for large-scale landowners to participate in land readjustment schemes, i.e., to maintain low land prices or support inexpensive social housing.
The land readjustment model and accompanying participatory planning methodologies are appropriate today for many peri-urban and urban-perimeter situations around Angola’s cities. In these city-margin situations, the growth of informal musseque settlements is the dominant pattern; the conversion of peasant agricultural plots into scattered owner-built homesteads is common. Land readjustment provides a market framework for regularising these informal settlements and providing sustainable and affordable infrastructure and services while enhancing the land tenure rights and protecting the property assets of the poor (Ministério do Urbanismo e Habitação, 2016, pp.120–123).

### 10.6 Enhancing the Development of Secondary Cities

This chapter has sought to focus on the development of secondary cities in Angola. The development of Angola’s secondary cities has many similarities to that of other sub-Saharan countries. However, there is one significant difference: for more than half its period of independence from Portugal, it has suffered from a long period of civil war, which destroyed its infrastructure and cities and caused thousands to flee from the countryside to the cities outside the country. Rebuilding the country since 2002 has been a monumental effort, and Angola has been lucky to have been petroleum-rich to have helped support this.

Angola now faces a new set of problems, however. With the severe impacts of COVID-19 and a world moving away from a dependence on fossil fuels, the country must reshape and diversify its national and regional economies. Its secondary cities will become crucial to supporting the development of provincial economies and ensuring more widespread benefits to the population living outside the capital city region. With one of the highest primacy rates in Africa, this has led to a significant distortion and inequities in the spatial distribution of wealth, prosperity and population. The country needs to create new opportunities for endogenous economic growth and ensure the benefits are distributed more equitably to cities and regions throughout Angola.

The 2010 Angolan Constitution already prescribes that local autonomy be exercised through local authorities. Municipalities are to be given the ability to collect local revenues and taxes. They will also be given the responsibility for spatial planning, housing, transport, environment and basic sanitation, energy, water, rural and urban infrastructure, leisure and sports and the promotion of economic and social development. More than two decades ago, elected councils and municipal autonomy were envisioned as strategies for promoting post-war national reconciliation. However, local elections have been promised and repeatedly delayed.

A key to municipalisation will entail decentralising the management of land. It will be necessary to build the capacity of local administrations and local communities to strengthen family land tenure and protect women’s rights. Current Angolan municipalisation reforms present a unique opportunity to affect local practice on how community and individual family land tenure is administered and protected. Local administrations and elected municipal councils will have new powers to plan and manage lands in peri-urban districts up to 5 ha and rural concessions of up to 1,000 ha. Elected municipal councils will provide, for the first time, democratic oversight to land allocation and management. Legislation published in 2019 will permit local municipalities to raise finance and invest in providing basic urban services through real-estate taxation. New legislation, when implemented, will give municipalities the means of capturing, for the public good, the increased value of land in their jurisdiction once it is registered and its management regularised. Municipalities will only be able to finance themselves if land development within their boundaries can produce a regular income. Due to the lack of registered and legalised land and houses, taxes are paid on less than 5% of existing properties. Municipalities will need to exercise their new responsibilities to cadastre properties and, in turn, regularise their constituents’ tenure in order to build a viable tax base. The new land law will need to facilitate and simplify the legalisation and registration of Angola’s approximately 5 million urban properties, of which half are in secondary cities. In May of 2021, the Justice Ministry announced its commitment to register almost 3 million of these by 2025. To meet the fiscal, legal and democratic objectives of Angola’s governance reforms, the new Land Law must be revised to re-introduce the right of secure tenure through occupation in ‘good faith’. The legislation must be further reformed to de-criminalise the millions of poor and other urban residents who have been denied the opportunity to legalise their land and housing.
There is an urgent need to advance on the policy agenda for decentralisation and urbanisation in the country. Spatial land use and economic planning must be related better to the use of local resources and potential.

The growth and improvement of the transport, water, sanitation and electric energy infrastructure was considered an essential condition for the country’s continued development and economic diversification. Allotted areas for directed self-construction offer affordable lots for low-income families as well. In many ways, this approach is the most effective for guiding urban sprawl, as demonstrated in a project in an allotted area (Sassonde) in Huambo in 2006, under a partnership with the provincial government, INOTU, and Development Workshop. Under the municipal administration’s auspices, a ‘land readjustment’ methodology was implemented with the participatory demarcation of subdivisions, contributing considerably to the orderly expansion of the city.

Angola’s secondary cities are important to building strong national and local economies. They play a crucial role as catalysts in provincial development and act as the logistics centres for a wide range of business, government, transportation and social transactions and transfers. They are resilient places, many of which have rebuilt themselves from the ravages and destruction of war. As Angola works its way out of the COVID-19 pandemic and economic crises, secondary cities need to be given the autonomy, capacity and resources to ensure they can make a significant contribution to the country’s economic recovery and a more prosperous future.
REFERENCES


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10. HUAMBO: ANGOLA’S GREEN CITY


Ingeniero Roma Machado. (1928).


The Dynamics of Systems of Secondary Cities in Africa

10. HUAMBO: ANGOLA’S GREEN CITY


ENDNOTES

(1) National HDI figures can be misleading, as there are significant provincial differences. Subnational HDI data is not available for Angola. However, other indicators such as regional GDP, income and poverty suggest that inland – especially eastern – areas and cities of the country would have a significantly lower HDI level than coastal regions and cities (UNDP, 2020).

(2) Huambo receives its name from Wambu, one of the Ovimbundu kingdoms of the central Angolan plateau that was hierarchically under the king of Bailundu.

11

IBADAN: NIGERIA
Nigeria is the most populated country and has the largest GDP (US$448 billion in 2019) in Africa: GDP per capita in 2019 was about US$2,230 (World Bank Database, 2019) compared to US$1,484 for sub-Saharan Africa. It is a country of many contrasts, cultures, and religions. It has a long history of urban development, with cities like Benin, Ibadan, Ife, Kano and Sokoto dating to the eleventh and twelfth centuries. It is also one of the fastest urbanising countries in Africa.

This chapter on Nigeria examines the current state of urbanisation, urban policy, and development issues as they affect the management and development of secondary cities. The focus of the case study is the City of Ibadan, a very large secondary city. Ibadan is an example of a very large polycentric secondary-city urban agglomeration. This development pattern is becoming synonymous in other parts of Nigeria and Africa (see Chapter 12, on Kenya). The case study draws upon research from the recently completed Ibadan City Masterplan (Bruce, 2019). The chapter’s findings have relevance to the planning, management and development of other secondary cities in Nigeria experiencing rapid growth and dispersed agglomeration cluster patterns of urban development.

11.1 Urbanisation and Secondary City Development in Nigeria

Nigeria has a very long history of urbanisation, dating back many centuries (Bloch et al., 2015). Since the end of the colonial era, however, urbanisation has been rapid due to high rural-urban migration, growing employment opportunities in many cities, and development on the back of an oil-rich economy. Nigeria is almost 51.5% urbanised, which is expected to rise to 70% by 2050. Urbanisation has brought significant but unequal regional development benefits and inequities. Many northern and eastern parts of the country have not benefited as much as the south, which has better access to services and major transport hubs. These areas are experiencing civil unrest.

Nigeria has a dense network of cities, over 80 of which have populations over 100,000. Lagos is the largest city in the country and the second-largest city in Africa, with a population of 14,862,000 (World Urbanisation Prospects Update, 2020). It is the eighth fastest-growing city in Africa. It consists of a polycentric cluster of secondary cities that surround the original urban centre. Other state capitals such as Kano, Kaduna, and Ibadan and secondary cities also are experiencing high levels of urbanisation. Many of these also have become polycentric urban agglomerations (Moriconi-Ebrard et al., 2020) comprised of the old city surrounded by a cluster of rapidly growing cities. Many of these urban agglomerations have several million, but they continue to operate as secondary cities in the main. Smaller cities of less than 100,000 are also urbanising rapidly.

The rapid urbanisation rate has given rise to significant urban development and management challenges, with severe shortages of housing, land, essential urban services, and jobs. In the secondary cities, poor urban governance, weak public-sector finances, the inability to attract investment, and the unwillingness to manage peri-urban land development has resulted in inefficient land management and property markets. More than 70% of the adult population is engaged in informal sector employment in many secondary cities (UN-Habitat-Cities Alliance, 2006).
11.1.1 History of Urbanisation and Municipal Government in Nigeria

The urbanisation process in Nigeria has three distinct phases: pre-colonial, colonial, and post-colonial. Nigeria has some different regions and urbanisation processes in those regions. In the northern region, the natural urban population increases through higher fertility rates, while in the southern region, urban population growth is driven primarily by rural-urban migration (Bloch et al., 2015). The focus of this section is to examine the history of urbanisation and municipal government in Nigeria.

The evolution of municipal or local government in Nigeria also has passed through the same three phases. The British government leveraged the existing traditional administrative processes in different regions of Nigeria to implement the indirect rule. This indirect rule influenced the process of urban growth evident in the urban structure of the various regions in the country (Obi-Ani & Isiani, 2020). Since 1976, there have been deliberate efforts by the Nigerian government to reform local government (Adeyemi, 2019).

11.1.2 Federalism and Urbanisation

Federalism has played a crucial role in the structure, function, and development of Nigerian secondary cities. At the time of negotiations for independence in the 1950s, Nigerian leaders favoured the federal government system, which was adopted at independence in 1960. There were three federal states at independence, which were subsequently disaggregated into 36 states plus Abuja, the federal capital territory. There are 774 local government areas that function as the third tier of government. Abuja was promulgated by a decree in 1976 as the federal capital to unify the nation, with a detailed master plan prepared in 1976 (Figure 11.2).

Nigeria has gone through numerous transformations of the federal, state and local governments since independence in 1960. However, during civilian and military governments, the federal government has always been the locus of power in Nigeria, with federalism perceived as an essential binding force. The state governments consist of governors, cabinets, the civil service, and the state judiciary. In most policy matters and matters of finance; the state governments abide by federal directives. In the early government structures, the regions (states) were powerful and had constitutions, foreign missions, and independent revenue bases. These came to an end with federal militarism. The third tier has been that of the local government. Some civilian and military governments made constitutional provisions to strengthen local governments, but state governments that refused to permit local government autonomy thwarted these efforts. Nigeria, therefore, has been characterised by a seesaw of power struggles, and the devolution of decision-making has been overly complex, with little continuity in any particular direction.

Because military federalism had been more common than civilian federalism in post-1960 Nigeria, the model of a single supreme decision-making level made the federal government the ‘master’ in relation to the ‘dependent’ state governments. The federal government controlled the national economy and possessed emergency powers...
to intervene in any region to ‘establish order’. By 1990, for example, the federal military government expanded its control over the economy to the extent that states depended on it for up to 90% of their revenues. Only during periods of civilian federalism have attempts been made to devolve power from the centre.

The failure of local governments in service delivery has caused Nigerians to lose trust in government. Many Nigerians desire change in the local government system as presently constituted, not only to conform with present-day realities but also to meet the expectations of people who have been yearning for grassroots development. Further changes, however, would require constitutional amendments, contributions from the civil society and a change of mindset from Nigerians.

11.1.3 Spatial Hierarchy of Cities

Historically, compared to many African countries, Nigeria has exhibited a balanced urban system (Bloch et al., 2015). This is due to its being a relatively fertile country, with river systems and adequate rainfall to maintain subsistence agriculture.

Historically, urban systems in northern and western Nigeria have been different from the central region because they were based on trade (Mabogunje, 1968). By the beginning of the colonial period, an order of importance had evolved among the urban systems. This order was based on the favourability of location for international and interregional trade, political pre-eminence levels, or both. The various kingdoms in the country had their metropolitan centres and their subsidiary towns, which were organised in descending order of importance. Urban economic function and north-south differences in the urbanisation processes emerged, based on this order.

Colonial urban development began with the European partition of Africa, when Nigeria fell into the hands of the British. The pursuit of British interests meant the introduction of a new spatial order oriented towards service development of the colonial administration, and the rapid development of old, pre-colonial towns such as Ibadan, Osogbo, and Kano and the decline of pre-colonial towns such as Ile-Ife, Benin City, Maiduguri and Sokoto, which were not situated on the main transportation corridors. New towns such as Enugu, Aba, Kafanchan and Kaduna emerged as significant nodes in the new spatial order (CIA World Factbook, 2011).

Urban development in the post-colonial era emphasised the patterns inherited from the British for a brief period. The creation of the mid-west region was a significant development that brought about a change in the spatial configuration of the cities. This development ushered in the transformation of the ancient city of Benin to a modern metropolis. The Nigerian civil war, from 1967 to 1970, was the first major factor that changed the sociological composition of the country's towns and cities. It led to large-scale forced movements of people from all parts of the country, especially to the eastern states.

The Structural Adjustment Programme (SAP) adopted by the government in the 1980s also affected the spatial configuration of Nigerian cities. This period saw a reduction in the federal budget allocation to social expenditure because of the global economic recession that resulted in a fall in crude oil revenue. This forced urban dwellers to seek essential public services like housing, water supply or security from informal organisations or networks. Consequently, housing construction and/or maintenance costs increased, resulting in an escalation of house rents (Nnonyelu, 2013).

In response to this, the government launched the National Housing Policy (NHP) to reduce the housing deficit in urban areas. However, the scheme failed to benefit the low-income earners, who were the policy targets, as they lacked reliable collateral security required by mortgage institutions set up to on-lend funds (Braimoh & Onishi, 2007). As a result, there has been marked socio-spatial fragmentation between high- and low-income earners in the country's urban system. Indeed, since the 1980s, the provision of urban housing has become more individual and informal. This has resulted in uncontrolled urban development in most urban centres and has become a significant feature of urban centres in Nigeria (Nnaemeka-Okeke, 2016).
11.1.4 Demographics of Primary and Secondary City Development

Nigeria’s urban population growth rate for 2015 to 2020 was 4.23%, compared to 3.58% for Africa as a whole (UN DESA, 2018). Nigeria has experienced a quadrupling of its population over the last 50 years due to very high fertility rates. Figure 1.13 shows the decline in Nigeria’s rural population and a rise in urban population from 1950 estimated to 2025. Over the years, the percentage of the urban population has increased, although the average annual rate of change to the urban population has fluctuated. The continuous increase in Nigeria’s urbanisation level and the number of agglomerations from 1950 to 2015 are illustrated in Table 11.1. The share of the metropolitan population has increased from 8% in 1950 to 16% in 2015.

**TABLE 11.1 | Urban centres information in Nigeria**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Urban population (million)</td>
<td>3.63</td>
<td>8.41</td>
<td>12.44</td>
<td>20.20</td>
<td>32.71</td>
<td>48.61</td>
<td>76.94</td>
<td>98.95</td>
</tr>
<tr>
<td>Urbanisation level (%)</td>
<td>0.11</td>
<td>0.21</td>
<td>0.25</td>
<td>0.31</td>
<td>0.38</td>
<td>0.42</td>
<td>0.48</td>
<td>0.53</td>
</tr>
<tr>
<td>Number of agglomerations</td>
<td>99</td>
<td>210</td>
<td>310</td>
<td>478</td>
<td>583</td>
<td>784</td>
<td>1017</td>
<td>1236</td>
</tr>
<tr>
<td>Metropolitan population (million)</td>
<td>0.08</td>
<td>0.10</td>
<td>0.12</td>
<td>0.14</td>
<td>0.15</td>
<td>0.16</td>
<td>0.16</td>
<td>0.16</td>
</tr>
<tr>
<td>Distance between agglomerations (km)</td>
<td>39</td>
<td>29</td>
<td>24</td>
<td>20</td>
<td>19</td>
<td>16</td>
<td>14</td>
<td>13.6</td>
</tr>
</tbody>
</table>

Figure 11.4 shows the number of Nigerian cities by size 2000–2030 (estimate). The number of secondary cities with populations between 500,000 and 1 million has been growing and is expected to increase by nine by 2030, with a similar increase in cities with populations between 1 and 5 million. Urbanisation growth rates in secondary cities are still expected to remain the highest of all urban settlements.

The distribution of some of the largest secondary cities in Nigeria is shown in Table 11.2 Population of some of the largest cities in Nigeria. The populations of those cities have been increasing over the years.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Onitsha</td>
<td>392,000</td>
<td>620,000</td>
<td>1,450,000</td>
<td>6,351,000</td>
<td>8,530,514</td>
</tr>
<tr>
<td>Kano</td>
<td>715,000</td>
<td>1,311,000</td>
<td>2,052,000</td>
<td>3,211,000</td>
<td>3,888,582</td>
</tr>
<tr>
<td>Ibadan</td>
<td>1,117,000</td>
<td>1,624,000</td>
<td>2,013,000</td>
<td>2,494,000</td>
<td>3,088,477</td>
</tr>
<tr>
<td>Kaduna</td>
<td>407,000</td>
<td>785,000</td>
<td>882,000</td>
<td>990,000</td>
<td>1,447,250</td>
</tr>
<tr>
<td>Ilorin</td>
<td>361,000</td>
<td>526,000</td>
<td>638,000</td>
<td>774,000</td>
<td>891,330</td>
</tr>
<tr>
<td>Jos</td>
<td>237,000</td>
<td>455,000</td>
<td>575,000</td>
<td>684,000</td>
<td>870,424</td>
</tr>
<tr>
<td>Aba</td>
<td>300,000</td>
<td>464,000</td>
<td>688,000</td>
<td>1,019,000</td>
<td>1,687,158</td>
</tr>
<tr>
<td>Benin</td>
<td>382,000</td>
<td>733,000</td>
<td>907,000</td>
<td>1,122,000</td>
<td>1,569,977</td>
</tr>
<tr>
<td>Maiduguri</td>
<td>287,000</td>
<td>499,000</td>
<td>582,000</td>
<td>679,000</td>
<td>1,012,148</td>
</tr>
<tr>
<td>Enugu</td>
<td>240,000</td>
<td>363,000</td>
<td>471,000</td>
<td>611,000</td>
<td>905,042</td>
</tr>
</tbody>
</table>

The following provides a brief profile of Nigeria’s 10 largest secondary cities.

Kano’s population in 2006 was 3,888,582. It is an ancient settlement and the second largest Nigerian city after Lagos. Kano is a major centre for producing textiles, leather, grains, and other agricultural products such as peanuts and cotton. It has an international airport that links it with Europe, the Middle East and elsewhere in Africa. It is also a major commercial hub serving neighbouring Niger.

Maiduguri’s population in 2015 was 1,012,148. Maiduguri is home to several markets and is the principal trading hub for north-eastern Nigeria. Its economy is based mainly on services and trade, with a small share of manufacturing. It has a renowned teaching hospital. It is connected with the rest of Nigeria via roads, railway and airways.

Ibadan’s population in 2015 was 3,088,477. It is the third-largest metropolitan area by population. Ibadan is located in south-western Nigeria. It is a centre for learning, with many specialised tertiary institutions. It is also a centre for trade in agricultural products and agricultural processing. Ibadan is connected by road and rail and has an airport.

Benin City’s population in 2015 was 1,569,977. It is the centre of Nigeria’s rubber industry. It has a palm oil industry and research centre. Benin is a leading cultural centre and has tertiary educational facilities.

Jos: The population in 2015 was 870,424. It is an important national administrative, commercial, and tourist centre. Jos a cosmopolitan city, primarily due to the influx of migrants attracted to work in the tin industry.

Ilorin’s population in 2015 was 891,330. Ilorin is an important agricultural processing centre and has a domestic airport. Its location at the crossroads of several cultural groups has made Ilorin an important cultural centre.

Kaduna’s population in 2015 was 1,447,250. It is a trade centre and major transportation hub for the surrounding agricultural areas with its rail and road junction. Kaduna is a learning centre, with several tertiary institutions and a military academy, and specialised research centres. It is a key industrial centre of northern Nigeria, manufacturing textiles, machinery, steel, aluminium, petroleum products and bearings. Kaduna has a large market, good recreational facilities and two airports. Kaduna pottery is highly prized.

Enugu’s population in 2015 was 905,042. It was a major coal mining area, but this has declined, and by 2005 was of minimal economic significance. Enugu suffered during the civil war of the Biafra Republic movement in the 1960s. Industries in the city currently include urban markets and bottling, and it has become a filming location for the rapidly growing Nigerian movie industry. Enugu has an airport and a university.

Aba’s population in 2015 was 1,687,158. It is a pre-colonial settlement and a major regional trading centre of southern Nigeria. A railway connects Aba to Port Harcourt on the Atlantic Ocean, making it an agricultural collecting centre.

Onitsha’s population in 2015 was 8,530,514. It is the economic nerve centre of the country and the gateway to eastern Nigeria. About 20% of the workforce is engaged in the secondary sector (industry and manufacturing), while nearly 80% are engaged in the tertiary sector (sales and distribution). The primary sector’s contribution to the economy (agriculture, fishing, and mining) is almost non-existent. Onitsha has the largest agglomeration of industries in its state. It has a large market and is one of a few secondary cities in Nigeria without an airport.

11.1.5 The Economic Geography of Secondary Cities in Nigeria

The different phases of Nigeria’s urban development have significantly influenced the cities’ spatial patterns. Many of the larger cities are characterised by a dual structure (i.e., traditional and Western), while many have retained the traditional pre-colonial outlook. These important factors have led to what Ayeni refers to as ‘elective planning’ in different parts of the same city (Ayeni, 1998). This partially explains why introducing modern forms of transport into Nigerian cities has proved physically and financially challenging, especially if it involves demolishing family houses and structures. These factors account for the difficulty of exercising a uniform land-tenure system in the cities and are critical elements of urbanisation problems in Nigeria today.
At present, most urban residents live in squalid and congested environmental conditions (Afolayan, 1978). Poverty is widespread, and underemployment and unemployment are high (Nigerian Bureau of Statistics, 2011). Many urban inhabitants lack access to adequate health services, potable water, good roads, and electricity. Crime rates are high, and personal safety and property security are of significant concern. The continued rapid growth of cities makes it increasingly difficult to provide adequate social services and infrastructure for the urban populace.

The spatial pattern of development in Nigeria today reflects the existing pattern of population distribution and natural resources. Afolayan (1978) shows that the heavy concentration of people in cities is associated with both physical and historical factors. The metropolises of pre-colonial politics formed nodes for dense population concentrations, especially among the Yoruba people of the southwest and the Hausas in the north (IIAG, 2012). The ‘republican’ type of government and the fissiparous tendency among the Igbo people in the pre-colonial times promoted compound-type settlements, which, among other factors, resulted in high rural population density in the area. Major industrial and commercial activities are concentrated in Lagos, Onitsha, Aba, Kano, Port Harcourt and Ibadan. These centres serve as important internal and international markets, handling agricultural products and imported semi-finished or manufactured goods.

### 11.1.6 National Policies on Nigeria’s Urbanisation and Secondary City Development

Fifty-two per cent of Nigeria’s population live in urban areas (UN DESA, 2018). The average annual rate of population change in urban areas is more than 4% compared to rural areas, which is less than 1%. This rapid growth rate has overwhelmed urban management agencies’ capacity, compounded by a cumbersome land allocation system, inappropriate planning techniques, and low resource allocations to provide and maintain infrastructure. Urban centres in Nigeria have become chaotic, and government efforts at managing them appear inadequate (Nigeria Vision 2010 Committee, 1997).

Nigeria Vision 2010 was an economic plan to support and guide the country’s economic development (Nigeria Vision 2010 Committee, 1997). On urban development, the plan states: “Nigeria should attain a controlled and manageable urban growth, and an improved urban economy to support poverty alleviation and create employment”. It recommended establishing the Nigerian Urban and Regional Planning Commission in line with Decree 88 of 1990. This edict was premised on the excessive pressure placed on available urban resources, infrastructure, and space evident in Lagos, Port Harcourt, Ibadan, Umuahia, Kano, Kaduna Maiduguri, and Abuja-FCT and its satellite towns.

Municipal solid waste heaps dot Nigerian cities, blocking motorways and making movement along alleys and pavements difficult. Municipal waste disposal and sewage problems are serious in all urban centres. These wastes are characterised by various non-biodegradable household petrochemical products, such as polythene bags, plastic containers, Styrofoam packages and tyres, which litter Nigerian cities, and about 80 million litres of crankcase oil from mechanics workshops, industries, power stations and commercial houses that are discharged carelessly into drains and ground surfaces in the cities (African Development Bank Group, 2021).

In 1984, the government introduced a monthly Environmental Sanitation Day, and, in 1988, the Federal Environmental Protection Agency (FEPA) was established. In 1992, the FEPA mandate was expanded by Decree 59 to cover the conservation of natural resources and biological diversity. This agency has been replicated at all levels of government through FEPA’s capacity building initiatives. The initiatives include assistance to all federation states to establish and strengthen State Environmental Protection Agencies (SEPAs) to initiate and coordinate the State Environmental Action Plan (SEAPs).

In addition, environmental capacity building has been pursued through several initiatives involving public awareness and training, institutional strengthening, and infrastructure development by establishing non-governmental and community-based organisations concerned with the environment. One per cent of the Federation account is set aside to ameliorate ecological problems such as soil erosion and flood control, desertification, drought, and general environmental control, including refuse, solid waste, water hyacinth infestation, and industrial waste.
11.2 Problems and Issues Affecting Secondary City Development

The primary problems and issues facing the development of Nigerian secondary cities and how these matters affect the country’s competitiveness, economic efficiency and sustainability are described briefly below (Foster & Pushak, 2011).

11.2.1 Governance

From a governance point of view, Nigeria has room for improvement. Of the 52 countries surveyed for the Ibrahim Index of African Governance (IIAG, 2012), Nigeria was ranked 43rd, with an overall score of 42. The African average is 51.2, with Mauritius leading at 82.8. Nigeria did, however, improve by 0.2 points in the past six years. In safety and rule of law (Rule of Law, Accountability, Personal Safety and National Safety), Nigeria scored 40.6. In participation and human rights (Participation, Rights and Gender), the score was 38.5. In sustainable economic opportunity (Public Management, Business Environment, Infrastructure and Rural Sector), Nigeria scored 41.1. Finally, in human development (Welfare, Education and Health), the score was 47.8.

11.2.2 Finance

The African Development Bank Group’s Report on the economic outlook for Nigeria indicates that in 2011, growth in the Nigerian economy was robust (Uzonwanne, 2011). This growth was driven mainly by telecommunications, construction, wholesale and retail trade, hotel and restaurant services, manufacturing and agriculture. The report noted that the outlook for the mid-term remained positive. To mitigate the negative impacts of the global economic crisis, the government pursued an expansionary fiscal policy to maintain growth and social sector spending that led to pressure on consumer prices.

The report highlighted the dilapidated state of infrastructure, particularly power, road transport and railways, and the overdependence of the economy on the oil and gas industry – a significant challenge to increasing the Nigerian economy’s absorptive capacity. These issues are priorities for the current administration’s transformation agenda. They are being addressed by creating an enabling environment for private sector participation in infrastructure development and the development of the non-oil sector. Despite the dominance of the oil sector, agriculture plays a significant role in the national economy, accounting for the largest single share of GDP. Sustainable agricultural sector growth is a principal factor in promoting inclusive economic growth, reducing poverty, and ensuring national food security.

Finally, the report notes that, despite its robust growth, the Nigerian economy has failed to generate employment opportunities and alleviate widespread poverty. The unemployment rate has increased and is currently 23.9%, compared to 21.1% in 2010. The unemployment rate among the young is 37.7%, one of the highest in sub-Saharan Africa. Poverty is also very high and persistent. Social indicators in health and education remain weak.

11.2.3 Infrastructure

The African Development Bank Group (2010) provides a perspective on Nigeria’s infrastructure. It estimates that infrastructure has made a net contribution of around one percentage point to Nigeria’s improved per capita growth performance in recent years, despite its unreliable power supply.

Nigeria made improvements in its infrastructure, such as power, road, rail, and information and communications technology (ICT). In recent years, it has conducted important infrastructure sector reforms that include:

- The ports sector has a ‘landlord model’, and concessions now attract private investment on a scale unprecedented for Africa.
The power sector is undergoing restructuring for performance improvements and raising tariffs to recover a larger share of costs.

- Liberalisation in the ICT sector has resulted in widespread, low-cost mobile services.
- A mushrooming domestic air-transport sector has emerged, with private carriers that have rapidly attained regional significance.

The power sector is the cause of most concern, with social costs conservatively estimated at 3.7% of GDP. The challenges include inoperative generation capacity, lack of investment, an extremely unreliable supply, power users being charged a fraction of the actual cost of production, and utility operational efficiency among the worst in Africa. While Nigeria is seeking to address these problems, there is a need for more localised solutions, such as using solar and wind technologies to develop local area networks in secondary and smaller regional cities. Countries like India (Gent, 2016) have demonstrated that these are feasible and cost-effective, when compared to developing large-scale generation and transmission facilities.

The water and sanitation sector problems result from poor planning, development control and funds for infrastructure investment. Most cities only have a fraction of their urban area with reticulated or piped water network. Water utility agencies are underfunded, corrupt, or fail to collect revenue, and water theft is high. Due to a lack of funds to construct infrastructure in advance of development, the lack of control over land development, and the rent-seeking opportunities from land sales, especially by chiefs, makes it challenging to provide services. There is no mechanism for value capture that arises from land conversions, and infrastructure corridors for both roads and urban utilities are not acquired or protected.

The national road network between cities is poor but improving; however, the lack of maintenance, increased traffic, and poor driving reduces the efficiencies gained by improving the inter-regional city road network system. The inter-regional air and rail are poor, and road transport safety record is of concern. Poor location of public transport services and bus stations creates significant congestion problems in secondary cities, with an evident lack of traffic management and organised parking and drop off facilities.

Meeting Nigeria’s infrastructure challenges requires a sustained expenditure of almost US$14.2 billion. Nigeria already spends US$5.9 billion per year on federal infrastructure, the equivalent to about 5% of GDP. Existing spending patterns are skewed heavily toward investment, with little provision for operations and maintenance. At the federal level, US$2.5 billion a year is lost due to inefficiencies of various kinds, most of them associated with the power sector. The under-pricing of electricity is by far the single largest source of inefficiency, even though cost-recovery tariffs would be affordable for most of the population. Low capital budget execution is also an issue across the infrastructure sector. With its significant oil revenues, Nigeria is well placed to raise additional public finance for infrastructure in the domestic and international markets.

### 11.2.4 Human Capital Development

Human capital development is essential to a nation’s development. It can teach people how to utilise the power of diverse thinking styles, e.g., analytical and intuitive, so that holistic and best practice solutions can be attained (Enyekit et al., 2011).

Nigerian educationalists have argued that the challenge of developing human capital in Nigeria, with global comparability and competitiveness, remains far from appreciable, despite successive government’s weak attempts to address this problem (Ugal & Betiang, 2009). They argue that the most crucial avenue for training and developing human capital is in the educational sector; however, Nigeria’s education system has been unable to harness the different aspects of training that includes the vocational, the practical, the cognitive and the productive, to prepare recipients for competition in the global market. Developing Nigeria’s human capital to enable the country to catch up technologically and at the same time compete favourably with their counterparts around the world is therefore challenging.

The key to developing Nigeria’s human capital is for the government to provide an all-embracing education for Nigerians through a comprehensive and exhaustive education and training, with an educationally competitive curriculum that caters to local and global needs.
The UNDP Human Development Indicators (HDI) for 2019 indicates that there has been increase in the Nigeria’s HDI value from 0.465 in 2005 to 0.539 in 2019 which represent 15.9% increase although the HDI value of Nigeria in 2019 put the country among the low human development category in the world. Whereas, Nigeria’s 2019 HDI value of 0.539 is below the average of 0.547 of the Sub-Saharan Africa, countries like Democratic Republic of the Congo and Ethiopia have HDIs ranked 175 and 173, respectively and Nigeria is ranked 161 the Nigeria’s 2019 HDI value of 0.539 is below the average of 0.547 for the region. These figures are considered as low and are consistent with sub-Saharan African countries (UNDP, 2020).

11.2.5 Land Management and Administration

Land and its use as a productive asset require establishing a legal and institutional framework for land management. In Nigeria, that framework has exercised very little influence on the way property rights have developed over the years (Otubu, 2018). The reasons for this include:

- The supply of land is finite.
- Land is required and used for a range of purposes – to provide security (productive, investment or both) in several forms (food, shelter) – and serve as a basis for the rapid transformation of the Nigerian economy.
- Land management in Nigeria comprises many irregular units in the ownership, use and management by different stakeholders (individuals, corporate bodies and even the state). The major decisions taken by any stakeholder have implications not only for the other groups but also for society.
- Land is the focus of wealth, power and status. Indeed, the current concern in using land as a vehicle for investment gain and a hedge against inflation, under conditions of economic turbulence, points to the centrality of land in present-day Nigeria and, more importantly, how it is managed.

The management of land in Nigeria is no less complex than in any modern society. The following is a short outline (Oluwatayo et al., 2019). After independence in 1960, the Government of Northern Nigeria enacted the Northern Nigeria Land Tenure Law 1962. That law bestowed all lands in northern Nigeria, under the control and subject to the governor’s disposition, to be held and administered for the use and common benefit of the natives of northern Nigeria. This led to titled lands being recognised by issuing occupancy certificates for up to 99 years for a specific purpose.

The Land Tenure Law evolved into the Land Use Act of 1978. Before that, private individuals and the government increasingly faced difficulties in acquiring land for development purposes. Demand for land increased due to increasing urbanisation and growth of the national economy, due mainly to revenues derived from oil. Although legislation exists empowering governments to acquire land compulsorily for public purposes, it has become challenging to do so at a reasonable cost in some of Nigeria’s urban centres. Several projects in the Second Development Plan (1970–1974) failed to take off because of the difficulty of obtaining land in major urban centres. Where land was readily available, the prices were often prohibitive, and compensation claimed and paid by governments generally had been much higher than the actual opportunity cost of the land. Land speculators have aggravated the situation.

Military and civilian governments have made many attempts to set up commissions and a panel of experts to recommend ways to overcome these difficulties. Despite these attempts, the acquisition of land for development has remained problematic. There have been radical suggestions such as the nationalisation of land, streamlining tenure systems, and the pursuit of ‘one fits all’ policies. The report, Land Reform in Nigeria, describes the latest situation of land viz investment (Bashar, 2011); the World Bank Report, Doing Business in Nigeria 2010, reveals that Nigeria rates low out of the 183 countries included in the census (World Bank, 2010). This shows the real difficulty in having access to land for business (investment) in Nigeria. The report describes the obstacles a developer would face in Nigeria and makes three key recommendations:

- Long bureaucratic processes involved in allocating land should be streamlined to ensure timely approval of land allocation, and subsequent transactions in the land should be faster.
- The (transaction) costs incurred should be reduced to a minimum amount.
- Experts and high technical skilled workforce should be employed to minimise the problems of double allocation.
11.2.6 Environment

In a large country like Nigeria, the landscape and ecology vary from tropical forest in the south to dry savanna in the far north, yielding a diversity of flora and fauna. Human population and development pressures pose severe threats to both the ecological and human environments (Countries Quest, 2022a).

Nigeria has a range of nature preserves, game reserves, and national parks, and a forest management system. However, management is carried out at the state and not the local level. Legal enforcement and protection infrastructure are lacking, and abuses of protected land are common.

Several Nigerian environmental groups have campaigned for environmental causes but with little success. The government established FEPA to address desertification, oil pollution, and land degradation, but the agency has had minimal impact. In other parts of Nigeria, farmers have practised indigenous environmental protection for centuries.

Nigeria is a party to the World Heritage Convention, although no sites have been recognised. One biosphere reserve has been designated under the UNESCO Man and the Biosphere Program. Nigeria has ratified international agreements concerning biodiversity, climate change, endangered species, hazardous wastes, the law of the sea, marine dumping, marine life conservation, nuclear test ban, ozone layer protection, whaling, etc. There is also regional cooperation with neighbouring countries for the joint management of environmental resources.

11.2.7 Social Development

With a population of over 160 million, Nigeria has a full spectrum of social issues. The People of Nigeria, Social Issues Quest report, summarises some of the critical social issues that divide the country (Countries Quest, 2022b). In Nigerian society, wealth and power are distributed very unevenly demographically and spatially. Most Nigerians are focused on daily survival, have limited resources, and have little chance of improving their lives. Meanwhile, members of the elite often accumulate and flaunt massive wealth. The elite maintains power through networks of patronage and political support.

This economic inequality has many impacts, particularly its severe impact on health, and especially the health of Nigerian children: 20% of children die before the age of five, primarily from treatable diseases that can be controlled. Adult Nigerians are also affected. Only 20% of rural Nigerians and 52% of urban Nigerians have access to safe water, and 30% have no access to healthcare due to living too far from clinics or because they cannot afford the clinic fees.

Compounding the social situation is the urban-rural divide. Average urban incomes are higher, which is a significant factor driving rural-urban migration. Urban poverty is as inescapable as rural poverty. Crime is also at the centre of social issues and pressures in Nigeria. Since the mid-1990s, crime has risen, due to growing unemployment and economic decline – a situation compounded by the COVID-19 pandemic. Social inequality has been fuelled by inefficient and corrupt police and customs agencies. Nigeria is a major conduit for international drugs moving from suppliers to consumers, many of these entering and leaving via secondary cities located on or near the nation’s borders. Large-scale Nigerian fraud rings have developed, targeting businesses and individuals in other parts of the world. Periodic campaigns to root out corrupt politicians and attack crime have had little lasting effect. Crime is a significant issue affecting business confidence, not just in the large cities, but also in the secondary cities.

11.2.8 Competitiveness of Nigerian cities

As reported by World Economic Forum, the Global Competitiveness Index for 2012/2013 ranks Nigeria 148 out of 196 countries. The country maintained a score of 3.50, unchanged, from 2011/2012 and lagged behind other sub-Saharan African countries, such as South Africa, at 4.34; Kenya, at 3.82; Benin, at 3.78; Ghana, at 3.65; and Cameroon, at 3.61 (World Economic Forum, 2012). The ranking was based on basic requirements (institutions, infrastructure, macroeconomic stability, health and primary education); efficiency enhancers (higher education and training, goods market efficiency, financial market sophistication, technological readiness, and market size); and innovation and sophistication factors (business sophistication and innovation), which currently fall short of standard parameters (Ni et al, 2018).
Nigeria’s score shows low performance compared to other countries. This situation results from the decline in the country’s basic macroeconomic stability, health, and educational outcomes. Nigeria displays weak public institutions and governance indicators compared to other African countries. The country’s financial markets are not well-developed. Educational levels continue to lag international standards at all levels, whilst the country’s labour market continues to be characterised by inefficiencies. New technologies for productivity enhancement, such as ICT, are not being harnessed. The nation has struggled with fixing critical infrastructure, such as power and transportation networks that have suffered decades of neglect. Given this scenario, Nigeria has lost critical investment opportunities to other African countries. Although efforts are currently being made towards improving the situation, there remains considerable room for improvement.

11.2.9 International Development Assistance

In general, international development assistance to Nigeria’s urban sector projects is ad hoc, using different instruments such as grants, soft loans, and other modalities. Except for World Bank and African Development Bank loans, there has been little direct government management of donor funds into the urban sector. Until recently, outside of the international development banks, official development assistance agencies have argued that off-budget support has been the most practical approach, given accountability weaknesses, the absence of effective financial management and inconsistencies in the integration and implementation of policies, plans, and budgets and subsequent releases and expenditures (Eldon & Waddington, 2007).

In 2005, DFID (the former Department for International Development of the United Kingdom) and the World Bank developed a new Country Partnership Strategy for Nigeria, which involved a three-level approach to development aid: investment lending at the federal level, SWAP type arrangements in ‘good performing’ states, and highly focussed community issue-based project approaches in poorly performing states. It did not include instruments to use the fiscal transfer system more effectively to introduce better incentives for state and local government service delivery, system strengthening and greater accountability.

... international development assistance to Nigeria’s urban sector projects is ad hoc, using different instruments such as grants, soft loans, and other modalities.

Much of the aid and development to the urban is sector grants and loans directed at improving water supply, sanitation, roads, and major public facilities. There have been few attempts to support integrated cross-sectoral investment to develop hard and soft infrastructure to support economic and social development or improved urban and financial management. The lack of coordination in the aid program by international agencies and government has resulted in a patchwork of projects at the secondary city level that are poorly planned, located and inadequately funded and do not bring significant benefits or new investment into local economies. A more holistic approach to integrated city land use and financial planning, investment prioritisation, infrastructure, long-term budgeting is needed.
11.3 Case Study of Ibadan

Ibadan in southern Nigeria is the state capital of Oyo Province and the capital of the Yoruba nation. It is a city famous for rusted roof scape (Photo 11.1). It has a long urban history as an urban trading centre and has been an important secondary city since colonial times. The 2006 Census-estimated Ibadan’s population was 2,550,593. However, the Ibadan City Masterplan research, which included the Ibadan agglomerations, used population figures consistent with the Africapolis database, which estimated the population at 6,018,000. Ibadan is a metropolis. However, it functions very much as a secondary city. It does not have many primate city features and has not developed significant depth and specialisation in its economy, which continues to be influenced by consumption.

Ibadan was selected for this case study because the city’s development challenges have been documented well in background documents and studies used to prepare the recent Ibadan City Masterplan. The available information enables a good profile and analysis of many of the common problems and complex issues facing the development and management of secondary cities in Nigeria. The city also demonstrates what can happen to the future urban development of other secondary cities in Nigeria if they are not well-managed. The case study shows the need for significantly improved urban management, governance, support for localised economic development, and climate change policies to ensure more secondary cities in Nigeria become more sustainable, equitable, and inclusive in urban development approaches in the future.
11.3.1 General Profile of Ibadan

Ibadan is the largest indigenous city in West Africa and is located about 145 km northeast of Lagos. Its population includes 11 local government areas. The population of central Ibadan, including five local government areas (LGA), is 1,338,659 (see Table 11.3).

### TABLE 11.3 | A summary profile of the City of Ibadan

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Area</strong></td>
<td>What is the estimated urban area in the City?</td>
<td>463.33 km²</td>
</tr>
<tr>
<td><strong>Demographics</strong></td>
<td>What was the Estimated Population in 2010?</td>
<td>2,835,000</td>
</tr>
<tr>
<td></td>
<td>What was the population in 2000 or the last census?</td>
<td>2,550,593</td>
</tr>
<tr>
<td></td>
<td>Is the city’s share of the national population growing?</td>
<td>Yes @ 2.35%</td>
</tr>
<tr>
<td></td>
<td>Estimated density of population</td>
<td>455.7 pp /km²</td>
</tr>
<tr>
<td></td>
<td>Has population density in the city increased or decreased?</td>
<td>Increased</td>
</tr>
<tr>
<td><strong>Economic Strength</strong></td>
<td>What is the city’s estimated GDP?</td>
<td>US$2,010</td>
</tr>
<tr>
<td></td>
<td>Estimate of how fast is the economy growing pa?</td>
<td>11.1%</td>
</tr>
<tr>
<td></td>
<td>What is the fastest-growing sector of the economy?</td>
<td>Trade (Commerce) and Craft</td>
</tr>
<tr>
<td></td>
<td>What does it export?</td>
<td>Agricultural produce</td>
</tr>
<tr>
<td><strong>Income Levels</strong></td>
<td>What is the estimated average income per month?</td>
<td>US$ estimated</td>
</tr>
<tr>
<td></td>
<td>How much higher are incomes in the capital city compared to the city?</td>
<td>%</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td>How many people are employed in the city by industry sector?</td>
<td>No (000)</td>
</tr>
<tr>
<td></td>
<td>How big is informal sector employment?</td>
<td>Trading 70%, Craft 39%, Agriculture 2%</td>
</tr>
<tr>
<td></td>
<td>What is the unemployment rate?</td>
<td>8.6%</td>
</tr>
<tr>
<td></td>
<td>Is there a reliance on remittances to supplement household income?</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Poverty Rate</strong></td>
<td>Estimate % of households are living below the poverty line.</td>
<td>78.1%</td>
</tr>
<tr>
<td></td>
<td>Is there any Gini Coefficient data?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>What is the Gini coefficient?</td>
<td>0.43</td>
</tr>
<tr>
<td><strong>Public Finances</strong></td>
<td>What is the budget of the Municipality?</td>
<td>US$ estimated</td>
</tr>
<tr>
<td></td>
<td>What are the primary sources or funds and expenditure?</td>
<td>State Allocation and Internally Generated Revenue (IGR)</td>
</tr>
<tr>
<td></td>
<td>How much money does the municipality spend/ capita?</td>
<td>N32.33 billion capita</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has access to potable water?</td>
<td>94.5%</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has good sanitation?</td>
<td>70.8%</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has waste management collection</td>
<td>24.4%</td>
</tr>
<tr>
<td></td>
<td>What is the length of urban roads?</td>
<td>515.99 km</td>
</tr>
<tr>
<td></td>
<td>What is the distance and travel time to the nearest largest city?</td>
<td>145km/1 Hour</td>
</tr>
<tr>
<td></td>
<td>How many intercity flights or buses are there a day?</td>
<td>3 Airlines</td>
</tr>
<tr>
<td></td>
<td>Does the municipality have a GIS with an inventory of infrastructure?</td>
<td>No</td>
</tr>
</tbody>
</table>
11.3.2 Urban Development and Growth Management

Ibadan faces significant urban development issues and growth management problems. Many of these have been documented extensively during background studies for the Ibadan City Masterplan (Dar Al-Handasah et al., 2018). The following describes recent trends associated with the city’s development and some of the city’s current development challenges.

13.3.2.1 Social-Demographics

The city growth of Ibadan has been mainly driven by transport development and the establishment of several educational and research institutions. The passage of the Lagos-Kano railway through Ibadan in 1901 contributed significantly to the city’s development (Onibokun & Kumuyi, 1999), while the convergence of the two major trade routes through Ijebu and Abeokuta encouraged the migration of large numbers of people, who established trading activities in the city in the 1950s and 1960s. Table 11.4 shows the population characteristics of Ibadan Metropolis, 1991–2006.

Since then, the city has extended further into the neighbouring local government areas of Akinyele and Egbeda (Fourchard, 2003).


<table>
<thead>
<tr>
<th>LGA</th>
<th>Area (km²)</th>
<th>1991 Population</th>
<th>2006 Population</th>
<th>Population Increase (%)</th>
<th>Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ibadan North</td>
<td>145.58</td>
<td>302,271</td>
<td>306,795</td>
<td>1.5</td>
<td>0.1</td>
</tr>
<tr>
<td>Ibadan NE</td>
<td>81.45</td>
<td>275,627</td>
<td>330,399</td>
<td>19.9</td>
<td>1.2</td>
</tr>
<tr>
<td>Ibadan NW</td>
<td>31.38</td>
<td>147,918</td>
<td>152,834</td>
<td>3.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Ibadan SE</td>
<td>80.45</td>
<td>225,800</td>
<td>266,046</td>
<td>17.8</td>
<td>1.1</td>
</tr>
<tr>
<td>Ibadan SW</td>
<td>124.55</td>
<td>227,047</td>
<td>282,585</td>
<td>2.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Sub-total</td>
<td>463.33</td>
<td>1,178,663</td>
<td>1,338,659</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Dynamics of Systems of Secondary Cities in Africa

11. IBADAN: NIGERIA

<table>
<thead>
<tr>
<th>LGA</th>
<th>Area (km²)</th>
<th>1991 Population</th>
<th>2006 Population</th>
<th>Population Increase (%)</th>
<th>Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akinyele</td>
<td>427.26</td>
<td>140,118</td>
<td>211,359</td>
<td>50.8</td>
<td>2.8</td>
</tr>
<tr>
<td>Egbeda</td>
<td>136.83</td>
<td>129,461</td>
<td>281,573</td>
<td>117.5</td>
<td>5.3</td>
</tr>
<tr>
<td>Ido</td>
<td>865.49</td>
<td>53,582</td>
<td>103,261</td>
<td>92.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Lagelu</td>
<td>283.92</td>
<td>68,901</td>
<td>147,957</td>
<td>114.7</td>
<td>5.2</td>
</tr>
<tr>
<td>Ona-Ara</td>
<td>369.37</td>
<td>123,048</td>
<td>202,725</td>
<td>121.5</td>
<td>5.4</td>
</tr>
<tr>
<td>Oluyole</td>
<td>577.10</td>
<td>91,527</td>
<td>265,059</td>
<td>115.4</td>
<td>5.3</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>2,659.97</strong></td>
<td><strong>606,637</strong></td>
<td><strong>1,211,934</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


### 13.3.2.2 Urban Governance

There are 774 LGAs (the third tier of government) in Nigeria. The local government council administers each LGA. The council consists of both executive and legislative arms. The executive arm is headed by the chairman, who is the chief executive. The legislative arm consists of councillors, which are representative of wards. The number of wards in each LGA varies from 10 to 20. All the LGAs have offices regarded as local government headquarters, and the majority of the headquarters are usually in urban areas. This means the local council is also part of the urban governance.

The 1999 Constitution of Nigeria clearly stated the functions of local governments (Edo State Judiciary, 2016). These include an economic recommendation to the state, collecting taxes and fees, naming roads and streets and numbering of houses, registration of births, deaths and marriages, and provision and maintenance of public transportation and refuse disposal (Awotokun, 2005). Local government council involvement in urban governance is mandated by law. In short, all three tiers of government in urban governance are clearly stated in the 1999 Constitution of Nigeria.

Despite the different levels of government involvement, urban governance in Nigeria is still a problem. This is because the rapid urbanisation in spatial and demographic terms has not been met with effective urban planning (Omar, 2013). Most urban dwellers live in slums without access to essential services and amenities such as housing, hospitals, electricity, and pipe-borne water.

Ibadan metropolis consists of the city of Ibadan and its immediate suburban districts. The city-serving or non-basic activities concerned with meeting the needs of the city population take place within this area, sometimes referred to as the ‘Ibadan metropolitan district’. The urban sphere of influence of Ibadan city, however, covers a much more extensive territorial area. Ibadan city extends for about 70 km, from Iroko in the north to Mamu in the south; half of the population live in Ibadan City and characterise the territory that looks to Ibadan as the centre for its cultural, administrative, and commercial activities. The area comprises Akinyele, Egbeda, Ibadan Northwest, Ido, Lagelu, Oluyole, Ona-Ara, Ibadan Northeast, Ibadan South East, Ibadan West, Ibadan North (Areola & Akintola, 1994), each of which is a local government area Ibadan has grown tremendously in size and area over the years. In line with the Federal Government of Nigeria, these LGAs are financed mainly by the federal government.

### 13.3.2.3 Urban Planning, Urban Development and Land-use

The location and spatial distribution of major industrial concerns in Ibadan do not follow any organised pattern, although a few significant industrial estates exist, e.g., Oluyole, Lagelu, and Oke‘ibadan. Subsequent major industrial units came up in Onireke, Apata-Ganga, Oke-Bola, Oke-Ado, Eleiyele, Challenge and other newly developed areas. Industries have sprung up in the urban periphery along the major highways connecting Ibadan with other towns like Lagos, Abeokuta, Ife, Iwo and Oyo, in more recent times. Oluyole Industrial Estate, located in the metropolis, consists of different industries, including food and beverage processing, organic chemicals manufacturing, basic steel production, agricultural produce processing and production, auto repair workshops, concrete production, pharmaceuticals, agro-allied chemicals and manufacturing.
Ibadan has grown to become a large sprawling city with no discernible pattern of development. Developed land increased from only 100 ha in 1830 to 12.5 km² in 1931, 30 km² in 1963, 112 km² in 1973, 136 km² in 1981, and 214 km² in 1988 (Areola & Akintola, 1994). A recent examination of the city's actual extent from satellite imagery indicates that urban development has extended significantly in the last three decades. The developed land area for the city in 2012 had reached 401 km² (Figure 11.5).

As a result of the rapid population growth and urban expansion in Ibadan, a new Ibadan City Masterplan was designed. The plan consists of three main categories: growth centres, urban expansion, and infill areas. The growth centres are at the outskirts of the city where urban sprawl presently takes place. In the new Masterplan, land-use types: industry, agriculture and rural communities, open space and recreation, and transport networks are considered. For industrial use, an additional four new industrial areas are proposed. Two out of the four industrial areas are for agricultural processing, while the remaining two are for heavy industry and warehousing. The open space is designed to prevent flooding in the city. Space will be used for sport, playgrounds, recreation, natural open space, and urban agriculture.

Ibadan has many buildings of historical and cultural value in the city (see Figure 11.6). The new Ibadan City Masterplan (2018) identified and proposed retaining of many of those buildings with their original structures. The Masterplan proposed the implementation of a circular road and an inner ring road for the road network. This would enable connectivity of all parts of Ibadan.

The aim of urban agriculture in the new Masterplan is to reduce flood disaster risk in the city. A series of flooding has occurred in Ibadan in the past. Urban agriculture is planned to reduce runoff and keep flood plains free from construction in response to this. There is already a blueprint of urban development and land use in Ibadan, and its reality depends on how effective the Masterplan is when implemented.
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11.3.3 Economic Development

Little detailed public information is available on the Ibadan or Oyo state economies (Adelekan, 2016). Ibadan’s economy is dominated by the agricultural, trading, food and beverage industries, textile, and apparel, chemical and pharmaceutical products, with small but significant contributions made by the information and communication, education, professional, scientific, and technical services (Table 11.5). The economy of Ibadan and Oyo State is dominated by small and medium-sized enterprises (SMEs), many of which are informal sector enterprises involved in small-scale manufacturing, trading, and transport logistics. There are an estimated 1.9 million micro and small businesses in Oyo State, of which almost 1 million are in Ibadan. The ratio of average enterprise density is 0.28 businesses per capita compared to 0.30 for Lagos and 0.24 for all Nigeria. Oyo hosts the second-largest micro, small and medium enterprises (MSME) population in the country after Lagos, many of which are concentrated heavily in the Ibadan central city area. The largest employment sector is in sales and related activities, accounting for approximately 40% of total employment compared to 24% at the national level (Dar Al-Handasah, 2018).

| TABLE 11.5 | Contribution of industry sector GDP to National and Oyo State Economies (2016) |
|-----------------|---------------------------------|-----------------|-----------------|
| Industry Category | The proportion of National Economy (%) | Percentage Contribution to Oyo Economy | Percentage Contribution to National Economy |
| Agriculture | 21.1 | 24.2 | 8.6 |
| Mining And Quarrying | 28.7 | 0.1 | 0.0 |
| Manufacturing | 10.2 | 16.0 | |
| Electricity, Gas, Steam & Air Conditioning Supply | 0.8 | | |
| Water Supply, Sewerage, Waste Management | 0.1 | 0.1 | 6.7 |
| Construction | 1.9 | 0.8 | 3.3 |
| Trade | 7.0 | 11.4 | 12.3 |
| Accommodation And Food Services | 0.4 | 0.4 | 7.1 |
| Transportation And Storage | 1.5 | | 3.0 |
| Information And Communication | 12.1 | 18.5 | 11.5 |
| Arts, Entertainment And Recreation | 0.1 | 0.1 | 7.4 |
| Financial And Insurance | 2.0 | 2.6 | 9.9 |
| Real Estate | 1.8 | 2.8 | 11.5 |
| Professional, Scientific And Technical Services | 5.3 | 13.0% | 18.4 |
| Administrative & Support Services | 0.0 | 0.0 | 11.1 |
| Public Administration | 2.0 | 2.1 | 8.0 |
| Education | 2.2 | 3.1 | 10.8 |
| Human Health and Social Services | 0.6 | 0.2 | 2.1 |
| Other Services | 2.1 | 1.4 | 4.9 |


Oyo State and Ibadan do not have well developed economic development plans or policies. Economic development is driven by development programs formulated by ministries, departments and agencies (MDAs) of the state government. After the elections in 2018, the government launched the “Oyo State Roadmap for Accelerated Development, 2019-2023” (Makinde, 2018) (OYSRP). This document proposed a state-wide framework with programs designed to include all the units in Oyo State, including the Ibadan municipal area. The agenda is anchored on eight major areas: agriculture and food security, health care, infrastructure, domestic resource flows,
education, ease of doing business, youth empowerment, social inclusion and protection, and security. However, the plan lacks a long-term financial strategy detailing estimated costs, budgeting, funding arrangements, and sequencing of critical infrastructure and social development projects and initiatives. There is an expectation that many of these will be funded by the central government.

Significant challenges are facing the development of the Ibadan economy. It lacks competitiveness and a framework to support the growth and development of a more sustainable economy. An economic development strategy is needed to guide and support the investment and development of industry clusters in the food, textiles, education, and ICT clusters to enable the aggregation of SMEs into medium and large-scale industries. These sectors offer the best opportunities to boost the city’s economy and boost employment opportunities for more than 2 million people living in surrounding urban centres that form part of the larger Iban region.

Ibadan needs to plan for investment in building new, rehabilitating and maintaining strategic infrastructure, strengthening its economic governance arrangements and the enabling environment to support the sustainable development and growth of new industries and enterprises in the city (Dar Al-Handasah et al., 2018). This requires strengthening local governments’ capacity, tax revenue-raising, and better integrated regional planning, infrastructure and policy cooperation between the city and surrounding spill-over urban growth areas. The city’s economy is not competitive, and there must be a focus to reduce public and private transaction costs of services delivery and doing business (Bruce, 2019). More detailed economic research is needed to guide policy and planning to underpin the development of the region’s economy.

Connectivity and collaboration between government, business, communities, education, and research institutions are weak. Enhancing connectivity is crucial to developing trade between regional cities and developing industry clusters (Bloch et al., 2015); a skilled, entrepreneurial, and competitive workforce, along with business leadership, networks, and knowledge sharing are necessary to strengthen industry sectors and supply chains. The city needs to work with its adjacent local governments to create critical mass, scale, and collaborative advantage rather than continually competing for limited resources. Finally, the city needs to focus on its image as an attractive place for investment and living by giving a socio-economic focus to liveability and security (Bruce, 2019). This focus should help attract more skilled workers and managers to Ibadan to help boost the development of the economy. Action on these matters is needed to develop a more sustainable city and a more robust economy and to create decent jobs in the future.

11.3.4 Social Development

Ibadan has experienced a phenomenal population increase over the years, extending rapidly to the peri-urban areas. While the metropolis’s average annual population growth rate was a mere 0.5% between 1991 and 2006, the average growth rate for the peri-urban areas was 4.8% during the same period. This large number of people in a confined area causes significant social stress (Mabogunje, 1974).

11.3.4.1 Housing

Delivery of formal housing has been limited, with few public or formal private sector developments initiated in the last 20 years. Access to affordable quality housing remains acute (Photo 11.2). Aside from their failure to be an important contributor to urban growth, the existing formal processes, which can provide high standard of development and security of tenure, tend to follow cumbersome, drawn-out, costly, unrealistic, and unaffordable development standards that are unfamiliar to many sections of the population. The dominance of urban development by informal processes, most of which have a degree of legitimacy under customary/traditional practices, is almost a mirror image of the formal processes: informal processes cover most of the land. They largely proceed on a willing buyer/willing seller principle, and they have procedures that are generally understood by both.

Although limited, several projects improved the building conditions in existing high-density areas completed in the 1990s with World Bank support and finance. This included upgrading three districts of the core area, namely Agugu, Mokola and Yemetu. The main components were roads and drainage, but the projects also included sanitation, health, and education facilities. Since 2000, there have been no other similar upgrade projects in the
city. Infrastructure is deficient throughout Ibadan, with conditions being worst in the traditional city core, due to the poor state of many buildings and very low levels of vehicle accessibility.

Multi-occupation and high occupancy rates dominate in all medium and high-density areas, as do high renting levels. These are indicators of a considerable gap between housing supply and demand – although there is little to suggest that Ibadan differs significantly in this regard from other Nigerian cities. These areas are fully built-up, with little potential for significant new development in the future.

The peripheral areas have quite different characteristics – substantial new construction, much higher levels of owner-occupation and much less multi-occupation/renting. However, these characteristics are likely to change over time, as these areas develop and gradually take on the characteristics of adjacent medium-density areas. In the short and medium terms, they will be Ibadan’s main development areas. In the longer term, growth will increasingly be in the city’s outer rural areas, as today’s peripheral areas become fully developed.

The high-density areas are predominantly within the defined Core Areas of the city. Within these areas, housing quality is at its lowest, with 49% considered to be in ‘poor’ condition. Inner Ibadan has the highest access to ‘improved sources’ of water and ‘improved toilet facilities’, although this generally applies to the medium-density rather than high-density areas; and 72% of households within inner Ibadan have an electricity supply. The high-density areas have the highest number of households per residential building. They are also the locations for a few identified slum areas.

Housing quality within the medium-density areas is significantly higher than in the high-density areas, with only 18% considered to be in ‘poor’ condition. As mentioned above, the medium-density areas within inner Ibadan have the highest access to ‘improved sources’ of water and ‘improved toilet facilities’. The medium-density areas within inner Ibadan have higher access to a household electrical supply than those areas within outer Ibadan (72% compared to 52%). The number of households per residential building is slightly lower in the medium-density areas than the high-density areas. The medium-density areas are the locations also in slum areas.
Housing quality is highest within the low-density areas, with only 9% considered to be in ‘poor’ condition. Outer Ibadan has the lowest access to ‘improved sources’ of water and ‘improved toilet facilities’. Access to a household electrical supply is lowest in outer Ibadan. In the low-density areas, the number of households per residential building is significantly lower than elsewhere, at 1.7. There are no identified slum areas within the low-density areas.

A concise overview of the housing market characteristics in Ibadan, reflecting contexts specific to the city, Oyo State and Nigeria, is more generally provided in this section. Factors affecting key market variables such as the supply of land/housing, demand, access to finance and affordability, and other relevant market behaviours are considered here. Many homes in Nigeria (especially in Ibadan) are being developed informally by the homeowners themselves and more marginally by cooperative societies providing building construction services. Formal providers (Makinde, 2014) comprise:

- Private developers that target mainly middle to high incomes, due to the complexity and high cost of purchasing land for housing delivery.
- Housing corporations, active at the State level and operating privately, that received their primary funding from government allocations. The State housing corporations target mainly middle incomes, requiring payment in cash or instalments during construction.
- Non-governmental organisations that target the informal sector and low-income groups.

Like the housing provision system, housing finance for homeowners in Ibadan is dominated by the informal sector, which is consistent with UNCHS/Habitat (2011) which claims that except for South Africa and Botswana, less than 40% of people have access to formal finance sources (Odunjo & Ayoride, 2016). Informal financing can take many forms, such as thrift, money lenders, and village development schemes, and it is mostly uncoordinated and scattered (Adedeji & Abiodun, 2012). In Ibadan, however, Odunjo & Ayoride (2016) note that informal housing finance mainly refers to cooperative societies, personal savings, and to a lesser extent, inheritance. No less than 190 cooperative societies in Ibadan registered with the State government list housing provision as their main priority (Adeboyejo & Oderinde, 2013). These cooperatives use the granting of small loans (usually up to ₦900,000 – US$2,500) as their preferred strategy, helping members to finance parts of the housebuilding process, such as the roofing or ceiling. These small societies are funded by a mixture of loans, interest, members’ savings, investment revenues and development levies.

Formal housing finance comprises several institutional sources such as commercial banks, insurance companies, State housing corporations, the Federal Mortgage Bank of Nigeria, and mortgage institutions (Odunjo & Ayoride, 2016). In addition, the National Housing Fund (NHF), established in 1992, called for 2.5% of every worker’s earnings to be mandatorily placed into the Fund, which would, in turn, be mobilised to provide loans and affordable homes. In Ibadan, as stated by Odunjo & Ayoride (2016), homeowners using formal housing finance turn their priority towards workplace loans and more marginally towards financial institutions and mortgage loans.

One of the main challenges associated with housing and affordable housing provision in Ibadan, but more widely in Nigeria, is the lack, or inadequacy of, transparent, implemented and monitored guidelines at the national, state and municipal levels. The 1978 Nigerian Land Use Law, by vesting the land in the governor of each state and assigning him or her the duty to grant ‘rights of occupancy’ has partly prevented or slowed down opportunities to establish consistent and long-term urban plans (Adelekan, 2016). The Land Use Law has made titling and land registration processes increasingly bureaucratic; they are often subject to delays, very costly, and contribute to increased land prices on the formal market (Odunjo & Ayoride, 2016). High land prices, the complex registration
process, and limited land availability areas have deterred private developers from delivering affordable housing, despite receiving many government incentives.

Similarly, although the 2011 National Housing Policy has, on paper, adopted the idea of mass housing as a solution to tackle the housing crisis, and to construct no less than 1 million homes per year, implementation has yet to be seen (Akinyode & Khan, 2016). The National Housing Fund (NHF) had also produced disappointing results, as in 2004, when the ratio of beneficiaries to contributors barely reached 0.12% (Akinyode & Khan, 2016). Sources suggest that conditions for loans offered through the NHF are too restrictive, preventing a large share of potential beneficiaries from accessing them. Duplication of the layers involved in the decision-making of housing provision is another key issue. In Ibadan, 16 institutions, 3 state agencies and 2 federal agencies are involved in the housing market processes at various stages.

Lack of coordination between those bodies and frequent duplication of their responsibilities results in mismanagement and adversely impacts the housing market and urban development (Akinyode & Khan, 2016). The creation of the LGAs in Ibadan has complicated the decision-making and slum management processes at the local scale, since some slums are spread across boundaries and require the focus of two or more relevant LGAs to agree on their management. As a result of those challenges, the provision of new housing has become more difficult, and planning regulations are often not enforced, reinforcing most of the urban problems that the policies were designed initially to solve. The situation creates for residents a sense of ‘disdain’ and ‘apathy’ towards planning institutions (Arimah & Adeagbo, 2000).

Low-income residents of Ibadan struggle to access housing finance. As mentioned previously, the formal financial system is restricted and provides mainly for wealthier populations. Although informal finance is understood to be available in Ibadan for these low-income groups, research suggests that bodies such as cooperatives are likely to be used by the most educated of the low-income groups, who understand the added value and importance of these mechanisms (Arimah & Adeagbo, 2000). This means that access to finance remains a crucial issue in terms of a housing strategy for some population segments, despite a plurality of informal systems in the local area.

The Ibadan housing market makes it difficult for residents to become homeowners. When coupled with the low income of the households and the lack of access to finance, the cost of building materials creates barriers to home ownership. In addition, is the requirement to buy the land through ‘intermediaries’, and costs associated with getting an occupancy certificate signed by the state governor are too high (Adeyeni et al., 2016). The limited opportunities for home ownership have two main implications:

Owner-occupiers are generally older (mostly over 40 years old) and long-term residents of Ibadan. The younger and poorer populations are generally catered for by the rental market (Jaiyeoba & Amole, 2013).

11.3.4.2 Limited Home Ownership is Putting Greater Pressure on the Demand for the Rental Market.

Increased pressure on the demand for rental housing contributes to the imbalance between demand and supply of rented units. Owing to strong migration from within Oyo state and other parts of the country, the demand for rental housing has increased with rising land prices (Adeyeni et al., 2016). Consequently, low-income households are struggling to find decent rental housing, especially given the growing poverty levels. This is especially true in the city centre, as proximity to main job opportunity locations attracts a large share of young, low skilled labour. This, in turn, allows for opportunistic behaviours to develop on the supply side of the housing market (Jaiyeoba & Amole, 2013). In particular, landlords in Lagos tend to protect the rental value of their Ibadan property according to their situation and needs or sell them to be converted for commercial activities. This restricts the housing supply in the city even further. In addition, some indigenous populations, inheritors of the central core land plots, rely on rent collection as a means of subsistence. They also tend to increase rental values according to their own needs.
11.3.5 Health Care

The distribution of healthcare facilities across Ibadan is uneven, with pockets of unserved areas in Ibadan north, north-west, and south-east and southwest LGAs. In the rural areas, the spread is sparse, and there are areas with little or no provision. The poor road network also impedes access to facilities. In isolated settlements, the provision of new permanent health facilities may not be justified on a cost basis. Improved infrastructure and road access to major towns or commercial centres will improve access to health facilities for all residents of Ibadan. Information about healthcare facilities has been sourced from the Oyo State Bureau of Statistics (OSBS) and the Oyo Ministry of Health (MOH). Primary, secondary, and tertiary level health facilities across the 11 LGAs, based on the MOH and OSBS data, do not always correlate. Data provided by MOH also include one military and one police hospital, which are operated by the federal government and cannot be accessed by the public – it is unknown whether the OSBS data includes these hospitals. Insufficient information is available to identify the distribution of and map all existing healthcare facilities.

There are 517 primary and 15 secondary health facilities in Ibadan. About half of the primary health facilities are owned by the private sector. According to Ibadan City Masterplan, an additional 237 primary health facilities will be needed in the city.

11.3.6 Infrastructure and Urban Services

Ibadan faces a multitude of infrastructure challenges. These include power supply, road conditions, housing deficits, and sanitation infrastructure (Fourchard, 2003). A significant problem facing Ibadan is its water supply infrastructure. Areola & Akintola (1994) submitted that the problems with Ibadan’s water supply could be viewed from two perspectives: the Water Corporation mandated to supply water; and that of the consumers, the public and end-users (Areola & Akintola, 1994). Key water infrastructure problems include:

- Incessant power failures and fluctuations at the waterworks and booster stations which, apart from causing frequent interruptions in water supply, lead to pipe bursts when subjected to frequent alternating stoppages and gushes of water flow.
- Inefficient plumbing by contractors who connect water pipes crudely and tap water illegally.
- Frequent damage to water pipes by road construction companies.
- Overseas manufacturers give long delivery dates for water pumping and treatment equipment, and other essential materials.
- Demand that increasingly exceeds supply, especially in the newly developing parts of the city.

The preceding suggests inefficiency on the part of support services: irresponsibility on some professionals and lack of adequate forward planning on the part of Water Corporation itself.

Within Ibadan, the existing 2,350 primary and 547 primary and secondary schools, respectively, are insufficient to meet demand (see Table 11.6). The existing number of primary schools in the city are not enough. If the ratio of 1:3,000 people is applied, 1,421 primary schools will be required on or before 2036. An additional 584 secondary schools are needed on or before 2036, based on a ratio of one school per 10,000 people.
TABLE 11.6 | Social-demographics of Ibadan Metropolis

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
<td></td>
</tr>
<tr>
<td>Primary schools</td>
<td>2,350</td>
</tr>
<tr>
<td>Secondary schools</td>
<td>547</td>
</tr>
<tr>
<td><strong>Health</strong></td>
<td></td>
</tr>
<tr>
<td>Primary health facilities</td>
<td>517</td>
</tr>
<tr>
<td>Secondary health facilities</td>
<td>15</td>
</tr>
<tr>
<td><strong>Fire stations</strong></td>
<td>7</td>
</tr>
<tr>
<td><strong>Police stations</strong></td>
<td>23</td>
</tr>
</tbody>
</table>


### 11.3.7 Employment and Human Capital

Increased employment in the informal economic sector of the city since the 1980s, especially petty trading and petty craft activities, was the first consequence of the economic crisis and the development of urban poverty in Nigeria (Fourchard, 2003). Over the years, the number of people engaged in agriculture practices has been declining. In 1953, about 35% of the region’s population was engaged in agriculture. By 2006 the population of those engaged in farming living in Ibadan had further declined to 2.3% (Oyejide, 2006).

Trading is the primary economic activity in the Ibadan Metropolitan Area. More than 70% of active women are involved in trading activities, while the craft and industry sectors have become the major employment sectors for men. This is the consequence of small-scale craft and trade development since the implementation of the Structural Adjustment Programme (SAP) in 1986. These two activities have driven the development of the informal sector.

The Ibadan City Masterplan highlights what the state government needs to achieve regarding future employment in Ibadan. Table 11.7 summarises projected changes in employment by economic activity: the commercial land-use sector is projected to contribute to 55.5% of employment opportunities in Ibadan by 2036, followed by the industrial land-use sector. It is projected that the institutional sector will provide the least employment opportunities.

TABLE 11.7 | Projected change in employment by economic activity in Ibadan

<table>
<thead>
<tr>
<th>Land-use sector</th>
<th>Employment classification</th>
<th>2016-2036</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>Wholesale, retail; restaurants &amp; hotels, communications, financing,</td>
<td>1,294,670</td>
<td>55.5</td>
</tr>
<tr>
<td></td>
<td>insurance, real estate &amp; business services, other services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social</td>
<td>Education and human health</td>
<td>151,628</td>
<td>6.5</td>
</tr>
<tr>
<td>Institutional</td>
<td>Public administration &amp; defence</td>
<td>6,998</td>
<td>0.3</td>
</tr>
<tr>
<td>Industrial</td>
<td>Mining &amp; quarrying, manufacturing, construction, energy &amp; utilities,</td>
<td>879,422</td>
<td>37.7</td>
</tr>
<tr>
<td></td>
<td>transport and storage</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>2,332,738</td>
<td>100</td>
</tr>
</tbody>
</table>

11.3.8 Land Management, Property and Land Markets

Before 1970, Ibadan city was surrounded by rural villages with virtually no peri-urban development around the city limits. Since the oil boom era of the 1970s, the growth in national revenues and economic development has significantly influenced the city’s urbanisation processes. Ibadan has grown both in physical size and population. Extensive areas characterised by rural features have either been incorporated into the city or transformed into its peri-urban areas, transitioning between predominantly rural and urban features. Former rural areas such as Lalupon, Alakia, Olodo, Ogbere, Odo-Ona, Bode-Igbo and Moniya, are now part of peri-urban Ibadan. Extensive peri-urban developments have taken place along the major roads and highways leading to major towns.

11.3.9 Environment

The impact of the human population on the environment of Ibadan varies, with the highest intensity being in the city, where population density is highest. Human needs for clean air, food, water, shelter, and other life necessities are greatest in the city.

A variety of human activities in Ibadan has contributed to a noticeable modification of the natural environment. There is a distinct ‘urban climate’ over the city, compared to the prevailing climate in surrounding rural regions, especially in temperature, humidity, and air pollution. The impact has largely been harmful and undesirable. It has varied in intensity according to the degree of population concentration and urbanisation.

11.3.10 Future Urban Growth Management Issues

Despite being a vibrant city with a strong sense of identity, Ibadan faces many challenges. This section summarises the existing conditions and the main conclusions drawn from the baseline findings of the Ibadan City Diagnostic Report (Adelekan, 2016). Ibadan’s built-up area has expanded rapidly over the past 16 years. Physical urban growth has been along the main highways, with infill development as communities become established. The limited amount of land occupied by industrial and commercial uses indicates that the informal economy is small and creates insufficient jobs for the population.

The city’s core area suffers from the pressures of inadequate infrastructure provision to support the high population density. The houses generally are in poor condition, and the provision of community facilities and utilities is low. Numerous older buildings have historical importance, but many are in a poor state of repair. In the inner built-up areas of Ibadan, the mix of land-uses is more varied and includes large institutional and educational facilities. Several industrial facilities are located primarily along the Lagos-Ibadan Expressway. In addition, numerous markets are distributed in and around the core area, where there is maximum connectivity and accessibility. Many residential areas have been developed informally, with inadequate supporting infrastructure to meet their needs. Large forest and agricultural land areas are outside the built-up area, although high-grade agricultural soil is limited to the city’s southern parts. The surrounding vegetation and the varying topography of the city provides an attractive setting that helps improve residents’ quality of life. They are assets that should be used to attract investment.

There is a shortage of formal recreational facilities, both indoor and outdoor, within the built-up area. Uncontrolled growth to the periphery of Ibadan is affecting the dense vegetation and forestry – this related deforestation adversely impacts the ground’s ability to absorb water and is the leading cause of flooding in the city. A land-use classification, sourced from the “Space Standards for Physical Development in Oyo State” prepared by the Ministry of Physical Planning and Urban Development in December 2014, has been incorporated into the new Ibadan City Masterplan.

The Ibadan City Masterplan sets out the planning strategy for Ibadan and provides the direction for future growth and development to 2036 (Figure 11.7). It identifies key interventions and development areas and aims to streamline the planning process through a flexible and proactive approach.
The objectives of the planning strategy are to:

- Guide urban expansion to accommodate future population growth.
- Designate areas for protection and promotion.
- Provide a framework for development.
- Guide developers and investors towards investment opportunities.
- Integrate the proposed expansion areas with the existing built-up areas within the city.
- Integrate the social, economic, institutional, and physical aspects of land development.
- Promote economic development and create employment opportunities.
- Provide an adequate provision of housing and promote a diverse mix of land uses.
- Create a safe and healthy environment and better quality of life.

The key elements of the Ibadan City Masterplan focus on spatial development strategy, land-use distribution, social infrastructure, provision of culture, tourism and heritage facilities, implementation, and phasing strategy, and addressing flood risk. The master plan project won the acclaimed International Award for the Royal Town Planning Institute (RTPI) Awards for Planning Excellence 2019.
The Spatial Development Strategy sets out a vision for the sustainable development and regeneration of Ibadan. It presents a physical representation of the Ibadan City Masterplan and delineates specific boundaries within which policies are applicable. It also sets the basis for future development and ensures that it integrates with the existing urban areas. It is based around a series of guiding principles and provides a comprehensive, physical urban expansion plan. While taking into consideration future demands, it also caters for the needs of the existing community. The Spatial Development Strategy is structured as follows:

11.3.10.1 Connectivity of Urban Systems

Many elements of the urban fabric and systems in Ibadan are poorly connected. This relates not only to transportation, urban services, and land use but also elements of soft infrastructure, including linking education to industries and the economy’s skills and training needs. There is very weak connectivity in planning and policy implementation, especially linking policy implementation, budgeting and financing between city levels of government and the central government. Connectivity in e-based business and public services is weak, with an evident lack of policy in the development of e-systems, which could improve the productivity and management of the city. Collaborative governance arrangements between Ibadan and surrounding LGAs would help to improve connectivity and cooperation and reduce costs on maintenance and environmental management, especially of the stream catchment and waste management.

11.3.10.2 Climate Change

Climate change is having a significant environmental impact on Ibadan, especially on flooding. The Ibadan City Masterplan seeks to mitigate the effects of climate change and be resistant to future shocks. This is informed by an understanding of baseline climatic conditions and future predictions. The Masterplan provides a framework for responding to the main issues presented to Ibadan by climate change. These include thermal discomfort, flooding due to increased rainfall, ecosystem loss, and greenhouse gas emissions. Suggested policies, metrics and Masterplan impacts are included in the framework to demonstrate relevant sustainability measures.

11.3.11 Lessons Gained from the Ibadan Case Study

Urbanisation is now a prominent issue on the agenda of national and provincial governments in Nigeria and there is a genuine commitment to addressing urbanisation problems. However, many challenges remain. Recent civil disturbances in the country’s north have impacted investment and are likely to exacerbate the differences in regional development patterns throughout the country.

The development of Abuja in the 1980s, as the new national capital, was a significant step in fostering greater decentralisation and support for developing the country’s northern provinces. Decentralisation and devolution of administrative, finance and economic development functions are stronger in Nigeria than in other sub-Saharan African countries except for South Africa. However, provincial, and local governments, are still slow to embrace reforms. Central ministries still take much of the responsibility for planning, economic and land development, and the political reform processes have not led to a significant increase in the capacity of secondary cities and regional towns to provide effective essential public services and manage the pressure of urbanisation – especially informal land settlement and economies.

Weak enforcement of development regulations and administrative capacity of government agencies has not led to significant improvement in the quality of the built environment and the quality of life in cities like Ibadan. Land and property markets are not transparent nor efficient – due to the weak land administration systems, where less than 5% of property is formally registered. Efficient and equitable land markets are a prerequisite to well-functioning cities. However, Nigerian cities suffer from severe land market distortions caused by poor land development and management policies, including the slow provision of infrastructure and services, poor land information systems, and cumbersome and slow land transaction procedures. Market prices are distorted severely by expatriate purchases of property, making land and housing unaffordable to all but a few wealthy locals. Urban dwellers need secure access to land on which to develop houses, live and be productive. Addressing distortions in inland markets will be a considerable challenge for the government in stabilising land values and providing land for affordable development.
The lessons from the Ibadan case study demonstrates the informality-formality in governance, economic, labour and land market systems operating in the city and highlight the need for the city to become more self-sufficient, efficient, and competitive. This will require the central government to formulate national urban policies that incorporate basic principles to foster greater competition for investment practices, especially with planning and land administration processes, and regularise informal land transactions. Reforms to land, public sector financing and revenue collection systems are also essential for Ibadan to raise the capital necessary to improve and extend infrastructure to the growing peri-urban and existing informal settlement areas around the city. Through policies and laws that promote a more equitable society, policymakers are responsible for legitimising good practices of working with communities to benefit the poor and marginalised sections of the population.

Informality will, for some time, continue to be a feature of Nigeria’s land, labour, and capital markets. Hence, the boundaries between the formal and informal systems need to be understood. Hybrid systems need to be developed to support developing the country’s system of cities to affect an accelerated transition from informal to more formal planning, economic development and governance systems.

### 11.3.12 Enhancing the Development of Ibadan

The overall framework in the National Development Plan for Nigeria prioritises economic development, infrastructure, and investment and enhances governance systems’ competitiveness (Federal Ministry of Finance, Budget and National Planning, 2020). Rebuilding destroyed infrastructure as well as competent corporate governance and leadership in the public and private sectors are high priorities for creating a stable and open business environment to attract investment and win the trust of communities, which the provincial and city governments will have to rely upon to continue rebuilding and repairing many of the city’s essential services. With much of Ibadan’s employment being informal and based on local trade and commerce, the city does not have a strong wealth base to raise the capital needed to develop, restore, and maintain essential infrastructure and public services.

Several actions are needed to strengthen the capacity and capability of Ibadan to develop its economy, enhance its competitiveness, plan, and improve its population’s wellbeing. Some recommendations are listed below – in no order of priority. They draw upon the findings of the case study. A new city development strategy is needed to guide the development of Ibadan. It needs to be realistic in what can be achieved by the city in addressing matters such as formalising the informal sector economy and urban settlements and reforming local governance, especially measures to enhance the city’s limited financial and human resources capital base. The recommendations include:

- Prepare an economic development strategy for the city and region.
- Establish an urban governance arrangement to develop and implement an integrated development strategic plan for Ibadan, incorporating physical development, social, economic, environmental planning, and governance arrangements. Such a plan must include engagement with a wide range of stakeholders, especially the informal and business sectors, in setting the vision and strategic directions for the city’s development. If necessary, this may require international development agency technical and capacity-building support.
- Improve the urban information systems and data needed to support the planning, management, and monitoring of development and support investment and development.
- Improve the land management and administration systems, including improvements to planning, land registration, building and construction approvals and standards, property valuation and taxation mapping. This is essential to ensure clarity and certainty of land tenure, stability and transparency of the local property market, and properly regulated and managed land and housing development.
- Focus on developing comprehensive urban services and upgrading informal settlements areas, especially improving housing and access.
- Improve urban financial systems, including local tax revenue collection systems, participatory budgeting, public asset evaluation, auditing and financial management practices at the city and provincial level.
11. Establish business partnerships between government and the private sector to focus on improving the city's urban systems – to create efficiency and productivity gains to drive down externality costs to business and government and make Ibadan more competitive and attractive to local and external investors. This is needed to:

- Transition and transform the informal employment and the economy to a formal base;
- Increase the income, levels of production and wealth base of the economy to grow the city’s prosperity and address the growing problem of urban poverty.

11.4 Secondary Cities: The Missing Piece of the Nigerian Urban Systems Jigsaw puzzle

The call for changes in urban planning and development is not new in Nigeria (Yari, 2012). It is apparent from the preceding discussion that urban policy reform is needed that recognises the need to develop a national system of competitive and collaborating cities, and integrated networks of trading cities and infrastructure. Greater recognition of the need for better urban planning would contribute significantly to good urban governance and management. To do this, town planners need to push forward with the reforms initiated under the State of Urban and Regional Planning Report in Nigeria. Specifically, attention must be paid to initiatives and policies to support secondary city development in Nigeria. These include:

- Ensure all cities have integrated urban and regional development and financial plans to guide their growth and development.
- Integrate land use, infrastructure, financial and long-terms budgeting arrangements for the coordinated and program delivery of urban services and infrastructure.
- Introduce participatory planning. All plans and planning schemes should engage in participatory and all-inclusive processes.
- Be inclusive. Planning should include supporting, guiding, and protecting the informal sector, the poor, and their economic activities.
- Develop methods to raise and leverage additional resources through stakeholders, as demonstrated by the Sustainable City Program
- Identify ways to achieve access to affordable serviced land and decent housing.

A new national urban development policy and strategy are needed to direct Nigeria cities and towns on a more sustainable development pathway. Such a document must focus on developing a framework that leads to a strong, dynamic, and integrated national system of cities, recognizing the role of secondary cities as key intermediary centres in value-adding and industry supply chains and national economic development.

Nigeria’s national system of cities and secondary cities need to become more competitive, efficient, sustainable, and engaged in inter-regional trade, knowledge, and information sharing. Local government areas need to recognize that they must become more self-sufficient and self-organizing. Many of the resources needed to develop and improve the economic and social wellbeing of the nation’s secondary and smaller cities can be secured through more collaborative rather than competitive approaches to governance, financing and development. Greater collaboration and partnering of government and business could help significantly reduce transaction costs, create networks of cities to achieve industry scale, critical mass and competitiveness in industry and export development, and improve access to and quality of urban services.

These are pieces of the urban ‘jigsaw puzzle’ that are missing in Nigeria. They are needed in order to complete the puzzle: to progressively develop a more sustainable and prosperous, and competitive system of secondary cities.
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ENDNOTES

(1) According to Nigeria Demographic and Health Survey (NDHS), the fertility rate over the years (1900 to 2018) on average has been 5.6 children per woman. For details see; https://dhsprogram.com/publications/index.cfm

(2) See Table 11.3.

(3) Information on the infrastructure spending of state and local governments was not available, and so could not be assessed (see Foster & Pushak, 2011).

MOMBASA: REPUBLIC OF KENYA

LIBIN G. MWACHARO,
GODFREY O ANYUMBA
The Republic of Kenya has undergone a period of significant local government reform in the last decade. In the early 2000s, the Ministry of Devolution and Planning began a bold program of reforms involving the decentralisation of planning and policy formulation and implementation. In 2010, a new Constitution designed to decentralise authority and promote local citizen participation was overwhelmingly approved. Municipal elections were held in 2013, which began a process of transition to more decentralised governance. Consequently, many secondary and smaller intermediary cities have taken on a key role in Kenya’s 47 counties in providing a wide range of public services and driving local economic and infrastructure development.

This chapter analyses urbanisation trends and challenges that significantly influence the development of Kenyan secondary cities. The chapter includes a case study of the City of Mombasa: a pre-colonial trading centre with a tragic past. It is Kenya’s main port on the Indian Ocean, servicing the trade needs of Uganda, Burundi, Rwanda and South Sudan. It is also an important education, logistics and tourism centre for the country. The chapter analyses some of the development and urban governance challenges facing the city and suggests ways to enhance its development as a secondary city. The final section of the chapter examines pathways forward for an agenda for Kenya to support the development of a strong network of secondary cities in the country.

12.1 Urbanisation and Secondary City Development

The Republic of Kenya, with an area of 581,309 km², on the East African Coast is bordered by five countries: Tanzania, Uganda, South Sudan, Ethiopia, and Somalia. Kenya’s urban population growth increased from 8.8% in 1960–1970 to 20.9% in 2000–2010 and is projected to exceed 36% of the national population by 2030–2040. The implication here is that by 2030–2040, 1 out of every 3 people will live in urban areas, compared to the current 1 in 5, or 1 of 12 in the 1960s.

Kenya has diverse ecological landscapes and is renowned for its long-distance athletes, wildlife, national parks, and varied tourism offerings. The Kenya-Uganda Railway Project built between 1896 and 1901 formed the first towns’ economic backbone. Major railway towns and cities include Mombasa, which hosts the biggest seaport in East Africa; Nairobi, Kenya’s primate and capital city and site of a United Nations global headquarters; and Nakuru, Eldoret and Kisumu, which are all county headquarters (Figure 12.1).

The British Colonial administration barred rural Africans from moving freely into towns, so urban populations were artificially controlled. However, after independence in 1963, the harsh colonial laws were scrapped, and uncontrolled rural-urban migration started. Initially, this was slow because of the smallness of regional towns, the poor transport networks servicing them and the low level of industrialisation, minimal municipal services and non-agricultural employment and investment opportunities.

The recently completed Standard Gauge Railway infrastructure between Mombasa and Nairobi, financed by the Chinese government, more or less followed the old railway line route. Its effect is to increase turnover speed, productivity and urbanisation in existing railway cities and secondary towns (Ogollah et al., 2019). Thus, Kenya is urbanising rapidly with many challenges in managing productive growth and development of secondary towns. According to the KNBS 2019 Census, Kenya had 47.5 million people, 27.51% or 13 million living in secondary
towns and cities (Urban population in Kenya in 1999 and 2009). The World Bank Report (2016a), on the collection of development indicators revealed that about 46.5% of the urban population of 6 million Kenyans live in undignified informal settlements. The informal settlements result from the urbanisation process that has not delivered economic transformation and reasonable living standards. Consequently, the Kenya Government created Vision 2030 (Government of the Republic of Kenya, 2007) as an economic blueprint to address the challenges of rapid urbanisation in secondary towns.

Kenya Vision 2030 (2007) is the country's development blueprint from 2008 to 2030. Its goal is to transform Kenya into a middle-income country with improved quality of life for all its citizens. It recognised rapid urbanisation as one of the main challenges and opportunities facing the country. The Second Medium Term Plan (MTP) of 2013-17 aimed at facilitating sustainable urbanisation process of secondary towns (Government of the Republic of Kenya, 2013). Further, the MTP identified a series of development programs to enhance infrastructure, connectivity and accessibility, safety and security in secondary towns under the National Urban Development Policy (NUDP) created in 2016 (Government of the Republic of Kenya, 2016). The Urban Areas and Cities Act 2016 (Laws of Kenya, 2012) was part of the 2010 Constitutional Devolution Legal Framework, defining towns and cities and their governance systems. The sections on National Policies on Urbanisation and Secondary City Development and Infrastructure explain the proposed economic interventions in detail.

12.1.1 Urbanisation and Municipal Government Arrangements in Kenya

Urbanisation in Kenya is a remnant of a colonial past — urbanisation caused by Arabs and British colonisation led to a shift in the balance between the urban and rural economies, which have been the key driver of urbanisation in Kenya for centuries. This movement to urban areas is connected to economic growth and the changing patterns of demand for and supply of employment opportunities, i.e., to the urban bias of urban primacy of cities and secondary towns. The Arabs focused on colonising the 10-mile coastal strip (Mombasa, Malindi, and Lamu Stone towns) while the British developed a railway and road network between Mombasa and Kisumu that became the driver of urbanisation in Kenya in the twentieth century.

The railway and road network unleashed economic growth and the formation of urban areas such as Naivasha, Nakuru, and Eldoret, Kenya's secondary cities today. Machakos, Embu, Thika, Ruiru, Kakamega, Meru, Nyeri, Kikuyu and Athi River are other medium-sized secondary towns. After Kenya's independence in 1963, local authorities of secondary towns were administered using the Local Government Act Cap. 265 without any urban masterplans. Unlike the latter secondary cities that grew haphazardly without formal urban planning, Nairobi and Mombasa benefited from orderly development anchored on colonial urban masterplans. Up to 1978, secondary towns prospered reasonably under the first independence government, but not under the second administration (Hope, 2012; Government of the Republic of Kenya, 2006).

After Kenya's independence in 1963, these secondary cities became the focal point of political expression, economic growth, and urbanisation, dominated by Nairobi's capital city. In 1992, Kenya became a multi-party state; however, this situation ushered in an era of political instability, violence and economic stagnation in every 5-year election cycle. The worst post-election violence (PEV) happened in 2007, and secondary towns were disturbance flashpoints (Truth, Justice, and Reconciliation Commission, 2008). It is the 2007 PEV that led to the clamour for a new constitution as a political framework for putting political violence to an end, giving birth to the 2010 Constitution (Government of Kenya, 2010).

The new constitution did not stop PEV in the 2017 elections, leading to the ongoing Building Bridges Initiative (BBI), which is assumed to be a long-term solution to PEV and economic stagnation. The main goal of BBI is for the government to engage the opposition party and the public to find out their pain points, prepare a report and bills for submission to Parliament and Senate for debate and inclusion to the current constitution. Its expected impact on the development of secondary cities is appropriating more resources for county governments (from the current 15% of national revenues to 35%), preventing corruption, improving governance and performance, embedding social and economic inclusion, especially vulnerable youth members (Government of Kenya, 2020).
Between 1975–1990, the migrant share of urban growth in Kenya was estimated at 64%. Between 1989 and 1999, in-migration contributed 17% of the Nairobi population and 16% of the Mombasa population. Currently, rural migration accounts for about 25% of urban growth (NCPD, 2013). Secondary city urbanisation and development in Kenya has become somewhat dysfunctional — leading to regional poverty, income inequality, unemployment, underemployment, inadequate housing and access to public services, traffic congestion, and environmental degradation (Collier, 2016). According to Nairobi Metropolitan Area Transport Authority (NAMATA), traffic congestion in cost Kenya approximately US$1 billion per year, making Nairobi City the world’s fourth most congested urban area (Ombok, 2019). Further, Nairobi and Mombasa have some of the biggest informal settlements in Africa (Hutt, 2016).

Secondary cities play an important role in economic growth and development in Kenya. This was not always so, however. They have become more connected physically through roads, railways, air, and information and communications technology (ICT) – unfortunately, this did not happen before 2010, the era of political and economic devolution. The growth of Kenya’s secondary cities has been unleashed by the process of devolution introduced in 2013. It divided Kenya into 47 counties, each with its local government and county headquarters. The county headquarters towns have experienced rural population migration leading to moderate commercial activity and economic growth. Also, former Nairobi City dormitory residential neighbourhoods, such as Thika, Ruiru, Karuri and Kikuyu, have developed into vibrant secondary satellite cities after Kiambu became a county (Cities Alliance Conference, 2019; PwC, 2016).

### 12.1.2 Demographics of Primary and Secondary City Development

Kenya’s system of cities has developed around these three hubs, which have among the fastest-growing urban populations and generate a substantial share of GDP (World Bank, 2016a). The Nairobi metropolitan area is the largest of these hubs and the fastest growing. Nairobi is projected to have a population of 6 million by 2030 (Figure 12.2), up from its estimated 4.5 million. Nairobi is well connected to its satellite towns and by road and rail to Mombasa, its main port. It remains the main driver of population and economic growth in the country, generating almost 25% of the national GDP.

Of the 25 largest urban areas in Kenya, 10 are located within the Greater Nairobi metropolitan area. These 10 cities are home to about 6.1 million people and nearly 40% of Kenya’s urban population. A second large agglomeration of cities is occurring around Kisumu and Kisi. These areas had a projected urban population in 2015 of 3,682,500 and 2,369,600, respectively (OECD/SWAC, 2020). The third area is Mombasa, with a population of just over 1 million in 2015.

There are 126 urban agglomerations in Kenya with populations over 50,000. Table 12.1 shows the change in the number of urban agglomerations since 1990. The pattern shows a very significant growth in secondary cities between 100,000 and 300,000. This is reflected in the high levels of migration contributing to the population growth of cities shown in Table 12.2 shows urban population growth for the census periods 1999–2019. There were discrepancies between the 2009 and 2019 census that were due to political interference in the 2009 census. As a result, a detailed analytical census and population projection of 2009 was not released (Wikipedia, 2021). Kenya used inaccurate data for the economic and development planning of secondary towns. This situation worsened poverty and economic inequalities in Kenya and led to dysfunctional urbanisation. The KNBS 2019 population census was more transparent, and unlike 2009, was never contested.
According to the 2019 census, the population of Ruiru population is larger than that of Eldoret and Kisumu county headquarters. Ruiru’s phenomenal population growth was fuelled by its proximity to Nairobi City and Nairobi-Thika Highway. Ruiru Town is 26 km from Nairobi City.

Figure 12.3 Many migrants prefer to settle in secondary cities due to their accessibility and affordability, although Nairobi is the most powerful magnate of migration. Compared to Nairobi, however, population migration to secondary cities has had a positive impact in bridging economic inequalities, assuming a culture of good governance.

Table 12.2 shows urban population growth for the census periods 1999–2019. There were discrepancies between the 2009 and 2019 census that were due to political interference in the 2009 census. As a result, a detailed analytical census and population projection of 2009 was not released (Wikipedia, 2021). Kenya used inaccurate data for the economic and development planning of secondary towns. This situation worsened poverty and economic inequalities in Kenya and led to dysfunctional urbanisation. The KNBS 2019 population census was more transparent, and unlike 2009, was never contested. According to the 2019 census, the population of Ruiru population is larger than that of Eldoret and Kisumu county headquarters. Ruiru’s phenomenal population growth was fuelled by its proximity to Nairobi City and Nairobi-Thika Highway. Ruiru Town is 26 km from Nairobi City.
12.1.3 Contributions of Cities to National Economy

In 2019 the Kenya National Bureau Statistics (KNBS) published the first gross county product (GCP) report covering county governments. It provided official statistics on the economic size of counties and the structure of county economies, and it estimated the economic potential of the various counties in different sectors. Nairobi and Mombasa are cities or urban counties with no rural economies, while Nakuru and Kiambu counties have the advantage of mixed rural and urban economies. Only 21 counties, led by Bungoma, Tharaka Nithi, Nyandarua, Elgeyo Markwet, Siaya, and Nyeri beat the average growth in GCP, arising from their respective County primacy positions. Investors and migrants prefer Nairobi City County because of its high economic returns and potential job opportunities (KNBS, 2019).

Table 12.3 shows the 2019 data from KNBS on the first GCP as a percentage of the national gross domestic product (NGDP). Table 12.4 shows the contribution of the 10 largest cities to national GDP and the economic base of each city economy. These 10 cities contribute more than 54% of the national GDP. Based on PPP in 2020, GDP per capita for Nairobi was $US27,798 compared to $US 6,632 for Mombasa. National GDP per capita in 2018 was $1,817. Kenya has one of the most significant divides between GDP by regional local government in Africa and regional to primate city income. This disparity is widening due to the economic pulling power of Nairobi to attract much of the country’s foreign direct investment (FDI) in industry development.
TABLE 12.4 | Percentage contribution of the 10 largest cities to national GDP

<table>
<thead>
<tr>
<th>Economy</th>
<th>GDP per capita (PPP) 2019 (US$ billions to Ksh 100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>90</td>
</tr>
<tr>
<td>Nairobi City County</td>
<td>19.53</td>
</tr>
<tr>
<td>Mombasa County</td>
<td>4.23</td>
</tr>
</tbody>
</table>

The GDP contribution of the largest 10 cities and counties

<table>
<thead>
<tr>
<th>City or County</th>
<th>Percentage GDP contribution (%)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nairobi</td>
<td>21.7</td>
<td>100% urban, primate city, central transport, financial, industrial and logistics hub</td>
</tr>
<tr>
<td>Nakuru</td>
<td>6.1</td>
<td>Agricultural /industrial economy, and county headquarters and Naivasha Town are major railway towns close to Nairobi</td>
</tr>
<tr>
<td>Kiambu</td>
<td>5.5</td>
<td>Rural agricultural and urban/industrial, and county within Nairobi Metropolitan Region</td>
</tr>
<tr>
<td>Mombasa</td>
<td>4.7</td>
<td>100% urban, major tourism, railway, road and seaport logistics hub</td>
</tr>
<tr>
<td>Machakos</td>
<td>3.2</td>
<td>Agricultural /industrial economy, and county within Nairobi Metropolitan Region.</td>
</tr>
<tr>
<td>Meru</td>
<td>2.9</td>
<td>Agricultural /industrial economy</td>
</tr>
<tr>
<td>Kisumu</td>
<td>2.9</td>
<td>Agricultural /industrial economy and a significant railway town</td>
</tr>
<tr>
<td>Nyandarua</td>
<td>2.6</td>
<td>Agricultural /industrial economy</td>
</tr>
<tr>
<td>Kakamega</td>
<td>2.4</td>
<td>Agricultural /industrial economy</td>
</tr>
<tr>
<td>Uasin Gishu</td>
<td>2.3</td>
<td>Agricultural /industrial economy and county headquarters is a significant railway town</td>
</tr>
</tbody>
</table>

Source: KNBS.

12.1.4 National Policies on Urbanisation and Secondary City Development

The Sessional Paper No. 2 of 1961 formed the basis of the Local Government Bill of 1962 (KIPPRA Public Policy Repository, 1961). The new law established the Local Government Regulations (1963) and created municipal, county, urban and local councils (Republic of Kenya, The Local Government Regulations 1963). There were two governance structures in each local authority; one was the political decision-making structure headed by the mayor or chairperson, and the other was the administrative team headed by the town/city clerk.

Between 1978–2002, local authority governance structures were thoroughly weakened, especially those of Nairobi City. In 1984 the Nairobi City Council was dissolved and replaced with the unelected and unaccountable Nairobi City Commission. The Commission did not practice good governance and opened doors to corruption, especially land grabbing and deterioration of municipal services (Owuor, 2009). The Commission system governed the city up to 1992, when the Nairobi City Council was reconstituted and elected the first multi-party mayor. The mayoral system continued up to 2010 when devolution was adopted. The 2010 Constitution created two tiers of governance: the national government headed by the president and county governments headed by governors. It provides for appointed urban area and city board units of decentralisation to run secondary town local authorities under the governor's leadership. However, this requirement is not mandatory. It is confusing, as the Local Government Act (Cap. 265) has never been replaced and the Urban Areas and Cities Act 2011 is in force (Government of Kenya, 2011; Mboga, 2009).
At the county level, devolution comprises elected county governments without elected local authority representatives, thus posing urban and rural governance and administrative challenges. By doing away with one of the oldest, tested, and continuous systems of local municipal government on the African continent (Cap. 265 Laws of Kenya or local authority legislation) without providing a satisfactory replacement, devolution created an urban and rural governance gap. Though the 2010 Constitution recognised the need to continue administering urban areas using Cap. 265 Laws of Kenya, county governments do not follow this law. County governments are essentially and directly responsible for urban and rural development with a devolution system without local government administrative structures.

The Urban Areas and Cities Act (UACA) (2011, amended in 2016) partially addresses this urban governance gap by providing procedures for chartering cities and municipalities and establishing urban boards; however, rural areas were not considered. Such urban boards, appointed by county governments, would have delegated responsibilities to manage cities and municipalities and remain accountable to their respective county governments. However, except for Kitui and Kisumu county governments, 45 other counties have not established urban boards. The lack of clarity in the UACA regarding the urban hierarchy and the absence of regulations to give it effect has discouraged most county governments from issuing charters and establishing urban boards (World Bank, 2017).

12.2 Problems and Issues Affecting Secondary City Development

12.2.1 COVID-19 and its Impact

The impact of the COVID-19 pandemic in Kenya has strained the healthcare system, resulting in massive job losses and livelihoods and economic disruption, due to temporary lockdown to contain the virus spread. Secondary cities have been the hardest hit. Consequently, the Central Bank of Kenya revised its economic growth estimate for 2020 from the initial 6.2% to an ambitious 3.4%. Counties faced a potential USD$144 billion budgetary impact through FY2021 due to COVID-19 impacting the development of secondary cities negatively (Government of Kenya, 2020).

12.2.2 Urban Development

As discussed, Kenya's urban population growth increased 8.8% between 1960–70 to 20.9% for 2000–2010 and is projected to exceed 36% of the national population by 2030–2040. The British colonial administration constrained rural-urban migration, while the independent Kenya government guaranteed free movement of people and unleashed a wave of migration to towns. For example, in 1962, there were 34 urban centres; by 1979, they had grown to 91, a growth of 268% in 17 years. Further, Kenya experienced a high rate of urbanisation between 1989 and 1999. During this period, the number of urban centres rose from 139 to 276, a growth of 200% — twice that of 1962–1979 (Pelling and Wisner 2009, p.89.)

In Kenya where the smaller urban centres (with a population less than 10,000) declined from 32 to 23 during 1989–1999, was probably due to dysfunctional urbanisation. However, in just about three decades, the urban population had increased by about 250%, indicating that Kenya was generally urbanising rapidly. Only Mombasa and Nairobi had urban development master plans; other secondary cities did not. Even with urban master plans, local governments failed to provide municipal services to keep up with the rates of urbanisation and population growth. Consequently, secondary towns experienced deteriorating and inadequate urban infrastructure and environmental benefits. Most urban growth occurred mainly outside the development control areas, leading to significant and unsanitary informal settlements in all urban centres (Mire, 2006).
12.2.3 Regional City Economic Development

Agriculture and services account for the largest share of economic activity in most counties and secondary cities. Forty counties are heavily reliant on a rain-fed agricultural economy, with only seven counties having significant manufacturing activities. Counties experienced robust growth, with actual GCP and real GCP per capita growth averaging 5.6% and 2.8%, respectively, between 2014 and 2017. However, huge disparities exist across counties, with poverty rates at 16.7% for Nairobi County and 79.4% for Turkana County. Financial inclusion was identified as a significant opportunity in Kenya Vision 2030. Thanks to the MPesa (mobile banking service that allows users to store and transfer money through their mobile phones) service, a pre-Vision 2030 revolution, national access to financial inclusion is 82.9%, an improvement from 26.7% over the past decade. About 17.0% of the population is still excluded from formal financial services and cannot participate effectively in informal economic activities.

An average of US$132,485,377 was transacted on mobile phones daily between January and December 2020 (Business Daily, 2021). Mobile money agents of Safaricom’s M-Pesa, Airtel Money and Telkom’s Tkash handled Sh3.98 trillion in 2018 — underlining the rapid growth in the value of transactions over three years.

The third edition of Doing Business in Kenya published by the World Bank (2016b) measured 11 counties; Nairobi, Busia, Isiolo, Kakamega, Kiambu, Kisumu, Machakos, Mombasa, Narok, Nyeri and Uasin Gishu. It is assumed that the report indirectly measured the competitiveness and ease of doing business in secondary towns located in the respective counties. The Doing Business report studied regulations from the perspective of small and medium-sized firms. It focused on whether a county economy had in place the rules and processes that led to good outcomes for entrepreneurs and, in turn, increased economic activity and productivity. The report found that it was easier to start a business in Uasin Gishu (Eldoret), deal with construction permits in Kisumu, register a property in Nairobi and enforce a contract in Busia (Malaba). The counties were ranked from the first to tenth in terms of doing business: Uasin Gishu (Eldoret), Busia, Kisumu, Nairobi, Mombasa, Kiambu, Nyeri, Machakos, Isiolo, Narok Kakamega, (Kakamega). No single county or secondary city excelled on all measurement parameters of doing business (World Bank, 2016b).

12.2.4 Governance

Article 184 of the Constitution makes provision for county governments to appoint urban boards, and the respective principal laws are the County Governments Act 2012 and the Urban Areas and Cities Act 2011. The Urban Areas and Cities Act provides for a three-tiered system of city and municipal boards and town committees (Figure 1.24). The County Governments Act provided for existing local councils to be abolished, and new county governments were elected. In some counties, as many as 12 former local authorities were amalgamated into one county.

FIGURE 12.4 | System of governance and management of urban areas

Source: Authors.
In the County Governance Status Report (CGSR) launched in October 2020 by Transparency International Kenya (TIKenya), the national performance of senators and women representatives was rated as poor, and governors, Members of Parliament (MPs) and members of county assemblies was rated as average (CGSR, 2019). Regarding access to information, more than half of the respondents, or 56%, stated that they had not received any information from their counties and did not know where to find it. In terms of service delivery, road infrastructure and transport remained a top and persistent challenge.

On the challenges the county executive experienced while delivering services to the people, 36% of the respondents from the county executive mentioned inadequate funds as the main challenge. Two-thirds of the respondents felt that corruption had increased in 2019, with 56% stating that corruption is likely to increase in 2020. Of the respondents, 38% felt that the government is committed to fighting corruption, stating that intensification of arrests and prosecution of perpetrators as evidence of government commitment to fighting poor governance and abuse of public resources.

Regarding integrity management offices, the study found out that 12 counties out of the 16 assessed had established audit committees in their county executive, while 11 out of 16 had established corruption reporting mechanisms, asset registers, and complaints and feedback mechanisms. Only 3 out of 16 county assemblies had recruited integrity assurance officers. It is reasonable to assume that commitment to fighting corruption at the county level is weak. Bad governance denies secondary towns development resources meant to promote economic growth, deliver jobs and improve living standards.

The Urban Areas and Cities (UAC) Act (2011) partly addresses an existing urban governance gap by providing appointment by county governments of urban boards to manage secondary cities. However, it is not mandatory for county governments to establish these boards. To date, only two counties are on record as having set up urban boards: Kitui and Kisumu counties. There is the real risk that this urban governance deficit will result in dysfunctional urbanisation – weak economic growth and unliveable secondary city environments (CGSR, 2020).

While amalgamations into countries were intended to achieve efficiencies, the designations into city counties many have experienced relatively less change in governance arrangements due to devolution. Weaknesses remain in the new governance arrangements, particularly in the capacity of weaker counties to plan and administer multiple urban centres and achieve a more equitable distribution of local government services.

12.2.5 Finance

Before the 2010 Constitution (Government of Kenya, 2010), Kenyan local authorities had several revenue sources such as Local Authority Transfer Fund (LATF), Roads Maintenance Levy Fund (RMLF), contribution in lieu of Rates (CILOR), property rates, single business permit, and vehicle parking. Their primary source of revenue was LATF. The Local Authorities Transfer Fund Act (No. 8 of 1998) came into effect in June 1999 and provided the transfer of 5% of the national income tax (Kenya Law Reports, 2012). The Fund was managed by two ministries (Ministry of Finance and that of Local Government). Between 1978 and 2002, local authorities saw a gradual transfer of their functions to central government ministries and departments, as they were unable to deliver essential services – it weakened the performance of secondary cities. The 2010 Constitution devolved local authority financial management to counties, removing financial control from the national government and empowering secondary cities without effective legal and urban planning frameworks.

Good progress has been made in increasing the share of development expenditure in total spending at the national level, but recurrent spending pressures erode the gains. County government revenues are from three main sources: equitable share allocation from the national government (unconditional), conditional grants, and own-source revenue. Equitable share comprises at least 15% of the nationally collected revenue based on the last audited accounts. Own source revenues are generated through user and license fees levied on property titles, single business permits, and other rates and penalties.

County Budget Implementation Review Reports (Republic of Kenya, 2018; Otieno et al., 2014; Institute of Economic Affairs, 2014) by the Controller of Budget since the financial year 2013/14 show revenue collection still falling below targets. Embu County managed to achieve the collection of 78.6% of the target revenue. Wajir
County was the worst-performing county, having collected only 31.9%. Nairobi City County led by collecting US$70.7 million, followed by Mombasa and Narok at US$24.4 and US$21.8 million, respectively. While Narok, Isiolo, West Pokot, Taita Taveta, and Kiambu counties surpassed their targets in 2018/19, Kisii, Meru, Wajir, Bungoma, and Garissa failed to meet theirs. During the 2019/20 financial year, county governments generated Sh35.7 billion, which represents 65.2% of their set annual target of Sh54.9 billion – this situation makes counties rely heavily on equitable share allocation from the national government.

12.2.6 Infrastructure

Access to essential municipal services is critical for secondary cities to grow and be liveable. Urban infrastructure and services—primarily transport, water supply and sanitation, electricity and solid waste management—are critical to thriving cities for attracting and retaining satisfied and productive investors and residents. In Kenya's two major cities—Nairobi and Mombasa, current water demand exceeds supply by more than 150,000 and 100,000 cubic metres per day, respectively. A sewer system covers only about 18% of the urban population, 70% rely on septic tanks and pit latrines, and 12% have no access to sanitation services at all. Expanded investment in urban infrastructure and essential services will be fundamental to Kenya's growth prospects and social outcomes. Inadequate sanitation infrastructure costs the country about US$324 million annually—roughly 1.0% of GDP. Similarly, investments in transport infrastructure (especially rapid bus transport in secondary cities) and affordable housing can generate considerable savings in the long run. The creation of Kenya Mortgage Refinancing Corporation and the Bomayangu Affordable Housing Program has addressed the demand side of housing; however, there are serious delivery risks to the supply side (World Bank, 2016c).

Kenya Secondary Cities Services Improvement Program sponsored by the World Bank and Government of Kenya aimed to improve secondary cities service delivery. The goal was to establish and strengthen urban institutions and systems to deliver improved infrastructure and services in participating secondary cities. The government’s response to Kenya’s secondary city infrastructure development challenge is creating the National Urban Development Policy (NUDP). This policy provides a framework within which urban areas and cities contribute to realising the broad goals of Vision 2030. Without addressing the urban governance, human resource and funding gap, this policy is not likely to deliver expected results (Government of Kenya, 2016; Government of Kenya, 2008).

12.2.7 Connectivity

Counties have formed regional blocs driven by their shared historical, political and economic interests. The following six blocs are established:

- Frontier Counties Development Council (FCDC) comprises seven counties: Garissa, Wajir, Mandera, Isiolo, Marsabit, Tana River, and Lamu.
- North Rift Economic Bloc (NOREB) comprises eight counties, namely Uasin Gishu, Trans-Nzoia, Nandi, Elgeyo Marakwet, West Pokot, Baringo, and Samburu and Turkana.
- Jumuia ya Kaunti za Pwani comprises six counties, namely, Tana River, Taita Taveta, Lamu, Kilifi, Kwale and Mombasa.
- South Eastern Kenya Economic Bloc comprises three counties, namely Kitui, Machakos and Makueni.

However, the national government will not allow county governments to transfer funds to their various regional blocs to undertake joint projects until a new legislative framework is made law. The legislative framework is expected to clarify the nature of cooperation instruments, the powers of the regional economic blocs and their financing models (KIPPRA, 2019).
The ICT Road Maps were stipulated in the National ICT Master Plan for 2008-2018 (Ministry of ICT, 2014). The plan encompasses a link between county governments and the national government in matters regarding key flagship projects, such as National Optical Fibre Backbone Infrastructure (NOFBI), County Connectivity Project (CCP), Presidential Digital Talent Programme (PDTP) and the Ajira Digital Programme (ADP). The County Connectivity Project, a communication infrastructure programme, aims to ensure that county government offices are connected to the internet and promote online services using telephones, emails, and teleconferencing.

In Phase I of the project, 28 counties were fully connected to the Government Common Core Network (GCCN), and the sites are monitored and supported at the Network Operating Centre (NOC) at the National Treasury. In Phase II, the 19 remaining counties and two sites (Kilifi and Laikipia) are in the process of being connected to the NOFBI. Training of the staff and commissioning of the site was expected by December 2016. In Phase III, connectivity will be expanded to other departments in the counties and secure the CCP infrastructure (ICT Authority, 2013).

The County Connectivity Project (ICT Authority, 2013) aims to ensure that county government offices are connected to the internet and promote online services using telephones, emails, and teleconferencing. With increased connectivity in the counties, there is faster delivery of services and documents such as birth certificates and national identification cards. In addition, the public has equal access to high-quality public services both from the central and county offices. The project specifically aims to connect county commissioners offices, treasury departments, civil registration departments, the National Registry Bureau, education department offices, and governors offices.

The Standard Gauge Railway operated by Kenya Railways has dramatically reduced logistics and passenger travel costs and significantly boosted regional connectivity, integration and economic growth of Kenya’s inland and counties. Recent rehabilitation of the old colonial railway line between Nairobi and Nanyuki has reduced freight transport costs.

The Vision 2030 Roads Expansion Programme aimed to grow domestic and regional trade by upgrading the national and county roads network. The target is to construct and rehabilitate approximately 5,500 km of roads comprising 3,825 km of national trunk roads and 1,675 km of county roads. About 1,700 km for Non-Motorized Transport (NMT), including paths and walkways, will be constructed. About 800 km of roads will be designed, and 4,257 km and 1,735 km of national trunk roads and county roads will be periodically maintained. In addition, approximately 200,000 km will be routinely maintained.

12.3 Case Study of Mombasa

Mombasa is the second-largest city in Kenya. Mombasa County’s 2019 population was 1.208 million. The town has an area of 229.9 km² excluding 65 km² of water mass, which is 200 nautical miles into the Indian Ocean. It borders Kilifi County to the north, Kwale County to the southwest and the Indian Ocean to the east. Its history is tied to Arab, Portuguese, and British influence. Arab control of the East African region, from Lamu in Kenya to Kipini in Tanzania, took place from 1698 to 1886 (Britannica, 2022). To protect their commercial interests, the Portuguese built Fort Jesus from 1593 to 1596, which served as their headquarters. They ruled from Mombasa for the next 100 years, from 1596 to 1698. Fort Jesus temporarily changed hands several times throughout its history until it came under Omani Arab control in 1698. For the next 142 years, they used the fort as their administrate and commercial centre, until they moved it into Zanzibar in 1840. The British took over Mombasa in 1895 and it became the capital of the British East Africa Protectorate (Britannica, 2022). Mombasa is the capital city of the Coast Province.
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Area</strong></td>
<td>What is the estimated urban area in the city?</td>
<td>229.9 km(^2) excluding 65 km(^2) of water mass</td>
</tr>
<tr>
<td><strong>Demographics</strong></td>
<td>What was the estimated population 2020?</td>
<td>1,296,000, a 3.35% increase from 2019</td>
</tr>
<tr>
<td></td>
<td>What was population in 2000 or last census?</td>
<td>2000: 683,000 @ 3.33% growth</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2010: 940,000 @ 3.18% growth</td>
</tr>
<tr>
<td></td>
<td>Is the city’s share of the national population growing?</td>
<td>2.52%</td>
</tr>
<tr>
<td></td>
<td>Estimated Density of Population</td>
<td>5,500 pp/km(^2)</td>
</tr>
<tr>
<td></td>
<td>Has population density in the city increased or decreased?</td>
<td>Increased</td>
</tr>
<tr>
<td><strong>Economic Strength</strong></td>
<td>What is the city’s estimated GDP?</td>
<td>2019: US$4.3 billion</td>
</tr>
<tr>
<td></td>
<td>Estimate of how fast is the economy-growing pa?</td>
<td>2013–2018: averaged 5.7%, in 2019: 5.6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2020: was projected at 6.1% but shrank to 1% due to the COVID-19 pandemic</td>
</tr>
<tr>
<td></td>
<td>What is the fastest-growing sector of the economy?</td>
<td>Port and transport logistics</td>
</tr>
<tr>
<td></td>
<td>What does the city mostly export or trade?</td>
<td>Tea for upcountry, Rwanda and Uganda</td>
</tr>
<tr>
<td></td>
<td>What does the city mostly import or consume?</td>
<td>Fossil fuel (oil) and used cars from Japan</td>
</tr>
<tr>
<td><strong>Household Income Levels</strong></td>
<td>What is the estimated average income per month?</td>
<td>US$640</td>
</tr>
<tr>
<td></td>
<td>How much higher are incomes in the capital city compared to the city?</td>
<td>Mombasa average: US$640</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nairobi average: US$1750</td>
</tr>
</tbody>
</table>
### Employment

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>In 2019 how many people are employed in the city by industry sector?</td>
<td>Total labour force: 679,717</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rural informal sector: 6,791</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Urban informal sector: 165,857</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agricultural economy: 13,594</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Salaried employment: 408,830 (public and private sector)</td>
</tr>
<tr>
<td>How big is informal sector employment?</td>
<td>25% of the total labour force.</td>
<td></td>
</tr>
<tr>
<td>What is the unemployment rate?</td>
<td>13.50%</td>
<td></td>
</tr>
</tbody>
</table>

### Housing and Land

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing and Land</td>
<td>What % of the city's residents' lives in slums?</td>
<td>60%</td>
</tr>
<tr>
<td></td>
<td>What % of households rent?</td>
<td>95%</td>
</tr>
<tr>
<td></td>
<td>What is the cost of land on the fringe?</td>
<td>US$92,600 per acre, 11 km from CBD. Only 30% of residents have title deeds</td>
</tr>
<tr>
<td></td>
<td>How rapid has been the development of land and housing</td>
<td>2019: Average rental yields and price appreciation of 6.2% and 7.2%, respectively. Residential and office achieved yields of 5.3% and 5.1%, respectively</td>
</tr>
</tbody>
</table>

### Education

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Number of students who finish primary education</td>
<td>Primary School Age (6-13) years: 202,992</td>
</tr>
<tr>
<td></td>
<td>Number of students who complete secondary education</td>
<td>Secondary School Age (14-17) years: 90,296</td>
</tr>
<tr>
<td></td>
<td>Number of students who complete tertiary education</td>
<td>Higher education (15-35) years: 629,749</td>
</tr>
<tr>
<td></td>
<td>Number of people enrolled/participating in adult education</td>
<td>Labour Force Age (15-64) years: 904,066 Aged population (65+) years: 21,936.</td>
</tr>
<tr>
<td></td>
<td>What is the total public spending on education</td>
<td>US$8.44 million</td>
</tr>
<tr>
<td></td>
<td>How much is spent per student (all education)</td>
<td>70</td>
</tr>
</tbody>
</table>

### Health Infrastructure

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Infrastructure</td>
<td>Number of doctors per 10,000 people</td>
<td>One doctor/10,000 people.</td>
</tr>
<tr>
<td></td>
<td>Number of Public Hospitals</td>
<td>The county hosts the Coast Level Five Hospital, which is a referral facility serving the entire coast region. Level four (4) public hospitals include the Port Reitz, Tudor, Likoni and the Kenya Navy.</td>
</tr>
<tr>
<td></td>
<td>Number of beds in Public Hospitals</td>
<td>There are 11 health centres and 26 public dispensaries. Private hospitals: Aga Khan Hospital, Mombasa Hospital, Pandya Memorial Hospital, Nursing homes and private health clinics.</td>
</tr>
<tr>
<td></td>
<td>Number of Private Hospitals</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Number of beds in Private Hospitals</td>
<td>502 beds</td>
</tr>
<tr>
<td></td>
<td>Primary health care spending per person</td>
<td>US$2,760 per person</td>
</tr>
<tr>
<td></td>
<td></td>
<td>One clinical officer for 21,000 and one nurse for every 1,600</td>
</tr>
</tbody>
</table>

### Other facts about the city

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other facts about the city</td>
<td>Presents additional indicators that say something useful about the city.</td>
<td>The county has gained from large public investments meant to grow the economy and create jobs to counter the effects of high youth unemployment, radicalisation, terrorism attacks and years of neglect by previous governments</td>
</tr>
</tbody>
</table>

### Governance

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>How competent is local government? Very competent = 5 not Competent = 1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Transparency of Local Government: Very transparent = 5 not transparent = 1</td>
<td>2</td>
</tr>
</tbody>
</table>

12.3.1 Governance

Functions and powers of Mombasa County governments are explained in County Governments Act No. 17 of 2012 (National Council for Law Reporting, 2012). The county political structure consists of a governor, deputy governor and committee executive members, with the county civil service headed by a county secretary. The county legislature consists of the county assembly, members of the county assembly (MCAs or ward representatives), and the county assembly speaker. The law requires the governor to provide leadership in the county’s governance and development; promote democracy, good governance, unity and cohesion within; promote peace and order within the county; promote the county’s competitiveness; and be accountable for the management and use of the county. In failing to appoint an urban board of management, clamp down on corruption, manage municipal waste, or provide adequate fresh water and sanitation services, and by promoting nepotism in the recruitment of county human resources, the governor has failed to provide leadership in governance and development.

Though Mombasa is the second county, its competitiveness and performance in facilitating the creation of jobs and wealth, and contributing to the national GDP are low compared to smaller urban areas of Nakuru and Kiambu. It is reasonable to assume that this situation is caused by poor governance. Urban growth spilling over occurring outside the city’s boundaries, without urban services, is not adequately managed. There is a need for greater coordination on metropolitan and regional planning if Mombasa is not to experience Nairobi’s future problems.

12.3.2 Social Demographics

Table 12.6 shows the population change from 1980 to 2020 for Mombasa. It also has a population density of over 5,500 pp km² and up to 8,000 pp km² in the inner urban areas. The total population of Mombasa County in 2009 was 939,501 and it is projected to increase to 1.4 million by the year 2030 and to 1.6 million by 2050, if the current fertility and mortality levels persist. The county has a high proportion of the population (33%) below age 15 years. This population is projected to decrease to 28% and 23% in 2030 and 2050, respectively. In education, the primary school net enrolment rate is 69%. About 31% of primary-school-age children have no access to education. The secondary school net enrolment rate is much lower (28%) than for primary school. Mombasa County has a low primary to secondary transition rate, weakening the city’s human capital skill base and productive capacity. In 2015, it was estimated that 56,798 primary school age and 52,227 secondary schools were not attending school. If this situation continues, the county might not get the productivity benefits of an educated population, which can lead to dysfunctional urbanisation.

<table>
<thead>
<tr>
<th>Date</th>
<th>Population</th>
<th>Percentage Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/1980</td>
<td>350,000</td>
<td></td>
</tr>
<tr>
<td>31/12/1990</td>
<td>476,000</td>
<td>2.94</td>
</tr>
<tr>
<td>31/12/2000</td>
<td>683,000</td>
<td>3.48</td>
</tr>
<tr>
<td>31/12/2010</td>
<td>940,000</td>
<td>3.33</td>
</tr>
<tr>
<td>31/12/2020</td>
<td>1,296,000</td>
<td>3.18</td>
</tr>
</tbody>
</table>

12.4 Urban Development

Mombasa’s population growth increased from 160,000 in 1960 to 254,000 in 1970, and to 350,000 in 1980. Mombasa urbanised at an average rate of 3.6% in the last seven decades. At independence, only Mombasa and Nairobi had urban development master plans; other secondary cities did not. Even under devolution, Mombasa local authority leadership did not perform well enough to provide municipal services to keep pace with the rate of urbanisation. As a result, Mombasa continues to experience deteriorating municipal services, causing water-borne diseases, high unemployment and poverty rates, including the growth of slums. Deadly dengue fever, a mosquito-borne viral infection, is widespread throughout the tropics. The environment that causes dengue fever is flooding, high temperatures, relative humidity, and crowded slums in unplanned urbanising secondary cities like Mombasa.

12.4.1 Infrastructure and Urban Services

Adequate water, sanitation and waste management services are vital in promoting sustainable urban development. Mombasa gets water from Baricho Dam in Kilifi, Mzima Springs in Taita-Taveta and Marere Springs in Kwale. The county plans to invest in an expensive and impractical desalination plant to end the perennial water shortage – however, the proposal lacks a source of funds. Most water supply infrastructure was built more than half a century ago and has suffered from poor maintenance (Table 12.7). Consequently, about 40% of water is lost due to broken pipes and leakages. The current erratic installed water supply capacity is 149,200 cubic metres against demand in 2020 of 333,171 cubic metres. Water demand is projected to almost double by 2050 (Table 1.28). Existing water supply infrastructure meets only 44.78% of the Coast Province counties’ water needs, leading to poor economic performance, water-borne diseases and dysfunctional urbanisation (World Bank, 2013).

<table>
<thead>
<tr>
<th>Water source</th>
<th>Installed capacity (m³/d)</th>
<th>Potential yield (m³/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mzima Springs</td>
<td>35,000</td>
<td>105,000</td>
</tr>
<tr>
<td>Marere Springs</td>
<td>8,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Baricho Well field</td>
<td>90,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Tiwi Aquifer</td>
<td>13,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Njoro Kubwa Springs</td>
<td>3,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Tana River</td>
<td>1,400</td>
<td>N/A</td>
</tr>
<tr>
<td>Shella Aquifer</td>
<td>1,800</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>149,200</td>
<td></td>
</tr>
</tbody>
</table>

Source: World Bank (2013) - WaSSIP.

In the medium term, the government plans to invest Ksh 35 billion (US$320.4 million) to upgrade Mzima Springs to supply an additional 100,000 m³ of clean water to Coast counties. About 74% of the county population is low-income; they cannot afford to pay commercial rates. Consequently, water and sewerage services in Mombasa are delivered as a social good (at subsidised cost), a situation that is not financially sustainable. If anything, operational and development cost recoveries are inadequate, leading to inferior institutional performance, poor infrastructure maintenance, and inferior customer service. Groundwater (wells) quality is below safety levels for drinking water. Over 50% of all the public health diseases in Mombasa are water-borne illnesses, such as cholera, diarrhoea, and dysentery, and dengue fever and malaria are commonplace, especially in slums.
The economic activities that have a high generation of solid waste in the county are tourism and industry. A 2018 report by Woima Corporation of Finland stated that the island city of Mombasa generates over 1,000 tons of waste daily and the county up to 2,200 tons (Woima Corporation, 2018). Less than half of it is collected and mostly dumped at Kibarani within the city and Mwakirunge at least 20 km away. There are over 40 private firms that collect garbage from residential areas. They dump waste at unofficial sites in the city centre and road reserves in residential areas posing health hazards.

Kibarani dumpsite was closed and moved to Mwakirunge about 16 km to the north of Mombasa. The Mwakirunge dumpsite site will likely create new challenges as waste transportation requires additional resources that Mombasa does not have. It is located on the flight path of the Moi International Airport, posing a danger from birds scavenging at the landfill, threatening aircraft take-offs and landings. To mitigate the situation, in June 2019, the county government issued the Mombasa County Sessional Paper No 01 of 2019 on Solid Waste Management, but without indicating how it will manage Mwakirunge dumpsite risks (Mombasa County Solid Waste Management Policy, 2019).

**12.4.2 Logistics**

In 2018, Kenya was ranked 68th in the International Logistic Performance Index (2019b). Kenya was ranked 56th in the Ease of Doing Business Ranking, (World Bank Group, 2020, p.4). Logistics and transport are essential to productive and profitable international trade relations. The Logistics Performance Index (LPI) analyses differences between countries regarding customs procedures, logistics costs, and the infrastructure’s quality for overland and maritime transport. The roads, airports and railways network are key drivers accelerating growth in Kenya’s logistics sector and are estimated to hit US$5 billion (Sh500 billion) by 2023.

Mombasa Port at Kilindini Harbour is the largest port in the eastern Africa region with strategic importance far beyond the borders of Kenya. Any inefficiency of port operations and constraints on capacity threaten and hamper Kenya’s socio-economic and political growth and that of its neighbours. The Kenya Ports Authority (KPA), a government agency, has been undertaking several projects to upgrade the port to deliver superior results and give it a competitive advantage. The development of the Kipevu Terminal in 2016 expanded the port’s container handling capacity by 550,000 TEUs (twenty-foot equivalent unit), thus upgrading the port’s annual capacity from 1.05 million TEUs to 1.6 million TEUs. These facilities have attracted an influx of mega vessels (from 4,500 to 9,000 TEUs) hitherto unseen in the East African maritime waters.

Kenya Railways, Kenya Ports Authority and Moi International Airport are critical infrastructures and major employers in Mombasa. According to the Kenya Airports Authority data in 2018, (Mbogoh, 2018).states that Mombasa, Dubai and Entebbe were the top three destinations for passengers out of Jomo Kenyatta International Airport, Nairobi. At the Moi International Airport in Mombasa, passenger movement increased by 16% to 120,949, while cargo dropped by 18% in the period.

---

**TABLE 12.8 | Water Demand Projections (cubic metres) for the Target Urban Centres (by county),**

<table>
<thead>
<tr>
<th>County</th>
<th>2012</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
<th>2035</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mombasa</td>
<td>140,999</td>
<td>155,840</td>
<td>188,236</td>
<td>243,288</td>
<td>280,501</td>
<td>317,715</td>
</tr>
<tr>
<td>Kwale</td>
<td>23,396</td>
<td>25,764</td>
<td>31,096</td>
<td>39,775</td>
<td>48,956</td>
<td>58,136</td>
</tr>
<tr>
<td>Kilifi</td>
<td>37,723</td>
<td>41,516</td>
<td>51,616</td>
<td>65,090</td>
<td>79,823</td>
<td>94,555</td>
</tr>
<tr>
<td>Lamu</td>
<td>14,778</td>
<td>16,615</td>
<td>19,554</td>
<td>23,494</td>
<td>28,261</td>
<td>33,028</td>
</tr>
<tr>
<td>Tana River</td>
<td>4,300</td>
<td>18,568</td>
<td>37,462</td>
<td>62,068</td>
<td>89,314</td>
<td>116,560</td>
</tr>
<tr>
<td>Taita Taveta</td>
<td>3,597</td>
<td>4,340</td>
<td>5,207</td>
<td>6,036</td>
<td>7,629</td>
<td>9,222</td>
</tr>
<tr>
<td><strong>Total Demand (m³)</strong></td>
<td>224,793</td>
<td>262,643</td>
<td>333,171</td>
<td>439,751</td>
<td>534,483</td>
<td>629,216</td>
</tr>
</tbody>
</table>

Source: Tahal Group, 2013.
Initially, the old Kenya Railways freight service was intended to share freight cargo with roads on a 70:30 ratio in favour of the railways; however, the railway service deteriorated badly due to lack of maintenance and poor governance. A maximum of 36 TEUs was transported on the old line per day in 2011 amid erratic train service, derailments and many other logistical challenges. This situation led to shared freight cargo of 90:10 in favour of road transport. This situation led to overloading and damaging the Mombasa-Nairobi highway. Port statistics indicate that cargo transported by rail was at its worst performance level in 2011, accounting for a paltry 4.9% of freight transport.

However, the recently launched Kenya Railways SGR (standard gauge railway) freight service has considerably reversed this trend. The shifting of more cargo to Kenya Railways SGR has eased traffic pressure on roads, reducing road accidents and deaths, as well as export and import costs related to prolonged and expensive transit times. Between January and September 2020, 3,069 freight trains carrying 293,747 TEU containers operated between the Port of Mombasa and the Inland Container Depot in Nairobi. This has improved cargo and ship turnaround time, thus decongesting and improving the operational and financial performance of the Port of Mombasa considerably (World Bank Publications, 2019a; World Bank Publications, 2019b; Sunguh, 2020; UN-Habitat & ITDP, 2020).

Kenya Bus Services (Mombasa) Ltd, as subsidiarity of Overseas Transport Company of London, operated scheduled public road and ferry transport in Mombasa from 1934 to 1989, when the government took over under the Transport Licensing Act (Kenya Law Reports, 2012). Under this Act, public transport remained a private-sector affair with no government support (no subsidy), no policy framework, legal framework or institutional framework. It operated with no rules of entry and no capacity building in human capital. These gaps were felt when the government allowed informal, unsafe, uncomfortable and disorganised public transport known as ‘Matatus’ and Kenya Ports Authority (as Kenya Ferry Services) to fill in the gap left by Kenya Bus Services. Just like the Matatus, ferry transport services have been disorganised, overcrowded, inefficient and unsafe (Kenyan National Assembly, 2019).

In partnership with the Mombasa County Government, the Institute for Transportation and Development Policy (ITDP) began developing a mass public transport service plan. Also, due to the ongoing pandemic, to mitigate overcrowding and spread of COVID-19 at Likoni Ferry, the government is building a pedestrian floating bridge from Liwatoni across the Kilindini Harbour to Mombasa Island (Laws of Kenya, 2012). This development will ease pedestrian flow between the mainland to the south and Mombasa Island.

### 12.4.3 Human Capital

In early 2020, Mombasa County was the first county to flatten the COVID-19 curve after being the hotspot for months. The county had already prepared an effective County Health Strategy and Investment Plan (CHSIP) and a County Human Resource for Health (HRH) Strategic Plan July 2015-June 2018 (County Government of Mombasa, 2015). The HRH Strategic Plan is aligned to health sector and County HRH priorities and supports the CHSIP. Strategic objectives include eliminating communicable conditions; halting and reversing the rising burden of non-communicable illnesses; reducing the burden of violence and injuries; providing essential health care; minimising exposure to health risk factors and strengthening collaboration with health-related stakeholders. County unemployment rates remain very high, especially amongst youth (Table 1.29).

#### TABLE 12.9 | County unemployment Rates 2019

<table>
<thead>
<tr>
<th>National unemployment</th>
<th>National youth unemployment</th>
<th>Mombasa County unemployment</th>
<th>Mombasa County youth unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.3%</td>
<td>22.8%</td>
<td>13.1%</td>
<td>49%</td>
</tr>
</tbody>
</table>

This called for training, availability, and equitable distribution of skilled health workers. There was no evidence that this initiative was replicated in other departments, especially in research and data collection or urban development control sections – skills shortage and poor performance are a big risk in achieving superior urbanisation. Nepotism, tribalism and other considerations during the recruitment and selection process that are prevalent should be eschewed. The hiring of county staff should be clear, transparent, and based on competency (Ombanda, 2018).

Labour force data is not readily available for Mombasa. A report by the KNBS and SID suggests that Mombasa is failing to create jobs fast enough, with an unemployment rate of 13.1%, which is well above the national unemployment rate. However, the youth unemployment rate is 49% compared to a national rate of 22.8%. This should concern the county government as it impacts household disposable income, housing affordability, and crime statistics.

12.4.4 Economic Development

12.4.4.1 Mombasa Economy

Mombasa is the Coast Province regional cultural and economic hub; it has a large port and an international airport and is an important regional tourism centre. The base of economic activities is industrial and trade, tourism, port and shipping, industry and fishing. Mombasa hosts several well-known international beach hotels and conference facilities, e.g., Serena Hotel, Whitesands, Intercontinental, etc. The Mombasa County Investment Authority Bill, 2019, established a body to promote investments within the county. Its most significant business success was to attract funding from Safaricom Foundation and the United Arab Emirates to modernise Coast General Hospital (Safaricom Foundation, 2019).

The national government has championed massive infrastructure and transport investments in the county, such as the SGR Project, funded by China and the Kenyan Government to the tune of US$4 billion (Taylor, 2020); road upgrades to mitigate traffic jams between Changamwe and the island; Dong Kundu Bypass connecting Mombasa-Nairobi with Kwale County via the SGR Terminus (funded by the World Bank); port improvement, funded by Japan (JICA, 2015); second Mzima Springs water supply pipeline project (funded by the European Union); the floating Liwatoni Pedestrian Bridge (funded by China) to reduce human traffic congestion at Likoni Ferry; and the Blue Ocean Economy Project (Ouma et al., 2020).

Mombasa is also an important education centre as it hosts several leading colleges and universities, e.g., Kenya Medical Training University, Shanzu Teachers Training College, Kenyatta University, Bandari College, etc. However, primary and secondary education does not perform well. The manufacturing industry is an important economy in Mombasa. Bamburi Portland Cement Factory, owned by Lafarge, is the biggest in East Africa. According to the 2019 Kenya National Bureau of Statistics Census (KNBS), 5,341,182 or 38.9% of the 13,777,600 young Kenyans are jobless, further widening the gap between the rich and the poor. In 2019 nearly half or 49% of youth in Mombasa had no jobs compared to 43% and 41% in Nairobi and Kisumu, respectively. High employment exposes youth to easy radicalisation and recruitment by terrorist sympathisers.
12.4.4.2 Gross Domestic Product

<table>
<thead>
<tr>
<th>TABLE 12.10</th>
<th>GDP and Location Quotient (LQ) County Kenya, Nairobi and Mombasa by Economic Activity, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Total GVA</td>
</tr>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>2,838,993</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>58,474</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>647,143</td>
</tr>
<tr>
<td>Electricity supply</td>
<td>140,721</td>
</tr>
<tr>
<td>Water supply and waste collection</td>
<td>55,993</td>
</tr>
<tr>
<td>Construction</td>
<td>452,439</td>
</tr>
<tr>
<td>Wholesale and retail trade, repair of vehicles</td>
<td>619,762</td>
</tr>
<tr>
<td>Transport and storage</td>
<td>600,248</td>
</tr>
<tr>
<td>Accommodation food services</td>
<td>58,126</td>
</tr>
<tr>
<td>Information and communication</td>
<td>109,457</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>606,167</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>575,360</td>
</tr>
<tr>
<td>Professional, technical and support services</td>
<td>137,254</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>330,529</td>
</tr>
<tr>
<td>Education</td>
<td>320,211</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>126,731</td>
</tr>
<tr>
<td>Other service activities</td>
<td>91,720</td>
</tr>
<tr>
<td>FISIM(1)</td>
<td>-244,617</td>
</tr>
<tr>
<td>Total</td>
<td>7,524,710</td>
</tr>
</tbody>
</table>


Kenya is fortunate to have a good National Bureau of Statistics, a wealth of information, and a recent census and other data to the sub-county level. Table 12.10 shows the GDP breakdown by industry sectors of the national, Nairobi and Mombasa economies. The two right-hand columns show a breakdown of the location quotient (LQ) for industry sectors for the two cities. Location quotient ratios greater than 1.5 suggest economies have a competitive advantage when compared to the national economy. Mombasa enjoys a competitive advantage in the manufacturing, electricity supply, construction, accommodation and food services industries, transport and storage sectors. The economy shows significant weaknesses in the financial, information services, public services and especially the health and education sectors.
The dominant transport and storage sectors are not surprising, given that Mombasa is the country's principal port. The importance of tourism to the economy is reflected in the size and importance of the wholesale and retail and accommodation services sectors. The effect of COVID-19 on the sectors has been significant because of the reliance on international visitors to coastal resorts, explaining why the city is experiencing high levels of unemployment, and the slowdown in migration and growth in other sectors of the economy.

12.4.4.2 Public Finance

Collections of revenues seemed erratic, with the lowest being US$604,506 and the highest at Ksh 61,207,595 (see Table 12.11). It could be an indication of revenue leakage due to bad governance. The big difference between planned budgets and actual collection is a lack of planning and budgetary skills.

Kenya has suffered many terrorist attacks under Al-Shabaab, from the Norfolk Hotel attacks in 1980, the US Embassy in 1998, the 2002 November attack on an Israeli-owned hotel in Mombasa, and Westgate Mall and Garissa University College in 2013 (National Consortium for the Study of Terrorism and Responses to Terrorism, 2015). Terrorism affected businesses such as tourism, disrupted higher education, and caused post-traumatic stress disorder in society. The most affected towns were Nairobi and Mombasa. To mitigate terrorist attack risks, Kenya enacted an anti-terrorism law, the Security Laws (Amendment) Act, 2014 and sent troops to Somalia on the 16 October 2011 (Government of Kenya, 2014). Since then, there was a lull in terrorist attacks until the 15–16 January 2019 attack of The DusitD2 complex in Nairobi, leaving 20 people dead and several injured. Although Mombasa was the centre of youth radicalisation, there has not been a terrorist attack since 2002. Travel advisories issued by Western countries due to terrorist attacks elsewhere in Kenya caused a severe downturn in the tourism economy of Mombasa and scared investors away (Momanyi, 2015).

| TABLE 12.11 | Local Revenue Realized Figures ($US) Mombasa County Treasury |
|-------------|----------------|----------------|----------------|----------------|
| Month       | 2013/1014      | 2014/1015      | 2015/1016      | 2016/1017      |
| Actual Revenues | 17,158,688      | 24,926,001      | 29,435,207      | 31,662,410      |
| Budgeted    | 78,469,000      | 51,216,080      | 41,481,996      | 52,897,470      |
| Shortfalls  | 61,310,312      | 26,290,078      | 12,046,789      | 21,235,060      |

(78%) (51%) (29%) (40%)

Source: Mombasa County Treasury.

12.4.5 Environment

Perennial flooding caused by heavy rains and inadequate drainage systems, climate change and poor waste management are key environmental risks. Around 17% of Mombasa’s area could be submerged by a sea-level rise of 0.3 metres, with a larger area rendered uninhabitable or unusable for agriculture because of waterlogging and salt stress. Tourism is an integral part of the city’s economy. Thus, sandy beaches, historical and cultural monuments and several hotels, industries and port facilities would be negatively affected. Effective and timely early warning systems are needed to deal with climate-related disasters. There is a need for the county to work with meteorological/maritime, relevant government ministries and other stakeholders to facilitate coordinated efforts and effective climate mitigation strategies.

Through the Unintentionally Produced Organic Pollutants (UPOPS) project, the national government partnered with Mombasa County Government to address waste management issues in the county. The project’s goal was to help the county mitigate waste management risks such as open waste burning. This process emits harmful toxins into the atmosphere, causing health complications like cancer, bronchitis, brain damage and heart problems (Awuor et al., 2008).
12.5 Development Challenges and Opportunities

12.5.1 Governance

Without urban management boards and with missing regulations, the County Government Act means that the Mombasa County Government cannot administer its local authority effectively and productively. It is suggested that the governor appoint a competent committee executive member (CEC) in charge of county local government (instead of devolution) and a professional urban management board that shall work under the CEC.

12.5.2 Logistics

According to the 2019 population census, Mombasa has about 5,500 persons per square kilometre. This high density can make investments in mass public transport system feasible. Since the county government has no financial capacity to invest in one, they should consider developing one under a public-private partnership business model, i.e., former Kenya Bus Services.

12.5.3 Human Capital

Mombasa county government has a shortage of skilled professionals, especially in urban and financial planning sections. This situation is complicated further by nepotism and corruption. The ongoing Building Bridges Initiative promises to deal with nepotism and corruption, hopefully opening possibilities of employing competent professionals, including foreign nationals. There is a need to create a robust anti-corruption policy and regulations to encourage competent employees to work for the county.

12.5.4 Technology

Current efforts to collect local revenues are inefficient, erratic and unpredictable. There is a need to improve local revenue collections by Certified Public Accountants of Kenya (ICPAK) recommendations and paying suppliers on time to build county financial credibility and collaborate with the Kenya Revenue Authority to train personnel (Njoka, 2020).

12.5.5 New Policy Agenda Needed to Boost Development of City and Local Economy

There are several ways that Mombasa County can take action to boost development for the city and surrounding regional economies.

12.5.5.1 Mombasa County Performance Improvement Programme

The neglect of municipal infrastructure and poor quality of urban services calls for a program of improvements, Mombasa County Performance Improvement Programme as a vehicle for attracting funding and implementing projects. This could have three components:

- Strengthening intercity business and employment node inter-connectivity,
- Local area energy, waste and water networks and,
- Building local communities of interest.
The United Nations Development Programme (UNDP) has indicated that the blue economy has a great potential to contribute to higher and faster GDP growth in Kenya. Innovation and growth in the coastal, marine and maritime sectors could deliver food, energy, transport, and other products and services and serve as a foundation for sustainable development. Kenya can leverage the blue economy's forward and backward linkages with the various sectors of the economy (UNDP, 2018).

Old Town Mombasa, also known earlier as ‘Stone Town’, is a Swahili settlement developed during the nineteenth century Sultanate Rule of Zanzibar. Sister Swahili Settlements are Lamu and Zanzibar Stone Towns, which are classified as UNESCO World Heritage Sites, but Mombasa is not. Old Town Mombasa endowments include direct access to the Indian Ocean, old port, Fort Jesus Museum, MacKinnon Food Market, beach hotels nearby, substantial residential and business district, fish market and connectivity to Mombasa Central Business District.

As Mombasa suffers from high youth unemployment, domestic tourism investments through the blue economy programme can create jobs and wealth. In collaboration with the National Government of Kenya, Ministry of Tourism, Mombasa County, Lamu County, Zanzibar Government and local hotels, a regular local cultural boat-cruise tourism circuit can be created as part of the blue economy. Cruise boats would take tourists between the three stone towns to sample local culture, foods, and hospitality. Revenues from domestic tourism will revitalise the stone towns, create jobs, build wealth, and mitigate youth radicalisation – which is still a security risk to the economies of Mombasa and Lamu Counties (Hoyle, 2001).

12.5.5.2 Local Area Energy, Waste and Water Networks

Energy efficiency is one of the safest financial investments any country can make. Its return on investment is almost guaranteed and can be predicted based on engineering calculations, rather than stock market estimates. Mombasa needs to prepare an Energy Management Strategy. A discussion between energy specialists and the county can be used to identify opportunities for energy efficiency. Opportunities and challenges in developing the Energy Management Plan can help establish the energy efficiency priorities of Mombasa County. Priority examples could include buildings of most significant concern, cost savings, the comfort of buildings, or engaging communities in focusing renewable energy development, especially solar. This exercise can collaborate with the Energy Regulatory Commission of Kenya and the Ministry of Energy.

Waste and water challenges affects all Coast counties. The current business model for supplying water does not generate sufficient revenues to maintain and upgrade water and sanitation infrastructure. There is a need for counties to adopt a commercial business model based on best practice, high volumes of water users, smart meters and local economic conditions. Counties should register a Coast County Infrastructure Forum with governors as champions. This Forum will work alongside the national government, water undertakers, and donors to upgrade and improve water supply services in the three counties.

12.5.5.3 Building Local Communities of Interest

Performance in primary and secondary school national examinations in Mombasa County has been declining for some time. Stakeholders in the sector are currently brainstorming on ways to remedy this situation. Although from early 2020, the county government started investing in early childhood development to improve education standards, it is doing so without any strategy or plan. The county allocates fewer resources each financial year and more on activities with low social and economic returns than education. For example, Singapore’s prosperity was anchored on investing heavily in quality education; 20% of Singapore’s national budget was dedicated to education. Mombasa has to learn from Singapore and double its investments in education and skills development. However, the county has to be lobbied through local community of interest groups for this to happen. Hakijamii, a Mombasa-based economic and social rights non-governmental organisation, is suited for this assignment. It should be used to lobby the county government to invest more in education and set up an Education Performance Improvement Fund that investors and well-wishers can invest in.
12.6 A New Agenda for Secondary Cities in Kenya

Kenya’s level of urbanisation, at 27.51%, is low compared to other countries in Africa. The country is urbanising rapidly at a rate of over 4% per annum. Nairobi, the national capital, has been urbanising at 3.87% per annum. Many secondary cities in the western part of the country are urbanising at much faster rates. While Nairobi and Mombasa will continue to absorb increasing levels of rural-urban migrants, the secondary cities between 100,000 and 300,000 are expected to grow fastest over the next 20 years.

Kenya has been promoting equitable urban and regional development for many years. However, the lack of a formulated national urban policy or an urban and regional development policy has increased inequity in development, investment and access to essential urban services, especially in more remote parts of the country. If these imbalances are not addressed through a change of policy directions, the population of Kenya’s largest cities will continue to grow, leading to increased regional poverty levels, limited development, and accelerated migration.

A vital element of the country’s equitable urban and regional development effort must be on promoting the development of secondary cities. This would, to quote one researcher (Otiso, 2005, p.117), “relieve population pressure in rural-regional areas, help better to integrate the country’s rural and urban economies, help to reduce congestion and improve the quality of life in the metropolitan cities of Nairobi and Mombasa, and help increase the modernisation spin-off which urban centres provide to the surrounding rural areas.” A new focus on secondary cities would help Kenya develop a more sustainable approach to urbanisation, national redistribution of regional development and a reduction in regional imbalances of growth in the country in recent decades.
REFERENCES


Hutt, R. (2016). These are the world’s five biggest slums. World Economic Forum.


ENDNOTES

(1) Financial Intermediation Services Indirectly Measured.
13.1 Introduction

South Africa was called the ‘Rainbow Nation’ by Archbishop Desmond Tutu and President Nelson Mandela. It is a nation with a rich mix of people, cultures, landscapes, and cities, and it is the wealthiest nation in Africa (Credit Suisse, 2017). It is a nation with a dispersed population of 60 million (Figure 13.1), of which two-thirds live in urban areas. It is also a nation with a troubled history of colonial suppression, racism and apartheid, which officially ended in 1994.

Despite these troubles, South Africans enjoy one of the continent’s highest standards of living, education and incomes. However, it faces significant urbanisation, economic and social development problems, especially in its secondary cities (Donaldson et al., 2020) and regional areas. The secondary cities are falling behind in the development race, as more internal and international migrants head to the large cities of Johannesburg, Cape Town and Durban searching for employment and better quality of life.

This chapter provides a brief overview of urbanisation development, trends and challenges in South Africa and its secondary cities; and it presents a case study of Nelson Mandela Bay’s secondary city (Gqeberha). It suggests ways of enhancing the sustainable development of Nelson Mandela Bay and other secondary cities in the country. The final section of the chapter examines pathways for supporting the development of secondary systems of cities in South Africa.

13.2 Urbanisation and Secondary City Development in South Africa

13.2.1 A Brief History of Urbanisation

There is evidence of pre-European ‘proto-towns’ in southern Africa (South Africa History Online, 2022); however, urbanisation began with Dutch colonial urban settlements and local government, with the founding of the ‘Mother City’ of Kaapstad /Cape Town in 1652 (Cavendish, 2002). Under the Dutch East India Company, the nucleus of competition between different interests and race groups was a pointer to the increasingly complex and segregationist municipal arrangements that would characterise South Africa for the next 300 years (Thomson, 2000).

From this initial cape settlement, new Dutch and English rural farm settlements arose in the eighteenth century. The ‘Great Trek’ migration was progressively in a northern and easterly direction into present South Africa’s interior. Race-based political power and land ownership rights, anchored on a differentiation between the Dutch, the English and the African natives, gradually emerged (History Today, 2002). From the arrival of whites in the Transvaal in the late 1830s until the late 1860s, the political situation was fluid.

The founding of the rich mineral wealth of South Africa triggered European prospectors from Britain, continental Europe, North America and Australia. Africans, too, were attracted to the mines from as far north as present-day Tanzania. A system of migrant labour evolved, and, over the next 100 years, resource-based settlements were formed (History Today, 2007). With this came the proclamations of towns based on Dutch and English models. By the end of the nineteenth century, southern Africa was considered a significant contributor to the world economy (Thomson, 2000).
The South African economy expanded between 1800 and 1945. The period is noted for the struggles primarily between the British, Jews, and Afrikaners for control of the economic opportunities in agriculture, mining, industry and financial services in southern Africa. Opportunities for Indians and indigenous peoples were limited by evolving race-based franchise laws. Between 1900 and 1930, South Africa had increasingly become more urbanised. Those carrying the burden of South Africa’s rapid development were poor blacks, mixed races, and whites in smaller towns and rural areas. Urbanisation saw an exodus of people from rural areas to urban settlements. In 1911 only 10% of the black population was urbanised; by 1960, this had grown to 30%. By 1936 the historically rural Afrikaners had also urbanised rapidly to 50% of that population. Urbanisation hastened between 1900 and 1950, especially between 1939 and 1945. By 1946 there were more black Africans than whites in South Africa’s cities (Koeller, 2003).

Urbanisation then slowed until the 1990s. During the first half of the twentieth century, industrialisation drove many people to migrate to the cities, searching for enhanced livelihoods. However, the increasing urban black African population in the cities and towns provoked a confrontational reaction from the white population that deepened state controls in order to restrict further black urbanisation. These controls slowed rural-urban migration during the peak of apartheid between the late 1950s and early 1980s.

Racial segregation has played a significant role in South Africa’s development. Urban race separation was evident in Cape Town from the 1860s (Deacon, 1996). Segregation evolved in a localised, haphazard and piecemeal manner, as European settlers penetrated and conquered southern Africa’s interior. However, the separation of the races that hitherto had varied from place to place was formalised after the Nationalist Party’s electoral victory of 1948 (Williams, 2000). Apartheid or ‘separate development’ impacted the lives and livelihoods of all South Africans irrespective of where they lived (Maylam, 1995).

Apartheid gave rise to many institutions attached to specific races and geographical localities that regulated the local government. These institutions were at times merged or done away with, depending on the prevailing political circumstances. Apartheid institutions included: (i) ‘Bantustans’; (ii) ‘R293 towns’, i.e., small rural townships; (iii) ‘Coloured’ and ‘Indian’ management committees; (iv) administration boards; (v) community councils; and (vi) black local authorities.

The constitutional arrangements gave rise to one of the most complicated spatial municipal arrangements ever implemented by a modern government. All the institutions that governed South Africa’s non-white population were characterised by a lack of significant revenue base and were perceived as politically illegitimate by their intended recipients (South African Government, 1998). By the mid-1980s, the wide range of apartheid policies aimed at containing race groups had broken down under the pressure of the political struggle from the African and non-white minorities (Todes et al., 2010).

Since the end of apartheid in 1994, significant improvements have been made in service delivery and quality of life conditions for previously disenfranchised South Africans. Much of the transformation has taken place within non-white areas, i.e., the former Bantustan areas that were dismantled in 1994. However, those areas remain more or less as segregated economically and spatially today as they were during the apartheid period. Post-apartheid South Africa presented a historic opportunity to restructure a new South Africa.
The new overarching and unitary 1996 Constitution of the Republic of South Africa (South African Government, 1996) provided a platform for significant change. This need for change was recognised in the White Paper on Local Government (South African Government, 1998), which stated that:

“Apartheid has fundamentally damaged the spatial, social and economic environments in which people live, work, raise families, and seek to fulfil their aspirations Local government has a critical role to play in rebuilding local communities and environments, as the basis for a democratic, integrated, prosperous and truly non-racial society” (South African Government, 1998, p. 8).

### 13.2.2 Urbanisation and Municipal Government

The new South African Constitution defined the roles and responsibilities of national and provincial governments for local government. The White Paper addressed new local government institutions, including metropolitan government systems, district governments, and local municipalities in non-metropolitan areas. It also addressed the relationship between traditional leadership and rural local government and the demarcation of new municipal institutions’ boundaries. National and provincial governments were allocated new responsibilities (South African Government, 1998).

An assessment of South Africa’s local government in 2004 (Mgweb, 2004) noted that, for cities, the constitutional and legal frameworks obliged municipalities to ensure uniform policy obligations. These included:

- provide a democratic and accountable government for local communities;
- be responsive to the needs of the local community;
- encourage the involvement of communities and community organisations in the matters of local government;
- ensure the provision of services to communities in a sustainable manner;
- assign clear responsibilities for the management and coordination of these administrative tasks;
- facilitate a culture of public service and accountability amongst its staff;
- promote social and economic development, and
- promote a safe and healthy environment.

A South African high court recently passed a landmark ruling that has far-reaching implications for municipalities that fail to carry out their constitutional duty to citizens (Kotze, 2020). Twenty years into the new municipality systems, the Auditor-General of South Africa’s reports present a continued unsatisfactory performance level. ‘Local government is not inherently more democratic or accountable than the other spheres, but its proximity to citizens creates expectations of answerability and responsiveness. The local government’s electoral system contributes to political centralisation, as 50% of seats are ward-based, and the remainder is allocated according to proportional representation from a party list. This, “has centralised enormous power in the hands of party leaders”, with mayors and councillors owing their position to party bosses, not the voters (Cameron, 2014, p. 588). This trend may shift as local elections become more strongly contested; however, ward councillors often lack the motivation (and/or capacity) to challenge the council on behalf of local communities while the executive is busy dealing with macro challenges.

Based on the scrutiny of the Auditor-General of South Africa reports for the financial years 2012–2013, 2013–2014 and 2014–2015 and focused on monitoring and evaluating financial systems, Mello (2018) noted: (i) the gloomy performance of local government; (ii) that there were weaknesses in municipal monitoring and evaluation systems; (iii) and that qualifications of councillors, training, time and remuneration were contributing factors to poor oversight by councillors and political structures (Mello, 2018).

Over a decade ago, Jaap de Visser (2009) raised concerns regarding South Africa’s local government characteristics that are still valid today. The issues raised are divisible into three, the progressive gains, the emerging negatives and questions around institutional size and complexity.
The positive features realised in local government include the headway made towards realising the new vision of ‘developmental local government’. Noted were the unprecedented gains, as epitomised by the extension of municipal infrastructure country wide. Secondly, the new local government system offered great potential for the realisation of a better life for all citizens.

The emerging negatives in municipalities included multiple administrative-management areas that impeded service delivery and development. Major obstacles were municipal governance and community participation. Furthermore, it is noted that municipal service delivery was not (and is still not) at the requisite level of institutional coherence and predictability. Therefore, the capacity constraints in critical areas of municipal governance and administration are debilitating to service delivery.

Given the above, questions arose as to the desired configuration of institutional accommodation of different spatial and economic realities that are obtained in big cities as opposed to those in smaller cities. Regarding the IDP (a ‘one-size-fits-all’ approach to planning), a pertinent question was whether the insistence on comprehensive policy alignment should not be substituted with a policy of selective alignment around national key priority areas (de Visser, 2009).

Zondi et al. (2019) convincingly argue that these failures in municipal governance have resulted in regular service delivery backlogs, protests and boycotts throughout South Africa. These shortcomings apply to district municipalities, primary cities, secondary cities and small rural settlements. The above characterisation of municipality challenges noted almost 15 years ago have intensified in their magnitude. Although the new local government system is already in its second decade, there are still signs and trends indicating that most municipalities are failing to deliver on their mandate (Zondi et al., 2019).

In recent years, the central government has responded by considering the various obstacles that have halted development growth in many municipalities. A framework known as the Local Government Turnaround Strategy (LGTAS) was published in November 2009. The LGTAS was introduced because of the poor performance of South Africa’s municipalities. Although it is regarded as well-formulated and integrated within municipalities, practical implementation of LGTAS remains a challenge (Meyer & Venter, 2014; Mathane, 2013). The Department of Cooperative Governance (COGTA) is responsible for the management of ‘Turn-Around-Strategies’ in municipalities.

In their study, Meyer and Venter (2014) state that “the poor performances of municipalities have continued, and the situation has even worsened since the introduction of the LGTAS. [That] LGTAS has not achieved its goals regarding the turn-around and transformation of local government, especially regarding service delivery, capacity building, and LED implementation” (p 91). Updating the COGTA 2020 Report, amongst other issues, presents a picture of its internal situation that is not endearing. It is reported (i) of ‘COGTA’s weaknesses’ that needed address and (ii) having ‘received two consecutive disclaimer audit opinions’. Reference is made to ‘a concrete time frame for the turnaround strategy that has had been developed’. There is also the Department’s observation that it ‘consciously calculated interventions to close the growing social distance between citizens, communities, their public institutions, and civil services’ (Department of Cooperative Governance, 2020).

### 13.2.3 Demographics of Primary and Secondary City Development

Figure 13.2 shows the urban and regional population in South Africa since 1950, with a projection to 2050. South Africa is 67% urbanised; however, the urban settlement spatial pattern around many metropolitan and secondary cities indicates a higher figure. OECD (2020) estimates that South Africa is already more than 70% urbanised. As explained in the introduction chapter, the United Nations and Africapolis data differ because the United Nations’ definition of ‘urban’ relates to administrative areas. In contrast, the latter relates to built-up areas of spill-over urban settlement. By 2050, South Africa is predicted to be almost 80% urbanised, with more than half the urban population living in cities with more than 500,000.
Table 13.1 shows the change in urban agglomerations and demographic change since 1990, using Africapolis data and estimates for 2020 based on long-term trends. Data for Pretoria and Johannesburg metropolitan regions are merged in the table, as they have become effectively dual metropolises and are heading to megacity status within the decade. There are 97 urban agglomerations in South Africa with populations of more than 50,000. An estimated 46 cities have populations between 100,000 and 1 million. Many of these are regional, linear or metropolitan region clustered secondary cities. Overall, urban population density (3,000 pp km²) in South African cities is low compared to the rest of Africa due, in part, to the dispersed nature of housing settlement and smaller household size. The urban population density in some regional secondary cities in Gauteng, Western Cape, Mpumalanga, and Northwest provinces tend to be higher, as these are experiencing net growth from migration (Statistics South Africa, 2019).

**TABLE 13.1 | Urban agglomerations and demographic change**

<table>
<thead>
<tr>
<th>South Africa</th>
<th>Agglomerations</th>
<th>Population</th>
<th>AAGR</th>
<th>Total Area</th>
<th>Average Density (pp km²)</th>
</tr>
</thead>
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<tr>
<td>5 to 10</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>7,180,906</td>
<td>21.3%</td>
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<td>1 to 5</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>8,857,227</td>
<td>35.9%</td>
</tr>
<tr>
<td>0.5 to 1.0</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>666,949</td>
<td>2.7%</td>
</tr>
<tr>
<td>0.3 to 0.5</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>666,949</td>
<td>2.7%</td>
</tr>
<tr>
<td>0.1 to 0.3</td>
<td>13</td>
<td>20</td>
<td>33</td>
<td>3,365,038</td>
<td>13.6%</td>
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<td>0.05 to 0.1</td>
<td>15</td>
<td>22</td>
<td>35</td>
<td>3,492,819</td>
<td>14.2%</td>
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<td>0.01 to 0.05</td>
<td>15</td>
<td>22</td>
<td>35</td>
<td>7,628,091</td>
<td>39.9%</td>
</tr>
<tr>
<td>Total</td>
<td>49</td>
<td>70</td>
<td>112</td>
<td>33,651,752</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
13.3 Systems of Secondary Cities in South Africa

Figure 13.3 shows the pattern of urban agglomeration for South African cities. Table 13.2 shows the mid-year population estimates by province for 2018. There are three distinct polycentric clusters of urbanisations (South Cape, the North, Natal), where most of South Africa’s population lives and cities are located. Within these clusters, one large urban metropolis acts as a primate city, and there is a tight network of interconnected secondary and smaller cities. There is a high level of connectivity and interconnectedness between these urban settlements compared with the country’s less densely populated parts. Poor connectivity between urban systems, access to employment and urban services in the Eastern Cape are significant factors in contributing to migration loss in this part of the country.

The removal of the apartheid-era constraints on black South Africans led to free movement, especially permanent moves to cities. South African cities have grown as a consequence. City size has risen rapidly through both natural growth and internal migration from rural areas, city to city, and neighbouring countries. Between 2001 and 2011, the metro population is estimated to grow by more than 26%, compared to 10% in the rest of the country (Turok & Borel-Saladin, 2014). Former black townships and informal settlements have grown the fastest because they are “the first recipients of rural (and foreign) migrants searching for work” (Mahajan, 2014, p. 8) There is strong evidence showing some smaller and secondary cities are growing faster than metropolitan regions (SACN, 2016, p. 416). This trend may be explained by migrants having greater ease of access to housing, lower crime rates and, more recently, COVID-19.
TABLE 13.3 | The leading functional settlement typologies in South Africa, 2016

<table>
<thead>
<tr>
<th>Category Descriptions</th>
<th>Population</th>
<th>Government &amp; economic service index</th>
<th>Related Case Study Secondary Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area nomenclature &amp; profile</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City region area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are two types of city regions:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Global city region, such as Gauteng.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii) Coastal City regions that include Cape Town City Region, eThekwini (Durban) City Region, Nelson Mandela Bay City Region (Gqeberha)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City area that includes metropolitan and secondary city areas</td>
<td>More than 1 million</td>
<td>Index &gt; 7</td>
<td>Nelson Mandela Bay Municipality (Gqeberha)</td>
</tr>
<tr>
<td>City area that includes metropolitan and secondary city areas</td>
<td>500,000 to 1 million</td>
<td>Index 2-5</td>
<td>Polokwane (Petersburg), Mbombela (Nelspruit), Msunduzi (Pietermaritzburg), Buffalo City (East London), Mangaung (Bloemfontein)</td>
</tr>
<tr>
<td>Regional Service Centres 1</td>
<td>300,000 to 500,000</td>
<td>Index 1-2</td>
<td>Rustenburg and uMhlathuze (Richards Bay)</td>
</tr>
</tbody>
</table>

Source: Van Huysssteen et al., (2016).

The Council for Scientific and Industrial Research (CSIR) has developed a typology profile for South African’s urban settlement system (Van Huysssteen et al., 2016). The purpose of the referred undertaking was to provide spatial planning analysis, modelling and a basis for support for informed government planning in many spheres related to economic service provision and migration. The functional settlement typology provides a mechanism to profile, identify, calculate and analyse a set of development information and trends on the range of towns and cities and high-density rural settlements across South Africa. Eight functional settlement typologies are identified, but only four are relevant to secondary cities (refer to Table 13.3).

Furthermore, the functional settlement typology provides easy comprehension and analysis of networks of human settlements from cities to small towns, including their hierarchical and functional relationships. Figure 13.4 conveys a graphical depiction of town and settlement functions (city region, city, regional service centres, and local and nodal town), hierarchy, and distribution within South Africa. It conveys the descriptions in Figure 13.4.

FIGURE 13.4 | CSIR/SACN functional settlement system

Only Gqeberha/Nelson Mandela Bay Municipality (NMBM) belong to coastal city regions for secondary cities. In the next lower tier are Polokwane, Mbombela, Msunduzi (Pietermaritzburg), Buffalo City (East London) and Mangaung (Bloemfontein).

13.3.1 Profile of South African Secondary Cities

There are 6 metropolitan cities and 22 secondary cities in South Africa (John, 2012, p. 73) (see Figure 13.5). Three of these cities, Buffalo, Nelson Mandela Bay, and Mangaung, strictly function as secondary cities. Table 13.4 shows the population and spatial attributes of ten of the largest secondary cities over 400,000, followed by a brief description of each.
FIGURE 13.5 | Location of metropolitan and secondary cities, South Africa

Source: John (2012).

TABLE 13.4 | Attributes of 10 the largest secondary cities in South Africa

<table>
<thead>
<tr>
<th>Rank by City Size</th>
<th>City</th>
<th>Old Name</th>
<th>Population 2010</th>
<th>Population 2020</th>
<th>Average Annual Growth rate 2010-2020</th>
<th>Area (km²)</th>
<th>Coverage (km²)*</th>
<th>Net Density (pp km²)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Nelson Mandela Bay/ Gqeberha</td>
<td>Port Elizabeth</td>
<td>1,254,000</td>
<td>Calculate</td>
<td></td>
<td>1,959</td>
<td>136.04</td>
<td>640</td>
</tr>
<tr>
<td>7</td>
<td>Mbombela</td>
<td>Nelspruit</td>
<td>729,000</td>
<td>7,139</td>
<td>72.63</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Emfuleni</td>
<td>Vanderbijpark</td>
<td>774,000</td>
<td>996</td>
<td>177.84</td>
<td>777</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Buffalo City</td>
<td>East London</td>
<td>709,000</td>
<td>2,536</td>
<td>168.86</td>
<td>280</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Msunduzi</td>
<td>Pietermaritzburg</td>
<td>527,000</td>
<td>634</td>
<td>219.5</td>
<td>831</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Rustenburg</td>
<td>Rustenburg</td>
<td>509,000</td>
<td>3,423</td>
<td>282.42</td>
<td>148</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Mangaung</td>
<td>Bloemfontein</td>
<td>508,000</td>
<td>9,899</td>
<td>6,284</td>
<td>51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Polokwane</td>
<td>Pietersburg</td>
<td>426,000</td>
<td>3,776</td>
<td>3,766</td>
<td>113</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>uMhlathuze</td>
<td>Richards Bay</td>
<td>410,000</td>
<td>1,233</td>
<td>142.78</td>
<td>333</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Matlosana</td>
<td>Klerksdrop</td>
<td>438,000</td>
<td>3,561</td>
<td>106</td>
<td>123</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Compared to other parts of Africa, there are an extensive range of data, planning studies and development plans prepared for secondary cities in South Africa; however, some of this material is becoming dated and needs revision and updating. The continuing problems with structural adjustments in the country’s economy and the difficulty in creating new industries; tensions within the country; corruption, and the loss of professional capital have made it difficult for many secondary cities and middle-size towns to get ahead, especially those in the Gauteng and the Southeast Coast regions.

13.3.1.1 Gqeberha/Nelson Mandela Bay Metropolitan Municipality

Gqeberha is the seat of Nelson Mandela Bay, with a population of 1.2 million (2020 estimate). It is an Indian Ocean seaside city located in Eastern Cape Province. The city is home to South Africa’s motor vehicle industry and allied support industries. It is also a major seaport, with the most significant ore loading facilities in the southern hemisphere. Nelson Mandela Bay is recognised as one of the four national and regional hubs in South Africa (State of South African Cities, 2016). However, in recent year, the economy has performed poorly (Nelson Mandela Bay Metro Municipality, 2017), and its industrial base is at risk from volatile global and domestic economic forces. The case study provides a more detailed analysis of the city and its economy. The latest edition of NMBM's integrated development plan (IDP) is from May 2017 (NMBM, 2017a).

13.3.1.2 Mbombela Local Municipality

Formerly Nelspruit, Mbombela, with a population of 700,000 (2020 estimate), is the capital city of Mpumalanga Province; its jurisdiction has been enlarged by its absorption of a failed adjacent municipality (The City of Mbombela Local Municipality, 2018). The city is a centre of commercial fruit farming, agricultural processing, and wood products manufacturing. Mbombela has an international airport that makes the city a gateway to Kruger National Park, the prime tourist destination in South Africa. Situated 340 km from Johannesburg, 300 km from Polokwane (capital of Limpopo Province), 204 km from Maputo (capital of Mozambique), and 185 km from Mbabane (capital of Eswatini, formerly Swaziland), internal and cross-border trade stimulates its economy. Mbombela’s wealth of agriculture, tourism, forestry, and manufacturing, as well as its new University of Mpumalanga (founded in 2014) and favourable connectivity may work positively as the basis of future growth. The City of Mbombela Development Plan, i.e., its IDP, has been approved for up to 2021 (City of Mbombela, 2020).
13.3.1.3 Emfuleni Local Municipality

Formerly Vereeniging, Emfuleni, with a population of 750,000 (2020 estimate), is located in the southern extremes of Gauteng Province. Tourism spending indicates an increase in the growth of tourism, which is the largest contributor to spending in the local municipality (Sedibeng, 2020:39). The evidence from Meyer and Meyer (2016) indicates that tourism spending in Emfuleni Local Municipality has been rising above the global rates. Furthermore, their model shows that tourism spending has grown due to the sector's emergence from a low base, while the weakening exchange rates also make South Africa and the study region more attractive as a tourism destination (Meyer & Mayer, 2016). Emfuleni is the former ‘Vaal Triangle’ that was significant for South Africa’s iron and steel industry. Disinvestment by the major steel industries at the time of a global economic crisis had an adverse impact on Emfuleni’s steel production (Emfuleni IDP, 2016/17, pp.64, 105, 165). The Emfuleni Local Municipality is among those identified by the Auditor-General of South Africa with governance and auditing issues (referred to earlier in this chapter); as a result, it has experienced sporadic interruptions of municipality functions (Emfuleni Local Municipality, 2020). In 2020, an administrator was appointed (for the second time) to address the challenges that have been evident for several years. The Emfuleni Local Municipality IDP appears to have been last prepared for 2016/2017 (Emfuleni Local Municipality, 2016).

13.3.1.4 Buffalo City Metropolitan Municipality

Formerly East London, Buffalo City, with a population of 700,000 (2020 estimate), is located on the Indian Ocean coast in Eastern Cape. The municipality’s economic sectors include mining, agriculture, manufacturing, trade, transport, finance and community services. Although economic trends over time have been in decline, Buffalo City serves as the primary node and is the dominant economic hub in the region (Buffalo City Metropolitan Municipality, 2018). The latest Buffalo City Metropolitan IDP is the Third Review of the 2016-2021 IDP (Buffalo City Metropolitan Municipality, 2016).

13.3.1.5 Mangaung Metropolitan Municipality

Formerly Bloemfontein, Mangaung, with a population of 500,000 (2020 estimate), is the capital of the Free State. Its municipal boundaries were extended due to the absorption of a dysfunctional neighbouring municipality. Bloemfontein, part of the municipality, is the sixth-largest city in South Africa that serves as the administrative headquarters of the province. It also represents the economic hub of the local economy (Mangaung Metropolitan Municipality, 2020). As a relatively isolated city, and like Nelson Mandela Bay Metropolitan Municipality, Mangaung is exposed to volatile global and domestic economic forces that have affected its economic performance of late. Mangaung Metropolitan Municipality's latest IDP is that of 2020/2021 (Mangaung Metropolitan Municipality, 2020).

13.3.1.6 Msunduzi Local Municipality

Formerly Pietermaritzburg, with a population of almost 530,000 (2020 estimate), Msunduzi is located at the junction of an industrial and agro-industrial corridor in KwaZulu-Natal. In 2017, it contributed 1.19% of the national GDP (Msunduzi, 2019, pp. 12, 16). Msunduzi Local Municipality has been determined as one of the collective four smaller cities that serve as distant northern coastal regional hubs (Cities Network, 2016). The Draft Msunduzi Local Municipality IDP 2020-21 is the latest IDP for this municipality (Msunduzi, 2020).

13.3.1.7 Rustenburg Local Municipality

Rustenburg, with a population of 500,000 (2020 estimate) is located in the North West Province, adjacent to Botswana. The municipality is connected to the regional, South African and global economies (Rustenburg Local Municipality, 2018). South Africa produces approximately 70% of the world’s platinum, of which 97% is from mines within Rustenburg municipality. Rustenburg has historically had a successful commercial agriculture industry; however, this is in decline. The municipality's latest IDP is that of 2020/2021 (Rusenburg Local Municipality, 2020).
13.3.1.8 Polokwane Local Municipality
Formerly Pietersburg, Polokwane has a population of 425,000 (2020 estimate). The city’s future was assured by its designation as the provincial capital city. Polokwane had the highest growth rate for the period 2005-2010 at 5.5% per annum. Polokwane is a gateway to tourism for this part of northern South Africa. It also houses a soft drink factory and brewery. Per capita earning, however, is low at R 27,556 per year. Polokwane’s current IDP is the draft plan of 2020-2021 (City of Polokwane, 2020).

13.3.1.9 uMhlathuze Local Municipality
Formerly Richards Bay, the municipality of uMhlathuze, with a population of 410,000 (2020 estimate), lies on the Indian Ocean coastline of KwaZulu-Natal. The prospects for the municipality are promising. It is a city with growing global economic significance. The economic base is a deep-water harbour; the Richards Bay Coal Terminal is the largest coal export facility in the world, with oil and gas pipelines to Johannesburg. It is a centre of small specialist business tourism. The current IDP for uMhlathuze Local Municipality is for 2019/2020 (City of uMhlathuze, 2019).

13.3.1.10 Matlosana Local Municipality
Formerly the City of Klerksdorp, Matlosana has a population of 438,000 (2020 estimate). It contributes less than 1% of the national GDP, making it one of the lower-ranked secondary cities. Historically, Matlosana has been a commercial agricultural centre and gold mining town, and it is expected to mine uranium in the future. The economy has been heavily reliant on the mining industry, which, unfortunately has been in decline over the last decade, resulting in mine closures (Matlosana Local Municipality, 2017). Matlosana Municipality’s latest IDP is that of the Draft IDP Amendments for the 2020/21 Financial Year (City of Matlosana, 2017).

13.3.2 Description of the Economic Geography of Secondary Cities in the Country

**FIGURE 13.6 | South African Provinces GDP per Capita**

**TABLE 13.5 | Provincial economies**

<table>
<thead>
<tr>
<th>Provinces</th>
<th>Economic Growth 2017</th>
<th>GDP/Capita 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>0.8%</td>
<td>55,094</td>
</tr>
<tr>
<td>Free State</td>
<td>1.4%</td>
<td>79,877</td>
</tr>
<tr>
<td>Gauteng</td>
<td>1.1%</td>
<td>111,171</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>1.8%</td>
<td>66,254</td>
</tr>
<tr>
<td>Limpopo</td>
<td>2.1%</td>
<td>59,287</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>1.9%</td>
<td>78,462</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>2.8%</td>
<td>79,719</td>
</tr>
<tr>
<td>North West</td>
<td>2.0%</td>
<td>77,089</td>
</tr>
<tr>
<td>Western Cape</td>
<td>1.2%</td>
<td>97,664</td>
</tr>
<tr>
<td>RSA</td>
<td>1.4%</td>
<td>81,875</td>
</tr>
</tbody>
</table>

There are significant differences in the economic geography of South African cities and regions. Table 13.5 and Figure 13.6 South African Provinces GDP per Capita show the GDP and GDP per capita for the provinces. The GDP per capita for East Cape is half that of Gauteng and 50% less than the national figure, whereas the province of Gauteng, particularly with Johannesburg, has one of Africa’s highest city wealth concentrations (Credit Suisse, 2017). The inequitable spread of wealth and economic opportunities places enormous stress on secondary cities in the poorer provinces, particularly their capacity to diversify the economic base and create competitive advantage.

Figure 13.7 Industries driving provincial secondary city economies shows a breakdown of the industry drivers for the provinces of South Africa. Only five economies, Western Cape, Eastern Cape, Gauteng, Mpumalanga and KwaZulu-Natal, have a significant manufacturing industrial base underpinning the development of the economies of cities in these provinces. Mining is a significant driver of economic development in five provinces, but the economic spin-off and profits tend to benefit corporations headquartered in Johannesburg and elsewhere. The inability to create more value-adding activities in more impoverished regional secondary-city local economies, especially those with high population growth rates, has given rise to significant growth of informal-sector trading activities, with flow effects into the domestic services, construction and transport sectors.

A significant challenge for secondary cities in the provinces is the issue of competitiveness. Most secondary cities have not been able to create a competitive advantage, partly because the maintenance of strategic infrastructure has been lacking; creative and social capital have been lost as a result of skills, interregional and international migration; reform of local government and replacement capital capacity buying have been slow; and corruption has become problematic. Overcoming these challenges at the city level is crucial, but it also requires clear policy direction and support from the central government. It also requires a more significant effort by all levels of government in the development of the domestic market to replace jobs lost in export-orientated industries. Collaborative governance in the development of shared systems of knowledge, information, and policy, and pooling resource between local governments through the development of city networks is crucial to create scale and critical mass in order to overcome the competitive position enjoyed by the country’s primate cities.

FIGURE 13.7 | Industries driving provincial secondary city economies

13.3.3 National Policies on Urbanisation and Secondary City Development

Post-apartheid, South Africa adopted several policies to guide its urbanisation. While these include a wide array of legislation and policies that govern planning, there are no specific secondary-city development policies. All new policies have their roots in the Constitution of the Republic of South Africa No. 108 of 1996. Of interest is the layered approach to these urbanisation policies. Those relating to local and district government were consolidated first, with provincial and national development policies following soon after.

The Constitution of 1996 assigns municipal planning responsibility to municipalities. The Municipal Systems Act No. 32 of 2000 sets municipalities’ requirements to adopt the integrated development plan or IDP. Other no lesser significant legislation includes the earlier Development Facilitation Act No. 67 of 1995 (DFA), the Less Formal Township Establishment Act No. 113 of 1991, Planning Acts and Ordinances in the provinces (Forbey, 2011, pp. 5-6). More recent planning acts include the Spatial Planning and Land Use Act (SPLUMA) Act 16 of 2013 and the Integrated Urban Development Framework of 2016 (Department of Cooperative Governance and Traditional Affairs, 2016).

In terms of unitary urbanisation policies, the transformations were initiated by adopting the IDP that was introduced in its first guise in 1996 in local, district and metropolitan municipalities. The IDP has been described as “the centrepiece of planning, intended to provide strategic guidance to newly constructed municipalities and link and coordinate the many different sectoral plans and planning processes. The IDP was the product of international trends and influences, and the specific South African context” (Harrison, 2001, pp. 175-193). The IDP over the past two decades has been amended, with several crucial policies added.

"The NSDP was a framework to encourage interaction and coordination between departments and spheres of government."

While South Africa does not have a secondary cities policy framework, other mechanisms that support decentralisation and devolution of national development have been incorporated into policy frameworks for secondary cities. South Africa’s National Spatial Development Perspective (NSDP) of 2006 is the national level’s predominant urbanisation policy. Its policy pronouncements may impact the country’s secondary cities.

The NSDP was a framework to encourage interaction and coordination between departments and spheres of government. Its aim was “to eradicate the damage wrought by decades of colonial and apartheid manipulation of settlement patterns and economic activity in South Africa.” (National Spatial Development Perspective, 2006:i) The NSDP provides a framework for a far more focused intervention by the central government in equitable and sustainable development especially to drive local economic growth, buoyant and sustained job creation, and eradicating poverty.

Furthermore, the NSDP perspective identifies key localities throughout the country whose growth and development performance are crucial to attaining national objectives. In essence, the NSDP 2006 provides the methodological tools and principles to focus on government decisions on infrastructure-investment and development spending. The NSDP 2006 provided a framework for deliberating the future development of the ‘national space economy’ and recommends “mechanisms to bring about optimum alignment between infrastructure investment and development programs within localities”.

The NSDP is not a national development plan: nor does it predetermine what should happen where, when and how. Instead, it introduced principles and the notions of need and potential as a common backdrop against which investment and spending decisions should be considered and made. The NSDP notes that “while the
NSDP provides an initial interpretation of the potential of different localities and sectors, this is not a definitive measure. Provincial Growth and Development strategies (PGDSs) and Integrated Development Plans (IDPs) will need to provide more rigorous assessments of potential by combining the NSDP’s initial interpretation with local knowledge and research (NSDP, p.i). Through interaction and discourse, these provincial and municipal planning instruments define each locality’s development potential.

Unfortunately, the NSDP has not been effective in achieving the outcomes it sought to achieve. The global financial crisis and the COVID-19 pandemic have had very damaging and long-term impacts on the planning system’s ability to achieve sustainable development outcomes. There is a need to review the framework and set a new pathway for development in South Africa. There are calls for greater differentiation in national development policy and programmes that support metros, secondary cities and small towns in different, more targeted ways (SACN, 2016, p. 416).

The progressions towards national spatial development policies were introduced in parallel with those adopted by IDP, including the Provincial Growth and Development Strategies (PGDS) (2007). The PGDS was a policy confined explicitly to how each of the new nine provinces would align the national developmental agenda with provincial planning to exploit their respective resources and potential economic spaces.

There is growing debate about the effectiveness of past policy interventions on development at the local, district, and provincial levels. There has been criticism of the IDP, with an assessment that a utilitarian delivery of goods and services perspective from a practical viewpoint has been disappointing. Another research outcome pointed to the IDP “losing the battle for sustainable development” (Hlongwane, 2011). What Hlongwane (2011) is trying to convey is that the IDP process speaks of desired developmental values, but faces challenges in its interpretation and implementation — 282 the failure of the IDP is due to the lack of in-depth participation and management of local developments from the viewpoint of all stakeholders. In other words, change for the poor will not see the light of day if the IDP is not more inclusive and better managed professionally. A review conducted in 2017 found “municipalities are continuing to perform poorly” (Adonis & van der Walt, 2017). However, this is not a blanket indictment of all municipalities: some are performing well, whilst many others are not accomplishing much.

Like the IDPs, Provincial Growth and Development Strategies (PGDS) has been criticised with regards to its policies. The roles and intended contribution of PGDS to provincial resource planning outcomes linked to local economic development is not self-evident (Anyumba, 2009). The NSDP role in decision-making has become obsolete and detached from the realities of a much-changed economic and social situation in South Africa. South Africa’s planning policies are not focused on secondary cities, but rather on local and district municipalities, provinces and the national space economy. Secondary cities’ importance as intermediaries in supply chains, logistics systems, and economic hubs seems to have been overlooked in national spatial and economic development policy. What is needed is a better-aligned framework for developing a stronger national system or network of cities.

13.4 Issues and Challenges Affecting Secondary City Development

Many issues and challenges are affecting the development of secondary cities in South Africa. Various studies and reports have documented these. (Marais et al., 2014, Van Huyssteen et al, 2016) However, several critical issues facing the current management and development of secondary cities are the COVID-19 pandemic and its recovery and urban governance, connectivity, and human capital development.

13.4.1 COVID-19

The COVID-19 pandemic has had a devastating impact on South African cities, resulting in the continent’s highest infection and death rates. The country response to combatting the disease was hampered by the poor capacity of health services, lack of protective gear and access to vaccines. The large cities have been most affected due to the concentration of urban development and the high levels of commuting using public transport in Gauteng
and Cape Town. The spreading direction in South Africa has been based mainly on adjacent areas to neighbours (Arashi et al., 2020). In secondary cities, those clustered around the country’s largest cities have been hit hardest by the disease. Regional secondary cities and towns have tended to be impacted less severely because of interstate and intercity travel restrictions.

While secondary cities have been less affected than large cities, economic recovery may prove difficult. Holiday and weekend-getaway cities, commuter, mining and large cities and towns situated on roads such as the N1 and N3 are likely to be impacted by reduced traffic and less spending on everything from food retail to accommodation (Ramalepe, 2020). Few of these cities have the funds or capacity to support economic and social recovery. This gap needs to be filled by the state and national governments — as most secondary cities and towns are not in the financial position to absorb any increase in local taxes. Many years of under-investment in infrastructure maintenance and upgrading make it challenging to restore and expand urban services’ capacity. Urban governance in secondary cities is also weak. And the parochial nature of local governments wanting to ‘go it alone’ makes the idea of collaborative governance and resource sharing hard to introduce. There is a need to introduce new governance, education, and employment-creation arrangements and mechanisms to support post-COVID-19 recovery. These measures are crucial to developing more diverse, self-reliant and risk-responsive economies in the post-recovery response to the crisis (Roberts & Drake, 2021).

### 13.4.2 Governance

Urban management, planning and consultation, and governance of municipal jurisdictions have received considerable attention from the South African Auditor-General’s office (attention to poor governance) and other reports. During 1996–2016, there were notable improvements in service delivery, and cities had good strategies to facilitate economic growth and social development. However, many municipalities in South Africa are not performing as expected because of problems including weaknesses in monitoring and evaluation systems; lack of consistent quality political engagement, administrative and management leadership; poor interdepartmental and intergovernmental linkages; and coordination problems. Lack of qualifications of councillors’ qualifications, training, time, and remuneration contributes to poor oversight by councillors and political structures.

The 2016 State of South African Cities Report (McLennan et al., 2016) finds a mixed performance on the way “agreements, procedures, conventions or policies that define who gets power, how decisions are taken and how accountability is rendered” (Graham et al., 2003, p.3). South African cities have generally adhered to laid down structures and governance processes, i.e., municipalities hold timely and regular elections and have representative committees. The requirements for public participation were adhered to, plan-making through the IDPs were systematic, and municipal audits were executed. However, there are often violent confrontational exchanges during municipal processes. Questions have been raised about the performance of governance indicators, such as overlapping intergovernmental responsibilities, the ward system’s failure as a vehicle of participation, and competent people’s appointment to authority positions.

A report in 2018 on the monitoring and evaluating of South African municipalities found that local governments with clean audits showed robust oversight systems and leadership (Mello, 2018). Other local governance good practices identified in the report were as follows: improving civic education in the nomination and election of councillors, pairing underperforming municipalities with best-performing municipalities, improving continuing education for councillors, and improving the monitoring of interventions and the transitions after interventions. These are all good practices that have been identified in well run local governments of secondary cities. Many of these best practices have not been implemented, however, in part due to the interruption of COVID-19.

In another study of local government in South Africa, a picture of partial success and systemic failure of municipalities was identified (Siddle & Koeller, 2016). The findings point to challenges around the governance of large cities and small municipalities. Many smaller municipalities are not capable of executing their developmental duties. Citing the Department of Cooperative Governance, Siddle and Koeller state that “only one-third of South African municipalities are performing their functions ‘at least adequately’; one-third are ‘fairly functional’; and the remaining third are ‘frankly dysfunctional’. Financial management is inadequate, service delivery is poor, and corruption is rife. There is a general perception that local government has, to a significant extent, not delivered on its constitutional developmental mandate” (Siddle and Koeller (2016, p. iii). Without radical reform, the present
framework for local government, and thus governance, cannot deliver its developmental mandates. There is a need to focus specifically on municipal administrations’ strategic, organisational and political challenges and the obstacles to effective interaction between key actors in developing an effective municipal data-technology ecosystem (Ranchod, 2020). These measures are crucial to improving urban governance in all South African cities, not just secondary cities.

13.4.3 Connectivity and Logistics

Connectivity is generally associated with transport, logistics and telecommunications, although there is no unanimity in meaning (Topolšek et al., 2019). The significance of connectivity is that seamless functioning logistics, both within a country and internationally, is necessary for national and implicitly regional competitiveness (Ojala, 2016). Connectivity is also reliant on good business connections, knowledge networks, and governance systems, ensuring the information can be widely disseminated efficiently and quickly.

13.4.3.1 Connectivity

South Africa still has one of Africa’s best-connected transport and communications infrastructure networks in infrastructure connectivity. Figure 13.8 shows South Africa’s major road, railway, airports and seaport infrastructure systems to neighbouring countries, national cities and towns. Within cities like Johannesburg, there are well-developed local commuter rail and privately run transport systems.

FIGURE 13.8 | South Africa’s connectivity infrastructure

Unfortunately, over the past two decades, South Africa’s transport systems have been neglected, impacting both national and regional competitiveness and services quality. Its railway system once constituted approximately 80% of Africa’s total railway network. Rail has been in decline, with almost all the once-thriving branch lines closed. According to African Railway Systems, a railway supplier, “The country’s rolling stock is aged and in poor conditions” (Oosthuizen, 2018). South African Airways, the national airline services, were one of the best in Africa, but it has faced severe difficulties. The government first bailed it out in 1994, and it has not returned a profit since 2011. The COVID-19 pandemic has added to its challenges. Many regional airline services are no longer offered or have reduced their services. Durban (eThekwini), South Africa’s leading maritime port, is losing clients to other South African ports. The decline in transport services networks is having a significant effect on national competitiveness and productivity performance (Kock & Petersen, 2016). The 2015 Master Card African Cities Growth Index shows that all major cities in South Africa have had a marked decline in their competitiveness and performance rankings, falling to the bottom of the medium to low growth cities: for example, Gqeberha is at low growth levels (Angelopulo, 2015, p. 38).

Compared to other parts of the continent, secondary cities in South Africa have the advantage of location (Marais, et al, 2014) and relatively good connections. Key components of location include:

- transportation and communication networks linking to rural hinterlands and larger urban areas,
- good access markets, transport and logistics services,
- trade and cooperation with regional towns and cities, which many secondary cities in the country have had.

Re-building locational advantage and nationwide transport infrastructure, in light of long-term economic structural decline and transformation to a post-apartheid economy, is crucially important to South Africa’s long-term economic recovery and to the recovery of the nation’s entire network system of cities.

South Africa’s Economic Reconstruction and Recovery Plan (GSA, 2020, p. 37) places a strong emphasis on “promoting greater private sector participation in rail, including granting third-party access to the core rail network and the revitalisation of branch lines”. However, the plan has little about connectivity, other than about the national broadband network. The role of connectivity between the national systems of cities in enhancing trade development, investment, and travel as well as the roles of cities (especially secondary cities) as the regional economic drivers of development are areas the national recovery plan needs to address as the plan is implemented and revised.

One strategic advantage South African cities and businesses have had is business connectivity. South Africa had the leading and most sophisticated business and economic connections in Africa, with global links to the United Kingdom, the United States, Europe and Middle Eastern countries. It still has good networks and business connections in gold, diamonds and financial industries, but these are declining. Unfortunately, there has been substantial skill and human capital loss through emigration in the post-apartheid era. South Africa still has a well-developed diaspora network and has seen some human capital loss made up by professionals and other skills migration from other parts of Africa. Subsequently, the loss of skills and business connectivity in the World Bank ranking of countries for ease of doing business (based on the 2019 scores) has seen Nigeria overtake South Africa with Rwanda closing the competitive gap. Egypt, Botswana and Namibia have higher rankings than South Africa (World Bank (n.d.).

In terms of connectivity of trade and cooperation between regional towns and cities, South Africa’s government has a local economic development (LED) ‘chapter’ as part of its municipal based IDPs. For over 20 years, the ‘LEDs’ have had mixed success, arising from the complexity of visions, programs, management execution and the concentration of effort on larger South African cities. These LEDs are specific to a given municipal jurisdiction, inward-focused and generally not shared across municipality boundaries. However, a hybrid form of LED strategy is in the process of emerging to support regional and local economic development (RLED) (Houghton, 2017).
13.4.3.2 Logistics

Before the 2010 FIFA Soccer World Cup, South Africa’s transport and logistics were rated as highly favourable and assessed as the best performer in Africa for trade facilitation logistics. However, over the past decade, transport and logistics services have declined. The decline has substantially impacted secondary cities outside the Gauteng city conurbation, which generally has good transport and logistical support systems. The impact of this decline has been significant to the development of secondary cities in that (Ittmann & King, 2010):

- Up to 2004, there was no country-wide measure of logistic costs.
- The basic structure of logistic services in South Africa was focused on the Gauteng cities. The country’s main economic activities are located in coastal port cities of Cape Town, Gqeberha, East London, Durban, and Richards Bay, which advantages these cities over inland secondary cities.
- The country’s poor economic state, especially in rural municipalities, adds to logistics costs, which will rise in the future unless more innovative and more intelligent systems are adopted.
- Specific freight types on the long-distance corridors should be encouraged to move from road to rail, accompanied by the feasibility of re-introducing the abandoned railway network that serviced secondary cities.

The failure of South Africa’s freight railway to capture the freight market was due to the absence of government policy related to road and rail modes of freight transportation and the lack of market intelligence to inform policy (Havenga et al., 2014). The result is that hundreds of small railway towns, including most secondary cities, lost not only their links but their relative competitiveness regionally and nationally. For example, in the Western Cape Province, stakeholders have become concerned about the need for spatially wider/trans-municipality jurisdictions (Western Cape Government Transport and Public Works, 2019). There is a need to create synergies between regional and local economic development partnerships. This overdue acknowledgement of the significance of economic development on a sub-national level serves as a starting point for consideration of inter-local and intra-regional planning.

In the northern part of the country at Polokwane, in keeping with the standard LED format, concerns have been raised about the disconnect between service providers and youth seeking to go into enterprise. This has resulted in innovative conceptualisations, which are still in their formative stages, but hold the prospect of connecting small towns and cities, exploring trade between them and the larger regional economic space.

13.4.4 Human Capital Development

A well-developed and diversified pool of human capital is a crucial element of soft infrastructure needed to support and maintain competitive and well-functioning cities and regions. The loss or ‘brain drain’ of human capital resulting from emigration is a significant challenge for South Africa’s future development (SAMP, 2000). South Africa is suffering a debilitating skills shortage (Rasool & Botha, 2011). Many of these skills and the knowledge base and networks that go with these emigrants cannot be replaced easily or readily. It takes many years to fill corporate capital and knowledge loss in public and private sector organisations. The problem is not a new one. Official figures dating back to 2001 indicate that South Africa had lost six times more professionals and technicians than it had gained. Since then, it has lost approximately 20% of its skills through emigration, and 70% of skilled South Africans consider emigrating (Rasool & Botha, 2011). More than 23,000 net losses, primarily skilled people, have been leaving the country annually (Stats SA, 2019).

For secondary cities, the human capital loss is even more challenging because of skills losses in the major cities and the difficulty of recruiting skilled people away for larger cities. Many secondary cities in South Africa are facing very severe skills shortages. Many of these skills need to be replaced by more innovative governance systems and virtual technology as fast as possible. Smart governance calls for improving urban management through enhanced data-informed decision-making and the commensurate inclusion and participation of civic actors in this process (Ranchod, R. (2020).
A key element in the post-COVID-19 recovery is the need for central government special funding to support technologies to enhance data-informed decision-making and upgrade e-governance. Collaborative governance arrangements are needed to overcome human capital losses in the public sector and encourage collaborative business partnerships in order to build a critical mass of skills in the private sector. This message is a finding from Rwanda’s World Bank Group study on human capital development in that country (World Bank, 2019), which can be applied in South African cities and municipalities. The report also confirms the prominent role of human capital in any future development strategy for cities and regions in providing basic equality of opportunity for people, as well as the importance of education in building robust social protection systems for its most vulnerable citizens. The provision of health infrastructure and public services is also an essential means of raising productivity and inclusion, as is empowering the female gender through education and the base of human capital.

13.5 Case Study Nelson Mandela Bay Municipality (Gqeberha)

Nelson Mandela Bay Municipality (Gqeberha) is South Africa’s sixth most populous city. It is a major seaport and South Africa’s second-oldest city. The city’s economy is underpinned by the automotive assembly, manufacturing and rural export industries. It is a city undergoing significant structural adjustment and stress, with the collapse of the automotive parts and assembly industry. Restructuring and rebuilding the economy and prosperity is a challenge, with problems and issues not dissimilar to those facing the United States and the United Kingdom in the late twentieth century. The case study provides an excellent example of cities facing a dual challenge: middle-income countries dealing with structural adjustment change and growing population pressure caused by rural-urban migration. In this respect, it is unique to Africa, but many of its challenges are not dissimilar to those experienced in Latin American countries (Roberts, 2020).
The case study begins with a profile of Gqeberha/Nelson Mandela Bay Municipality, including socio-demographics, governance, urban development, infrastructure and urban services, logistics, human capital, economic development and environmental features and development challenges. Table 13.6 is a profile of urban indicators related to its management and development. The case study then outlines some policy initiatives for the city's development, which resonate with the needs of other secondary cities in South Africa.

### TABLE 13.6 | City profile

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Area</strong></td>
<td>What is the estimated urban area of the city?</td>
<td>1,959 km² built-up area 136 km² (Africapolis)</td>
</tr>
<tr>
<td><strong>Demographics</strong></td>
<td>What was the estimated population 2020?</td>
<td>1,271,776 (STATS SA 2017)</td>
</tr>
<tr>
<td></td>
<td>What was the population in 2000 or the last census</td>
<td>1,176,079 (2010)</td>
</tr>
<tr>
<td></td>
<td>Is the city's share of the national population growing?</td>
<td>2.3% (2017)</td>
</tr>
<tr>
<td></td>
<td>Estimated density of population</td>
<td>1,190 pp km² to 470 pp km² – Average density is 646 pp km² (2017)</td>
</tr>
<tr>
<td></td>
<td>Has population density in the city increased or decreased?</td>
<td>Varies with areas. Overall feeling that there is the need to increase population densities (2017)</td>
</tr>
<tr>
<td><strong>Economic Strength</strong></td>
<td>What is the city's estimated GDP?</td>
<td>R 128 billion (2018)</td>
</tr>
<tr>
<td></td>
<td>An estimate of how fast is the economy-growing pa?</td>
<td>Peaked at 4.32% (2010) down to 1.03% (2018). Average at 1.49% per annum</td>
</tr>
<tr>
<td></td>
<td>What is the fastest-growing sector of the economy?</td>
<td>Manufacturing – 23.2% GVA (2018)</td>
</tr>
<tr>
<td></td>
<td>What does the city mostly export or trade?</td>
<td>Motor vehicle industry</td>
</tr>
<tr>
<td></td>
<td>What does the city mostly import or consume?</td>
<td>Motor vehicle assembly parts</td>
</tr>
<tr>
<td><strong>Income Levels</strong></td>
<td>What is the estimated average income per month?</td>
<td>R 43,580 (2010).</td>
</tr>
<tr>
<td></td>
<td>How much higher are incomes in the capital city compared to the city?</td>
<td>Highest earners R 2,457,601 per month. (0.3% of pop); Middle earners, R19,601-38,200 pm (15% pop) &amp; No income 15.8% of pop)</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td>How many people are employed in the city by industry sector?</td>
<td>No data</td>
</tr>
<tr>
<td></td>
<td>How big is informal sector employment?</td>
<td>66,000 or 25.485% est.</td>
</tr>
<tr>
<td></td>
<td>What is the unemployment rate?</td>
<td>36.6% est. (2011)</td>
</tr>
<tr>
<td></td>
<td>Is there a reliance on remittances to supplement household income?</td>
<td>Not registered in documents</td>
</tr>
<tr>
<td><strong>Poverty Rate</strong></td>
<td>Estimate % of households that are living below the poverty line. Is there any Gini Coefficient data?</td>
<td>No Gini Coefficient data</td>
</tr>
<tr>
<td></td>
<td>What is the Gini coefficient</td>
<td>0.628</td>
</tr>
<tr>
<td><strong>Public Finances</strong></td>
<td>What is the budget of the municipality?</td>
<td>Est. Capital Budget US$285,052,513</td>
</tr>
<tr>
<td></td>
<td>Operational Budget US$2,074,552,859</td>
<td></td>
</tr>
<tr>
<td></td>
<td>What are the primary sources of funds and expenditure?</td>
<td>Government grants – 66.16% (2020/21)</td>
</tr>
<tr>
<td></td>
<td>Internal funds – 30.64% (2020/21)</td>
<td></td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td>What % of the city population has access to potable water?</td>
<td>97.68% of households in formal human settlements</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has good sanitation?</td>
<td>97.29% of households in formal human settlements</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has waste management collection</td>
<td>87.8% of households within the urban edge</td>
</tr>
</tbody>
</table>
13.5.1 Land Use

Nelson Mandela Bay Municipality covers 1,959 km², of which 136 km² in 2015 was a built-up urban area. Around 60% of the municipality remains in its natural state. Figure 13.9 shows the land-use pattern of the city. The city's developed area is a mix of low-medium density (5794 km²). Its layout takes the shape of two urban development fingers moving inland and one development north along the coastline. The port forms the primary focus of the city and its historical centre. There is an extensive area of farming land under cultivation to the west of the city.

13.5.2 Social-Demographics

The Socio-Economic Review and Outlook (2017) provides a social-demographic profile of NMBM and provides insightful information. However, much of the information is more than 5 years old (Nelson Mandela Bay Metro Municipality, 2017). The most recent South African census was scheduled to be conducted in 2021. However, due to the Covid pandemic, it was postponed to February 2022.

13.5.2.21 Population
Table 13.7 shows the estimated population for NMBM 2009–2019. The estimated population in 2019 was 1.334 million (NMBM, 2020a). Between 2009 and 2019, population growth averaged 1.47% per annum, which is very similar to South Africa’s growth rate as a whole (1.61%) and double that of Eastern Cape Province. However, of interest was the peak of annual population growth in 2011 and a subsequent decline in the population growth rate up to 2019.

### TABLE 13.7 | Nelson Mandela Bay Municipality 2009–2019 Population

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Increase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1,157,431</td>
<td>1.5</td>
</tr>
<tr>
<td>2010</td>
<td>1,175,283</td>
<td>1.5</td>
</tr>
<tr>
<td>2011</td>
<td>1,194,911</td>
<td>1.7</td>
</tr>
<tr>
<td>2012</td>
<td>1,214,601</td>
<td>1.6</td>
</tr>
<tr>
<td>2013</td>
<td>1,233,583</td>
<td>1.6</td>
</tr>
<tr>
<td>2014</td>
<td>1,252,054</td>
<td>1.5</td>
</tr>
<tr>
<td>2015</td>
<td>1,270,048</td>
<td>1.4</td>
</tr>
<tr>
<td>2016</td>
<td>1,287,100</td>
<td>1.3</td>
</tr>
<tr>
<td>2017</td>
<td>1,303,901</td>
<td>1.3</td>
</tr>
<tr>
<td>2018</td>
<td>1,319,631</td>
<td>1.2</td>
</tr>
<tr>
<td>2019</td>
<td>1,334,883</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Source: NMBM (2020).

#### 13.5.2.2 Age Profile

The population of Nelson Mandela Bay Metropolitan Municipality is predominantly youthful, with an average age of 26 years old (Nelson Mandela Bay Metro Municipality, 2020b). Figure 13.10 shows the age population pyramid. The younger age groups make up a larger portion of the population, with the 0–9 year old group making up 20% of the total population, followed by the 10–19 year old age group at 18%. Only 1% of the population are over 80 years of age (Nelson Mandela Bay Metro Municipality, 2020b). The female population is higher than that of males, 51% to 49%. The population by groups is 60% of Black Africans, 24% Coloureds, 15% White and 1% Indian or Asian. The household numbers in NMBA increased from 297,000 in 2006 to 353,000 in 2016, an annual growth rate of 1.76%. The average household size was 3.65 compared to 3.9 for Eastern Cape and 3.3 for South Africa as a whole.
FIGURE 13.10 | Nelson Mandela Bay Municipality Population structure of 2016 and 2021


13.5.2.3 Public Health

Two diseases that have hit Nelson Mandel Bay Metro Municipality hard are HIV/AIDS and COVID-19. The extent of the population with HIV/AIDS is high, although it is extremely difficult to determine the rates, due to the secrecy of voluntary disclosure and cultural viewpoints involving those affected. Nelson Mandela Bay Municipality has been very proactive in supporting programs to combat HIV/AIDS. It has introduced measures to assess adult HIV prevalence rates, the speed at which the virus progresses, age distribution of the virus, mother-to-child transmission, child treatment, adult treatment, ARV treatment, etc. Estimates for the municipality provided by the Actuarial Society of Southern Africa (ASSA-2008) HIV/AIDS model showed HIV and AIDS numbers growing at 2.01% per annum between 2006 and 2016. The figure shows a rising number of people infected by HIV in the municipality. However, the AIDS-related deaths have declined from a peak of approximately 5,300 in 2008 to about 2,100 in 2020.

The COVID-19 pandemic coincided with a severe drought that significantly affected the municipality in late May 2019. The impact on the municipality’s business and especially tourism-related services such as hotels has been very severe, as the city is a popular holiday destination. The municipality’s revenue services have had a very negative impact on the city’s finances. The city is estimated to have lost 75,000 jobs as a result of the pandemic.

The principal reason for the rapid spread of the disease in the municipality was minimal compliance with COVID-19 safety protocols. Livingstone Hospital, a leading medical institution in NMBM, had only 10 doctors. Most cases were from the active 20–64 year-old population cohorts.

The Disaster Management Joint Operations Centre (JOC) establishment was one of the municipality’s responses to the COVID-19 pandemic. ‘Work streams’ of the JOC included the City-Wide COVID-19 Readiness Plan and the COVID-19 Economic Recovery Strategy for the city (see below). The city was also innovative in establishing a COVID vulnerability index used as a predictor of localised hot spot activities. As noted earlier in the chapter, neighbours’ proximity has been a significant factor in the spread of the disease. The municipality has developed a comprehensive set of integrated strategies in a recent development plan, the City-Wide COVID-19 Readiness Plan and COVID-19 Economic Recovery Strategy, which contains a series of measures designed to minimise the impacts and support the economic recovery from the pandemic (NMBM, 2020a, p. 304).
13.5.3 Governance

Governance in the South African municipality system takes on a multiplicity of facets. Governance is regarded as an arena of internal institutional challenges, it relates to issues of quality of decision-making by local government councillors, the quality of appointments, the lack of transparency, dysfunctional procurement systems, poor financial management and accountability and others (Jakoet-Salie, 2014). The municipal ‘Turnaround Strategy’ was a means of re-addressing municipalities that were essentially dysfunctional. In addressing the challenges, the department of Cooperative Governance and Traditional Affairs noted that forces undermining the local government system included the following; (i) systemic factors, i.e. linked to model of local government, (ii) policy and legislative factors, (iii) Political factors, (iv) Weaknesses in the accountability systems,(v) Capacity and skills constraints, (vi) Weak intergovernmental support and oversight; and (vii). issues associated with the inter-governmental fiscal system. (CoGTA (2009, p.3). The objectives of Local Government Turnaround Strategy (LGTAS) were to restore people’s confidence in municipalities as the primary machine of the developmental state at a local level and, re-build and improve basic requirements for a functional, accountable, responsive, efficient developmental local government’ (Parliamentary Monitoring Group, 2010).

The concerns and weaknesses in the LGTAS in the municipalities in which it has been executed included:

- the dire leadership and governance challenges in municipalities that include weak responsiveness and accountability to communities.
- the financial mismanagement of many municipalities is attested by the Auditor General’s annual reports.
- many municipalities are unable to deliver basic services or grow their economies as required by the law;
- the impacts of the legacy of apartheid spatial development patterns and inequity continues to manifest in municipalities.
- municipalities’ human resource capital is inadequate to ensure professionalism in services offered and
- positive relations between labour, management and councils. The result is the poor or non-support or encouragement of municipal structures, e.g., ward committees and community development workers, to enhance community participation.
- poor generic work ethics amongst certain government officials.
- intolerance of opposition by certain local municipalities, which impacted negatively on proposed strategies
- leadership and bureaucratic insecurity and the inexperience of many public functionaries, which posed a severe threat to its effective implementation
- inadequate capacity enhancement programs at the sphere of local government the lack of a dedicated resource base and adequate capacity-building programs.

The conclusion then was that the strategy’s implementation requires resources, flexibility and innovative thinking, which many municipalities lack (Kienast, (2010), Kroukamp, (2016) and Tshishonga, (2019).

In 2015/2016, the administration of NMBM was dysfunctional, resulting in marked underperformance in service delivery. Forensic audits confirmed the prevalence of corruption in the municipality. The appointment of a new executive mayor and the secondment of officials from national institutions positively impacted NMBM services efficiencies. Disciplinary measures were taken, and several implicated staff resigned. The new executive mayor recruited a professional team of managers. He investigated the causes of the municipality’s previous failures, moving towards creating a positive municipal environment that has resulted in positive governance (NMBM, 2016). To add to the challenges of the period, South Africa has a tradition of robust and defiant trade unions. Not helpful to the governance situation were the numerous illegal/unprocedural trade union strikes. However, persistent communication with unions by municipality management resulted in a significant reduction in unprocedural strikes.
13.5.4 Urban Development

Nelson Mandela Bay Municipality urban development is defined in its planned spatial structure – the Municipality Spatial Development Framework (NMBM, 2017a). The municipality’s development principles, contained in the Spatial Planning and Land Use Management Act, 2013 (SPLUMA), is made up of the following characteristics; spatial justice, spatial sustainability, efficiency, spatial resilience and good administration. In executing SPLUMA, NMBM applies urban planning and urban design concepts of urban corridors/activity spines as “structuring elements that reinforce a hierarchy of nodes” that have recognised development potential. These define different spatial developments of dissimilar intensities. Nelson Mandela Bay Municipality planners have favoured mixed-use activities within proposed development corridors. The municipality’s prime transport node activity facilities are its two ports, i.e., the older Gqeberha near the city centre and Port of Ngqura, a deep-water port in the Coega Special Economic Zone (SEZ) located 30 km north of the city centre.

More diversified mobility modes are also favoured to minimise travelling costs and the costs of transport infrastructure. Previously disadvantaged communities’ access to employment opportunities is one of the aims of the planned mixed-mobility infrastructure offerings. Transportation infrastructure aims to enable and enhance a more efficient city structure. In Gqeberha, the second oldest town after Cape Town, parts of its urban fabric are ripe for urban renewal. The broader objectives of the urban renewal programme include the general renewal of the nodal areas and initiatives to address the economic, social and security needs of the community in an integrated and sustainable manner.

Mandela Bay Development Agency (MBDA), a municipal-owned entity of NMBM, is an important soft infrastructure enabler to support its development. The MBDA implements programs and projects intending to kindle economic growth. Other entities include the Nelson Mandela Bay Business Chamber. This type of urban development includes urban renewal, exploring the potential of the arts, culture, heritage, and creative industries, promoting NMBM as the place to host international, regional and local events, exploit its beach frontage, and erect sports recreation infrastructure. The municipality supports the rural parts of NMBM’s economic development in tourism and agriculture.

13.5.5 Infrastructure and Urban Services

Before NMBM introduced its new turnaround strategy, which has been discussed above from a South African perspective, the city was affected by stoppages, which adversely impacted its infrastructure and urban services. There were significant delays with city-wide projects such as the integrated public transport system and the proposed Metropolitan Police. Service delivery, a measure of a success, had been underperforming. Tendering for infrastructure, most likely related to poor governance, was reported as extremely sluggish. This state of affairs caused critical roads maintenance to come to a halt.

Following the turnaround in 2015, urban services and facilities that were provided included the following (amongst others):

- 3,000 houses were built.
- 24 km gravel roads and storm water drains were built.
- Electrical connections were extended to 2,215 houses.
- The Nooitgedacht water supply was completed.
- Fishwater Flats Waste Treatment plant was completed; new vehicles for waste collection were procured.
- The rehabilitation of landfill sites has taken place.
- The Kragga Kamma Waste Drop-off Centre was renovated and is functional.
- High-mast lights have been equipped with energy-efficient light emitting diode (LED) fittings.

The public works programs created an estimated 7,000 short-term job opportunities. The municipality’s consultants advised NMBM to restrict illegal electrical connections and work on overdue accounts. These challenges are common in almost all South African municipalities and have their roots in the anti-apartheid protests, where non-payment for municipal services was encouraged (NMBM, 2016).
13.5.6 Logistics

Logistics is the organisation and implementation of complex operations, such as the flow of goods between the point of origin and point of consumption to meet market or consumers’ requirements. Gqeberha is a logistics point, with two ports for ocean-going merchandise; Gqeberha International Airport for international air travel and Uitenhage aerodrome for domestic air travel; and national, regional, and local roads such as the N2, R 102, R 75 and R 334. Several infrastructure projects to improve the city’s logistics structure were put in place from 2015 onwards in the municipality, including a revised traffic-management system. Plans prepared in 2015 also included a plan for universal Wi-Fi availability, the redevelopment of the former central business district, Baakens Valley, and King’s Beach. The most significant plan was the redevelopment of the Gqeberha Harbour.

Nelson Mandela Bay Logistics Park provides infrastructure and services to the automobile manufacturing industry. It assists manufacturers with reducing vehicle manufacturing costs and improves and enhances supplier competitiveness. It is a government project with the participation of the private sector and institutions. It claims the advantages of globally competitive prices and services, purpose-built facilities, and ICT-enabled and shared logistic services (COEGA Development Corporation, 2022). A Uitenhage Aerodrome project aims to develop it as an incubator hub for light engineering, logistics, and aviation activities. This regional airport is envisioned to play the same role that similar aerodromes/airports on the periphery of the Gauteng Province conurbation play for selective logistic needs.

13.5.7 Human Capital

In terms of human capital, the situation at Nelson Mandela Bay Municipality is similar to that of other South African municipalities. ‘Human capital in this context is characterised by Du Plessis (2016) as follows:

- Person-Job Fit – explained as the fit between a person’s abilities and the job’s demands and the fit between a person’s desires and motivations and the attributes and rewards of the job;
- Person-Organisation Fit – described as the fit between an individual’s values, attitudes and personality and the organisation’s values, norms and culture (Du Plessis, 2016:33-34).

Koma (2010:112), states, that the performance of numerous municipalities across the country has thus far clearly demonstrated a huge deficiencies as far as the fulfilment of both their constitutional and legislative obligations are concerned.’ Du Plessis, (2016:35) further highlights ‘tensions in the political-administrative interface’ as one of the key challenges to local government performing its tasks effectively and efficiently

In this regard, the National Development Plan (2011:366) also suggests a challenge for government by suggesting that there has been an erosion of accountability in local, national and provincial governments that needs to be addressed if a capable state is to be established and sustained. At this stage, local government in South Africa might be falling short. Du Plessis (2016) also notes that smaller municipalities have reportedly experienced problems when appointing new staff members because incorrect procedures were followed”.

13.5.8 Economic Development

The Profile and Analysis District Development (NMBM, 2020a) report provides a good insight into the structure and performance of Nelson Mandela Bay Metropolitan Municipality. The average annual growth in GDP for the municipality since 2008 has been about 1.49%, with 1.26% for the province and 1.5% for South Africa. The city had an estimated GDP of R 128 billion in 2018 (up from R 60.9 billion in 2008), contributing to approximately 34% of the Eastern Cape Province GDP.
### TABLE 13.8 | Gross value added (GVA) by broad economic sector – Nelson Mandela Bay Metropolitan Municipality, 2016 (R billions, Current Prices)

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Nelson Mandela Bay</th>
<th>Eastern Cape</th>
<th>National Total</th>
<th>Nelson Mandela as % Province</th>
<th>Nelson Mandela as % National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>0.4</td>
<td>6.7</td>
<td>106.1</td>
<td>5.40</td>
<td>0.34</td>
</tr>
<tr>
<td>Mining</td>
<td>0.1</td>
<td>0.4</td>
<td>350.9</td>
<td>15.70</td>
<td>0.02</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>23.2</td>
<td>43.6</td>
<td>572.9</td>
<td>53.20</td>
<td>4.05</td>
</tr>
<tr>
<td>Electricity</td>
<td>0.9</td>
<td>9</td>
<td>166</td>
<td>10.10</td>
<td>0.55</td>
</tr>
<tr>
<td>Construction</td>
<td>3.7</td>
<td>13.3</td>
<td>170.3</td>
<td>27.70</td>
<td>2.16</td>
</tr>
<tr>
<td>Trade</td>
<td>18.9</td>
<td>67.9</td>
<td>652.7</td>
<td>27.80</td>
<td>2.89</td>
</tr>
<tr>
<td>Transport</td>
<td>13.1</td>
<td>30.3</td>
<td>426.7</td>
<td>43.10</td>
<td>3.06</td>
</tr>
<tr>
<td>Finance</td>
<td>23.7</td>
<td>61.4</td>
<td>854.4</td>
<td>38.60</td>
<td>2.78</td>
</tr>
<tr>
<td>Community services</td>
<td>27.4</td>
<td>102.7</td>
<td>1,041.30</td>
<td>26.70</td>
<td>2.63</td>
</tr>
<tr>
<td>Total industries</td>
<td>111.3</td>
<td>335.3</td>
<td>4,341.30</td>
<td>33.20</td>
<td>2.56</td>
</tr>
</tbody>
</table>


Table 13.8 gives a breakdown of GDP by sector of the city’s economy. Community services, finances, and manufacturing are the main driving sectors of the economy. The manufacturing contribution has been falling, especially with the decline of the automobile assembly and parts industries. There are significant structural problems with the economy, which may take many years to recover and diversify. The enabling environment supporting manufacturing requires significant reengineering to attract more technology and intensive capital investment in more niche-based manufacturing. Should this occur, jobs in the manufacturing sector would not rise significantly, as has occurred in Asia.

Tertiary sector jobs will develop mainly in the construction, health, education, and environmental and domestic services sectors; however, substantial investment is needed in technical and para-professional services to create the skills to fill these jobs.

A key focus of economic development in NMBM is tourism; however, with COVID-19, this may take several years to recover, if at all. The performance of tourism from 2006 to 2016 has been a steady decline in business, leisure, and visiting friends and relatives. In 2016 domestic tourists made up 87% and international tourists 13% of tourists. Business and conference tourism face increasing difficulties as these sectors move to more online arrangements. Leisure tourism needs to diversify to compete with other destinations in order to grow tourism numbers post COVID-19.

The Nelson Mandela Bay Growth and Development Long-Term Plan 2017-2032 recommended developing industry clusters. These include automotive, ocean economy, agriculture, green economy, manufacturing, construction, small and medium-sized enterprises (SMEs), services, transport, tourism and education. Sector strategy workshops identified key issues for short, medium and long-term strategies (NMBM, 2017b). Industry cluster development is an internationally recognised means of stimulating economic development; but a critical factor in their success is creating enabling environments that reduce government red tape and foster collaboration and resource sharing to cover the cost of common user infrastructure and services.

Substantial improvements are necessary for the efficiency and effectiveness of the NMBM administration to strengthen the governance systems and strategic infrastructure of the enabling environment to support industry cluster development. These efforts entail:

- developing the capability and capacity of both the political and administrative components of the institution,
- developing a financially robust municipality that is customer-centric and proactively delivers ahead of expectations and demand,
• improving municipal internal skills, efficiency and customer focus,
• creating a community of partners within both the private and public sectors,
• adopting a zero-tolerance for crime,
• cleaning the city by embarking on a series of clean-up operations.

Growth and development plans are essential to strengthen the governance and enabling environment to support the development of the clusters. Implementation of such plans requires a commitment by NMBM to fund economic development officers with experience in industry cluster facilitation and development. Networks like The Competitiveness Institute (The Competitiveness Institute, 2022) can provide knowledge products, education and technical support for industry cluster development.

### 13.5.9 Municipal Finance

Nelson Mandela Bay Metropolitan Municipality’s financial position, even before COVID-19, faced significant financial challenges. Audit reports have indicated that issues such as leadership instability, poor management, and ineffective control systems have resulted in poor financial management. Over 72% of the municipality’s revenue is locally generated; the balance comes from transfers, mainly from National and Provincial government. Data on financial performance (see Table 13.9) shows that revenue has grown at only 3.39% in nominal terms, with declines in transfers and other revenues. Given that the average inflation rate in South Africa during this period exceeded 5%, the municipality has experienced a significant natural decline in its revenue base.

<table>
<thead>
<tr>
<th>TABLE 13.9</th>
<th>Financial revenue base of NMBM 2014/15 to 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property rates</td>
<td>2,117,762</td>
</tr>
<tr>
<td>Services charges</td>
<td>5,158,344</td>
</tr>
<tr>
<td>Investment revenue</td>
<td>146,946</td>
</tr>
<tr>
<td>Transfers - operational</td>
<td>1,366,322</td>
</tr>
<tr>
<td>Other own revenue</td>
<td>510,460</td>
</tr>
<tr>
<td>Total revenue (excluding capital transfers and contributions)</td>
<td>9,299,834</td>
</tr>
</tbody>
</table>


Analysis of the municipal budget shows a current debtor collection rate for revenue performance at 92%. There is continued overspending on the operating budget (11% in 2017/19), mainly in contracted services related to governance and administration. There was nearly 18% under-spending on the capital budget, despite the cash balance rising to more than R 3 billion. Spending on repairs and maintenance allocations in the budget has continued to fall, resulting in neglected maintenance of assets and infrastructure. Fruitless and wasteful expenditure has remained high.

Overall, a significant improvement in local government financial management is needed to restore NMBM’s financial performance and deliver more capital works programs. These actions are crucial to support COVID-19 recovery efforts, as capital works programs generate high economic and employment multiplier effects. There is also a need to restore outlays on maintaining infrastructure and other assets, including developing smarter systems and reengineering many of these to improve efficiency and longevity.
13.5.10 The Environment

In 2011, the first State of the Environment Report (SOER) for NMBM was published (NMBM, 2011). It comprehensively describes the state of the environment using indicators grouped into the following nine reporting themes:

- change in land that includes land-use, zoning, property sizes, open space per person, formal versus informal settlements and the extent of mining,
- climate change and air quality that is inclusive of trends in temperature, trends in precipitation, extreme events and air quality,
- biodiversity that includes ecosystem status: biodiversity pattern,
- the extent of formally conserved areas, ecosystem protection, metropolitan open space system, invasive alien trees,
- rivers, estuaries and the coast that includes conservation status, faecal bacteria at bathing beaches, river water quality, river degradation,
- bulk services: energy, waste and water reports energy, solid waste, liquid waste and water,
- poverty: an examination of the occurrence of poverty, quality of life and population growth,
- health, including access to primary health care facilities,
- environmental governance that includes recognising the IDP framework's environment, the fulfilment of the environmental management function, compliance with environmental legislation, and recommended responses.

Nelson Mandela Bay Municipality SOER has identified 58 vegetation types, 33 of which were threatened unless efforts were made to ensure their protection (NMBM, 2015, pp. 7-8). In 2014, the first Bioregional Plan for NMBM was prepared (NMBM, 2014). The plan's purpose was to provide a map of biodiversity priorities and accompanying guidelines to inform land-use planning, environmental assessment and authorisations, and natural resource management by a range of sectors whose policies and decisions impact biodiversity. The plan spatially depicts terrestrial and aquatic features critical for conserving biodiversity and maintaining ecosystem functioning. The Bioregional Plan essentially profiles priority biodiversity and effective management regimes. It was developed to minimise potential conflict between biodiversity and other land-use forms to the greatest extent possible. The plan's objectives are to:

- form the primary biodiversity informant for land-use and resource use decision-making,
- identify a network of critical biodiversity areas that achieve national biodiversity thresholds on the least amount of land possible,
- act as the spatial framework and policy for sustainable development and assist the municipality in complying with environmental and planning legislation requirements that promote biodiversity protection and management.

The Bioregional Plan is holistic, intended for use by all sector agencies involved in land-use planning, decision-making, and multi-sectoral planning. The users of the Bioregional Plan include mandatory users, including environmental impact assessments, agricultural land-use decisions and development control decisions through land-use legislation (e.g., rezoning, planning approvals etc.); as well as users involved in proactive, forward-planning, such as IDPs, SDFs and zoning schemes; and proactive conservation, such as biodiversity stewardship initiatives and the expansion of protected areas. The Bioregional Plans are commendable, but they still do not address planning situations where the arguments for biodiversity receive a hostile reception, such as informal settlement squatters illegally occupying prime land of high biodiversity significance.
13.5.11 Development Opportunities for Supporting Post-Covid Recovery in NMBM

While NMBM and other secondary cities face many development challenges, many opportunities exist to change the mind-set and policy settings to create more sustainable development and new jobs, as well as improve the city's well-being and province. These opportunities apply to other secondary cities too.

13.5.11.1 Support for Stockvels

For residents living in secondary cities and smaller regional urban centres, access to finance is difficult compared to the larger cities. The larger cities of South Africa are substantially wealthier than secondary cities with a broader range of personal credit facilities. Nelson Mandela Bay Municipality should permit alternative self-help housing, enlarge the logistics footprint, explore incorporating the informal-sector economy to open up opportunities to low-income populations to create micro-enterprises and build homes, and support Stockvels. Stockvels are clubs of twelve or more people who serve as rotating credit unions or saving schemes in South Africa, where members contribute fixed sums of money to a central fund weekly, fortnightly, or monthly. Stokvels or local credit unions are supported widely in South Asia to create community credit and avoid the need of the poor to rely on private money lenders that charge exorbitant interest rates. There are estimated to be about 820,000 stokvels in South Africa, with a membership of 11.4 million, handling over R 44 billion per annum (Rawal, 2020).

13.5.11.2 Self Help Housing

The South African government has built a record number of housing units for the poor through the Reconstruction and Development Programme (RDP) established in 1994. By 2014, according to Statistics South Africa, the government had built 3.9 million RDP houses out of 16.9 million subsidised housing units. However, studies indicate that RDP housing faces significant criticism that it is not meeting the criteria set for construction and occupation. Given that the RDP has not met the housing deficit, opportunities exist for NMBM to engage in partnerships with the provincial and national institutions to introduce affordable housing schemes to work with the private sector to develop alternative housing options.

13.5.11.3 Logistics

Public transport in regional towns and cities is expensive in South Africa, with households spending upwards of 10% of household income on travel. Innovative and simple ways to reduce transport costs in cities are needed to increase the disposable incomes of the poor. Motorcycle taxis are illegal in South Africa and Zimbabwe but are accepted as a legal means of mobility in many other African, as well as Asian countries. In some cases, unemployed men/youths get the motorcycle taxi industry going and provide services to millions in Africa's rural areas and cities. There is an opportunity to establish a motorcycle taxi industry in NMBM, engaging thousands of unemployed young people in work while offering 24-hour mobility to residents. Motorcycle taxis can also improve women's public safety at night, as drivers must use mobile apps to record passengers, routes and destinations. There is added value in supporting the logistics industry in delivering online purchases of goods to destinations not accessible by car. The motorcycle industry has unleashed innovativeness that adapts to local conditions such as overhauling engines, and repairs, fabrication of spare parts, undertake modifications to add new features like strengthened people and good carriers and offer marketing opportunities market women's food stalls at motorbike taxi pick up points. Africa's motorcycle industry offers direct and indirect self-employment. Although absolute numbers of people impacted is uncertain, but it is possibly in the tens of millions of people. Secondary cities in South Africa should learn from their African counterparts, and NMBM and other local governments could experiment with a pilot program.
13.5.11.4 Incorporate the Informal Sector in the Economy

South Africa’s economic structure is highly formalised, compared to other African countries. However, the informal economy also plays a significant role and contributes to many citizens’ livelihoods (Bruton et al, 2012). South Africa has struggled to accommodate this informal sector, but there is increasing recognition in African countries of the benefits from synergising the informal with the formal sector. This synergy is recognised by the International Labour Organization (2013), which provides the regulatory environment relating to the informal economy at the international and national levels and the requirement for policy frameworks that integrate the two economies.

The opportunities for opening up the economy to the informal sector in NMBM are significant. However, this requires a program of engagement with the informal sector supported by the municipality to develop interest groups using social media, with the informal workforce involved in creative industries, trades, domestic services, and construction. Once interest is created in these chat communities, this can lead to the development of knowledge networks for sharing ideas and business contacts. Nelson Mandela Bay Municipality and training institutes can then support the development of a network of small informal micro and individual enterprises that are interested in developing their informal business into the formal system by access to training, mentoring and business development programs.

13.5.11.5 Policies for the Development of the NMBM Economy

Three key policies are needed to develop the economy of NMBM. Firstly, local economic development as a policy should be expanded to embrace trans-municipality jurisdictions to create a new regional and local economic development policy, similar to those being experimented with in the Cape Province. The expanded policy would enable municipalities that share similar outlooks to development and resources to build synergetic relationships and leverage that as the basis of the successful network of systems of linked economies.

Secondly, there needs to be a change in the expectation that the local government will provide almost all municipal services. In many areas, such as housing and construction, the private and informal sectors may produce more appropriate and better value alternatives. This is especially the case in rural areas.

Thirdly, many entrepreneurs and innovators in cities and rural areas do not have appropriate mentors, facilities, or financial support to move their ideas to the next level. The number of research and innovation hubs growing at some of the country’s tertiary institutions indicates a significant talent pool with cutting-edge ideas that need support to develop those ideas into actual products, benefiting the economy.

13.6 Enhancing the Development of Secondary Cities in South Africa

As part of the research, inputs and advice was obtained from senior people involved in South Africa’s municipalities through a questionnaire about their challenges in developing secondary cities and towns in order to identify how to advance the development of secondary cities in South Africa. The overwhelming response was that there was no specific institution explicitly dedicated to addressing the issues and needs of these cities, and that this was a significant gap in national urban policy. However, institutions such as the South Africa Local Government Association (SALGA), South Africa Cities Network (SACN), Human Sciences Research Council (HSRC), Municipality Infrastructure Support Agent (MISA) and research units at tertiary planning institutions from time to time co-opt the secondary city theme (often implicitly), undertake seminars and workshops, and have produced research reports and other publications. Other ad hoc bodies and institutions that identify with secondary cities and the SA Cities Network enhance cities’ networking capacity. The SA Cities Network organization has recently increased its focus on secondary cities and their competitiveness.
The respondents to the questionnaire identified South African cities’ need to adopt more endogenous employment and economic growth and development policies and strategies. There is the recognition that South African cities have lost their competitive advantage and have been weakened by poor institutional governance and the loss of skills through migration. A new economic development model is needed for South Africa, focusing on cities’ collaborative advantage. This calls for cities and regions to become more networked in city partnerships for trade development between clusters of cities and regional towns to create greater economic sovereignty and provide a collective response to external risk hazards and events.

Municipalities’ LED strategies must create the engines for endogenous economic and community-related investments through IDPs. Secondary cities can no longer go it alone in seeking to compete based on a model of competitive advantage, adopting a winner-take-all-approach against other cities to secure LED opportunities. They must first address the concept that self-interest and parochialism is a no-win game. City LEDs must look to greater alignment of policies, programs, infrastructure and resource sharing with neighbouring municipalities. The major challenge is the lack of structures that enable cross-municipality economic growth linkages.

Key actions that were identified as needed by secondary cities in South Africa to support their development include:

- A national urban policy is needed that recognises the strategic role of secondary cities in the national system of cities as value-adding hubs, logistics and supply in the development of the national economy.
- The application of collaborative governance and clusters of clusters will foster local economic development and value-adding: These exist; however, they do not focus on secondary cities but are generic to local government and normally specific to a district. The view is that these are enabled through municipal systems structures, traditional leadership and that non-municipality institution such as the Cities Network and SALGA facilitate collaborative governance and cluster networking.
- Fostering the development of regional networks or corridor systems and clusters of cities, with the intent of developing subnational regional markets.
- Building communities of interest in secondary cities: Several international organisations and NGOs, such as the global network of cities, focus on resilience and climate change. Secondary cities can develop these for local economic development, social support, and environmental interest to improve secondary cities and neighbourhoods’ well-being.
- Information and knowledge sharing hubs exist, but at the national and metropolitan level. Examples are the eDurban portal, the Department of Agriculture, Rural Development and Land Reform’s spatial planning and information systems. Secondary cities can learn from Durban to develop local areas information and knowledge sharing networks and hubs.
- National, provincial and local chambers of commerce operate through South Africa. However, they are specific to government-defined territorial jurisdictions. There are opportunities for secondary city-focused institutions with cross border territorial jurisdictions.
- The development of smart/green/circular economies explicitly tailored to secondary cities could help foster regional innovation, specialisation and green business development initiatives.

The call for action by the government is needed to focus on secondary cities to support the growth of the national economy and equitable economic growth and development. Policy documents exist at the international, national, provincial and local level, which have an impact at the local level. However, there are no policies directed to secondary cities. The National Treasury’s Neighbourhood Partnership Development Grant (NDPG) programme supports all cites at the municipal level, but their funding tends to be for metropolitan municipalities’ projects. Some smaller cities (secondary cities) have benefitted in developing their respective economies and economic development. This program concentrates on CBDs and ‘underdeveloped’ areas in secondary cities without specifically being targeted to secondary cities.
13.7 The New Agenda for Secondary Cities in South Africa

Secondary cities are not a feature of national urban and economic development policy in South Africa. They are an essential part of countries’ spatial economic landscape and play a crucial role in local and national development. The national and provincial governments should give them greater attention when formulating national economic and urban development policies and infrastructure building programs. As South Africa seeks to work its way out of a dual economic and health crisis, secondary cities risk being left behind in the post-COVID-19 recovery efforts.

This chapter has identified some critical areas of concern related to urban, economic and social development governance, finance, infrastructure, connectivity, human capital development, land management and environmental issues of secondary cities in South Africa. Many of its secondary cities are falling behind the development of the country’s three major cities. The case study has provided an insight into the problems and challenges of urban management and governance; local economic development and challenges of structural adjustment; provision of basic infrastructure and services; and the problems of local health, social and employment problems. The challenges facing NMBM are witnessed in secondary cities throughout the country, but the situation is much worse in some cases.

South Africa is a country rich in natural and endowed resources. It has infrastructure, wealth and governance systems that are the envy of many African countries. However, it has lost its competitive advantage as many of its institutions, infrastructure, and support services networks fail to keep up with the demand of a young and increasingly urbanised population.

South Africa needs a new development agenda for its cities to ensure more equitable, inclusive and sustainable urban development. That agenda needs to define a clear role for secondary cities. Left unchecked, the current trends and patterns of urban development and policies will increase pressure on Gauteng and Cape Town metropolises and result in greater distortions to the economic geography and structure of the economy, income and human settlement patterns. At all costs, this should and can be avoided with better urban policy.
REFERENCES


COEGA Development Corporation. (2022) Available at https://coega.co.za/


The Dynamics of Systems of Secondary Cities in Africa

13. GQEBERHA/ PORT ELIZABETH: SOUTH AFRICA


ENDNOTES

(1) IDP in South African Planning means 'Integrated Development Planning' and not 'Internally Displaced Persons', as is the case in the other chapters of this book.


(3) Du Preez (2019) notes that many of the 820,000 stokvels operating in South Africa do not use a bank account to keep the savings they collect on behalf of an estimated 11-million South Africans. Research shows only 41% of stokvels make use of bank accounts.
TOUBA-MBACKÉ: SENEGAL
The Republic of Senegal is the westernmost country on the African mainland. Over 80% of the population lives in the western half of the country, and its capital, Dakar, has historically served as the gateway to West Africa (CILSS, 2016). Senegal has an area of 19,612 km² and surrounds the Gambia. The nation’s longest border is with Mauritania to the north; to the east, it borders Mali, Guinea, and Guinea-Bissau.

The estimated population of Senegal in 2021 is around 17.3 million, of which approximately 47.2% live in urban areas. The current urbanisation rate is about 3.3%. Senegal has 17 cities with a population of over 100,000; the capital, Dakar, had the largest population, at around 2.65 million in 2018. The country’s GDP in 2020 was US$66.438 billion, and the GDP per capita was US$1,675.

This chapter presents a case study of urbanisation and secondary city development in Senegal. The secondary city selected for this study is Touba-Mbacké because of its importance as an inland religious and cultural centre. Touba is a holy city emanating from Mouridism, and it is part of the Diourbel region and Mbacké district. It is the second most populated city after Dakar. It is located 200 km west of Dakar (Figure 14.1) (ANAT, 2016).

The Holy City of Touba is located close to the secular city of Mbacké. Both cities constitute a spatial continuum, and this bipole has been often called ‘Greater Touba’. Touba-Mbacké is experiencing relatively high levels of migration and urbanisation pressure.

**FIGURE 14.1 | Senegal National Plan for Planning and Territorial Development showing location of Touba-Mbacké**

Source: ANAT20

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14.1 Urbanisation and Secondary Cities Development in Senegal

14.1.1 Urbanisation in Senegal: A quick Historical Perspective

The advent of colonial rule was a catalyst to rapid urbanisation in Senegal and western Africa in general (World Bank, 2015). There were traditional cities in Senegal and other western African countries prior to the arrival of colonial rule—some of which still exist, such as Timbuktu—after the rise of empires like those of Mali, Ghana and Songhai, but intertribal wars, colonisation, and slavery were detrimental to the expansion of traditional cities.
The modern form of urbanisation in Senegal began in 1840 when the French declared Senegal a permanent French possession, abolished all forms of slavery, and granted full citizenship to those born in four Senegalese cities: Dakar, Rufisque, Thiès, and Saint-Louis. This enabled the people of Senegal to elect and send a deputy to the National Assembly in Paris.

At the time of its independence in 1960, Senegal was one of the most urbanised countries in sub-Saharan Africa, ahead of Ghana and Côte d’Ivoire. This was due, particularly, to the close link between agricultural development and urbanisation, which had led to the emergence of a relatively structured and balanced urban framework (World Bank, 2015). Secondary cities had been heavily involved in trade along the Senegal River and cultivated groundnuts (peanuts) in the Arachidier Basin (also known as the Groundnut or Peanut Basin).

But during the post-independence period, the increasing primate role of Dakar as the leading city and the seat of national government has led to urban macrocephaly(1). Figure 14.2 shows the evolution of cities and urban populations in Senegal between 1904 and 2005. The lack of coherent spatial planning, lack of funds and weak capacities of the local administrations, together with significant rural-urban migration, also adversely affected the ability of Senegal’s secondary cities to provide proper planning services and utilities. This resulted in requests for funds from international institutions in the 1990s for urban development projects (Gellar, 1995).

FIGURE 14.2 | Map showing the evolution of the number of cities and urban population of Senegal


14.1.2 Secondary Cities Outlook in Senegal: Economic Functions, Urban Hierarchy, Demographic Trends

The World Bank report on Senegal (2017) indicates that 10 secondary cities are primarily reception centres for rural-urban migration. Each of those cities is unique in configuration, but they have commonalities in their growth patterns and development, mainly because of their proximity to the poor rural population that surrounds them. Poor urban planning, governance and management have resulted in inadequate institutional capacity; the growth of slums and informal settlements; inadequate infrastructure to supply critical water, electricity, waste management and sanitation systems; environmental damage; and lack of economic and employment opportunities.

The 2035 National Land-Use Planning and Territorial Development Plan (PNADT 2035) provides a functional hierarchy of human settlements based on three criteria: administrative status, demographic weight and geographical
position. Its hierarchy of human settlements is divided into six categories: the international metropolis of Dakar, the balancing metropolises, regional metropolises, secondary cities, and two levels of relay centres (Figure 14.3). (See also at the end of this chapter a more detailed analysis of Senegal’s policies, strategies, and programs for secondary cities development.)

The urban network in the interior of the country, i.e., excluding Dakar, has three levels of settlement:

1. The balancing metropolises are made up of 10 agglomerations in the country’s interior, which will have a population higher or equal to 300,000 inhabitants by 2035 or have a strategic geographical position to rebalance the urban framework. They are Thiès, Kaolack, Ziguinchor, Saint-Louis, Tambacounda, Kolda, Kédougou, Matam, Touba-Mbacké and Mbour.

2. The regional metropolises are cities with the status of regional capitals or that will have a population of between 100,000 and 300,000 inhabitants by 2035. They are the cities of Diourbel, Louga, Kaffrine, Fatick, Sédhiou, Tivaouane and Richard-Toll.

3. The secondary cities are all the departmental capitals, except the capitals of metropolises, whose population could reach at least 25,000 inhabitants, but not more than 100,000 by 2035. Secondary cities are the smallest urban entities in the hierarchy. They are Velingara, Bambey, Bignona, Kouloungheul, Dagana, Kébémer, Guinguineo, Bakel, Kanel, Linguère, Gossas, Goudomp, Koumpentoum, Podor, Malem-Hodar, Birkelane, Goudiry, Foundiougne, Saléma, Oussouye, Ranérou, Niort, Bounkiling, Joal-Fadiouth, Dahra, M’boro, Diacité-Kabendou, Pout, Cayar, Mekhe, Rosso-Sénégal, Khombole, Thadiaye, Sokone, Karang Poste Office, Kahnine, Sinthiou Bamanbe-Banadji, Gandiaye, Passy, Madina Wandifa, Medina Gounass, Darou Mousty, Kafountine, Ndoum and Ndoffane. Table 13.5. shows the economic roles of Senegal’s largest cities.

Except for Dakar and Touba-Mbacké, most Senegalese cities are small and are predominately trading and agriculture centres.

FIGURE 14.3 | Map showing the functional hierarchy of human settlements in Senegal

Source: (PNADT 2035) National Agency for Regional Planning (ANAT), 2020.
The Dynamics of Systems of Secondary Cities in Africa

14. TOUBA-MBÁCKÉ: SENEGAL

TABLE 14.1 | The economic roles of Senegal’s largest cities

<table>
<thead>
<tr>
<th>No</th>
<th>City</th>
<th>Economic role</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Touba-Mbácké</td>
<td>Old Islamic town with historic monuments; and religious town with significant annual Islamic festival (Magal)</td>
</tr>
<tr>
<td>2</td>
<td>Thiès</td>
<td>Transport, production of rice, peanuts, fruits, and cassava</td>
</tr>
<tr>
<td>3</td>
<td>Mbour</td>
<td>Tourism, fishing industry, peanut processing</td>
</tr>
<tr>
<td>4</td>
<td>Saint-Louis</td>
<td>Colonial city important as a tourist destination; communal centre for sugar production and export of fish, vegetables and rice; and a growing religious function</td>
</tr>
<tr>
<td>5</td>
<td>Kaolack</td>
<td>Peanut trading and processing centre and a major Islamic centre</td>
</tr>
<tr>
<td>6</td>
<td>Matam</td>
<td>Income from international migration, pastoral activities</td>
</tr>
<tr>
<td>7</td>
<td>Ziguinchor</td>
<td>It is a major port (passengers and merchandise ships from Dakar) and airport, as the ‘entry door’ of South Senegal. Also, administrative functions, tourism, and the only university in south Senegal</td>
</tr>
<tr>
<td>8</td>
<td>Kolda</td>
<td>Rice cultivation, trading of agricultural, livestock, and forestry products</td>
</tr>
<tr>
<td>9</td>
<td>Kédougou</td>
<td>Mining city</td>
</tr>
<tr>
<td>10</td>
<td>Tambacounda</td>
<td>Cotton transportation hub</td>
</tr>
</tbody>
</table>


Table 14.2 shows major secondary cities ranked according to population size. This is followed by a summary description of the 10 most significant cities in Senegal, excluding the capital Dakar.

TABLE 14.2 | Major secondary cities in Senegal ranked according to population size

<table>
<thead>
<tr>
<th>Cities</th>
<th>Population in 2013</th>
<th>Population in 2025 trend</th>
<th>Population in 2035 trend</th>
<th>2025-2035 trend rate (%)</th>
<th>Share of national urban in 2035 - trend (%)</th>
<th>Rate wished 2025-2035</th>
<th>Population projected in 2035 according to the desired rate</th>
<th>Share of pop. National urban in 2035 - Desired (%)</th>
<th>The gap between trend and desired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dakar</td>
<td>3,026,316</td>
<td>4,199,856</td>
<td>5,256,850</td>
<td>2.27</td>
<td>36.5</td>
<td>0.85%</td>
<td>4,570,813</td>
<td>31.7</td>
<td>- 686,037</td>
</tr>
<tr>
<td>Balancing metropolises</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Touba-Mbácké</td>
<td>830,569</td>
<td>1,208,920</td>
<td>1,670,775</td>
<td>3.29</td>
<td>11.6</td>
<td>4.6</td>
<td>1,895,459</td>
<td>13.1</td>
<td>224,684</td>
</tr>
<tr>
<td>Thiès</td>
<td>317,763</td>
<td>437,788</td>
<td>552,200</td>
<td>2.35</td>
<td>3.8</td>
<td>2.3</td>
<td>552,200</td>
<td>3.8</td>
<td>0</td>
</tr>
<tr>
<td>Kaolack</td>
<td>256,078</td>
<td>369,910</td>
<td>495,074</td>
<td>2.96</td>
<td>3.4</td>
<td>4.6</td>
<td>579,980</td>
<td>4.0</td>
<td>84,906</td>
</tr>
<tr>
<td>Mbour</td>
<td>274,695</td>
<td>378,454</td>
<td>479,951</td>
<td>2.40</td>
<td>3.3</td>
<td>2.4</td>
<td>479,951</td>
<td>3.3</td>
<td>0</td>
</tr>
<tr>
<td>Saint-Louis</td>
<td>209,752</td>
<td>286,614</td>
<td>363,952</td>
<td>2.42</td>
<td>2.5</td>
<td>4.6</td>
<td>449,381</td>
<td>3.1</td>
<td>85,429</td>
</tr>
<tr>
<td>Ziguinchor</td>
<td>205,294</td>
<td>300,766</td>
<td>412,176</td>
<td>3.20</td>
<td>2.9</td>
<td>4.6</td>
<td>471,569</td>
<td>3.3</td>
<td>59,393</td>
</tr>
<tr>
<td>Tambacounda</td>
<td>107,293</td>
<td>164,533</td>
<td>237,323</td>
<td>3.73</td>
<td>1.6</td>
<td>4.6</td>
<td>257,970</td>
<td>1.8</td>
<td>20,647</td>
</tr>
<tr>
<td>Kolda</td>
<td>81,099</td>
<td>117,970</td>
<td>162,148</td>
<td>3.23</td>
<td>1.1</td>
<td>4.6</td>
<td>184,965</td>
<td>1.3</td>
<td>22,817</td>
</tr>
<tr>
<td>Matam</td>
<td>32,872</td>
<td>51,465</td>
<td>73,224</td>
<td>3.59</td>
<td>0.5</td>
<td>4.6</td>
<td>80,692</td>
<td>0.6</td>
<td>7,468</td>
</tr>
<tr>
<td>Kédougou</td>
<td>30,051</td>
<td>44,780</td>
<td>63,416</td>
<td>3.54</td>
<td>0.4</td>
<td>4.6</td>
<td>70,210</td>
<td>0.5</td>
<td>6,794</td>
</tr>
<tr>
<td>Population of balancing metropolises</td>
<td>2,345,466</td>
<td>3,361,200</td>
<td>4,510,239</td>
<td>2.98</td>
<td>31.3</td>
<td>5,022,377</td>
<td>34.8</td>
<td>512,138</td>
<td></td>
</tr>
<tr>
<td>Total population of other cities</td>
<td>1,486,345</td>
<td>2,879,574</td>
<td>4,653,150</td>
<td>0.05</td>
<td>32.3</td>
<td>4,827,050</td>
<td>33.47</td>
<td>173,900</td>
<td></td>
</tr>
<tr>
<td>National urban population</td>
<td>6,858,127</td>
<td>10,440,630</td>
<td>14,420,239</td>
<td>0.03</td>
<td>64.0</td>
<td>14,420,239</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Touba-Mbacké is an Islamic holy city founded in 1887 by a Sufi Master, Cheikh Ahmadou Bamba Mbacké (1857–1927), to serve as the spiritual city of the Mouride people. After Dakar, it is the second-largest city, with rapid growth: its population was 399,900 inhabitants in 2002 and 929,764 in 2013 (Senegal Population Census, 2013). It has an area of more than 166 km² and a population density of around 5,250 people per km². The Magal religious pilgrimage is celebrated each year in Touba-Mbacké by thousands of Muslims in Senegal and the diaspora. During that period, the city’s population can double. The following part/the second part of this chapter consists of an in-depth/detailed presentation of this city. (See the next part of this chapter for a detailed analysis.)

Thiès is the third-largest city in Senegal and a transport hub for a productive agricultural hinterland producing rice, peanuts, cassava, millet and fruits, and for phosphate mines. It is the leading livestock trading and meat centre in Senegal. The city is best known for its tapestry-making industry. Its territory covers around 49 km² with a population density of 7,300 people per km². From 1976 to 2013, the average rate of urbanisation was 38.7% (Ministère de l’Économie et des Finances, 2007).

Mbour lies on a ‘petite côte’ (small coast) about 80 km south of Dakar. The city’s major industries are tourism, fishing, and peanut processing. The region’s population density is 452 people per km². It is becoming an urban agglomeration with the touristic city of Saly (and progressively also agglomerating with the touristic towns of Somone, Ngaparou, Popenguine, and Toubab Dialaw), and it will become part of the Dakar Megapolis if growth trends continue.

Kaolack is a trade, agriculture, and religious pole at the centre of the country, located in the Saloum River Valley. The rate of urbanisation from 1996 to 2013 was 35.5%.

Saint-Louis was ‘founded’ as a city by French traders in 1659, but there were already indigenous villages on the site. The colonial city is located on an island on an estuary at the mouth of the Senegal River. The island is only protected from the sea by a strip of sand called ‘Langue de Barbarie’, which is currently dramatically threatened by erosion, rising sea level, and overcrowding problems. From the eighteenth century, Saint-Louis extended to the continent; the continental part of it, called ‘Sor’, and the city suburbs currently represent much of its area. It remains an important cultural and natural tourism destination. However, it is a commercial centre for fishing, rice, vegetables, sugar processing and transportation to other cities. It is also an important religious centre, with this last function increasing more and more over the last years (with the annual pilgrimage of ‘two rakkas’).

Ziguinchor, on the southern coast of the Senegalese territory, plays the role of a large port and ferry terminal. After the country’s independence in 1960, the city’s economic growth slowed due to the war of independence in neighbouring Guinea Bissau. As the capital of Casamance, it experienced three decades of conflict with the Dakar Authority. However, the average rate of urbanisation in Ziguinchor from 1976 to 2013 was 39.1%.

Tambacounda is located about 400 km southeast of Dakar. The town is known for its varied agricultural potential and its cotton industry. Crops grown in the hinterland include millet, sorghum, cotton, maize, peanuts and rice. The urbanisation rate from 1976 to 2013 was 17.6%.

Kolda’s territory covers an area of 9 km² with an occupancy rate of 93%. The city is facing difficulties related to its spatial expansion. Despite its relatively large size, urbanisation has spilled over the city boundary. Most of the Kolda districts lack many essential services such as proper stormwater management, sanitation, or solid waste management. Therefore, Kolda is one of the pilot cities of the Senegal Green Secondary Cities Development Programme implemented by the Global Green Growth Institute (GGGI) with the government of Senegal and the local authority.

The Matam-Ourossogui bipole is in north-eastern Senegal on the border with Mali. The two cities are 7 km apart. The creation of this bipole (in French ‘bipôle’) is linked to the constraints of spatial expansion of the city of Matam, the capital of the department and the region, located on the banks of the Senegal River. Ourossogui has the advantage of being located on the national road, which provides significant economic and space potential: the city developed on a road junction (from the national road to Matam). Although Matam is the capital of the region, urban evolution is very slow and without adequate services. By contrast, Ourossogui took advantage of the enclave situation of Matam to house some regional infrastructure. Given its crossroads position, it tends to supplant the city of Matam and plays a strategic role in its region. The city has become a hub in the local economy and polarises the municipalities of Waounde, Semmé, Thilogne, Kanel, and Matam.
Kédougou is the regional capital of the mining region of the same name. It is located at the eastern end of Senegal, bordering Guinea and Mali, about 705 km from Dakar. The population density is very low, but there has been a 5% population growth due to mining in the region in the last decade. As a result, there has been an increase in the density of the population and growing need for more land for housing and infrastructure. The spatial development of the city is linear, given the nature of the site. The neighbourhoods are spread along a 1,500-metre-wide, east-west-facing strip of land, with constraints related to the presence of the Gambia River arm and the Dinguessou River. Kédougou is home to administrative and infrastructure facilities in line with its status as the region’s capital. As for Kolda, it has been, until recently, one of the most deprived cities of Senegal in terms of public services, utilities and infrastructures.

**TABLE 14.3 | Africapolis data for secondary city urban agglomerations in Senegal**

<table>
<thead>
<tr>
<th>Agglomeration Name</th>
<th>Population 2000</th>
<th>Population 2010</th>
<th>Population 2015</th>
<th>Density (pp km²) 2015</th>
<th>Built up km²</th>
<th>Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dakar</td>
<td>1,962,888</td>
<td>2,608,899</td>
<td>3,067,637</td>
<td>15,052</td>
<td>204</td>
<td>3.02</td>
</tr>
<tr>
<td>Touba-Mbâcké</td>
<td>331,428</td>
<td>684,776</td>
<td>872,732</td>
<td>5,244</td>
<td>166</td>
<td>6.67</td>
</tr>
<tr>
<td>Thiès</td>
<td>221,542</td>
<td>290,865</td>
<td>358,806</td>
<td>7,317</td>
<td>49</td>
<td>3.27</td>
</tr>
<tr>
<td>Mbour</td>
<td>136,013</td>
<td>233,369</td>
<td>317,009</td>
<td>4,658</td>
<td>68</td>
<td>5.80</td>
</tr>
<tr>
<td>Kaolack</td>
<td>166,382</td>
<td>221,595</td>
<td>259,582</td>
<td>7,494</td>
<td>35</td>
<td>3.01</td>
</tr>
<tr>
<td>Saint-Louis</td>
<td>134,203</td>
<td>186,030</td>
<td>222,043</td>
<td>10,965</td>
<td>20</td>
<td>3.41</td>
</tr>
<tr>
<td>Ziguinchor</td>
<td>150,106</td>
<td>188,148</td>
<td>214,936</td>
<td>8,328</td>
<td>26</td>
<td>2.42</td>
</tr>
<tr>
<td>Diourbel</td>
<td>90,245</td>
<td>119,269</td>
<td>139,984</td>
<td>6,650</td>
<td>21</td>
<td>2.97</td>
</tr>
<tr>
<td>Louga</td>
<td>68,915</td>
<td>93,147</td>
<td>109,250</td>
<td>5,714</td>
<td>19</td>
<td>3.12</td>
</tr>
<tr>
<td>Kolda</td>
<td>49,743</td>
<td>71,130</td>
<td>84,908</td>
<td>3,608</td>
<td>24</td>
<td>3.63</td>
</tr>
<tr>
<td>Tivaouane</td>
<td>35,815</td>
<td>57,353</td>
<td>75,232</td>
<td>5,516</td>
<td>14</td>
<td>5.07</td>
</tr>
</tbody>
</table>


Table 14.3 shows Africapolis Data for secondary city urban agglomerations in Senegal. The built-up urban areas, density, and growth rates are a more accurate representation of dynamics of secondary cities and the capital Dakar than are the Senegalese official data of the previous table, which only consider administrative limits of each city.

### 14.1.3 Policies on Senegal’s Urbanisation and Secondary City Development and Land management

In the administrative-territorial reform of 1972, 37 urban municipalities were created, and mayors elected. However, when additional municipalities were created in 1996, responsibility for the role of the municipalities changed. Municipalities, particularly secondary cities, obtained more responsibility for urban development, infrastructure development and services.

Since the 2013 Law of Decentralization (also “Act III of the decentralisation”), secondary cities in Senegal have wide-ranging formal responsibilities in applying the town planning laws that legislate land acquisition and conditions for developments. The mayor is the administrative head that gives the political direction in terms of major urban development projects. However, the central government and its agencies remain the key player when external donors channel funds for urban development.
The 2013 Law of decentralisation for Senegal has provisions that provide for:

- Administrative divisions: 14 administrative regions, which are no longer autonomous local governments. They are managed by a governor who represents the central government and is responsible for ensuring the application of laws and regulations. At the ‘departement’ (county) level, a prefect also represents the state, and at the ‘arrondissement’ (district) level, this is the ‘sous-préfet’ (subprefect) who guarantees the rule of law.
- Act III led to a new division for local governments on the decentralisation side, with 46 départements (local governments with elected assemblies) and 557 communes, with municipal councils that elect a mayor. “Communautés rurales” (rural communities) no longer exist, as they all became ‘communes’ with the same status and competencies as urban ‘communes’.
- The ‘city’ status has been maintained for the five former ‘cities’ of Dakar, Pikine, Guédiawaye, Rufisque and Thiès.

The law provided the following principles:

- Municipalities can intervene over the land belonging to the state for infrastructure development, facility upgrading and the provision of services to the residents.
- The mayor’s headland distribution committees oversee the distribution of plots and provide stakeholders with permits to construct and demolish houses under the administrative control of the state administration.
- The municipality oversees preparing the urban documentation (master plan) in line with the state legislations.

14.2 Problems and Issues Affecting Senegal’s Economy and Secondary City Development

Senegalese secondary cities continue to grow without planning and managing their urban development or promoting employment and sustainable economic growth. Urbanisation mainly occurs in a concentric or linear form of growth along the highways leading in and out of Senegal’s cities. It is also occurring as clusters of polycentric development, which have emerged as villages and towns on the periphery of rapidly growing urban centres, have expanded.

This emerging pattern of development creates significant problems for secondary cities as increasing numbers of people commute daily into these cities for work, education, and other business, then leave the city to return to their village at the end of the day. The additional day-visitor populations, e.g., in the case of Touba-Mbakké, place increasing demand for and pressure on urban infrastructure and services, which many of the day visitors do not pay for.

The uncontrolled urban sprawl also increases the unit cost of networks and infrastructures, making the investment and exploitation costs unaffordable for public authorities.

14.2.1 Human Capital Development (HDI) Social Issues, Environmental Risks, and Human Development Challenges

One of the significant characteristics of secondary cities in Senegal is the low-level income of the residents. Sané (2003) has indicated that most of the population in the cities migrated from the rural areas to avoid poverty, but they arrive in the cities with no skills.
The Human Development Index (HDI) is a summary measure for assessing long-term progress in three basic dimensions of human capital development: long and healthy life, access to knowledge, and a decent standard of living. Between 1990 and 2018, Senegal’s HDI value increased by 36.5%, from 0.377 to 0.514.

Table 14.4 shows Senegal’s progress in each of the HDI indicators during the period 1990 and 2018. Life expectancy at birth increased by 10.5 years; mean years of schooling increased by 0.9 years and expected years of schooling increased by 4.5 years. Senegal’s HDI value increased from 0.377 to 0.514, an increase of 36.5% (UN Data).

Secondary cities in Senegal offer relatively inferior professional services compared to the primate city of Dakar because of the concentration of skills. Insufficiently trained professionals in secondary cities minimise human capital inputs in such cities. However, Touba-Mbacké has been innovative in tapping the diaspora network to export education and tourism promotion and developing expatriate associations to gain access to knowledge, market information, and new technologies to advantage business development (Ross, 2011).

Population pressures on extensive agriculture and peanut production resulting in reduced soil fertility are another key cause of migration to the cities. Due to poverty and rural population exodus to urban areas, the migration processes have increasingly involved low-income workers employed in domestic and/or temporary jobs, such as gardening, security, and domestic workers. They are poorly paid and cannot afford modern township amenities.

### TABLE 14.4 | Senegal’s HDI trends based on consistent time series data and new goalposts

<table>
<thead>
<tr>
<th>Year</th>
<th>Life expectancy at birth</th>
<th>Expected years of schooling</th>
<th>Mean years of schooling</th>
<th>GNI per capita (211 PPP$)</th>
<th>HDI value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>57.2</td>
<td>4.5</td>
<td>2.2</td>
<td>2,262</td>
<td>0.377</td>
</tr>
<tr>
<td>1995</td>
<td>57.4</td>
<td>4.8</td>
<td>2.1</td>
<td>2,177</td>
<td>0.378</td>
</tr>
<tr>
<td>2000</td>
<td>57.8</td>
<td>5.4</td>
<td>1.9</td>
<td>2,381</td>
<td>0.390</td>
</tr>
<tr>
<td>2005</td>
<td>60.6</td>
<td>6.7</td>
<td>2.4</td>
<td>2,660</td>
<td>0.434</td>
</tr>
<tr>
<td>2010</td>
<td>64.3</td>
<td>8.0</td>
<td>2.4</td>
<td>2,749</td>
<td>0.468</td>
</tr>
<tr>
<td>2015</td>
<td>66.7</td>
<td>9.1</td>
<td>2.9</td>
<td>2,933</td>
<td>0.504</td>
</tr>
<tr>
<td>2016</td>
<td>67.1</td>
<td>9.0</td>
<td>2.9</td>
<td>3,018</td>
<td>0.506</td>
</tr>
<tr>
<td>2017</td>
<td>67.4</td>
<td>9.0</td>
<td>3.0</td>
<td>3,139</td>
<td>0.510</td>
</tr>
<tr>
<td>2018</td>
<td>67.7</td>
<td>9.0</td>
<td>3.1</td>
<td>3,256</td>
<td>0.514</td>
</tr>
<tr>
<td>2019</td>
<td>67.9</td>
<td>8.6</td>
<td>3.2</td>
<td>3,309</td>
<td>0.512</td>
</tr>
</tbody>
</table>


Senegal has historically been free of ethnic, racial and religious strife. Some noticeable exceptions to this peaceful state of affairs were the Anti-Moor rioting in 1989 due to a conflict between Senegal and Mauritania (and massive expulsions of “Senegalese” nationals – or considered so – by Mauritanian government); and the separatist rebellion in Casamance.

### 14.2.2 The Need for Better Land Tenure Management and Improved Governance

The uninterrupted democratic transition from one presidency to the next since the independence has been positive for Senegal. At the same time, this long-term stability has led to a similar spinoff in financial and investment sectors that have had negative components.
The Dynamics of Systems of Secondary Cities in Africa

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### TABLE 14.5 | Percentage access to land and housing type in secondary cities tenant

<table>
<thead>
<tr>
<th>Secondary city</th>
<th>Landlord</th>
<th>Co-landlord</th>
<th>Tenant</th>
<th>Co-tenant</th>
<th>Rent to buy</th>
<th>Housed by employer</th>
<th>Housed by parent /friend</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ziquinchor</td>
<td>37.9</td>
<td>3.9</td>
<td>46</td>
<td>6.9</td>
<td>0.1</td>
<td>1.5</td>
<td>2.8</td>
<td>1.0</td>
</tr>
<tr>
<td>Touba-Mbacké</td>
<td>65.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thiès</td>
<td>74.5</td>
<td>5.9</td>
<td>12.3</td>
<td>2.0</td>
<td>0.1</td>
<td>1.6</td>
<td>2.4</td>
<td>1.2</td>
</tr>
<tr>
<td>Mbour</td>
<td>62.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kaolack</td>
<td>81.1</td>
<td>5.4</td>
<td>8.9</td>
<td>1.2</td>
<td>0.0</td>
<td>0.6</td>
<td>2.1</td>
<td>0.7</td>
</tr>
<tr>
<td>Saint-Louis</td>
<td>80.4</td>
<td>5.0</td>
<td>1.2</td>
<td>0.12</td>
<td>0.0</td>
<td>0.7</td>
<td>1.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Rufisque</td>
<td>61.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diourbel</td>
<td>88.6</td>
<td>4.2</td>
<td>3.6</td>
<td>0.5</td>
<td>0.0</td>
<td>0.4</td>
<td>1.8</td>
<td>0.9</td>
</tr>
<tr>
<td>Louga</td>
<td>88.5</td>
<td>4.7</td>
<td>3.2</td>
<td>0.6</td>
<td>0.0</td>
<td>0.5</td>
<td>1.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Tambacounda</td>
<td>75.3</td>
<td>4.7</td>
<td>11.8</td>
<td>1.8</td>
<td>0.0</td>
<td>0.7</td>
<td>1.9</td>
<td>0.8</td>
</tr>
</tbody>
</table>


But on the other hand, the negative factors in the structure and processes of land tenure, environmental issues management, bureaucracy, and lack of efficiency and accountability from the administration are not good for competitiveness nor economic efficiency. Table 14.5 shows household access to land and housing in Senegal’s secondary cities in 2013. A 2013 study on land tenure issues in Senegal noted the following challenges (Kaag et al., 2013).

- Land grabbing and allocation to entrepreneurs, officials, and politicians.
- Pressure on land and land speculation.
- Government bodies do not account for the citizens concerning land issues.

United Nations Habitat (2018) report (UN-Habitat, 2018) on Senegal’s performance at the end of 2016 indicated that the Program for Governance and Peace (PGP) achieved its third objective: Increased Citizen Participation in the Electoral Process. Under the second objective: Strengthened Fiscal Decentralization & Local Governance, the PGP worked closely with the newly created ministry for the promotion of good governance to develop and implement a National Good Governance Strategy, the key results of which include the passage of a new law requiring a declaration of assets by officials within the public sector spending authority. This work was undertaken in conjunction with the Ministry of Decentralization to map the fiscal transfer process to identify bottlenecks and leakages; and with 13 local government partners to improve local governance and financial management, increase local revenue generation, and improve service delivery by integrating governance interventions into sectors such as health and education.

### 14.2.3 Infrastructure and Urban Connectivity

In most secondary cities in Senegal, like in many western African cities, the public sector is complemented by the private sector, sometimes regulated but not financed by the municipalities (Robinson, 2006). This parallel model has significant impacts on access and costs, particularly to the more impoverished population.

Although inroads have been made to provide a wide range of infrastructure, the quality of construction and operation of those amenities is generally insufficient. The quality-of-service delivery and accountability could be improved.

Poor road maintenance and safety, for example, have not been wholly addressed yet. However, a loan from the Chinese government has enabled the building of a new highway between Toubou and Dakar in a Build-Operate’ connecting the two principal cities of the country (Dakar and Greater Toubal), and an subsidy from the United States allowed the connection of the centre of the country to the southern regions of Casamance.
Connectivity between Senegal’s secondary cities is reduced by the poor network and lack of high-speed internet. This has adversely impacted upon the growth of the national and regional economies.

Significant progress has been made to the provision of potable water, but poorer residents are disadvantaged due to access and costs.

### 14.2.4 Senegal Macroeconomic and Finance Perspectives

Between 2014 and 2018, Senegal's economic development growth was among the highest in Africa. However, in 2019 the GDP was 5.3%, compared with 6.3% in 2017. On the demand side, investment and exports were the strongest economic drivers, standing at 12.5% and 7.2%, respectively (World Bank, 2020b).

In 2020 the COVID-19 pandemic slowed the country's economic growth rate to about 1.3%, with services such as tourism, and the transport sector, together with exports, being the most affected. Economic recovery is likely to be gradual and driven by a healthy return of private consumption and investment (Jawoo et al., 2021). Significant private investment is central to increasing Senegal's productive capacity and to supporting export growth. Services remain the main contributor to GDP, with the primary sector (agriculture) being the most dynamic growth driver, particularly in secondary cities located near rural areas.

Senegal's oil and gas developments have been delayed because of the pandemic and are unlikely to contribute to the economy before 2025. But according to some recent perspectives and depending on the global oil and gas prices future evolution, the exploitation of those deep offshore resources could be barely profitable. Nevertheless, Senegal has been investing a lot and getting into debt in the last few years, counting on those future incomes.

Infrastructure projects make up 34.4% of African Development Bank (AfDB) investment in Senegal, compared to 21.3% in the social sector and 18.7% for rural projects.

A report (Imam & Kolerus, 2013) by the International Monetary Fund (IMF), Senegal: Financial Depth and Macrostability, indicated the dominance of Senegal's financial system by the banking sector, which is composed of 19 commercial banks concentrated in the three largest cities, including Touba-Mbacké. The report indicated that banks made up about 90% of the financial system in Senegal. The five largest banks account for 66% of assets and collect 79% of deposits. Many microfinance institutions (MFIs) and 234 establishments supply limited financial services to lower-income households. Although they cover both urban and rural regions, about half of the sector's activity is heavily concentrated in Dakar.

Twenty-five insurance companies account for most of the remainder of the domestic financial system. The regional securities and equity market is a marginal source of funding, apart from the government. The government has minority stakes in banking transactions, ranging from 10% to 25% of the equity in several banks. One bank provides Islamic banking services that respond mainly to Touba-Mbacké and other Islamic financial needs. It was noted that only about 7% of the population holds a bank account. Bank deposits amount to about 40% of GDP. However, Senegal's interbank market is underdeveloped, with only a limited amount of liquidity traded among banks. For example, there is no explicit deposit insurance scheme. Employment creation strategies by the state and its partners have so far not yielded the results hoped for in terms of the numbers and quality of jobs created for the youth, in a country with a youthful population, particularly during the COVID-19 pandemic period. Figure 14.4 shows the evolution of the bank and non-bank sectors in Senegal.

The African Development Bank report of 2020 to 2021(African Development Bank Group, 2020) shows that Senegal performed very well between 2017 and 2019. However, the COVID-19 pandemic could significantly alter the country's financial outlook. The bank estimated that Senegal could lose as much as 6.7 percentage points of GDP growth because of the slowdown in tourism (estimated at -60%) and transportation (-9%), and face a 3% drop in overall investment due to reductions in public investment, foreign direct investment (FDI) and overseas remittances from the diaspora.
FIGURE 14.4 | Senegal: Evolution of the bank and nonbank Sectors

Credit to the economy has grown steadily ... particularly to the service sector.

Source: WDI. Source: Central Bank of West African States.

Compared with earlier forecasts, the deficit was expected to double in 2020 due to lower revenues (208 billion CFA francs) due to the slowdown in economic activity and higher expenditures (8%) not included in the budget. The majority of the 481 billion CFA francs funding gap is expected to be met from external funding sources. The bank found that public debt could increase from 64% of GDP in 2019 to 67% in 2020. The current account deficit is expected to remain relatively stable due to reducing imports by 7.9%. Inflation is not expected to increase significantly due to an easing of monetary policy and border closures. Economic growth will depend on developments in the global economy, but it was expected to restart in 2021, reaching 5.1% under the baseline scenario and 2.6% in the worst-case scenario.

A redefinition of investment will stimulate private sector recovery because of government initiatives and new mechanisms in investments or cash loans to support businesses affected by the pandemic and introduce a series of fiscal measures to support the formal sector. Table 14.6 shows the African Development Bank’s estimates and projections with and without the COVID-19 pandemic from 2018 to 2021.

TABLE 14.6 | Growth projections with or without Covid-19 from 2018-2021

<table>
<thead>
<tr>
<th>Growth terms</th>
<th>Without COVID-19</th>
<th>With COVID-19 baseline scenario</th>
<th>Without COVID-19 baseline scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018 2019 (e) 2020 (p) 2021 (p)</td>
<td>2020 (p) 2021 (p) 2020 (p) 2021 (p)</td>
<td>2020 (p) 2021 (p)</td>
</tr>
<tr>
<td>Real GDP</td>
<td>6.4 5.2 6.8 7.0</td>
<td>2.8 5.1</td>
<td>0.1 2.6</td>
</tr>
<tr>
<td>Inflation (%)</td>
<td>0.5 1.1 1.5 1.5</td>
<td>2.0 1.8</td>
<td>2.2 2.1</td>
</tr>
<tr>
<td>Budget balance (+/-) (%GDP)</td>
<td>-3.7 -3.8 -3.0 -3.0</td>
<td>-6.3 -5.1</td>
<td>-7.1 -5.7</td>
</tr>
<tr>
<td>Current account balance (+/-) (% GDP)</td>
<td>-9.5 -9.6 -10.7 -10.5</td>
<td>-11.0 -10.4</td>
<td>-11.6 -10.4</td>
</tr>
</tbody>
</table>

14.2.5 Investment

Most of the FDI in Senegal flows to Dakar and other coastal towns rather than to secondary cities. Since 2014, FDI flows into Senegal have been linked to the Emerging Senegal Plan to develop infrastructure, electricity, agriculture, drinking water, and health, which the government is actively encouraging. From 2018 to 2019, the United Nations UNCTAD FDI in Senegal rose from US$848 million to a record high of US$983 million (+16%). At the end of 2019, the total stock of FDI stood at almost US$6.4 billion (UNCTAD, 2020) (Table 14.7). Overall, imports from EU countries have been declining in recent years, increasing imports from Asian countries. Despite this, the Senegalese economy remains highly dependent on European growth (Lloyds Bank, 2019).

<table>
<thead>
<tr>
<th>TABLE 14.7</th>
<th>Foreign direct investment in Senegal, 2017-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td>FDI Inward Flow (million US$)</td>
<td>588</td>
</tr>
<tr>
<td>DDI Stock (million US$)</td>
<td>4,916</td>
</tr>
<tr>
<td>Number of Greenfield Investments (million US$)</td>
<td>753</td>
</tr>
</tbody>
</table>

Source: UNCTAD (2020).

The largest investor in Senegal is France. Other important investors include China, Turkey, and the United Arab Emirates, followed by Morocco, Indonesia, and the United States. In recent years, Senegal has improved its tax collection system by implementing an electronic filing and payment system and merging several taxes. In 2020 the World Bank ranked Senegal 123rd of 190 countries for the ease of doing business (World Bank, 2020a).

The Diamniadio International Industrial Platform – Special Economic Zone (SPZ) - is expected to stimulate investment. It is a tangible outcome of the government’s Emerging Senegal Plan, an ambitious set of initiatives “aiming at getting Senegal onto the road to development by 2035” (UNIDA, 2018).

The lack of barriers to full ownership of businesses by foreign investors in most sectors and limited discrimination against businesses conducted or owned by foreigners creates an attractive investment environment for foreign investors. The country has relatively competitive production costs, a skilled workforce, strategic geographical location, good international and regional political relations, and a competitive economy. Negative investment factors include economic vulnerability, low activity diversity, underdeveloped infrastructure, inefficient regulation, bureaucracy, high factor costs and lack of security.

14.2.6 The Impact of COVID-19 on Economic Activities in Secondary Cities

The COVID-19 pandemic has had an immeasurable impact on socio-economic activity in Senegal, both socially and economically, with women being the most affected. Seventy-five percent of Senegalese women in secondary cities work mainly in the informal sector. The pandemic lockdown measures have led to a partial and sometimes complete drop in the economic livelihoods of women in Senegal because they do not benefit from any risk insurance.

A study of the Senegal informal economy, conducted by the International Labour Office in 2020, revealed that 85.7% of women in this sector have a turnover of less than (US$171) per month, and 77.9% of women employed in informal enterprises earn less than (US$63) per month. As a result of the COVID-19 lockdown, women working as waitresses, restaurateurs, hairdressers, make-up artists, domestic workers and other occupations have been deprived of income. A key obstacle to investment during the COVID-19 pandemic in Dakar and Senegal’s secondary cities has been insufficient government aid, which stood at 66.1%, and insufficient funds by the private sector, which was estimated at 62.2% in 2020.
Although the Government of Senegal has taken decisive measures to contain the pandemic and mitigate its socio-economic impact, financing is severely constrained due to little or no investment drive. The government has implemented a comprehensive reaction plan, the “Economic and Social Resilience Program,” which includes health, sanitary, and containment measures. The aim is to protect the livelihood of the most vulnerable populations. Growth is expected to recover once the crisis recedes gradually, and a vaccine is provided to the population. This can be driven by a robust return of private consumption and rapidly growing investment in secondary cities. The July 2020 report by the World Bank on Senegal’s COVID-19 response boost, identified several shortfalls during the pandemic:

- Investment promotion was 44.9% of the total investment.
- Legislative control difficulties for COVID-19 were estimated at the cost of 35.5%.
- Difficulties in obtaining raw investment funds were estimated at 30.1% of the total.
- Costs of transportation rose by 25.5%.
- Inability to access funds rose by 23.4%.
- Lack of technology to adapt to working at home was estimated at the cost of 14.7%.
- Other difficulty costs were estimated at 10.9%.
- No difficulties during the COVID-19 pandemic in Senegal was only 1.5% (Jawoo et al., 2021).

Little economic data is available on cities. The primary economic activities which occur in them are: (i) religious pilgrimages; (ii) agriculture (crop, livestock, and fishery); (iii) industrial processing; (iv) tourism; and (v) commerce.

### 14.3 Current Policy Initiatives to Support Secondary Cities

The government of Senegal recognises the need for a more comprehensive approach to urban and regional development and secondary cities. However, the approach to urbanisation planning, development, and management is not well integrated and is poorly coordinated. There is a need for more systems, multi-sectoral, devolved, and integrated approaches to urban and regional planning and development.

In recent years the Senegalese government and its partners are currently initiating various policies, strategies, and initiatives for secondary cities. The “Plan Sénégal Emergent” (Senegal Emergent Plan – PSE), the current government’s main political and strategic roadmap since 2014, gives special attention to territorial rebalancing and enhancing the socio-economic potential of cities in the interior of the country.

To address the territorial imbalances and strengthen the national urban network of cities to mitigate current trends towards concentration of development along the coast and the western part of the country, the “Plan National d’Aménagement et de Développement du Territoire (National Planning and Development Plan – PNDAT) designed by the Agence Nationale de l’Aménagement du Territoire (ANAT - National Agency for Regional Planning) envisages the creation of 20 strategic secondary cities to encourage the development of peripheral regions and enhance the potential for cross-border areas. Those cities include a regional capital (Kédougou), four department heads (Kanel, Ranérou, Kidira, Koundheul) and seven urban centres (Keur Momo Sarr, Darah, Diennia, Dioabe, Oussougui, Kidira, and Cap Skiring), major urban corridors (Potou, Mboro, Ndium, Rosso, etc.) and areas with high economic potential (Touba, Ourossogui, Sabadola). The funds available for implementing PNDAT are limited and restrictive in what they can be used for.

The PNADT aims to change the balance of coastal concentration of urbanisation concentrated around Dakar to the inland or dispersed metropolitan. The substantial reinforcement of development in these cities in infrastructure, buildings and equipment and improved metropolitan governance is intended to increase their attractiveness as places to live and invest. With the development of these metropolises, the intended goal is to enhance connectivity and strengthen the development of neighbouring municipalities. The revised PNADT calls for the:

- The proper definition of functional metropolitan areas.
- The establishment of a more adapted mode of territorial governance.
The realisation of a territorial coherence scheme (SCOT) at the level of each metropolitan area, which will allow the municipalities to have a unique spatial planning system and urban planning documents.

- The development of an urban pole to facilitate the residential and professional integration of newcomers.
- A special economic zone (SEZ) to promote virtuous interactions between spatial planning and economic planning.

Figure 14.5 shows each metropolitan area’s possible spatial configuration (Propositions D’aménagement et de Développement Territorial) by 2035. The limits of development are not fixed and depend on the fabric of functional links—home-work relations, for example—that the metropolis-centre weaves with its immediate hinterland. The focus of the concept of the metropolitan area lies in the fact that it makes it possible to overcome administrative boundaries and to have a holistic reading of the facts of urbanisation at the local level.

**FIGURE 14.5 | Proposals for development and territorial development**

![Proposals for development and territorial development](source: ANAT (2020).)

Senegal needs national and local governments to develop a city partnership program to fund the implementation of PNDAT—a basket of funds for investment in a range of hard and soft infrastructure projects and programs, similar but more diversified than the secondary cities program developed by the World Bank for Ghana (World Bank, 2018). The National Urban Renewal Program in India and Smart Cities City Deals program (Australian Government, 2020) in Australia provide a foundation that could be adapted for Senegal for ongoing reform and cooperative action in supporting city development. These programs give cities a much more decisive role in determining how funds should be allocated and spent on infrastructure projects. They represent a new framework for cities policy at the federal level—and it is a framework that guides action across various portfolios to deliver better outcomes for our cities, the people who live in them and countries.

Since 2014, the government has been implementing the City Modernization Programme (PROMOVILLES) to build more than 300 km of roads in various cities in Senegal, including their outbuildings (remediation, public lighting and landscaping).

In addition, a major planning, development and equipment program for 29 urban centres called “Pôles urbains” (New cities) have been initiated in all 14 regions of the country. Six of these urban hubs are being planned in Greater Dakar (Diamniadio, Lake Rose, Daga Kholpa, Yenn, Bambilor, and Dem Binamé Ndao). The other 23 clusters will be created at the secondary city level, at a rate of 300 ha per selected site. But, despite its urban dynamism and its enormous urbanisation potential, the Touba-Mbacké agglomeration has not been chosen for this program.

The Senegalese Municipalities and Cities Support Programme (PACASEN), funded by the World Bank and African Development Bank, will also introduce structural reforms to improve local authorities’ financial and human resources governance, including Senegalese secondary cities, with a budget of US$280 million.
Several initiatives have also emerged with donor funding to improve and develop sustainable sanitation, stormwater management, and solid waste management services in secondary cities.

The PROMOGED (Project for the Promotion of Integrated Management and Solid Waste Economy in Senegal) follows the Sustainable Urban Solid Waste Management Project (PGDSU) to strengthen the governance of the waste sector and, to improve infrastructure and solid waste management services in the Dakar metropolitan area and more than 100 secondary cities located in the Thiès poles (Thiès, Mbour and Tivaouane), the north pole (Saint-Louis and Matam) and Casamance (Ziguinchor, Kolda and Sédhiou). The project will benefit 138 municipalities, with a total population of 6,823,025 people or 758,114 households, improve their living environment (43% of Senegal’s population) and provide at least 3,000 decent jobs for women and young people. Touba is not being included.

The Office National de l’Assainissement (Sanitation National Office of Senegal - ONAS) has implemented structural programs for building sanitation infrastructures and improving services delivery performance and quality. During the last decade, the Five Centres program funded by the European Union in the secondary cities of Richard-Toll, Mbour, Mbacké, Tivaouane and Diourbel, aimed to improve the level of service on the whole sanitation chain (domestic and public spaces, access segment, sewers, treatment plant for wastewater and faecal sludge, etc.). Currently, the “Ten Cities Project” funded by the West African Bank for Development (WADB, or BOAD in French) is targeting the secondary cities of Matam, Kaolack, Louga, Tivaouane, Tambacounda, Saint-Louis, and Touba, plus the suburban cities of Rufisque and Pikine in the Greater Dakar area. The ONAS also focuses on improving water and sanitation services delivery in five towns in the centre of Senegal through the World Bank-funded program “PEAMIR.”

The Global Green Growth Institute supports the Senegalese government to implement the Green Secondary Cities Development Program in 25 municipalities to address the challenges of growth and poverty. The Green Secondary Cities Development Programme aims to provide these localities with strategic planning tools focused on green growth to strengthen territorial resilience, develop climate governance capacities, and mobilise resources to finance bankable projects. For the first phase of the program’s implementation, Kolda, Tivaouane, and the new city of Diamniadio were the pilot cities. As presented in the previous part of this chapter, the second stage involves Touba city (but not Mbacké). The GGGI approach is based on five ‘pillars’ that form the basis of the Green Secondary Cities Development Framework Guidelines, on which the most important progress can be made to achieve its objective. These pillars are:

- Energy and energy efficiency.
- Urban mobility.
- Land use.
- Water and sanitation.
- Solid waste management and recycling.

The ‘green cities’ model also relies on innovative business models and public–private partnership (PPP) schemes for services delivery. For the last 15 to 20 years, Senegal has been implementing a national urban slum upgrading and legalisation policy to respond to rapid and uncontrolled urban growth spreading to Dakar and more so in secondary cities.

14.4 Touba-Mbacké: A Hybrid City

Touba-Mbacké is a bipole city in central Senegal, located 190 km east of Dakar, but with very different identities, management, and governance methods, although it shares a common history linked to Mouridism. Touba was founded by Mame Maram Mbacké, the great-grandfather of Cheikh Ahmadou Bamba (1853–1927), who founded the Holy City of Touba in 1887. Mourides consider the holy city as an earthly manifestation of ‘Touba’ or the celestial tree of paradise: it is the spiritual interpretation of the city that gave rise to the growth of this religious centre. The Great Mosque of Touba, which is juxtaposed with the old Mouride cemetery, symbolises metropolitan centrality and urban life rhythms around religious tourism activities.
Touba has grown to become the most famous Sufi Islamic scholarship and tourism activity centre in Senegal. The Islamic context has influenced the physical characteristics and socio-economic substance of the city. Built by rural people, the steep growth of the city of Touba is linked to three factors:

- The construction from 1931 of the Great Mosque with Serigne Mouhamadou Moustapha Mbacké who was the first Khalife of Touba.
- The first subdivision of Touba which resulted in the doubling of the population between 1958 and 1960.
- The establishment of Ocass Market in 1956 and its development from 1958.

Although the city developed during the colonial period, it is one of the few towns in Senegal which does not have infrastructure developed under colonial rule. It has been growing rapidly, fostered by the launch in 1985 by the third Khalife of the Mourides, Serigne Abdoul Ahad Mbacké, which helped accelerate the city’s urbanisation.

Mbacké, the secular elder sister city of Touba, has become a suburb, due to the growing influence of the holy city.

The Touba Great Magal is an annual religious event celebrated in Touba each year after 18 lunar months (18 Safar) by thousands of Muslims of the Mouride Brotherhood in memory of the departure into exile in Gabon. The Magal attracts pilgrims and tourists from the Gambia, Guinea-Bissau, Guinea, Mauritania, Europe and the United States, where the Mouride Brotherhood is strong. Pilgrims perform certain rites, and major companies relocate their operations to ensure good visibility among Muslim consumers and tourists.
During the Magal event, the state mobilises essential services like telephone, electricity and water companies to ensure a smooth pilgrimage in Touba-Mbacké.

14.4.1 Touba-Mbacké, a Sprawling City

The Greater Touba or Touba-Mbacké agglomeration, is facing unprecedented urban sprawl. In 1928, Touba occupied 400 ha; today, it occupies 30,000 ha. Several municipalities and villages have been attached to the city, either administratively or because of urban expansion. Due to urbanisation, the city is now connected to Mbacké, the capital of an administrative department in the Diourbel region. The two territories are heavily intertwined and spreading.

According to Dr Cheikh Guèye, a researcher and specialist of Touba (Guèye, 2002), the religious city grew by 15% per year for 30 years between 1958 and 1988. Figure 14.6 shows the extent of urban agglomeration from 1974 to 2009 (Ross, 2006). It was mainly made up of a rural population, primarily from the Arachidier Basin, and was the first city in the interior. This rural town has engulfed Mbacké, which developed on the margins of the religious city, and together they form the second agglomeration of the country. Many of the people living in these areas come from the rural areas of the Louga and Diourbel regions; others have come from the suburbs of Dakar.

Unfortunately, the urban sprawl has not yet been followed by the implementation of urban services, especially in the peri-urban localities (also called ‘Santhianes’ locally). The facilities and infrastructure of Touba are unable to meet the needs of its outlying neighbourhoods.

**FIGURE 14.6 | Map of the Touba-Mbacké agglomeration**

The Khalife-General lives on Touba-Mbacké’s central square, and his father (former Khalif) supervised the construction of the mosque, which was completed in 1963. The mosque is centred on Touba-Mbacké’s main market, the Ocass, one of Senegal’s most important markets.

While Touba-Mbacké’s thoroughfares converge on the Great Mosque, its public transit network (consisting of minibuses, buggies and donkey carts) converges on Ocass Market. This is the city’s central business district (CBD), and it houses its oldest banking establishment. It is also the first part of the city to have undergone higher density “second-generation” urbanisation, where single-family compounds were replaced by multistory, multipurpose buildings that generate revenue for the city.

**TABLE 14.8 | Profile of Touba-Mbacké**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
<th>Unit Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Area</strong></td>
<td>What is the estimated urban area in the city?</td>
<td>1,833 km²</td>
</tr>
<tr>
<td><strong>Demographics</strong></td>
<td>What was the estimated population in 2013?</td>
<td>929,764 (2013)</td>
</tr>
<tr>
<td></td>
<td>What was the population in 2013 or the last census</td>
<td>929,764</td>
</tr>
<tr>
<td></td>
<td>Is the city’s share of the national population growing?</td>
<td>5.87%</td>
</tr>
<tr>
<td></td>
<td>Estimated density of population</td>
<td>510 pp km²</td>
</tr>
<tr>
<td></td>
<td>Has population density in the city increased or decreased?</td>
<td>Increased 7.1%</td>
</tr>
<tr>
<td><strong>Economic Strength</strong></td>
<td>What is the city’s estimated GDP?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>Estimate of how fast is the economy-growing pa?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What is the fastest-growing sector of the economy?</td>
<td>Islamic tourism</td>
</tr>
<tr>
<td></td>
<td>What does it export?</td>
<td>Islamic (Mouridism) Culture and artefacts</td>
</tr>
<tr>
<td><strong>Income Levels</strong></td>
<td>What is the estimated average income per month?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>How much higher are incomes in the capital city compared to the city?</td>
<td>74,197/pa US$</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td>How big is informal sector employment?</td>
<td>85% of total</td>
</tr>
<tr>
<td></td>
<td>What is the unemployment rate?</td>
<td>Less than 15%</td>
</tr>
<tr>
<td></td>
<td>Is there a reliance on remittances to supplement household income?</td>
<td>From pilgrims and diaspora</td>
</tr>
<tr>
<td></td>
<td>Estimate % of households living below the poverty line. Gini Coefficient data?</td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Poverty Rate</strong></td>
<td>What is the gini coefficient?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What is the budget of the municipality?</td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Public Finances</strong></td>
<td>What are the primary sources of funds and expenditure?</td>
<td>Tourism</td>
</tr>
<tr>
<td></td>
<td>How much money does the municipality spend/capita?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has access to potable water?</td>
<td>68%</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td>What % of the city population has good sanitation?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What % of the city population has waste management collection?</td>
<td>58%</td>
</tr>
<tr>
<td></td>
<td>What is the length of urban roads?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What is the distance and travel time to the nearest largest city?</td>
<td>184km/2hr41min distance/time</td>
</tr>
<tr>
<td></td>
<td>How many intercity buses are there a day?</td>
<td>270 trips/day</td>
</tr>
<tr>
<td></td>
<td>Does the municipality have a GIS with an inventory of infrastructure?</td>
<td>Unknown</td>
</tr>
<tr>
<td></td>
<td>What % of the city's residents live in slums?</td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Housing and Land</strong></td>
<td>What % of households rent?</td>
<td>39.9%</td>
</tr>
<tr>
<td></td>
<td>What is the cost of land on the fringe?</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

Various Sources
14.4.2 A Specific Model of Urban Governance

Touba is the capital of the Mourides, so all decisions concerning the management and development of the city are the exclusive responsibility of the Khalife General of the Mourides (Sow et al., 2020).

The municipal councillors are appointed within the great families of the sons of the revered Sheikh Ahmadou Bamba, the founder of the Mouridism and the holy city, and the Touba-Mosquée Ward is administered directly by a mayor whom the Khalife-General of the Mourids appoints.

Touba enjoys an officially recognised status of exterritoriality: the use of tobacco and alcohol, gambling, football, cinema, and folkloric events are prohibited within the limits of special status. This is not the case for Mbacké, which existed as a city (in the administrative sense) long before Touba, but has now become an enclave within the religious city.

The central government still controls aspects like security—and permission to set up official/national police stations was only given in the 1980s.

Nevertheless, the commitment of the different/various stakeholders to the city's urban development is a major asset. In Touba, state and religious authorities are working together to develop the city. The brotherhood is organised in various socio-professional and cultural associations known as ‘dahiras’. The dahiras raise funds for the brotherhood’s projects and leaders. Mourides community stand out due to their dynamism and entrepreneurship. The Mourides constitute the most influential brotherhood in Senegal, particularly in Touba-Mbacké, i.e., politically, and economically. They own numerous rice, millets and peanut farms. and their followers sometimes work for free. The civic engagement noted with associations and dahiras, as well as its diaspora, is a strong asset for the future development of Touba, as they carry out development projects. Religious authorities in Touba finance large projects in all sectors.

A major project currently being carried out, for example, is the University of Touba, set up and financed mainly by the Khalife-General as well as other Mouride religious guides.

Touba-Mbacké is not one of the regional headquarters in Senegal. It falls under the Diourbel region because of its unique role as Senegal's largest traditional Islamic centre. Because of the city’s sacred nature, it was made an autonomous administrative zone run by the Mouride Brotherhood. The governance of Touba-Mbacké is based on a system of wards. Touba became a commune in the administrative sense in 2014, with a mayor as its head; before that it was a ‘rural community’ but not an urban commune.

The low level of French education of local elected officials is not a major constraint, as most of the counsellors are literate in Arabic. Women are also represented in the local council.

14.4.3 A Dynamic Economy and financial Environment

The economic importance of Touba-Mbacké within Senegal is significant. It has a well-structured CBD with banks and financial transaction facilities and strong commercial activity, particularly around the largest mosque in Senegal, with various goods and services on display for tourists and worshippers, including prayer mats, household goods, religious ceramics, clothes, artefacts and carpets.

During the Magal festival, water, electricity, ablution facilities and accommodation for tourists also increase significantly. The city's gross domestic product is not available, but it is estimated that commercial activities in the town can double during the Magal period, as the population swells up to 2 million.
14.4.4 An Original Urban Structure, Land Status, and Management

Touba-Mbacké is designed on a radial and regular grid layout pattern of streets, with three major boulevards converging on the Great Mosque of Touba in the centre of the city (Figure 14.7). The Mbacké-Touba boulevard forms the main promenade road for the twin city. Touba also has a major inner-city ring road. The environment of Touba-Mbacké varies from a high-density, built-up CBD to residential wards with lesser shopping areas to the rural areas outside of the city. On the latter, the Islamic clerics in Touba-Mbacké are the owners of numerous millet and peanut farms in the surrounding area; they control the peanut market, and their followers work for free because they are believed to gain spiritually.

A large part of the municipal territory is the property of the religious family of Serigne Touba. Indeed, Touba is a land title. The city of Touba has the specificity of being built on a single private land title in the name of Cheikh Ahmadou Bamba. The title was put into effect under the colonial was affected by the colonial power under the Khalifat of Serigne Mouhamadou Mbacké in September 1928, under number 528, for an area of 400 ha. The land title on which the city is built has been extended, increasing to about 30,000 ha or about 12 km around the mosque. The city offers the image of a unique plot (Ka, 2011).

The city is made up of several ‘villages’ founded by Sheikh Ahmadou Bamba’s sons. Darou Miname belongs to the family of Serigne Bassirou, Darou Khoudoss to that of Serigne Mouhamadou Moustapha Mbacké, first Kalife of Cheikh Ahmadou Bamba, Gouye Mbind to that of Serigne Bara, Ndindy to the family of Serigne Fallou the second Kalife of the Mourides. The religious leaders granted most plots free of charge to their disciples for housing needs or other activities.
As an important regional city, Touba is directly linked by road to other close Senegalese regional centres like Diourbel, Saint-Louis, Kaolack, Louga, Lingueure, and Thiès, and it also has an airport outside of the town. During the Magal festival, due to the population increase, movement within the city is almost 100% pedestrian. The city has one hospital, two health centres, and about 20 health posts.

### 14.4.5 A Rapid Growth Leading to Environmental and Health Challenges

With its enormous demographic weight and the development of religious tourism, the quantity of daily waste produced by the city is significant. We also note the importance of plastic waste due to the use of water bags and the development of commercial activities. Along with the frequency of religious events, the city produces a high volume of organic waste. However, the city does not yet have an effective management system, although some improvements were made by the Solid Waste Management Unit (Government Agency for Solid Waste Management – UCG).

There is also the proliferation of garbage dumps, especially in outlying areas. The city of Touba alone produced 586.24 tonnes of waste per day in 2020, i.e., an average daily production of 0.71 kg per inhabitant. This waste is composed of fine elements (64%), organic waste (11%), plastic waste (5%), and fuel (7%) (UCGC, 2017). Waste management is not done under the best conditions. Only 14% of households have regulatory bins. The pre-collection is carried out by private contractors, (GGGI, 2020).

Touba is the only city in Senegal where the distribution of water is free. But the tap water in this locality is very salty, pushing the population to buy water from wells, with all that this entails as a hygiene problem. This salinity of the water also has negative impacts on the city’s environment. The quality of the water does not facilitate the development of plant cover in public spaces. During the Magal, there is a critical lack of water, leading part of the population to buy water tanks to cover their needs during these events. And during the rainy season, most of the streets are flooded.

Recent investments to improve the management and treatment of wastewater have been made to the city’s sewer network, through extension to areas relying on on-site sanitation. There is now a faecal sludge treatment plant, which was built in Mbacké by the Office National de l’Assainissement (ONAS) and managed by a national private firm, Delvic SI.

To support population growth, The Government has launched in 2007 a program for the modernisation of Touba-Mbacké over the next five years that will disburse “about FCFA100 billion ($235 million) for the extension of road and electricity networks, as well as the sanitation system” in Touba-Mbacké.

### 14.5 Touba’s Trends and Challenges for the Future

The Greater Touba has strong commercial activities, and the city’s growth will continue to be driven by commercial education, knowledge, and religious activities. Remittances and the flow of funds for developing religious and cultural facilities have been crucial to the development of Touba-Mbacké, as has the Brotherhood of Mourides. Studies have been undertaken to investigate how the city’s cultural capital can develop tourism and education opportunities.

The city of Touba will continue to expand, particularly to the north, due to increased rural-urban migration and growing demand for land and housing. This rapid urbanisation in this corridor will impact mobility significantly, increase travel time to work, and strain an already congested and inefficient transportation network.

The city could use the international expertise and goodwill of its institutions, especially leaders of Mouridism, to enhance its competitiveness, governance, and potential to play a more significant role in the nation’s development. There are opportunities to exploit the city’s unique circumstances, using its international significance to attract capital and investment in new enterprises that help develop and diversify the local economy.
In this context, GGGI is working with the municipality of Touba to develop and implement a Development Strategy of Touba as a Green Secondary City. Developed and implemented by GGGI with the Senegalese government and local authorities, the Touba 2035 Green City Development Strategy provides a planning and implementation framework to strengthen urban resilience for coping with the effects of climate change, as well as to consolidate its economic competitiveness and reinforce its strategic position within its region. The strategy can help deliver more sustainable development outcomes, preserving the environment and natural resources through an integrated and inclusive urban management approach based on green growth.

The Touba Green City Action Plan relies on the implementation of three major programs, broken down into a portfolio of 20 priority projects to drive the city’s ecological transition towards green growth over five years (2020–2024). The process involves a multi-sector consultation approach of a series of technical activities with the municipality’s participation, local actors, religious leaders, and technical services. This plan includes several major development projects that will enable Touba to improve its religious and economic functions and maintain its position as Senegal’s second-largest city. The Touba vision is aimed at ensuring the transition to a low-carbon green city. The strategic guidelines defined based on the Green Secondary Cities Development Guidelines make this vision operational and focus on the city’s priorities—on aspects related to the revegetation of the city, the strengthening of urban services, and the establishment of a liquid-solid waste collection and management system. In total, 20 priority projects have been identified to drive the city’s transition to green growth. Creating an integrated waste recovery centre is an economic development objective for the city because it should also create green jobs and thus have social and economic benefits.

There are also opportunities to introduce public-private partnerships to improve the delivery and maintenance of the public utilities listed above.

### 14.6 Summary of Main Challenges for Senegalese Secondary Cities

The level of urbanisation in Senegal is expected to reach 30% by 2030. While Dakar will continue to grow rapidly, absorbing many rural-urban migrants in the future, secondary cities are expected to experience a more significant share of urban population growth. The challenges of managing uncontrolled and unbalanced growth of urbanisation in Senegal are that the Dakar capital region has a high level of polarisation, including the bulk of activities, infrastructure, businesses, universities, and informal sector jobs. Secondary cities and regions are losing out on investment, development and employment opportunities. With high levels of youth unemployment in many of these cities and loss of development opportunities, this situation adds to a restlessness and concerns about equity and justice, with significant economic, social and political consequences for the country.

Secondary, or intermediate cities as known in Senegal, are crucial to support the development of a national system of cities and regional economies. Economic development of secondary cities has not been a significant focus of urban policy; until recently. Poor urban governance is one of the most significant factors undermining cities’ competitiveness in many developing economies and in Senegal. Unless more significant opportunities and efforts are made to support the development of secondary cities, the country will be unable to maximise its development potential. This entails an action agenda that focuses on decentralised investment in public services and goods to support secondary cities. If no action plan is put in place, the gap between Dakar and Senegal’s secondary cities will continue to widen. Senegal can develop its inland secondary cities, but it needs a comprehensive set of policies and plans to do so.

Key to this is the promotion of competitiveness, including an emphasis on an urbanisation strategy that integrates all cities, irrespective of whether they are secondary or tertiary. This requires the decentralisation and devolution of administrative and financial responsibilities, leadership; accessibility of local government services; and inclusive decision-making to secondary cities. Access to good statistical and survey data for Touba-Mbacké is limited. Many basic indicators of the city’s development proved difficult to locate or were not produced. This makes it difficult for the city to develop economic, social, and land-use policies without access to information. Good geospatial data is available from Africapolis, but this lacks depth in terms of the socio-demographics and economics of the city. There is a need to significantly improve data and management information services for the city and its regional economy.
Secondary urban centres face serious environmental, economic and social problems that need to be brought to the forefront and given more significant resources in order to implement and localise national, regional, and urban and regional development policies and programs. A massive backlog of infrastructure projects exists for most of Senegal’s secondary cities. Yet funding for strategic infrastructures such as roads, sanitation, pipe-borne water supply, information and communications technology (ICT), and electricity is needed to support transport, logistics, telecommunications and municipal services that significantly affect secondary cities’ competitiveness.

A means of collecting additional taxes and revenues to pay for the urban services is crucial if the demands for adequate infrastructure are to be met. This necessitates putting land-use planning back at the heart of national priorities. Under this condition and adding relevant policies and investments, secondary cities could become growth poles capable of absorbing rural exodus and providing the services and jobs needed by the increasing population.

The government has initiated a series of programs and actions to create a competitive regional economy, creating wealth and jobs supported by secondary cities and capable of driving a balanced development of the territories, and all of this justifies the government’s option to retain secondary cities as a model for green cities (see above).

There are many actions Senegal could take to support the development of its secondary cities. These need to be enunciated clearly and prioritised. The authors suggest three priority areas below, where Senegal should engage in broader discussion and debate, and where calling for policy action could support the sustainable development of Senegalese secondary cities.

### 14.6.1 Policies Improvements to Support the Development of Secondary Cities in Senegal

Senegal is a country facing significant challenges in managing urbanisation. Climate, historical and cultural factors have shaped the geography of its cities and urban systems. Its proximity to Europe offers significant development opportunities, but its network of cities and urban populations needs to become better educated, developed, and competitive to realise these: this especially applies to the nation’s secondary cities. These need support to realise their full development potential.

### 14.6.2 Climate Adaptation and Relevant Sanitation, Solid Waste Management, And Stormwater Management: A Necessary Paradigm Shift

Climate change is affecting many Senegal cities. For example, Saint-Louis, home to nearly 300,000 people, is seeing houses destroyed, streets flooded, and crops killed by encroaching saltwater (Yeung, 2019). Senegal is acting on climate change through action plans and emergency management strategies, but funding to develop infrastructure for adaptation is limited (Zamudio & Terton, 2016).

Uncontrolled construction, urban sprawl, and low-density suburban areas expand unitary costs of networks, avoiding economies of scale and making it even more challenging to finance sanitation and drainage infrastructure and implement solid waste collection and treatment systems. Climate change perspectives will most likely aggravate the consequences of urban environment management failure.

Sanitation and stormwater management has relied on ‘classical’, costly, big network solutions, adapted from western practices. These are not applicable for non-consolidated urban contexts, which have generally failed in Senegal. They result in a massive waste of public funds (mainly by debt, reinforcing the country’s dependence on its donors and threatening the capacity to develop its endogenic incomes and invest in other sectors).

But in the last 10 years, thanks to the liveliness of its private firms and the sense of innovation of some of its researchers, and with the noticeable support of its international partners such as the Bill & Melinda Gates Foundation, French Agency for Development (AFD), World Bank, or USAID, amongst others, Senegal, and in
particular Dakar, has been a laboratory for innovation in terms of decentralised sanitation solutions relying on on-site solutions and faecal sludge solutions, as well as supporting and regulating the (primarily informal) private service providers.

Circular economy approaches have been experimented with for both sewerage and faecal sludge or solid organic and plastic waste. New integrated and ‘nature-based’ solutions are being tested for improving the city’s resilience to flooding. If all the lessons from those experiences and approaches are viable, these could be adopted, and upscaling could represent a significant opportunity for supporting the development of secondary cities in Senegal.

14.6.3 Developing National Secondary Cities Movement Partnerships: A Collaborative Governance to Develop Regional Economic Clusters and Corridors of Smaller Cities

Increasingly, cities in Senegal are being exposed to greater competition and must enhance their economic performance by integrating their services better into value-adding industries and supply chains. The factors that drive competitiveness should be aligned to developed economic infrastructure that can facilitate trade and investment growth in secondary cities and between cities in a regional network. Strategies are needed to address such deficiencies by fostering integration to ensure more equitable, efficient and environmentally sustainable urban development across the country. Such strategies should include harnessing the resources of countries and cities in the region to boost weak areas.

The dynamics of local economies, including secondary cities in Senegal, could be enhanced through various social, cultural, and institutional-business integration. The concept of secondary city partnerships entails enhancing regional linkages and regional cooperation to reduce the widening disparities between cities to develop city networks. National and subnational policies that support secondary city partnerships can be achieved through integrated physical, logistical, and economic linguistic investment in secondary cities; and improved sub-regional transport and communication systems between the cities. For example, organised networks, diaspora linkages, trusts, corporate leadership, innovation, creativity and risk management can be promoted in entrepreneurship and seeking trade and investment with other secondary cities in Senegal and beyond.

This would require a deliberate attempt at fostering regional cooperation between metropolitan and secondary cities to identify opportunities for trade and collaboration in order to create new jobs and business opportunities that can tap into national, international and secondary cities markets. Partnerships are needed to address regional infrastructure deficiencies and promote information sharing. Partnerships can also promote economic trade corridors that link and increase connectivity and trade between cities and integrate secondary cities into regional supply chains.

The creation of economic development corridors and regional clusters of cities has the potential to create mechanisms that secondary cities can use to unlock their potential to attract investment and capital; develop their human capital base, investment in infrastructure, knowledge, trade, and grow their way out of poverty. These can be achieved through the following means:

- Enable secondary cities to be smarter cities by importing and adapting green technologies, better logistics systems, and e-governance between secondary cities.
- Develop systems for enhanced mobility, including ICT-enabled transport infrastructure, and integrated multi-modal transport. The relaunch of the railways through the creation of new lines and upgrading of existing ones, as proposed in the “Plan Sénégal Emergent” strategy, would, of course, contribute to the opening and economic development of secondary cities in Senegal, and with neighbouring countries. One first example of such an intercity railway is already being achieved between Dakar and Diamniadio.
- Promote high-value cluster development by developing innovation/incubation hubs and centres and training programs integrating primate cities such as Dakar.
- Strengthening urban development authorities by promoting integrated development planning and fostering the regeneration of secondary cities’ inner areas.
- Promoting an urbanisation strategy and system of integrated cities between Senegal and the secondary cities of neighbouring countries.
Senegal surrounds the Gambia, and the two countries already share language, social and cultural commonalities. Enhancing linkages by aligning logistics, trade, economic and administrative systems to improve the free flow of people, goods, and services between cities is essential in fostering the development of economic corridors and competitive regions between the two countries, in the context of Senegambia trade relations, the Economic Community of West African States (ECOWAS), and the African free trade agreements.

Improved inter-regional trade between Senegal and the Gambia’s cities could be promoted by rehabilitating roads and developing ICT networks. The improvement of the political relationship between the two government has created a new dynamic, and a bridge on the Gambia River, inaugurated recently, is promoting interchanges between the two countries and is connecting the southern region of Casamance (and the secondary cities of Kolda, Sédhiou and Ziguinchor) to the rest of Senegalese territory.

A bridge is also being built on the Senegal River, connecting Rosso-Mauritania and Rosso-Senegal’s twin cities, thus allowing trade and exchanges between Senegal and neighbouring sub-Saharan African countries in the northern part of the continent (Maghreb countries). This is a significant symbolic achievement, considering that Mauritania and Senegal were at the edge of a war 20 years ago. Adopting a ‘synaps’ approach promoting sub-regional integration and promoting exchanges between secondary cities from Senegal and its neighbouring countries, Mali, Guinea, and Guinea-Bissau, should be encouraged by the States’ governments with the support of their technical and financial partners.
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14. TOUBA-MBACKE: SENEGAL


ENDNOTES

(1) Macrocephaly, in geography terms relates to the excessive concentration of population and development in a single centre to the detriment of other areas.