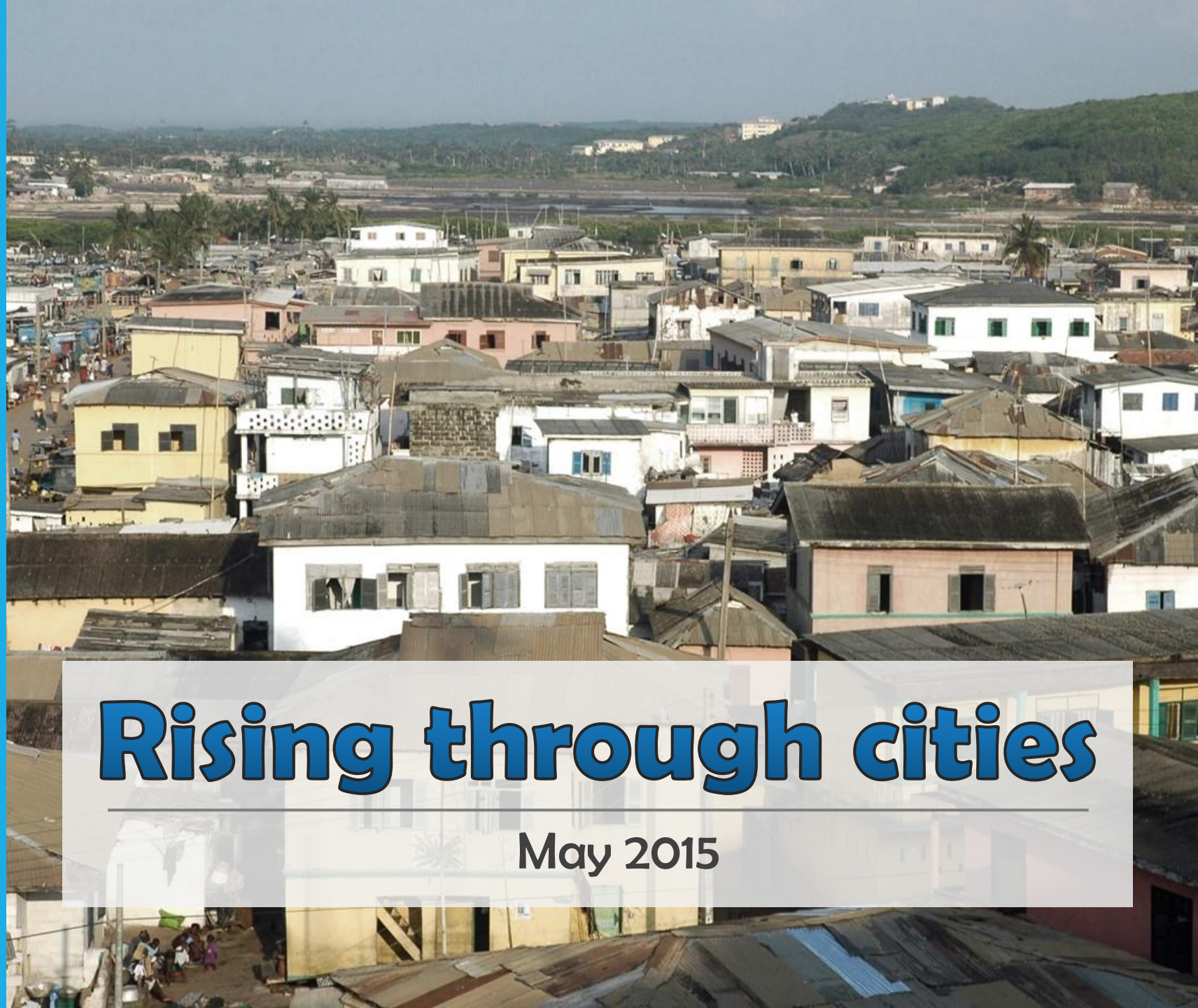


Ghana Urbanization Review



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra



Rising through cities

May 2015

Overview

1. GHANA'S SUCCESSFUL URBANIZATION



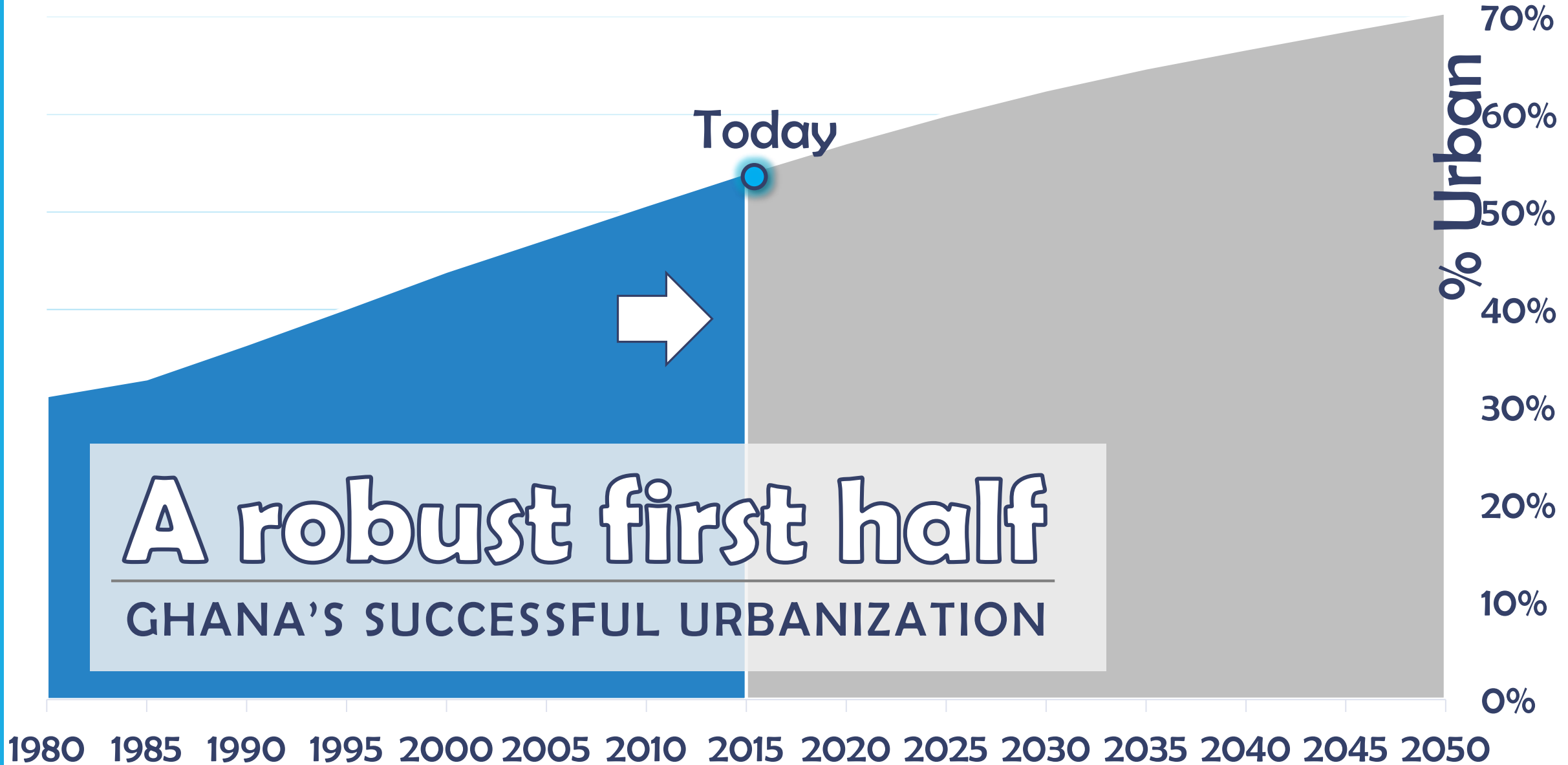
2. CHALLENGES TO ENHANCING ECONOMIC GROWTH AND INCLUSION THROUGH CITIES



3. POLICY PRIORITIES



Section 1 / 3

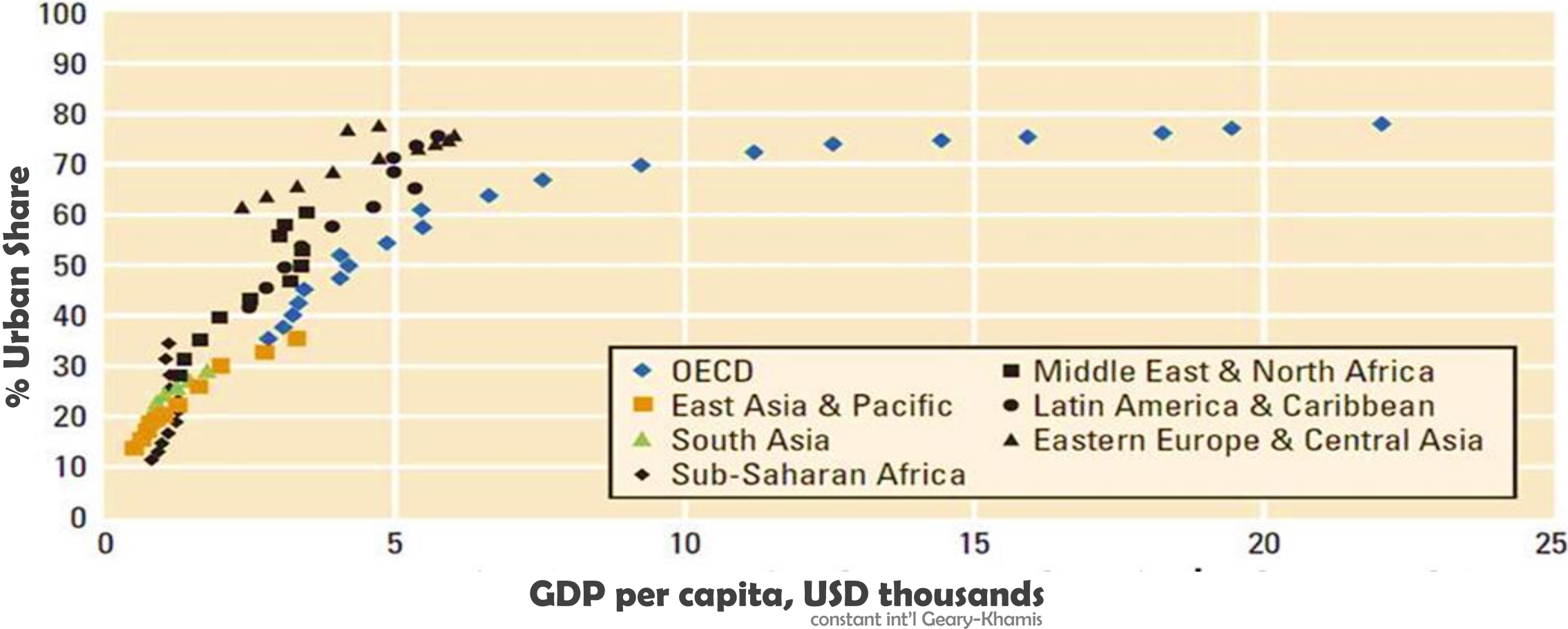


A robust first half

GHANA'S SUCCESSFUL URBANIZATION

Global evidence: urbanization and prosperity

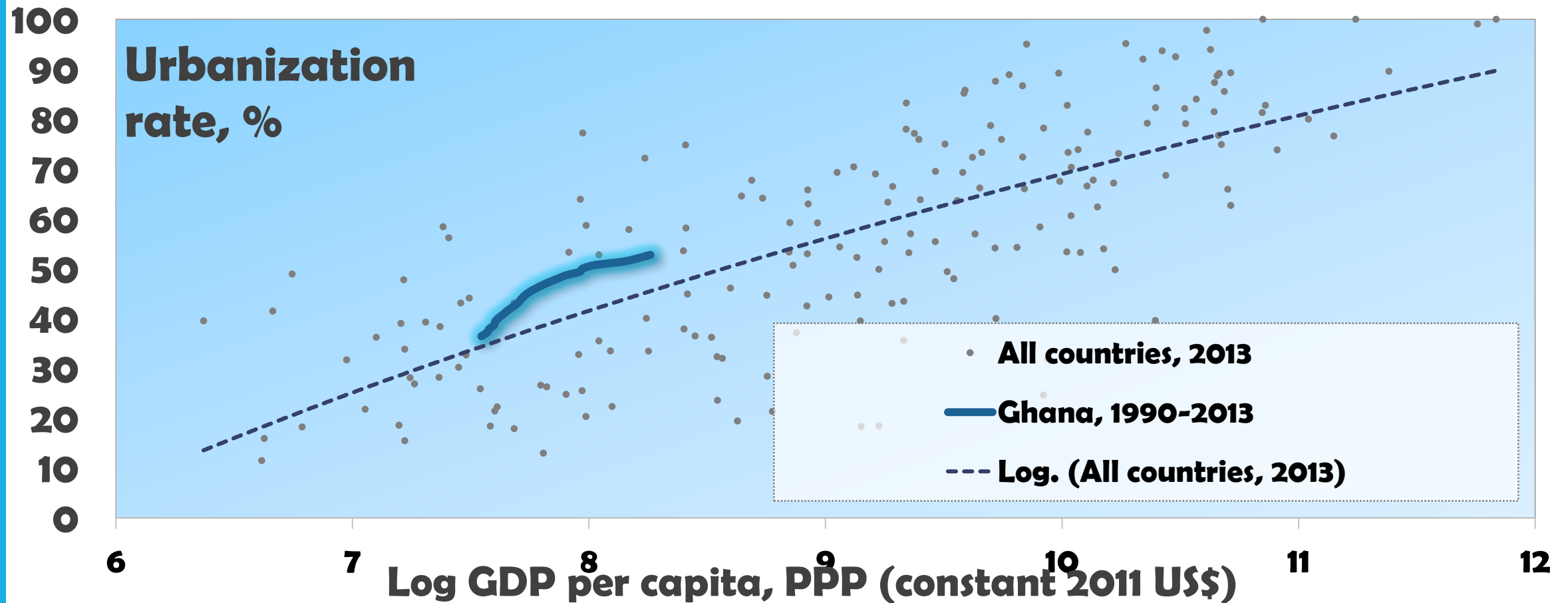
Full range of GDP per capita



SOURCE: MADDISON 2006; UNITED NATIONS 1969, 1949, 1953, 2006C;
HISTORICAL DATABASE OF THE GLOBAL ENVIRONMENT

Urbanization complements economic development in Ghana

Strong relationship between income and urbanization

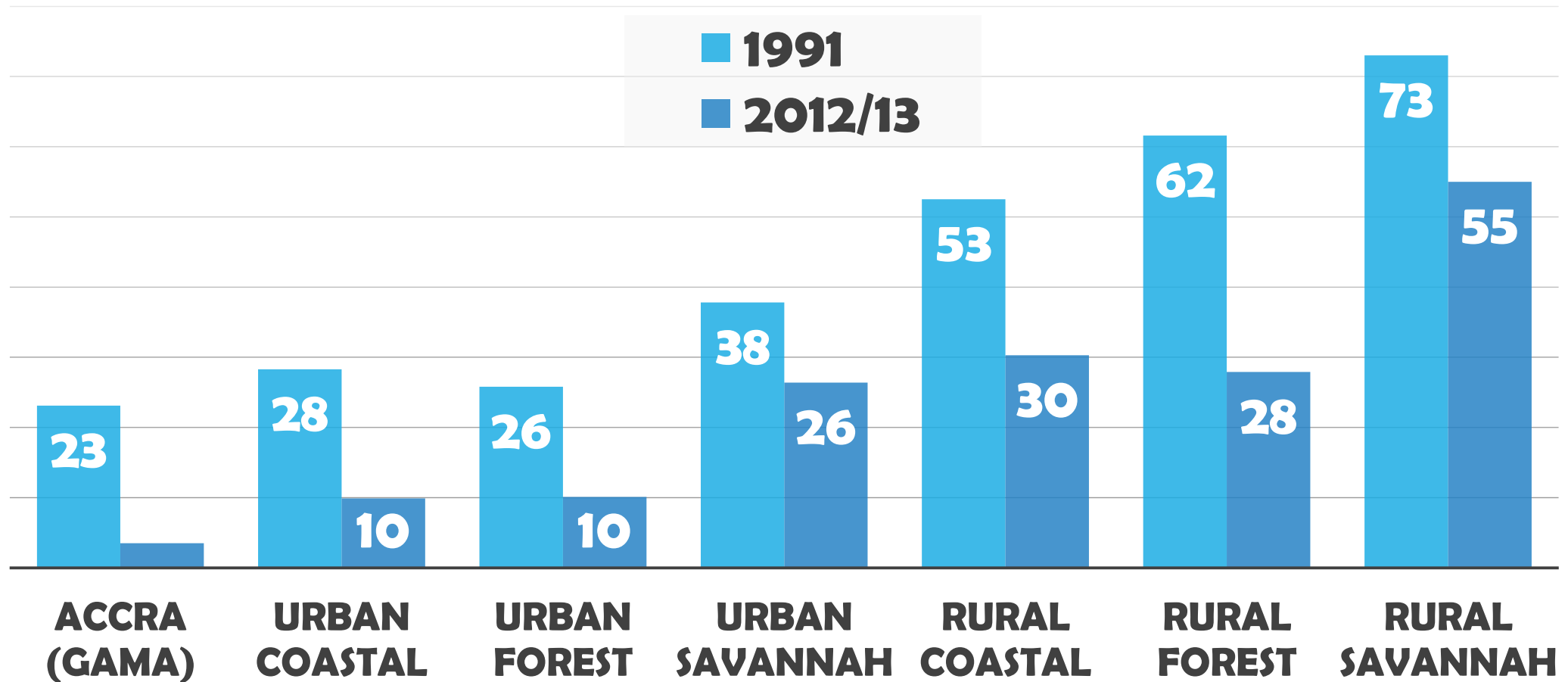


SOURCES: WDI; WORLD BANK STAFF CALCULATIONS.

Urbanization has helped reduce poverty

Poverty incidence in selected regional areas

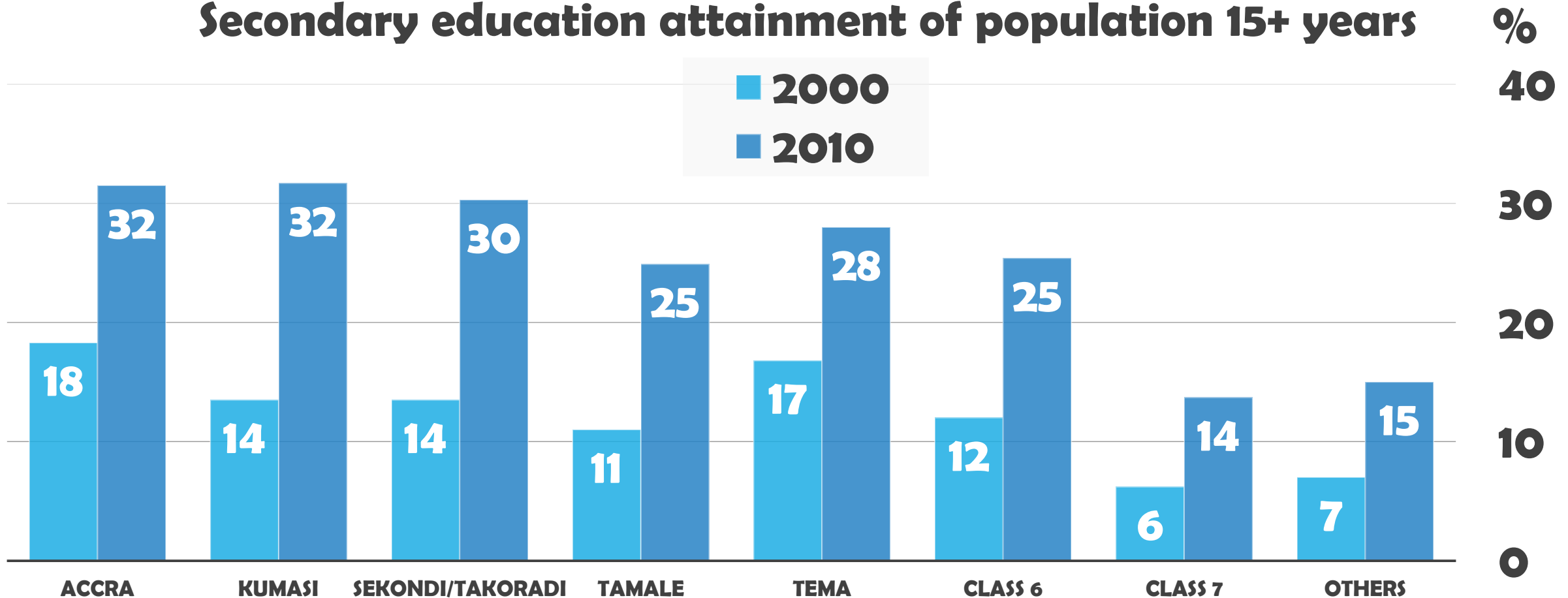
%
80
70
60
50
40
30
20
10
0



SOURCE: GSS 2013, 2014.

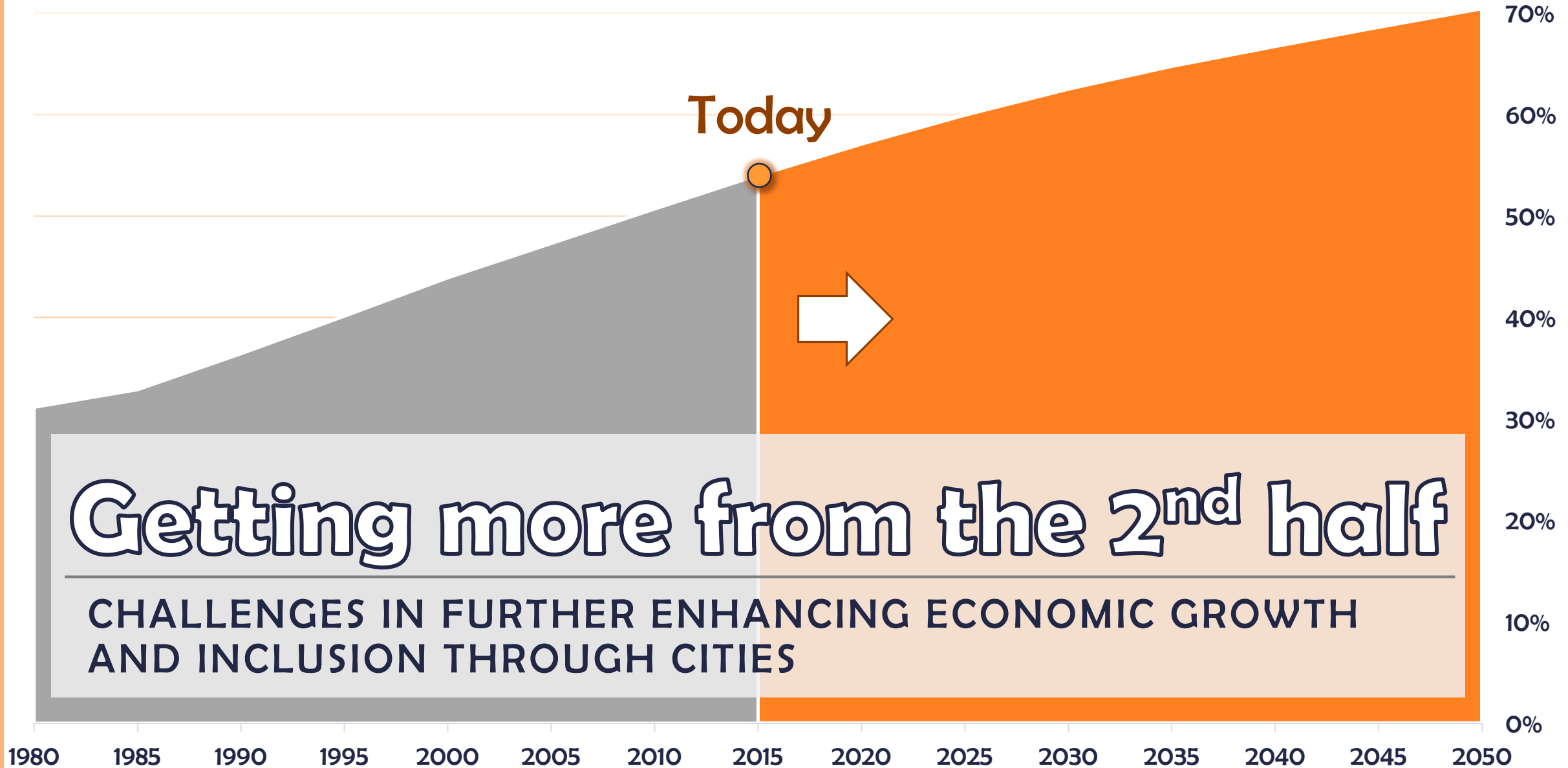
Urbanization has helped develop human capital

Secondary education attainment of population 15+ years



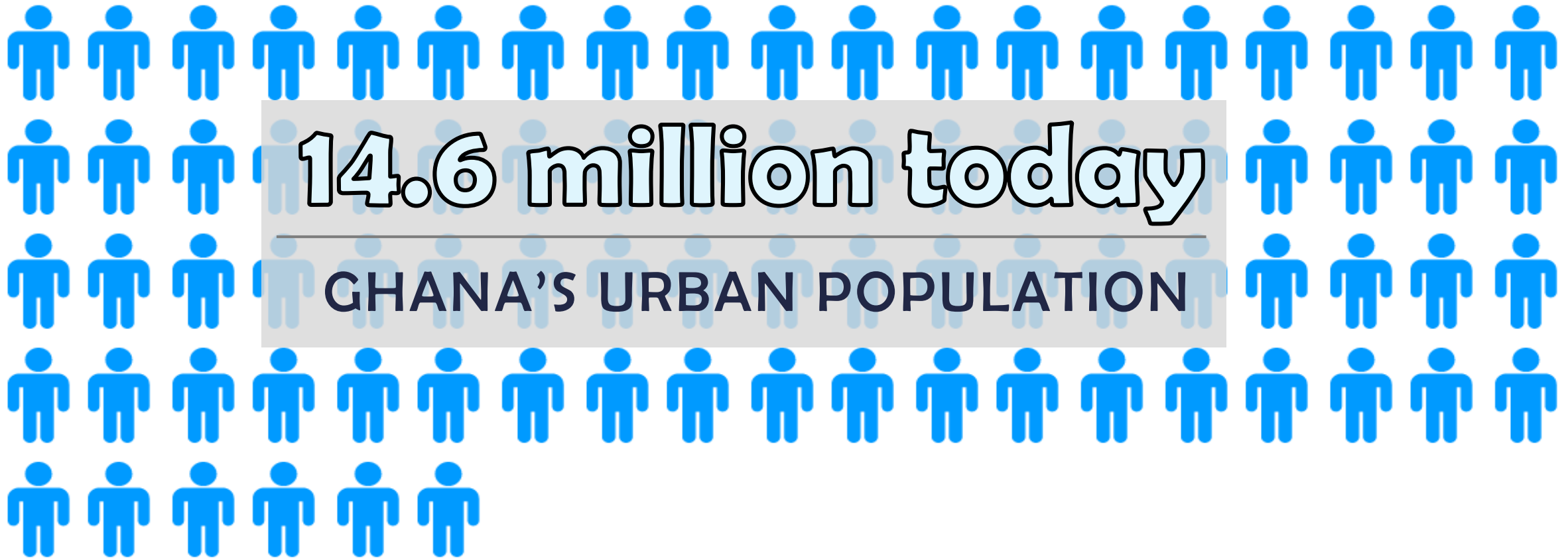
SOURCE: GUR I, ANNEX TABLE 14

Section 2 / 3



Getting more from the 2nd half

CHALLENGES IN FURTHER ENHANCING ECONOMIC GROWTH AND INCLUSION THROUGH CITIES



14.6 million today

GHANA'S URBAN POPULATION



19.5 million by 2025

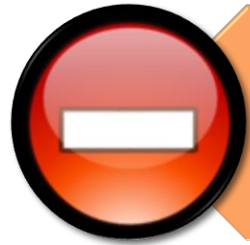
ADDING ANOTHER LIBERIA!



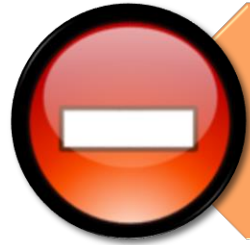
27.2 million by 2045

DOUBLE IN JUST TWENTY YEARS!

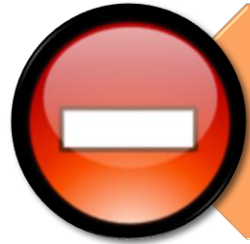
Challenges for making cities productive, inclusive, and livable



**DECLINING INDUSTRIAL
DEVELOPMENT**

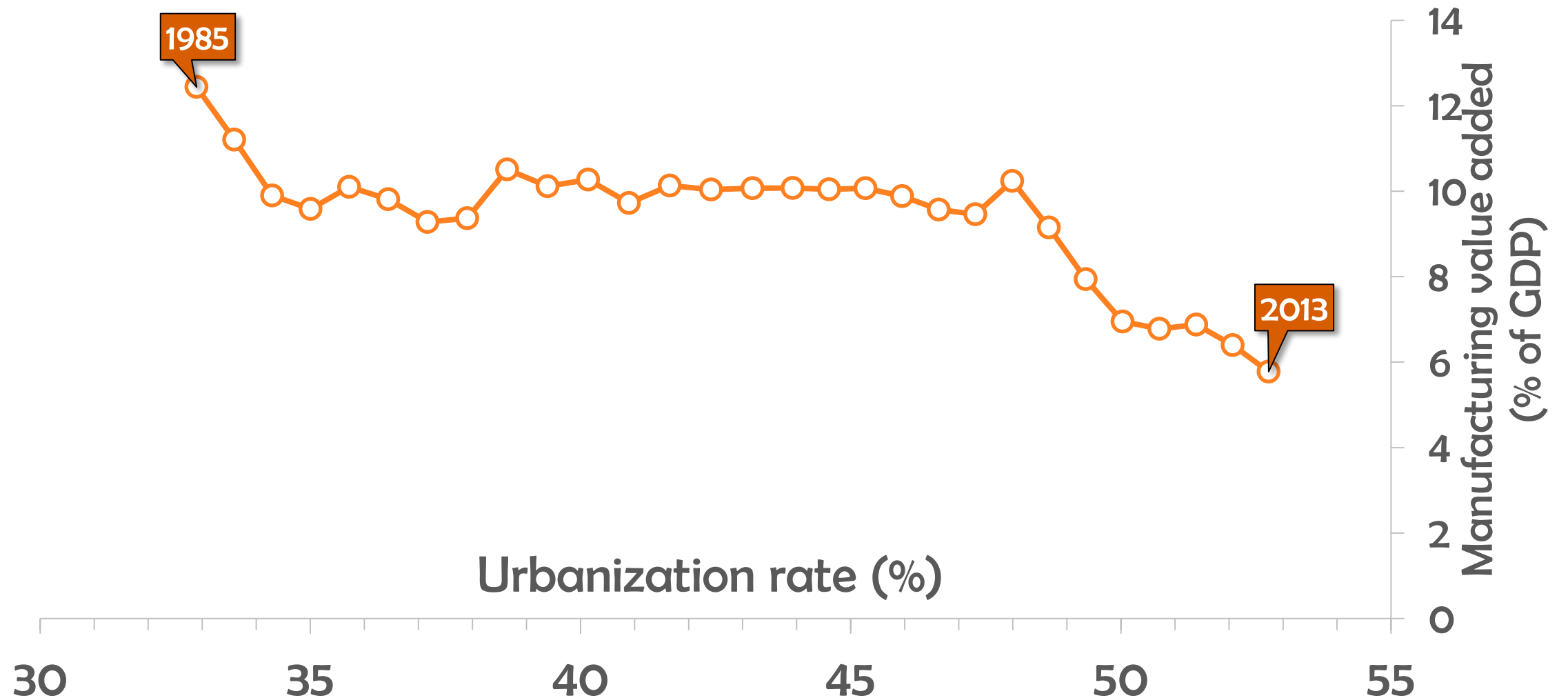


**UNCOORDINATED SPATIAL
EXPANSION AND LIMITED
CONNECTIVITY**



**DECLINING ACCESS TO BASIC
SERVICES AND HOUSING**

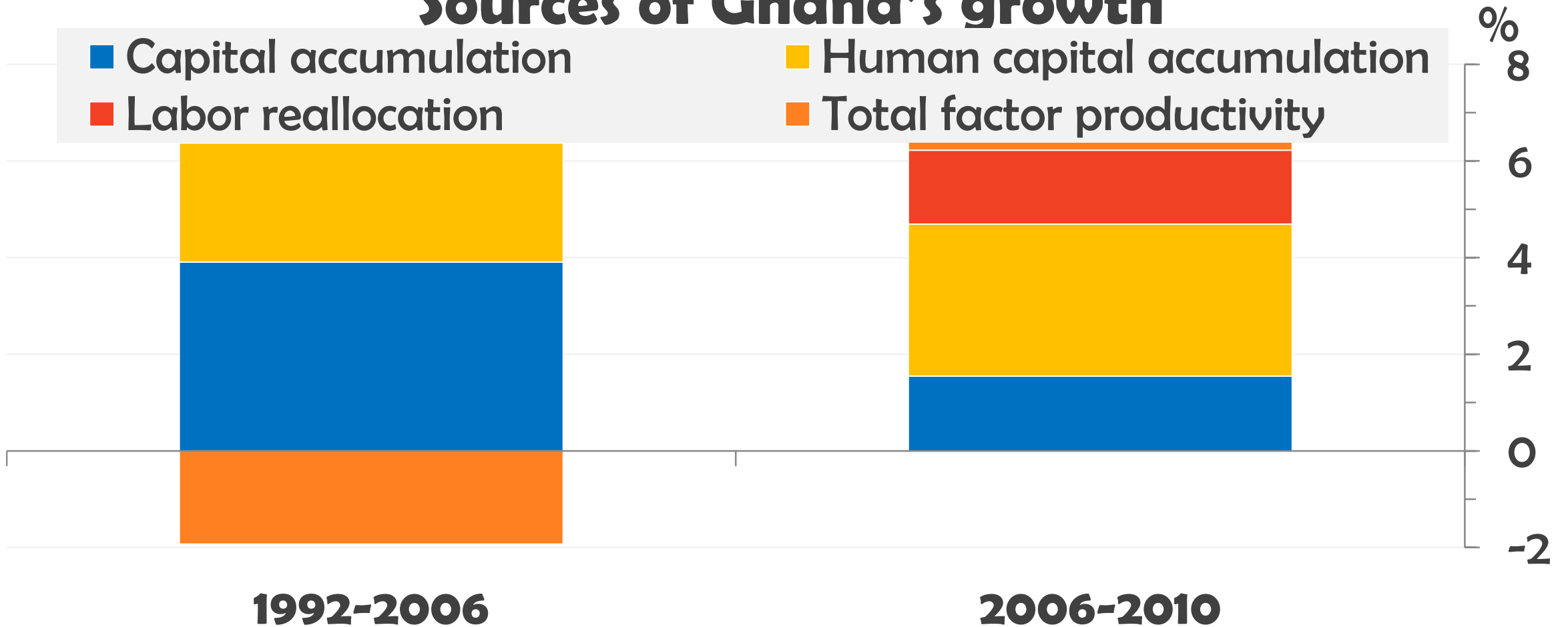
Declining industrial production



SOURCES: WDI; WORLD BANK STAFF CALCULATIONS.

Cities are growing rapidly but productive sectors are not

Sources of Ghana's growth

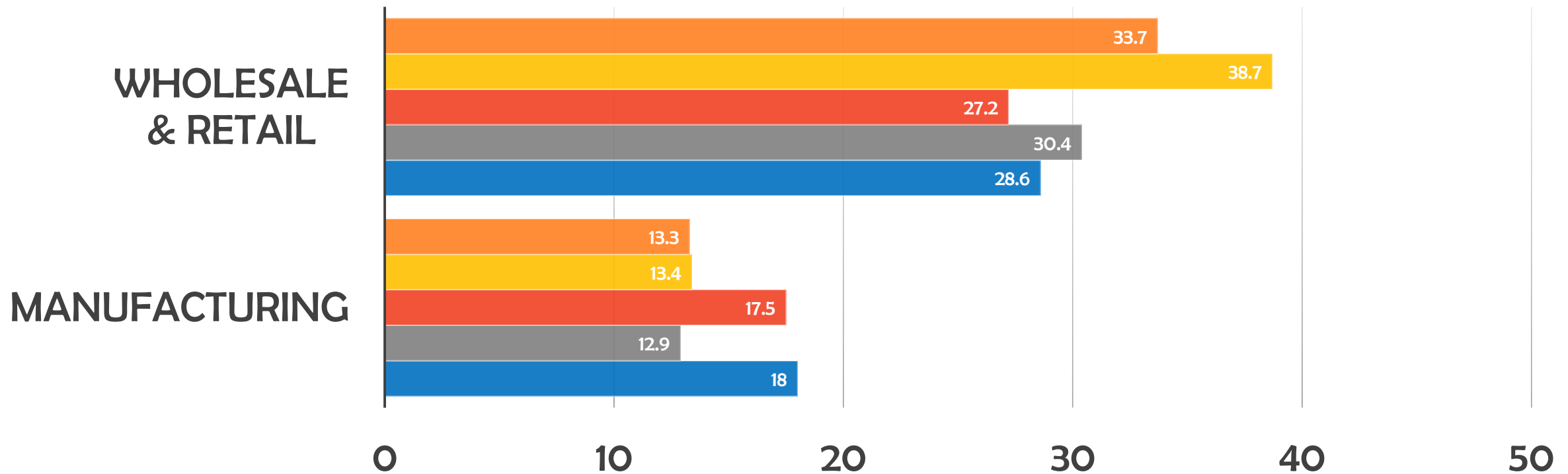


SOURCES: WDI; WORLD BANK STAFF CALCULATIONS.

Cities are growing rapidly but productive sectors are not

Share of employment – metropolitan areas

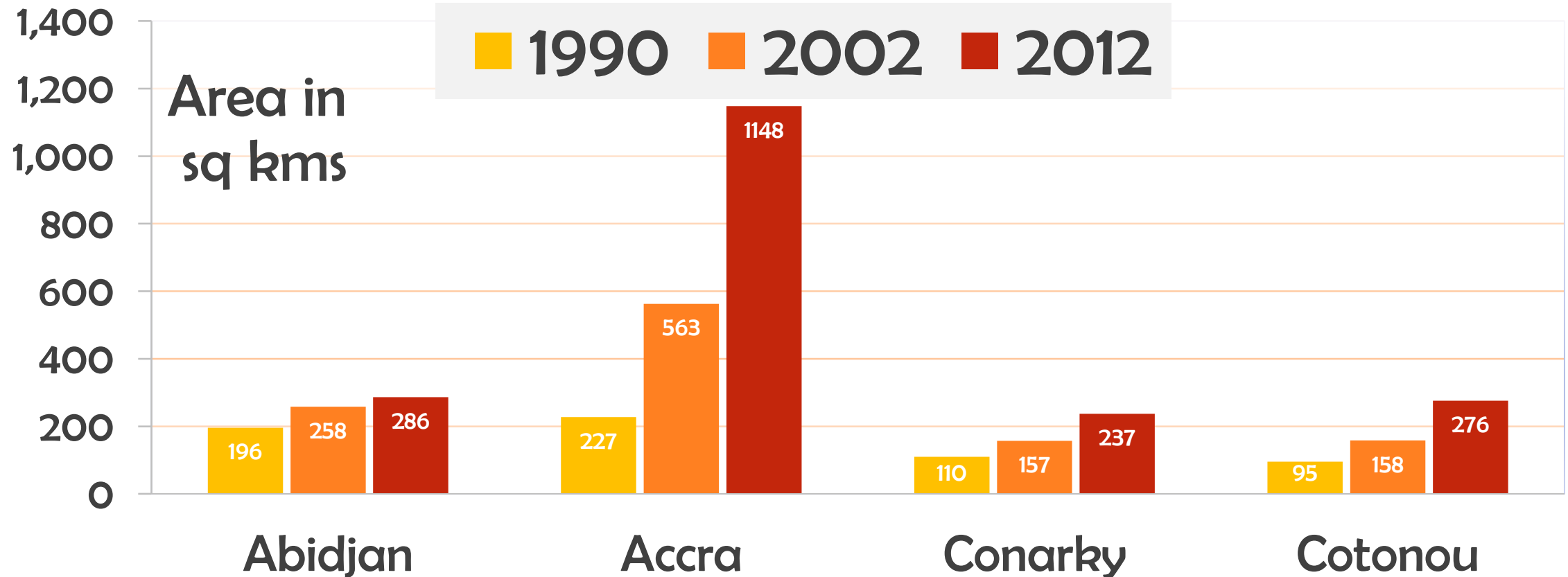
Accra Kumasi Sekondi/Takoradi Tamale Tema



SOURCE: GHANA UR

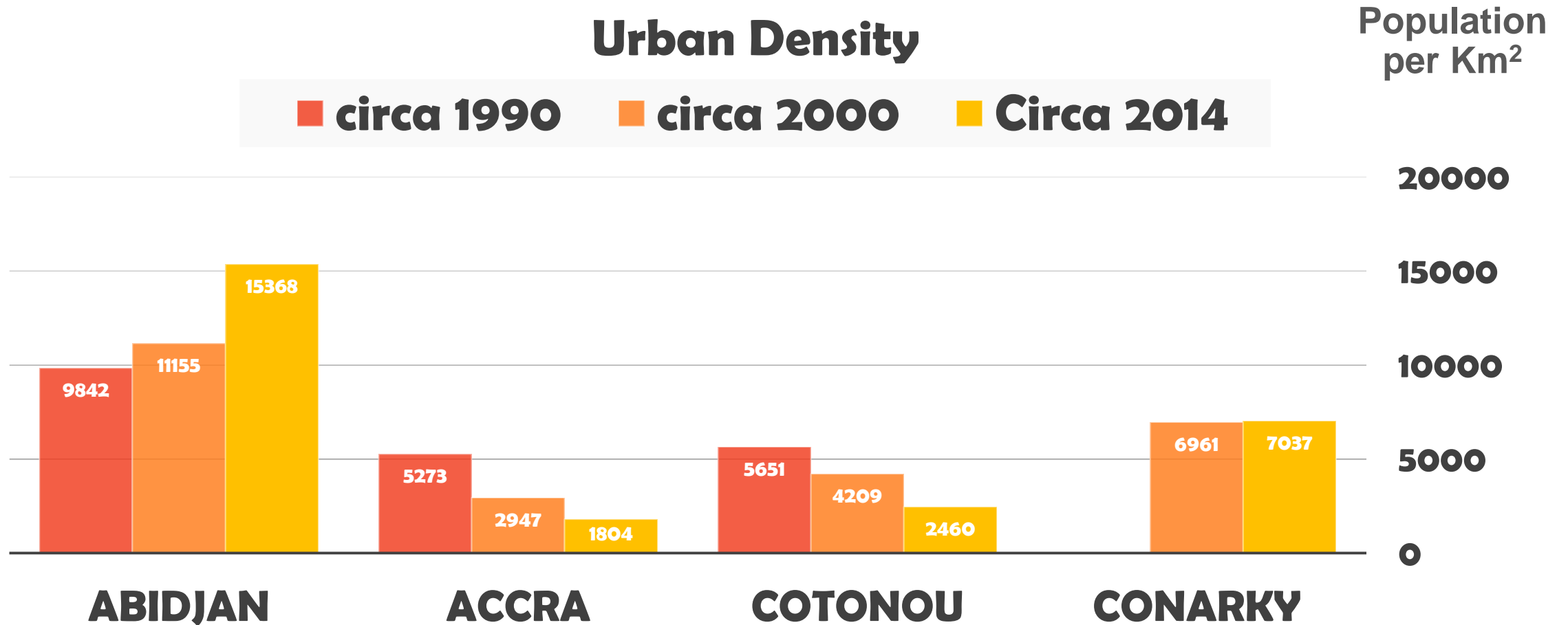
Not only is Accra growing in people, but it is also growing in land

Urban Footprint of West African Cities



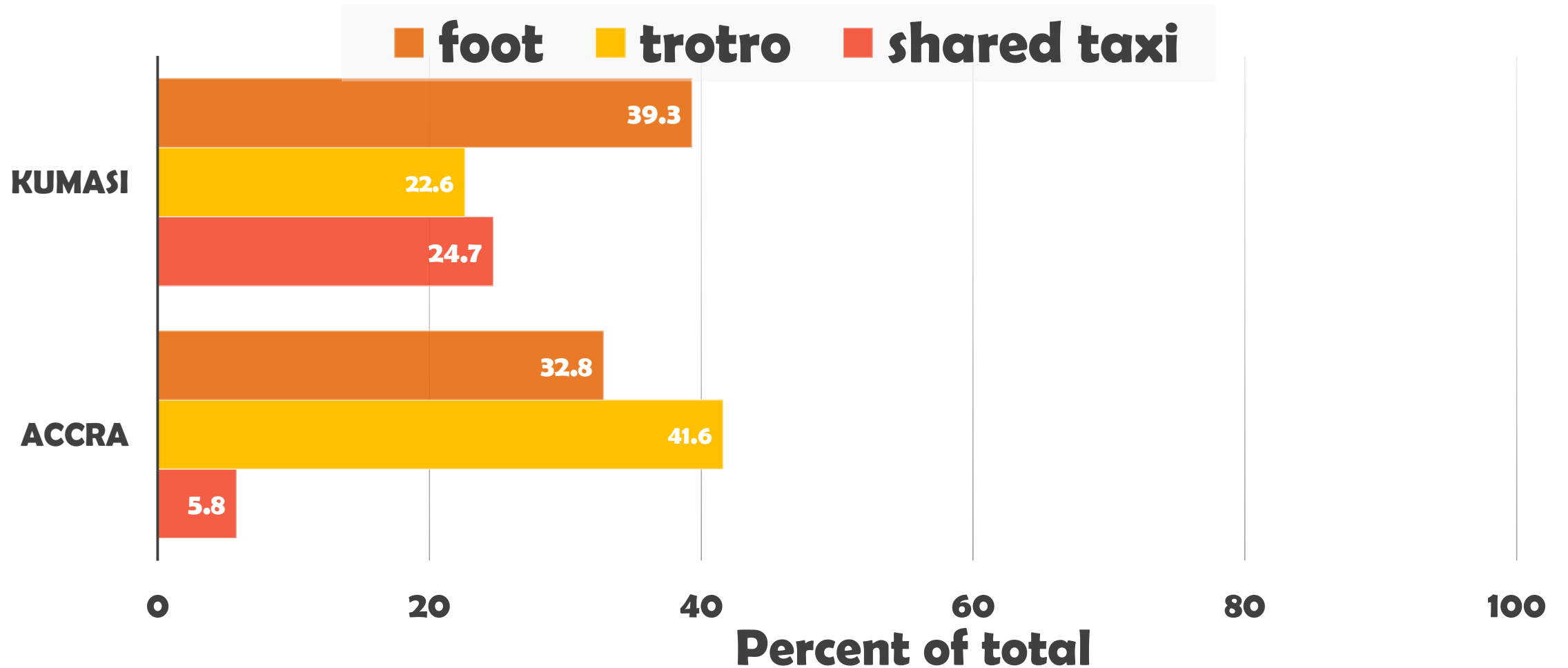
SOURCE: WORLD BANK, THE FUTURE OF WATER IN AFRICAN CITIES: WHY WASTE WATER (2013)

This is decreasing density— and increasing congestion



Fragmented labor market

Means of transport to and from workplace, 2007

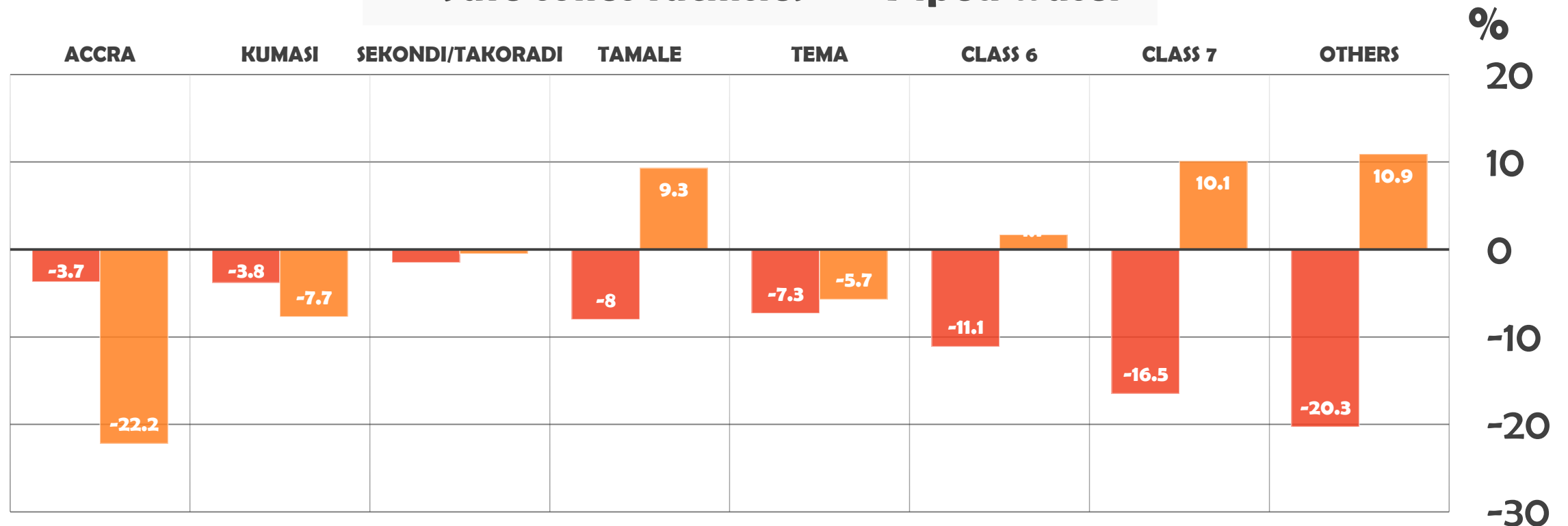


Source: National Transport Survey 2007.

Cities are growing, but services cannot keep up

Change in access to piped water + toilet, 2000-10

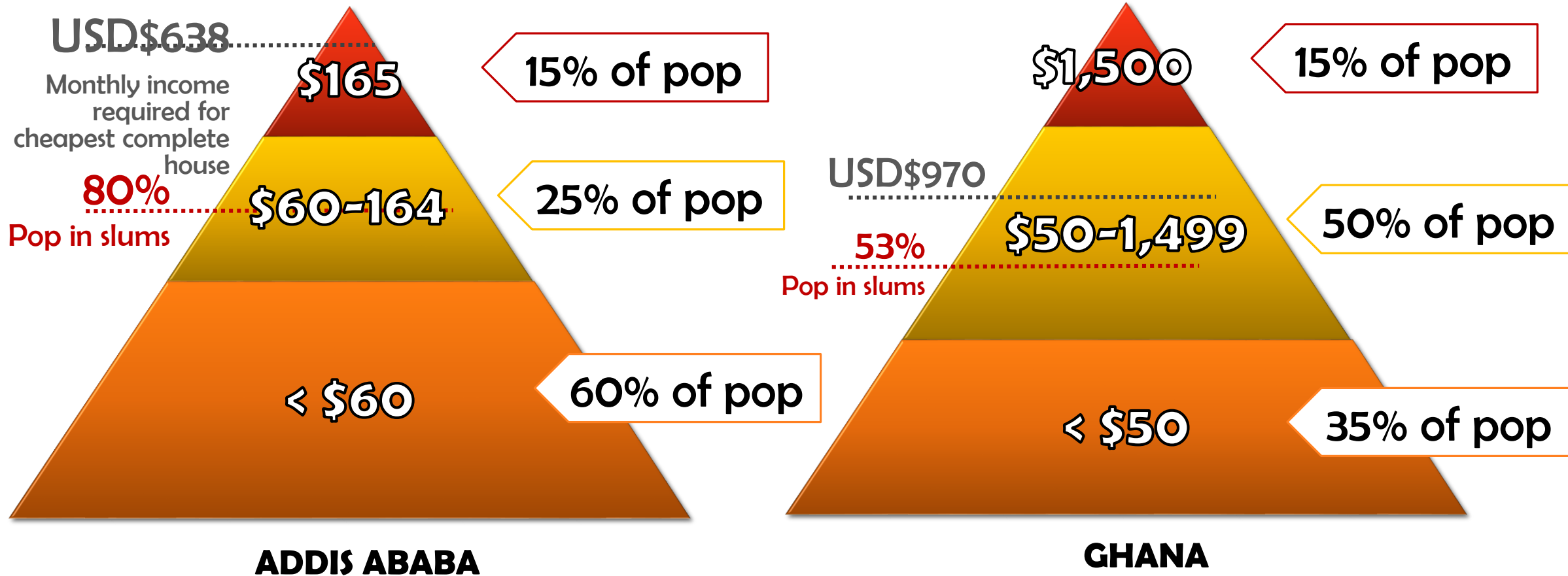
■ Safe toilet facilities ■ Piped water



SOURCE: GUR I ANNEX TABLES.

Limited access to affordable housing

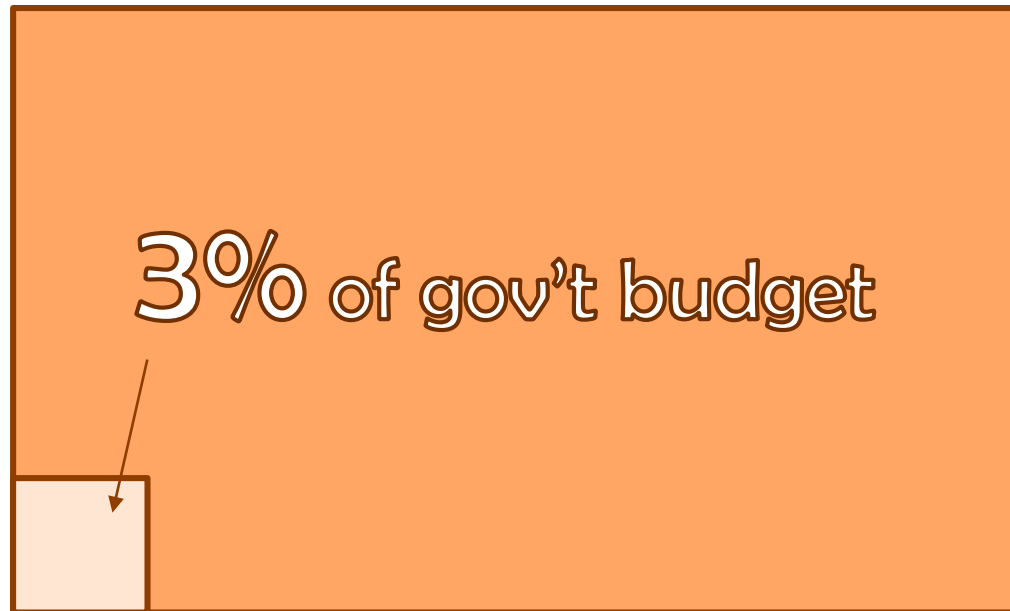
Monthly income



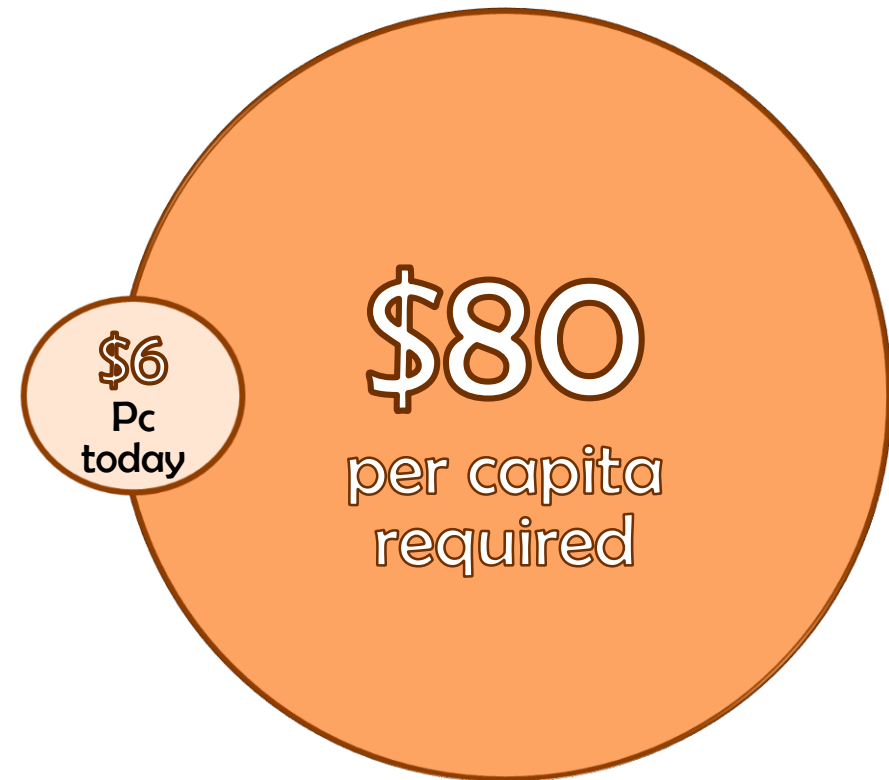
SOURCES: UN-HABITAT GHANA HOUSING SECTOR PROFILE 2011
AFFORDABLE HOUSING INSTITUTE ETHIOPIA COUNTRY CASE STUDY 2014

Financing gaps in the current system

Available financing at MMDA
remains marginal



Infrastructure
financing gap



Key actions

Policy priorities



Key policy areas for efficient and inclusive urbanization



IMPROVE LAND MARKET+MGMT

EFFICIENCY

Enables new business dev and construction and agglomeration economies

INCLUSION

Improves access to affordable housing



ENHANCE CONNECTIVITY

EFFICIENCY

Enables workers, firms, materials to locate at most efficient location: agglomeration effects

INCLUSION

Strengthens capacity for distribution of basic urban services



INCREASE FINANCING

EFFICIENCY

Enables development of connective infrastructure

INCLUSION

Supports the provision of basic urban services



STRENGTHEN INSTITUTIONS

EFFICIENCY

Enables coordination and financing

INCLUSION

Improves service delivery and coordination in service provision

Generate efficient land markets



**IMPROVE LAND
MARKET+MGMT**



**Formalize land markets and
enforce property rights |
affordable housing**



**Make land use
regulations more
market-friendly**



**Coordinate land market
reforms with increased
provision of infrastructure**

Improve intra-city and inter-city connectivity

- ✓ Increase intermodal coordination & intercity connectivity
- ✓ Develop high capacity public transport in large metro areas
- ✓ Prioritize high return transport infrastructure
- ✓ Strengthen governance and planning system for urban transport



Improve financing and fiscal mechanisms



Exploit existing revenue potential



Complete and implement fiscal decentralization reforms



Explore options for alternative models of municipal financing over medium to long term



INCREASE FINANCING

Strengthen institutions and coordination of urban services



Improve interjurisdictional coordination through establishment of formal Joint Development Planning Areas



Complete decentralization and administrative reforms and invest in ensuring sufficient staffing in metros and municipalities



Expand and develop PPPs for Joint Development Planning Areas

Thank you...



**IMPROVE
LAND
MARKET &
MGMT**



**ENHANCE
CONNEC-
TIVITY**



**INCREASE
FINANCING**



**STRENGTHEN
INSTITUTIONS**