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William C. Gartner
*University of Minnesota*

Donald Jackson

Charles Hutchinson

Vera Hyatt

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AN INTEGRATED TOURISM DEVELOPMENT PROJECT: THE CENTRAL REGION OF GHANA

BY

DR. WILLIAM C. GARTNER, PROFESSOR AND DIRECTOR
TOURISM CENTER
116 COB
UNIVERSITY OF MINNESOTA
ST. PAUL, MINNESOTA 55108

DR. DONALD JACKSON, GHANA PROJECT TEAM LEADER
MIDWESTERN UNIVERSITIES CONSORTIUM FOR INTERNATIONAL ACTIVITIES
66 EAST 15TH AVENUE
COLUMBUS, OHIO 43201

MR. CHARLES HUTCHINSON, IN-COUNTRY RESIDENT MANAGER
MUCIA GHANA
P.O. BOX 1630
E45/3 INDEPENDENCE AVENUE
ACCRA, GHANA

AND

DR. VERA HYATT, PROJECT DIRECTOR
INTERNATIONAL GALLERY
SMITHSONIAN INSTITUTION
S. DILLON RIPLEY CENTER, SUITE 3123
WASHINGTON, D.C. 20560

ABSTRACT

The Republic of Ghana is located in West Africa approximately 750 kilometers north of the equator. As a country it has gone through a series of economic cycles but due to numerous coups, misguided economic policies, and the vagaries of international markets for export goods most growth has been short lived. Since 1990 economic growth has accelerated and the country is currently governed by an elected President and Parliament. One of the main economic development strategies in the last five years has been tourism.
This paper describes a tourism development project that has been in place, in one of Ghana's political regions, since the early 1990's. What makes it unique is that funding was obtained in numerous ways including blocked currency transactions (a form of debt swap), a multi-disciplinary, integrated approach to project implementation, and a focus on tourism as the lead sector. The project involves renovation of three fortifications significant as the first European settlements in West Africa and key to the Africa diaspora to the New World, and the preservation and development for touristic purposes of a forested area now designated as a National Park. Two supporting activities include interpretive services that strengthen newly created museums at one of the fortifications and the National Park, and tourism promotion, planning, and marketing services which are intended to increase awareness of the tourism products and build the institutional capacity for long term monitoring and development of the region's touristic resources.

INTRODUCTION

The Republic of Ghana is located on the West Coast of Africa approximately 750 kilometers north of the Equator. Being a tropical country average temperatures range between 21-32° C with rainfall in the south averaging 2.030 mm annually. Southern lands stretch from the Coastal Plains, with elevations rarely exceeding 200 meters, to the tropical forest belt. Northern regions are drier with Savannah type vegetation predominant. Population is estimated at over 15 million people with the majority concentrated in the southern and central parts of the country.

Tourism arrivals average less than 250,000 per annum. Much of this is made up of business travelers. By some accounts pleasure travel constitutes less than ten percent of all arrivals. The absence of a tourism industry of note in the country is due more to historical, political, and economic problems rather than from lack of trying. Due to numerous coups, failed and successful, economic development, including tourism, has been constantly retarded (5). However since 1981 when the last coup occurred there has been relative political stability. Currently an elected President and Parliament govern the country with the last election held in 1992.

Political stability, and the adoption of International Monetary Fund (IMF) guidelines have had a positive impact on many types of economic development including tourism. Accra, the capital city, has in the past six years seen the development of four and five star hotels, rehabilitation and modernization of transportation and telecommunication systems (although relatively underdeveloped and unreliable compared to those found in the developed world), as well as the construction of an ultra modern 1600 seat capacity international conference center.

Tourism, as an industry, has been declared a priority sector for economic development by the government. Under a new medium term national tourism development plan institutional and policy measures are being put in place to make tourism an international competitive industry and a major hard currency earner for Ghana. Among the key measures are:

- Encouragement of a lead role for the private sector, divestiture of government owned hotels and other
properties and, reform of the tourism administration system.

Against this background most of the country's regions (similar to states or provinces) are also beginning to take measures and position themselves for economic development activities led by the tourism sector. The Central Region, one of Ghana's ten political and administrative regions, with its capital in the historic city of Cape Coast, is currently the focus of a major tourism development initiative. The rest of this paper discusses the evolution of that initiative.

BACKGROUND

The origins of the initiative go back to approximately the fall of 1988, when the government of Ghana was beginning to decentralize its bureaucracy, thereby giving more autonomy to the Regional Secretaries (governors) of the country's various regions. The Central Region was one of the first regions to respond by establishing the Central Region Development Commission (CEDECOM) complete with a professional staff and Board of Directors.

The mandate of CEDECOM was to develop a strategy for the development of the Central Region and its people. In analyzing the strengths of the region, the Board chose tourism development as the strategy with the greatest potential of success. The Central Region is not only favored with some of the few protected, white sand beaches on the West Coast of Africa which coupled with low annual rainfall along the coast could attract tourists, but also contains two other tourist attractions with very high potential for initiating development.

One of these is the existence of a 360 square kilometer tract of tropical forest, known as Kakum, which has experienced only slight abuse from loggers and professional hunters. Within its borders live the endangered Forest Elephant and Bongo as well as several other rare and endangered species of both flora and fauna. One of CEDECOM's first acts was to petition the National Government to set aside Kakum as a national preserve. The National Parliament agreed to the petition and all logging and most hunting has ceased. In 1992 the status of Kakum changed from a National Preserve to a National Park.

The second attraction consists of a group of centuries old European fortifications (forts and castles) along the coast. Of the 32 remaining European fortifications on the West Coast of Africa, 26 are in Ghana and 22 are in the Central Region. Three of these--Elmina Castle, the site of the first European settlement in West Africa (1482), Cape Coast Castle, and Fort St. Jago--are in relatively good repair and have been targeted for renovation by the project. All three are on the "World Heritage List" of significant historical buildings.

CEDECOM, with its Board's guidance, designed an all encompassing Central Region Integrated Development Project (CERIDEP), which included components for tourism, Kakum National Park, renovation and use of the castles and fort, improvements in the Regional infrastructure, and support for small business development. A subsidiary of the commission is the Tourism Development Scheme for the Central Region (TODSCER) which is responsible for planning and coordinating all tourism development activities under CERIDEP. Its admin-
istrative structure is consistent with Ghana's long history of grassroots initiatives driven by village decision-making and local participation (4). With a fixed strategy and plan of action developed, CEDECOM approached a number of donor agencies to help fund the various components. The United Nations Development Program (UNDP), was the first to respond with a multifaceted, U.S. $ 5.4 million project supporting parts of the tourism, park, castles and fort, urban infrastructure, and small business components. Their portion of the project began in January of 1989 and ended in June 1993. A second phase of the UNDP project is currently being implemented.

CEDECOM also approached the United States Agency for International Development (USAID) representative in Accra for assistance. USAID expressed interest especially if their contribution could be leveraged through a "debt for development" currency transaction. At that time, the Mission thought it would have approximately U.S. $ 1.5 million available to the project over a three year period for both a "debt swap" and U.S. Technical assistance. At that point it was proposed that a delegation of Ghanaian professionals be sent to Washington to sell the CERIDEP concept to USAID, as well as to contact several U.S. organizations which could potentially be involved in the implementation of a future project.

One of the first organizations contacted was the Debt for Development Coalition (DDC) which was, at that time, receiving financial support from AID. Because of its work with "debt for development" transactions in the Dominican Republic, the DDC contacted the Midwestern Consortium for International Activities (MUCIA) Executive Office to see if they had any expertise to add to the case in Ghana. MUCIA was also considered as an appropriate candidate to lead and coordinate the design and implementation of the project due to its reputation in dealing with development assistance projects overseas.

It was agreed that MUCIA would organize a project proposal team to visit the Central Region. The University of Minnesota's Tourism Center was asked to provide two experts, one in tourism marketing and promotion, and the other in park management. The MUCIA universities had recently formed an ad hoc committee on tourism which further strengthened the tie between the growing concept of a tourism project and MUCIA.

Also contacted by the delegation were Conservation International (CI) to assist in the development of the park, the U.S. Committee of the International Council on Monuments and Sites (US/ICOMOS) to assist in the restoration process of the castles and fort, and the Smithsonian Institution (SI) to assist in the development of a West African historical museum.

By the end of the delegation's stay in Washington, USAID had agreed to fund the travel expenses to Ghana of representatives from the various organizations contacted if the organizations would contribute staff time. In April 1990, a team of six arrived in the Central Region. Each team member performed a planning exercise with his or her counterpart in an attempt to identify which needs were currently being met by the UNDP project and which could be addressed in the USAID/MUCIA project. Based on these initial estimates a draft proposal was submitted to the USAID Mission and circulated throughout the Africa Bureau of USAID in Washington. Through this iterative process, the number of supporters of the project increased as did
the funding level and duration of the project. The final proposal agreed to by USAID was for U.S. $5.6 million to cover a period of five years.

**THE DEBT SWAP**

Debt swap, debt conversion or debt exchange refers to the practice of lenders or creditors routinely buying, selling or swapping loans on the "secondary" or resale market, at a discount. "Debt for development has become the accepted terminology to describe not-for-profit organization's use of debt swaps to achieve international development assistance objectives.

Loans to developing countries come in three types. If the originator of the loan is a commercial bank in an industrialized country then private debt is created. When governments lend other governments money the debt is termed bilateral official debt. Finally loans from international financial institutions such as the World Bank result in multilateral official debt. Official debt (bilateral and multilateral) is estimated to be over $450 billion or almost twice ($230 billion) that of private debt. Most debt of sub-Saharan African countries is official debt (6).

Since most international development projects require some local currency for in-country work, private debt can be purchased from the commercial bank. This usually occurs at a steep discount and is swapped with the borrower nation for an amount of local currency equal to the face value of the foreign currency debt that is being retired. Variations on this approach include debt equity swaps where land or buildings are exchanged instead of conversion to local currency. Conservation organizations were the leaders in this type of debt swap as many critical conservation zones and commitments to natural resource protection activities were obtained from borrower nations in exchange for a buydown of the foreign debt (1). When borrower nations are unable to come up with local currency for development projects equity swaps take on much greater importance. Most debt swaps have been limited to private debt as official debt has not generally been offered at a discount or for equity purchase.

In 1990 the DDC began to identify debt owed by the Ghanaian government and whose holders would be willing to sell to MUCIA at a discount. After an exhaustive search, the DDC came to the conclusion that since Ghana had been doing such a good job of meeting its debt obligations, no sellers could be found. The DDC and the Ghana Ministry of Finance and Economic Planning then conceived the idea of attempting to leverage "blocked" currency from transactional companies with subsidiaries in Ghana. Blocked currency are those amounts which a subsidiary has attempted to convert to foreign currency for payment to the parent company but for a variety of reasons, including government of Ghana foreign exchange regulations, has not been able to do so. The currency is therefore considered "blocked". To make the deal more attractive, the Ghanaian government also agreed to provide a 50 percent corporate tax credit to any company participating in the transaction.

To date, only Shell Oil Company of Ghana has chosen to participate in the program. In this case, for a payment of U.S. $250,000 by MUCIA to the Shell Oil Company of London, Shell Oil of Ghana paid MUCIA the equivalent in local currency of U.S. $1.0 million, to use in the project. Ghana's expanding economy, combined with greatly liberalized government regulations con-
cerning foreign investment, have taken away much of the incentive to enter into blocked currency transactions. Realizing this situation, the USAID Mission recently agreed to add approximately $3.4 million in additional program funds. (for a more in depth discussion of the various financial options employed to secure funding for the project the reader is referred to: Gartner, Agbley and Koth, 1993).

PROJECT IMPLEMENTATION AND MANAGEMENT

A formal signing ceremony was held in the Capital building in Washington in September 1991, in which the Ghanaian Ambassador, representatives from USAID, MUCIA and its four sub-contractors, and the DDC participated. Activity under the project began in April 1992 with representatives of the Project Consortium (MUCIA, CI, SI, and US/ICOMOS) meeting with their counterparts in both Accra and the Central Region to plan the next year's project activities. During this visit a formal televised ceremony inaugurating the project was held between the Ministry of Finance and Economic Planning, CEDECOM, USAID, and MUCIA.

As originally conceived, the USAID's involvement in the project was planned to be no more than U.S. $ 1.5 million, an insufficient sum to require the presence of a long-term project manager. Rather, it was decided that a MUCIA Project Coordinator would work one-third time on the project visiting Ghana four times per year. However, as the project's value and complexity increased, it became obvious that the proposed form of project management would not be successful. MUCIA therefore petitioned the Mission to use a portion of the monies reserved for the debt swap/blocked currency transactions to hire a long-term advisor.

THE PROJECT'S ACTIVITIES IN SUMMARY FORM

The project has two principal components, the park and the castles and fort, with two additional components which support the first two, tourism promotion and interpretive services.

Conservation International is the sub-contractor responsible for assisting CEDECOM in the development of the park and their first activity was to establish an operational plan for its creation. This included assessments of the wildlife, water resources, forest resources, and human communities surrounding the park. A park planner was resident in Kakum for two years to coordinate this effort. Additionally, CI assists in the training of park guards and guides, is selectively developing parts of the park for tourist viewing including a recently completed 400 meter long forest canopy walkway, the first of its kind in Africa, and is establishing a trust fund for the park's future maintenance.

US/ICOMOS is the sub-contractor responsible for the restoration of the castles and fort. Their activities began with preservation studies and planning, including archival research in Europe. This then led to stabilization and restoration and the eventual establishment of a second trust fund for future maintenance.

The Smithsonian Institution is in charge of the interpretive services component of the project which includes training in a multitude of subjects from graphic design to cabinet making and the training of the docents who are to be employed at the
castles and fort and at the park. Additionally, SI is responsible for a cultural inventory of the Central Region which formed the basis for the establishment of a West African historical museum in Cape Coast Castle.

The University of Minnesota is the subcontractor for the tourism promotion component of the project. Activities have been undertaken with the intent of; establishing a tourism data base, training of Ghana Tourist Board and private sector tour operator personnel, arranging familiarization tours, and preparing tourist brochures and literature.

The MUCIA Executive Office provides overall project management and coordination. The next section will detail some of the sub-contractors' efforts.

CONSERVATION INTERNATIONAL

Conservation International's Ghana Program is presently focused on a single project site--Kakum National Park. Located 20 kilometers north of the seaside town of Cape Coast in Ghana's Central Region, Kakum National Park and the adjacent Assin Attandaso Wildlife Preserve Area cover 360 square kilometers of tropical moist forest. In 1932 Kakum was declared a forest reserve and managed for much of the last fifty years for timber extraction.

In 1992, Kakum and Assin Attandaso were redesignated as a national park and game reserve from existing forest reserves by the same names. Both contain important biological assets: forest elephants, bongo, yellow-backed duiker, and diana monkeys--all globally endangered--as well as an estimated 550 butterfly species, 250 species of birds, 100 mammals, reptiles, and amphibian species and probably a quarter million species of insects.

Ghana's forest zone contains the eastern fifth up the Upper Guinean rain forest block. From Ghana the forest extends west along the Atlantic coast of Africa through Cote d'Ivoire, Liberia, and Sierra Leone. This West African forest, as a whole, is one of the most diverse ecosystems on the continent; it is also among the most highly altered by humans. It is this combination of high levels of biodiversity and endemism with extreme threat that results in the classification of this forest block among fifteen global "hotspots" for conservation. The concept of hotspots is used by CI to set global priorities for conservation activities.

As a national park, Kakum's primary mission is clear: to conserve biodiversity, habitats, natural systems, and functions. Yet, Kakum is also the only national park in Ghana created through a local initiative. The goal of these local supporters, and the rationale for the park's creation, is to develop it as a tourist attraction. In addition, Kakum's management plan (in progress) identifies two other important goals of the park: education and research.

CI is providing technical assistance for planning and development for Kakum. The goal for the conservation area is to have it serve as a model for integrated conservation and economic development throughout West Africa by using innovative conservation approaches pioneered by CI. These include a strong foundation in science (biodiversity surveys and monitoring as well as studies of human use of natural resources), sustainable economic development (ecotourism and developing markets for traditional and nontraditional forest products), and innovative financial mechanisms (endowment funding and small business loans). CI also
provides assistance in the area of park planning—including the design and construction of park and visitor facilities and the establishment of a geographic information system to integrate and analyze data essential to park planning.

Central to all CI's project activities is the development of local conservation capacity. This means that each activity includes providing some training to the Ghanaians, thereby enhancing the nation's capacity to implement conservation projects independently in the future.

As the first protected area in Ghana to receive major support for building roads, visitor facilities, and other infrastructure, Kakum National Park has the potential to set a standard for all future design and development of Ghanaian protected areas—much as Yosemite National Park has served as an icon for U.S. national parks. If met, that potential will redefine the image of protected areas, and of conservation itself, throughout Ghana.

In the past, Ghana's Department of Wildlife never received sufficient funding to develop substantial infrastructure within its parks. Operating budgets for parks were small, providing only the bare minimum needed for management and protection. Because protected areas have been perceived as providing largely intangible benefits (biodiversity, watershed, and climatic protection), investing in them has been a low priority in a country, like Ghana, with many other pressing needs.

CI believes that Kakum has provided the opportunity to recast the image of conservation in Ghana, demonstrating the financial, physical, and cultural benefits that conservation can provide. Thanks to the interest in this project within Ghana and the substantial financial support provided by USAID and CI, Kakum provides the first opportunity for a Ghanaian park to fulfill its potential.

To do that, Kakum's natural and cultural resources must be interpreted to two critical audiences: international tourists, who can provide the financial engine for regional development and ongoing protection and management, and Ghanaian visitors—especially young people—who will receive and internalize the conservation message.

SMITHSONIAN INSTITUTION

The Smithsonian's contribution to the Central Region Integrated Development Project of Ghana is to provide technical training for Ghanaians in the development of interpretive and outreach programs, based on exhibitions to be presented in the region's museums. These exhibitions address Ghana's rich natural resources to be found in the Kakum tropical forest; and the fascinating culture and history of the Central region; including the important role the monuments (forts and castles) played in the colonial era's gold and slave trade.

The first natural history exhibition opened on March 5, 1994, by the President of Ghana, is located in the Visitor's Center at Kakum National Park. Presented in this exhibition are a display of butterflies and a collection of bones of megafauna and minifauna, representatives of the unique ecosystem of the Kakum forest. Also presented at the Kakum Visitor's Center is a museum shop offering items of relevance to the forest.

Working with a content committee of Ghanaian scholars exhibition scripts have been developed which provide the basis for
this important work. A team of Ghanaian museum professionals have been trained, by the Smithsonian, in various aspects of museology and produced the exhibition "Crossroads of People, Crossroads of Trade" which opened in December, 1994, in the Cape Coast Castle museum, to coincide with Panafest, the largest West African cultural festival. Accompanying the exhibition is an orientation video of the same title, produced by a Ghanaian cinematographer, which provides a historical and cultural context in which to view the exhibition.

The Smithsonian's expertise and contribution in the areas of cultural conservation and museum based public education complements that of the three other U.S. not-for-profit organizations collaborating in this tourism based Central Region Development Project. This collaborative strategy is particularly noteworthy as it enables four U.S. based cultural, scientific, conservation and economic development organizations, which seek to strengthen their ties to Ghana, to work together in a meaningful way on this important integrated development project.

United States/International Council on Monuments and Sites

As previously mentioned, Elmina and Cape Coast Castles and Fort St. Jago are included on the World Heritage List of cultural sites. These monuments represent the European entrance into West Africa and have been used by Europeans for various purposes from the mid 1400's through the mid 1900's. Supposedly Columbus was a trainee navigator at Elmina Castle and stopped at Elmina to take on supplies before heading west to the Americas. There is no doubt however as to the importance of these sites in the African diaspora to the new world. Although the exact number will never be known it is estimated that millions of Africans were imprisoned in the Castles and eventually sold as slave cargo to be shipped to the New World. Although the three selected monuments are in relatively good shape compared to some of the other monuments found on the West African coast they are in need of stabilization and restoration if they are to contain museums interpreting the European/African history and serve as tourist sites.

The restoration project involves reviewing historic data to determine the appropriate time period to be represented through the restoration. With the monuments in constant use by numerous European states throughout their history many different architectural styles are present. The first year of the project was spent reviewing historical data and selecting appropriate material to be used in the restoration effort. There are also competing uses of the sites which have to be considered. Since the sites have been relatively unprotected for many years incompatible uses such as the conversion of a yard in Cape Coast Castle to a prison, informal latrine area directly outside the ocean front walls, construction of fish smoking ovens directly next to some of the sites, and storage of fishing nets against the walls of the Castles had to be dealt with along with the technical aspects of reconstruction. Much of the work is proceeding on schedule. There have been noticeable changes to the exterior of Cape Coast and Elmina Castles and as previously mentioned a museum opened in Cape Coast Castle in time for Panafest in December of 1994.
UNIVERSITY OF MINNESOTA

The University of Minnesota, through the Minnesota Extension Service's Tourism Center, is in charge of tourism planning, promotion and marketing. When the project team first visited Ghana it was apparent that numerous tourism development attempts had occurred over the years. The most successful of those took place in the 1970's and was fueled by export earnings from Cocoa. Because government had control over much of the Cocoa earnings it was inevitable that government would also own and operate many of the tourism facilities (i.e. hotels and restaurants). Due to political instability, as identified by Teye (5), and the drop in export earnings from a reduction in world demand for Cocoa many of the properties were neglected and consequently deteriorated into a relatively useless state. In the Central Region in 1989 there were less than ten rooms which could be considered international class. Due to the relatively low level of tourism development existing in the Central Region at the time the project began it was decided that initial efforts would be spent on building the institutional capacity of the Ghana Tourist Board, primarily through training programs, and the organization of the private sector through training and innovative grant programs. These efforts have been relatively successful as there now exists a National Tourism federation made up of tourism dependent private businesses with regional organizations primarily supporting special interests (e.g. Central Region Hoteliers Association). Organizational efforts are supported through an annual Tourism Conference which is a private/public partnership with educational programs presented by local experts and international consultants. Another major effort is the development of a National Information System intended to track visitor flows and their expenditures throughout the country. (For a detailed explanation on how this is being done see Gartner, 1995).

Due in large part to project activity new, international standard, lodging accommodations are in the process of being built in the Central Region. Since the next few years will see more touristic activity and tourism development in the Central Region work components have been initiated to track tourist flows and to identify cultural indicators which are to be monitored for change over time. Many negative articles have been written blaming unchecked tourism development for cultural and environmental degradation. While in some cases there is no doubt unchecked development has led to negative consequences the monitoring program currently being developed will allow local people to measure and address cultural change as a result of tourism development before it overwhelms the socio-cultural system currently existing.

The main objective driving the tourism component is to keep promotion and marketing activities in line with stages of development. That is the reason the first two years of the project were spent on building the institutional capability of the Central Region Ghana Tourist Board and organizing and training private sector entities. As development accelerates more attention is given to increasing travel flows to the area. Initially, because international standard facilities are still in short supply, special interest groups (e.g. birdwatchers) are being targeted.

CONCLUSIONS

Is this project a tourism development success story? Obviously that question will
only be answered after the project consortium has completed its work and when Ghanaians assume full control over the resources, planning, and promotion activities. At the present time the project must be considered a success as it has been able to utilize the expertise of four recognized U.S. based subcontractors, working in cooperation with their Ghanaian colleagues, to develop a package of attractions with highly significant cultural and natural importance. Although there have been periodic differences of opinion among subcontractors and between the Consortium and Ghanaian government departments the project has continued to forge ahead with the complete support of the government of Ghana and USAID. In the latter half of the project the government of Ghana and Ghana's tourism dependent private sector are expected to assume more control over the development process. It has always been the intent of the expatriates on this project to prepare Ghanaians to assume complete control over the resources that form the backbone of this project. Through training programs leading to institutional capacity building and the strengthening of the private sector the original project goal is approaching reality. The Ghanaians involved in this project conceived it, obtained donor support for it and are in a position to make it fully operational. The systems put in place by the Consortium were intended to allow our Ghanaian colleagues to function more efficiently. By all accounts that has happened and to date the project must be considered a success.

REFERENCES


