

# Urban Development Problems of Ghana

## The Case of Tema

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### Introduction

Towns and cities in Ghana have evolved from the comprehensive up-grading scheme of unplanned settlements during the colonial periods and the well-defined planning schemes of the adjoining lands at the outskirts of these settlements into the cities that they are today. But the same story cannot be said of Tema, which is the focus of this paper.

It is a relatively young and small city with a current population of 178,623<sup>1</sup> inhabitants situated on a land totalling about 165.7 sq km in area which was virtually uninhabited, but acquired in the 1950's to establish a harbour and an industrial city according to an approved master plan just after Ghana attained her independence in 1957 by the first government of the first Republic.

However, the actual construction of the city's infrastructure facilities, houses and other social buildings like schools, shops and offices, etc for the first phase of twenty-four residential communities started in 1960 and was scheduled to be completed by the end of 1985. (A residential community consists of between 2500 and 3000<sup>2</sup> housing units, depending on the size the particular community and community social facilities like schools market shops office buildings open spaces etc.) But to date, in the year 2001 that is about sixteen years after proposed completion date the first phase of the city's development has not been completed, while informal or illegal settlements are developing rapidly on the periphery of the city.

### Problem Definition

Due to unstable political atmosphere in Ghana during the first twenty-four years of our political history and the worsening economic situation in the country various governments have implemented different physical development and housing policies depending on the political ideology of each of these governments.

Until 1994 when the current policy of government shifted from direct state provision to facilitator and enabler of good environment for the private sector led housing delivery which is being advocated by the International Monetary Fund and the World Bank in Ghana, the period from 1960 to 1993 has witnessed not less than four different policies, and none of these policies was implemented for a long time since the political regime that proposed them was ousted rather prematurely through military coup.

During the era of the first government of Ghana-1957 to 1966 which was a socialist oriented government the housing policy was that the state was providing all the housing needs of workers in Tema, therefore the state funded all the development programmes in the city through Tema Development Corporation (hereinafter referred to as TDC). It was established in 1952 as Tema Development Department then changed name to Tema Development Organisation and finally changed to the current name as TDC in 1963 to develop the city of Tema. Between 1960 and February 1966 when the first government was ousted through the first

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<sup>1</sup> Provisional figure for 2000 census.

<sup>2</sup> Source: TDC estate records.

military coup, four residential communities were completed and the fifth one in the construction stage with about a quarter of that community completed and given out on rental to workers.

The era just after the military take over saw very little housing delivery in Tema because there wasn't any housing policy while at the same time the old policy was scraped, meaning TDC could not continue at full scale on new residential community but had to concentrate on the completion of the fifth community which was suspended temporary as a result of the military coup.

But during the period from October 1969 to January 1972 which was the second republic era a new housing policy was implemented, which shifted the role of the government from direct involvement in housing to the role of a facilitator and encourage the private investment in the housing sector by allowing TDC to lease residential lands to the private sector to develop houses for the low and middle income groups. This however did not achieve the expected result in the housing delivery in Tema because of lack of incentives and the fact that the government was removed from power earlier than it was expected, therefore the city expanded by just one residential community.

Then from January 1972 to 1979 Ghana had a socialist military regime, which came and stopped the implementation of the housing policy of the immediate ousted government of the second republic and reintroduced the policy of the first government. TDC was therefore able to expand the township by two new residential communities and once again was in the middle of completing the third of that era when the military government handed over power to yet another socialist civilian regime in October 1979 that completed this community but was ousted in December 1981.

It is important to note the occurrence of two events during this era. The first is the high rate of population growth in Tema. Therefore the city started having accommodation problems because of fewer houses for the low and middle-income earners. The second event is that the traditional chiefs who's lands were acquired for the creation of the Tema city started agitating to repossess or reclaim their lands from TDC because, the later has stop building houses which the Chiefs and their people were benefiting from, and was leasing the land directly to private developers which was only beneficial to TDC even though inadequate compensation was paid by the government for the acquisition of the lands.

From 1982 to the end of 1992 this military regime did not have any clear-cut policy on housing for the entire country and for that matter Tema. It withdrew the state funds granted to TDC for the construction of infrastructure facilities, and went further to placed a freeze on the annual rental increases. However, from 1994 to the present the government has adopted a housing policy is similar to the one adopted by the government of the second republic, which encourages private sector participation in housing delivery but with a different strategy from what the former government adopted.

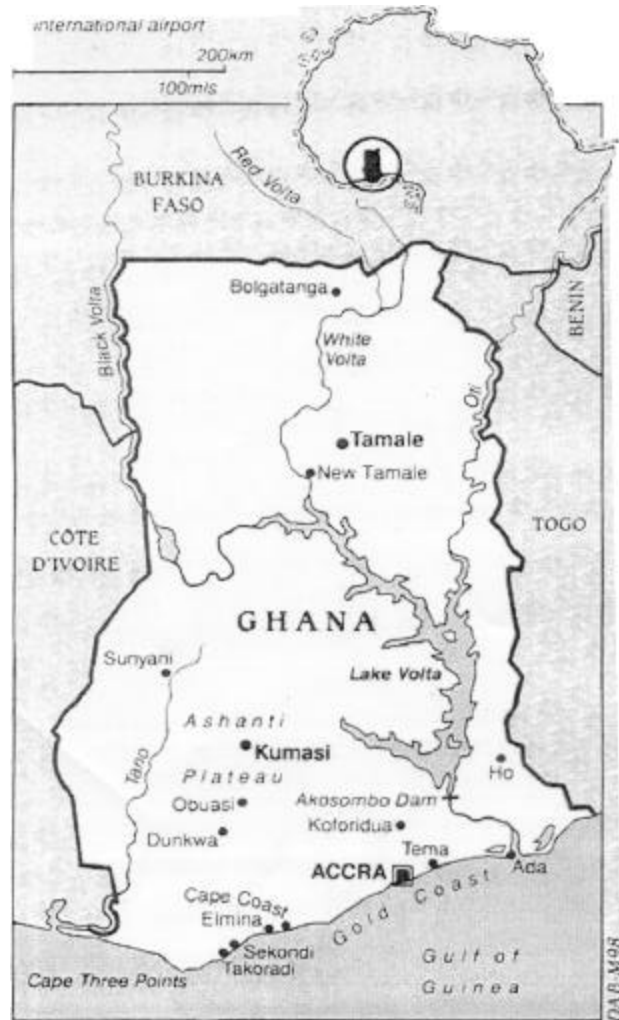
All these changes or shifts in housing policies of the past governments were aimed at accelerated and sustainable housing delivery in Tema, therefore how did this frequent changes in the housing policies impart on the development and completion of the first phase of the city? In what way has it contributed to the current situation, in Tema?

## Motivation for the Choice of Study

Finding answers to the questions raised above has motivated the choice of this study. This the author hopes to achieve by examining the housing policy adopted by each government, the strategy employed for the implementation of each policy and make recommendations where possible through discussions with other course participants of Architecture and Development 2001.

## Background

Tema, which is the subject of study, is an industrial town and the second harbour city of Ghana. The country is comparable in size to The United Kingdom of Britain, about 238 540 sq. km. situated in West Africa on the Gulf of Guinea in Atlantic Ocean and lying just on the north of the equator and on the Greenwich Meridian which passes through Tema.



Map of Ghana showing the location of Tema and Akosombo

Ghana is bounded on the north and northwest by Burkina Faso, on the east by Togo, on the west by Cote D'Ivoire and on the south by the ocean.

After attaining her independence in 1957 the then government of Ghana in its desire to achieve integrated national development of the country approved for implementation, the report on the Volta River Development Project.

The project in the main is to harness the potentials of the Volta River to produce hydroelectric power, a cheaper source of electric energy for national development. It is also as part of the Volta River Project to develop the second harbour, capable of handling the anticipated increase in trade between Ghana and rest of the world.

To realise this goal the Volta River Authority was established to provide the electric energy requirement of the country. This the Authority achieved by constructing a dam across the river at a town called Akosombo, about 87 km north-east of the national capital, Accra to create a water reservoir called the Volta Lake which is the largest man-made lake in the world at the moment and the harbour built by the then Ghana Railway and Ports Corporation at the location of the fishing village on the Gulf of Guinea in the Atlantic Ocean about 30 km east of Accra called Tema.

The government, eager to build the city relocated the people of Tema in an improved and properly planned settlement just to the east and beyond the harbour area and acquired additional land from the chief of this village which forms about 71% of the land area. The rest needed for the establishment of the city was from the chiefs of Nungua and Kpone which are on the east and west of Tema respectively under a title known as the Tema Acquisition Area covering a land mass of approximately 165.7 square km. which later became known as Tema and was vested in Tema Development Corporation to develop into a township by providing all infrastructure facilities needed for industrial growth, houses, and other buildings

needed for the development of the other sectors of the economy e.g. Educational institutions shops and markets, office buildings etc.

The topography of Tema is undulating in nature but cannot be described as hilly and the climate is warm and comparatively dry.

Currently sixteen residential communities out of the first twenty-four that were supposed to have been completed by 1985 are now fully developed in accordance with the master plan of the city by TDC. Four residential community areas earmarked for development by TDC have been partly developed illegally by informal settlers and two of such residential communities have been fully occupied by these informal developers.

## Method of Study

For this paper the method of study will be to look at the policies of each political era or regime analysis the strategies adopted by TDC and determine their impact on the development of Tema.

## Strategies

### Era One – January 1960 to February 1966

During this era the housing policy was centralised. That means the central government was directly involved in the provision of housing for the low and middle-income workers in Tema. And to achieve this objective the government adopted these strategies.

- Acquired the land needed for the establishment of Tema.
- Established a corporation to develop the acquired land into the proposed Township.
- Provided the funds for the construction of the infrastructure facilities, houses and the social facilities.
- TDC adopted Institutional rental system, that is, rented these houses to the workers through their places of work which were mostly state owned which meant that the workers were recognised sub tenants to TDC and that their employers paid the rent directly on their behalf to TDC.

### Analysis

The analysis of the strategies adopted by the central government in this era can be better appreciated when they are placed in context of the land ownership systems and the political/economic situation prevailing in Ghana during the era.

There are two systems of land ownership, the communal and family ownership. The communal ownership is where the land is vested in the chief(s) as a custodial right on behalf of the people in that particular traditional area(s) and that of the family ownership is as a custodial right vested in the head of family for the particular family that owns the plot. Therefore the government of Ghana can only own a parcel of land by acquiring the land from any of the two owners through an Act or a Decree and pay compensation for the land.

On the political and economic scene Ghana had then just emerged from the colonial period with a socialist government that inherited an economy, which was based on the export of primary agricultural products, few industries in the mining and timber sectors. The private sector participation was only in commerce and minimal in the other sectors of the economy.

Under these circumstances the acquisition of land, which was the most important factor in the creation of the harbour and industrial city at Tema, was a good strategy to avoid disputes and achieve an uninterrupted development of the city. Also against the historical background information given on the economy and the level of development of the private sector, the direct involvement of the government in the delivery of low and middle income housing in Tema was also right under the circumstances stated above so that the workers needed by the industries can have access to houses at affordable rents from TDC.

By the end of this era in 1966 TDC had constructed 10,700<sup>3</sup> houses in five residential communities with some houses unoccupied because of the low

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<sup>3</sup> Source: TDC estate records.

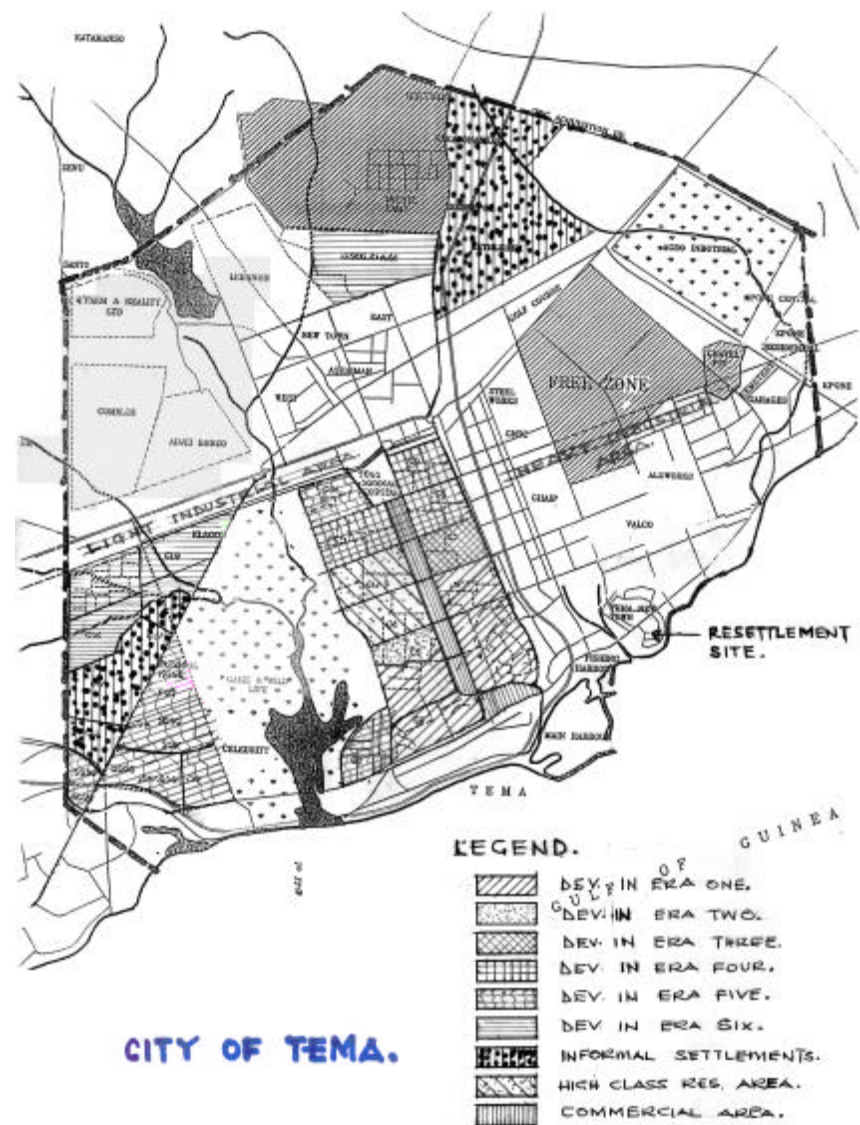
population growth rate of 2.4% in the city at the beginning of the year 1960 when the population of the city was 25,223 inhabitants. Therefore the strategies adopted in this era had a positive impact on the development of the city of Tema.

## Era Two – February 1966 to September 1969

During this military era the government did not propose any housing policy but rather instituted a committee to probe the operations of TDC therefore suspended all construction activities of the corporation for eight months until the committee finished its' work and submitted the report to the government for response and implementation of findings. It was until six months after the submission of the report that TDC was made to start construction activities which was to conclude some outstanding works that was not completed in the previous era.

### Analysis

In this era, the government did not build new residential community; neither did it give any funds to TDC for the construction of physical infrastructure in the city even after the probe. This which stayed for three and half years delayed the development programme TDC had drawn for the completion of the first phase of Tema and that has had a negative impact on the city's development.



## Era Three – October 1969 to January 1972

During this era the government adopted the open and free market policy therefore encouraging the private sector participation in housing delivery in the country in general. Among other strategies adopted on the national was the establishment of the Bank for Housing and Construction (BHC) to finance development projects at more moderate terms than what the normal commercial banking institutions were offering on the open market.

In the case of Tema, TDC was to sell its houses built during the first era to the tenants at an interest of 2% with a repayment period of 25 years as the strategy to re-capitalise the corporation since the government was withdrawing from direct financing of housing the low and middle-income workers in Tema. Secondly, TDC was to make serviced lands available for private sector investment in housing the workers in that category.

### Analysis

This strategy did not achieve the desired results because BHC failed to offer the needed services in the form of development project financing to the private sector. The state enterprises and the other companies who were expected to buy the houses in order to re-capitalise TDC also failed to do so because they did not want to take the direct responsibility of maintaining the houses, also they did not want to change the tenancy agreement with TDC into the name of their respective workers for the fear of losing some of their good workers to rival companies after workers have then become the recognised tenant of TDC. However those who had individual and direct tenancy with TDC and opted to buy the houses went on with the purchase but because of their small number the effort failed to make any meaningful impact on the whole strategy.

The private sector that had just emerged also failed to respond positively to this policy and strategy adopted in Tema because of lack of incentives from the government. Furthermore due to the low level of workers salaries, rents for houses cannot exceed a certain amount of the salary and therefore rents due for payment to any investor in the low and middle-income housing would be low and uneconomical.

As a result of this setback the government intervened by providing funds for the construction of another residential community but TDC did not finished that community before the government was overthrown from power by another military regime. In all 1,750<sup>4</sup> houses were completed and 370<sup>5</sup> houses at different stages of completion. But because more factories were established during this era and the city's population, growing at a rate of 2.4% has increased to 60,767 inhabitants, as at the end of the year 1970 there was the demand for more houses for the workers but this was not felt much due to the excess houses built in the first era.

However Ghana Railways and Ports Corporation responded to this and leased a large scale residential plot from TDC and developed low and middle income housing units for its members of staff in that category.

Even though the strategy adopted, especially the sale of houses to the tenants was a good one that sought to privatise TDC in the long run, its failure, and the failure of the other strategies to achieve the expected result made a negative impact on the development of the city.

## Era Four – January 1972 to December 1981

This era is composed of two different governments at different times but both adopted centralisation policy but with a modified strategy by allowing the private sector participation. This meant the central government provided the funds to TDC for the construction of all the infrastructure facilities and houses for the low and middle income workers in Tema, while at the same time allow TDC to lease land to the private sector to build houses for the same category of workers.

### Analysis

The private sector participation in low and middle-income housing wasn't different from the situation in era two. However, the middle income workers whose economic

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<sup>4</sup> Sources: TDC estate record.

<sup>5</sup> Ibid.

status have improved took advantage of this strategy and leased plots from TDC to build their houses according to their larger family sizes.

Due to the severe constrains on the national budget the central government could only finance the construction of 7,380<sup>6</sup> houses in three more residential communities in Tema before it was ousted. However, because of the high population growth rate of 2.8% in the city the quantity of houses built wasn't enough to meet the high number of demand for housing in the low and middle income category therefore for the first time Tema started experiencing acute housing shortage and accommodation problems.

Meanwhile houses been constructed by the individuals and some companies were at different stages of completion. This era too did not have a positive impact on the city of Tema.

## Era Five – January 1982 to December 1992

During this era the central government created the Municipality of Tema and established the Tema Municipal Assembly (hereinafter referred to as TMA) with its seat of administration in Tema. Its responsibility was to develop the whole of the Municipality and also take over the municipal functions in the township from TDC. In the light of this, the government stopped all infrastructure grants to TDC and went on further to impose a freeze on the increase in the monthly rents payable to TDC by the tenants.

Therefore to get out of these problems, TDC leased partially serviced plots to corporate institutions, private real estate developers and individuals to build houses for either their staff, for sale to the public or for their individual families.

### Analysis

The establishment of TMA to take over the municipal functions of the city from TDC was also a step in the right by the then government, but because of the limited financial resources at its disposal, TMA has not made any significant impact in the delivery of the municipal functions in the city at the moment.

But directive to stop TDC from implementing the annual increases in the monthly rents of its houses and shops in Tema had a negative impact on TDC since the only source of revenue to the corporation was the income from the rents on these properties. Meanwhile as TDC was going through all this problems, the pressure for houses from the low and middle income workers as well as for plots from the individual developers was increasing by the days, due to the increase in the population of the city which was growing at the rate of 2.8% and has increased to 100,052 inhabitants in the year 1984. TDC therefore leased out partially serviced plots to these individuals and companies to build their own houses and houses for staff respectively to solve housing problems facing them, thus signifying the end of central government's direct involvement in low and middle income housing delivery in Tema.

During this era more private companies leased large-scale residential plots and developed houses for their staff. The Social Security and National Insurance Trust (hereinafter referred to as SSNIT) also came in at this stage when Tema was having serious housing shortage problems to develop low and medium rise residential areas in the town to try and solve the low and middle-income workers housing problems. But at completion of this houses the monthly rent for a flat or a house was too high for the low income but affordable to those in the middle income class, which means that the housing strategy adopted by SSNIT failed to address the housing problems of the low income workers in Tema.

The private real estate developers also came onto the scene, and through their Association called Ghana Real Estate Developers Association (hereinafter referred to as GREDA) leased land from TDC to build houses for sale to the public. But because of the high cost of construction materials, the prices for the houses built by GREDA also became too high for the workers in the low-income category to afford.

In all, the establishment of TMA and the strategy adopted by TDC with hope of developing the city failed to reverse negative trend of development of Tema. Also due to unresolved dispute between TDC and the traditional chiefs on the acquisition area compensation issue, the chiefs started the sale of unserviced plots on the periphery of the acquisition area thus encouraging the developments of informal or illegal settlements in this areas and therefore worsen issues for TDC.

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<sup>6</sup> Sources: TDC estate record.

## Era Six – January 1993 to December 2000

The government adopted open and free market housing policy in the whole country. Among the strategies adopted on the national level was the establishment of the Home Finance Company (hereinafter referred to as HFC) which is a mortgage institution that is to provide the public with the capital to finance either purchasing or building of homes, therefore workers in all classes could take mortgages from HFC. But in the case of Tema, the strategies adopted by the central government were:

- To privatise TDC.
- To sell all rental houses to the legal sitting tenants.
- TDC to under take the development of plots under site and services schemes and construct houses under a special ownership scheme.

### Analysis

Even though the privatisation of TDC is the better option to the current corporate status the government has not finalised the process due to bureaucratic delays, changes in the Board of Directors of the corporation as well as changes in the ministry of works and housing.

During this era the sale of houses became successful and achieve the objective of recapitalising TDC, because most the tenants who were previously factory workers are now owners of small and medium scale business enterprises and therefore purchased their houses in order to have legal titles that they used as collaterals for loans to expand their businesses.

Under the site and services scheme strategy TDC was able to complete three residential communities as at the end of 1997, about three years after it started the scheme and is currently about to complete the fourth one by the middle of this year. But it sad to note that because of the high prices of these plots as well as the prices houses being built on the serviced plots the low and middle income earners cannot afford to buy either of them, so they are buy the alternative cheaper plots from the traditional chiefs and the tenant farmers who have sub-divided their farmlands into residential plots. A situation like this, with its subsequent result in the creation of illegal settlements is having a negative impart on the city where it is occurring, and for that matter the same negative effect on Tema.

It is once again important to note another event but this time on the national level, BHC the bank which was established during the third era, primarily to facilitate physical developments throughout the country at moderate and sustainable financial terms but failed to do so and operated more as a commercial financing institution has been liquidated on the grounds of bankruptcy.

## Current Situation in Tema

As a direct result of the unstable political situation in the country, the different housing policies that came along with each political era and different strategies adopted by TDC in each era, the development of Tema has not been all at smooth as it was expected and can best be describe as chaotic. The construction of low and middle-income workers housing by both the government and the private sector has ceased in Tema due to the lack of sustainable housing delivery programme and lack of incentives for the private sector to take up the challenge from where the government left off.

Also because the privatisation exercise of TDC has not been completed in order for the corporation to dissolve itself completely from Town development control functions, TDC and the TMA are in dispute over who is the sole authority to discharge this function. An issue which the central government is aware, but for reason of political expediency has not resolved the problem as at date. This unhealthy development has placed an administrative gap between the two institutions that are responsible for the total development of the city of Tema, thus offering an opportunity for the city dwellers to exploit the situation to the disadvantage of city's development.

Most of the infrastructure constructed since 1960 lacked maintenance and currently are in bad state of repair that needs urgent attention from the Municipal Assembly to reinstate their conditions for the better. The sewer system in the town is gradually breaking down, and in some communities the breakdown of the network is so evident that there is the need for immediate attention in order to avoid health



epidemic occurring but due to the limited financial resources at the disposal of TMA, it is not capable of responding quickly to repair these breakdowns.

Because of the acute shortage of houses for the low and middle income workers, tenants and the owners of the old houses built in the older communities have taken advantage of the permission granted by TDC to construct all kinds of extensions or expansion to their houses without approvals, and in the process destroyed the once beautiful streetscape of the earlier days. In some case these unapproved extension are built in lanes and on service lines like, sewer and water pipes as well as underground electricity cables therefore disrupting the efficient services of the utility companies in the township.

In communities where TDC leased plots to individuals to build their own houses, and other social facilities like shops and offices the landscape is littered with uncompleted buildings and structures that are at different stages of completion because the prospective developers, who are mostly the low and middle income workers are having financial problems as a result of the difficulty in accessing loans on a more moderate terms in Ghana.

Lastly but not the least is the rapid growth of informal or illegal settlements developing in the town due to the action of the Traditional Chiefs and the Tenant farmers. These areas needs basic infrastructure facilities like proper roads, efficient drainage and sewer network to improve the living conditions in there. Even though there is water and electricity supply to these areas, the water connection network is poorly done, with pipes running through any available space. Again, due to the same old financial reasons, the TMA is not doing much in terms of up-grading the living conditions in these areas.

## Actors

The development of towns and cities involves the participation of central governments, governmental and non-governmental institutions as well as the private sector referred to as actors whose collective roles and responsibilities impact on the development of these proposed towns or cities.

It is therefore important that these papers look at the roles of these actors and assess their impact on the development of Tema. The actors identified are, the central government as the main actor, Tema Development Corporation and Tema Municipal Assembly as the two main governmental institution actors, the traditional chiefs as the main non-governmental actor, the residential tenants and the tenant farmers as the identifiable groups actors and finally institutional and individual developers, the Home Finance Company and Ghana Real Estate Developer's Association (GREDA) as the collaborative actors.

## The Central Government

As the main actor, the government,

- Acquired the land needed for the creation of the proposed harbour and industrial city at Tema.
- Established TDC under a Board of Directors in the Ministry of Works and Housing and vested the acquired land in the corporation to develop it into a city.
- Provided funds to TDC for the development of the city.
- Design and formulate housing policies and strategies for implementation in Tema by TDC.
- Supervised the activities of TDC through the sector ministry to ensure the proper development of the city.

### Analysis

The central government's idea of acquiring the much-needed land for the creation of the city was to ensure that the development activities progress without interruptions from the traditional landowners and also the availability of land during the construction period of the city. Also with the establishment of TDC under a Board of Directors and the provision of funds to the corporation for the development of the city as well as supervising its operations through the ministry of Works and Housing the government wanted to ensure that the development programme it had for Tema was always on course to meet the completion period set for the development of the

first phase of the city. In this regard strategies used by the central government to achieve its objective the main actor had a positive impact on the city.

## Tema Development Corporation (TDC)

As the first main governmental institution actor, directly responsible for the development of Tema, it constructed and maintained all the physical infrastructure facilities and the residential communities in the city until the mid 1980,s when the Tema Municipality was created and TMA established to take over the municipal functions from the former.

TDC rented the houses and shops to workers and other inhabitants of the city who are engaged in activities in the other sectors of the economy, and later sold the houses to them as a result of changes in the housing policy. In all the role of the Central government as stated above and the role of TDC had a positive impart on the development of the city.

### Analysis

The idea of TDC renting out the houses to the workers through their respective places of work was a strategy to eliminate speculating tenants who might initially secure tenancy to these houses to create artificial housing shortage and later sublet the houses to workers at higher rents.

Until the creation of Tema municipality and TMA the municipal functions TDC was under taking on behalf of the local government may having been seen as alright, but in actual sense it was a financial drain on the corporation since this operation was being financed directly from the monthly rent revenue TDC collects from the tenants of its properties in the city. However as the rents from these properties became uneconomic due to the decline of the country's economy TDC was could not cope with meet the full demands of the municipal functions as well as that of the physical development functions therefore the need for the Local government to step in and take over the municipal functions. The role of TDC as the main government institution and the strategy it adopted to rent out the rents to the workers in Tema had a positive impact on the city.

## Tema Municipal Assembly (TMA)

As the second main governmental institution established in Tema, but rather late, TMA is charged with the responsibility of developing the whole of Tema municipality that was created as a result of the decentralisation policy of the then government, as such took over the municipal functions in Tema from TDC.

### Analysis

Though TMA came rather late, the role of the Assembly as the municipal authority is very important in Tema and currently has a lot of remedial work to do on the city's ailing infrastructure facilities, since most of the facilities constructed from 1960 are in bad state of repair, and some of the infrastructure facilities have to be replaced.

However, TMA has chalk a lot of successes in the solid waste management and therefore the sanitation level in the city can be described as acceptable but its grip on the development control in the municipality is weakening as years come bye. Even though TMA has the requisite human resources capable of handling these problems, the lack of sufficient funds needed for their operations is hampering their progress. TMA should therefore find a better of collecting their tax revenue in order to make more money for their operations in the municipality.

In totality, TMA's role even though is positive is yet to make the much expected impact on the development of the city.

## Traditional Chiefs

The three traditional chiefs are the main actors who operate outside direct government control, who offered portions of their lands to the government for the purpose of the city and later sold portions of the land in the acquisition area because of compensation claims.

### Analysis

The initial decision of the chiefs to offer the lands to the government can be viewed as a strategy on their singular parts to support the government's idea of creating a

harbour and industrial city within their areas because of employment opportunities the creation of the above city will offer to their respective peoples which had a positive impact on the development of the city. But due to their individual parts played in the sale of the plots their later role is having a negative impact on the city they assisted in creating.

## Residential Tenants

These tenants are one set of the identifiable group actors which is made up of institutional and private individual tenants. They initially rented the houses built and paid rents in order that TDC will be able to maintain the houses and keep them in good conditions and also to meet its administrative operational expenses. But in the mid 1990's the individual tenants formed an association called Tema Tenants Association and instituted legal court proceedings against TDC to restrain the corporation from collecting the monthly rents for the houses. This is because the later was no longer capable of carrying out maintenance of the houses due to financial reasons and therefore should lose the right to rents for the houses. However when the directives to sell the houses to the legal and sitting tenants was re-introduced, the association withdrew the legal suit against TDC from the court and purchased the houses from it as individual and recognised tenants of the corporation.

### Analysis

This group referred to in this paper as identifiable group actors served as the revenue backbone of TDC from the 1960's to about the end of 1980's when the monthly rents for the houses became uneconomical. Furthermore the collective amount of money TDC had from them as a result of the sale of houses also makes them one of the corporation's major financiers. Their role as actors assisted in the re-capitalisation of TDC and is having positive impact on the development of the city.

## Tenant Farmers

These tenants are the second of the identifiable group actors who are farmers that have individually leased Farmlands from TDC on short-term agreements to develop farms to provide the agricultural products needs of Tema.

### Analysis

These farms were very important sector the total development of city because of the need for their products for the survival and well being of the workers in Tema. But in the mid 1980's when there was economic recession in the country, which affected their businesses, there was at the same time high demand for affordable plots to build houses since most developers in the low and middle-income category could not afford high prices of the plots from TDC under the site and services scheme. Therefore some of these farmers took advantage of the situation to sub-divide the undeveloped portions of the large farmlands into residential plots for sale and in this process created informal or illegal settlements in the farming areas.

Even though the initial role this group played in Tema is positive, the effect of the later role as illegal landowners is having a negative impact on the development of the city.

## Institutional and Individual Developers

This group referred to in this paper as collaborative actors are institutions like Social Security and National Insurance Trust, Ghana Railway and Harbour Corporation, Ghana National Petroleum Corporation, The Volta River Authority etc, and individuals who have leased plots of different sizes from TDC and built houses in accordance with the town's planning bye-laws to meet their needs. Even though their role is positive some of them, both institutions and individuals have not completed their projects.

## Ghana Real Estate Developer's Association (GREDA)

This group has been collaborating the effort of TDC in the delivery of houses in Tema. TDC leases lands to them to build houses for sale. Even though their role is a positive one, they are yet just like TDC (of late) are yet to build houses that will meet the economic levels of the low-income workers in Tema.

### **Analysis**

The above groups of actors made up of institutional and individual developers and the GREDA, referred to as collaborating actors in this paper also came in to provide housing to either they respective workers, the general working force as in the case of SSNIT, families, or for sale to the public as in the case of GREDA because TDC was no longer capable of delivering houses in Tema to the low and middle income workers but failed in their bid to accomplish this assignment totally.

While some institutions and individual developers have the projects at different stages of completions, the prices of houses for the GREDA houses and that from the SSNIT also were too high for what the income worker can afford and therefore this two groups of real estate developers could not deliver to meet the economic level of the low incomer worker. But the overall effect of the roles is somehow positive since the development was done in accordance with the provisions in the master plan and also helped to hasten the development of the first phase of Tema.

## **Home Finance Company (HFC)**

This company gave mortgages to workers through their institutions and the private sector individuals who could meet their terms of mortgage, to enable them purchase or build their houses or other projects.

### **Analysis**

The impact of HFC is yet to be notice on the development of Tema, since most of the workers are low and middle-income earners and cannot meet the precondition terms being offered by HFC. Under this term, the prospective beneficiary is expected to finance bet ween 25% and 30% of the property to purchased or developed as equity and HFC provides 70% and 75% as loan that is indexed and with a repayment period of between 15 and 20 years. The monthly repayment of the loan is on the principal amount as well as the interest over the life span of the mortgage

## **Conclusions**

From the analysis of the strategies and the roles of the actors presented in this paper so far the following conclusions came up.

- Absence of effective and efficient housing policy and well designed strategies is the direct resultant effect of frequent change due to unstable political atmosphere in Ghana since the first military coup in 1966 to after 1981 when political stability appears to have been restored.
- The delay in the completion of the first phase of Tema is due to the frequent change of the housing policies and strategies by TDC and also due to the lack of better enabling environment for the housing sector form the government to the private sector.
- The developments of informal or illegal settlements in Tema is also the direct result of the frequency in the change of the housing policies and strategies, the lack of political will from the central government to resolve the claims from the traditional chiefs as well as a result of the inability of most workers to buy the expensive plots TDC is offering under the site and services scheme.
- The development of unauthorised extensions and expansions to the low and middle income workers houses in the older residential communities is also the resultant effect of the instability of the housing policies and strategies in Tema.
- In summary the current situation in Tema is mostly due to the frequent change of the housing policies and strategies.

## **Recommendations**

- Based on the past, the central government should des ign and formulate a sustainable housing policy for the country's housing sector.
- To provide subsidies in the form of tax rebates on construction materials and other tax incentives to the private sector.
- To establish another mortgage institution that will compete with HFC and order to give the prospective beneficiaries the opportunity of choice.

- To establish a Development Endowment Fund to replace the payment of compensation for the three traditional areas whose lands were acquired to create the city of Tema.

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