

DIRECTIONS in Urban Development



Cultural Heritage and Sustainable Tourism Thematic Group

INFRASTRUCTURE AND HERITAGE CONSERVATION: OPPORTUNITIES FOR URBAN REVITALIZATION AND ECONOMIC DEVELOPMENT

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Cultural endowments such as traditional architecture, unique streetscapes, and historic sites are increasingly recognized as important economic resources in both developed and developing countries. Cities are often an important focal point for development based on these resources because they provide concentrations of heritage assets, infrastructure services, private sector activity, and human resources. Improving the conservation and management of urban heritage is not only important for preserving its historic significance, but also for its potential to increase income-earning opportunities, city livability, and competitiveness.

World Bank-financed projects have found that heritage conservation has increased city livability by preserving streets and neighborhoods built at a human scale, public areas that support positive community interaction, and green spaces that offer recreational activities. By preserving their heritage, cities can create a unique sense of place and singular urban landscapes, developing strong branding and conditions to attract investors. This is especially true for investors in tourism, which is one of the largest industries in the world today and has a track record of creating significant levels of employment for unskilled and semi-skilled workers. In addition, improving a city's self-image and identity through recognition of heritage assets has been shown to increase civic pride and energize communities to actively address a wide range of development and livelihood issues.

Today's rapidly-urbanizing cities, with uncontrolled growth and informal expansion, pose a significant risk for irreplace-



World Bank projects have supported revitalization of St. Petersburg's urban landscape, which is one of the city's major cultural assets and a powerful resource for branding.

able cultural and natural resources. For example, developers exert pressure to demolish low-rise traditional buildings and eliminate parks in favor of high-density developments, and municipalities install needed infrastructure in a manner that has unnecessarily negative impacts on traditional cityscapes. As urban populations rapidly expand, local resources tend to be scarce and most municipalities struggle to provide basic infrastructure services, making investment in heritage conservation a low priority. Therefore, it is increasingly important for World Bank-financed projects to include well-thought-out interventions that include heritage conservation elements because of their potential contributions to economic development and urban revitalization.

The conservation of cultural heritage supports urban revitalization by preserving city livability, increasing competitiveness, and creating a wide range of income-earning opportunities.

The Cultural Heritage and Sustainable Tourism Thematic Group (CHST) was established in 2004 as a network of practitioners to mainstream support for heritage conservation into infrastructure, private sector, and social development

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What is Cultural Heritage?

UNESCO defines cultural heritage under several main categories:

Tangible Heritage

- *Immovable* (e.g., traditional buildings, historic city centers, and archaeological sites);
- *Movable* (e.g., paintings, sculpture, coins, and manuscripts);
- *Underwater* (e.g., shipwrecks, and ancient cities);

Intangible Heritage (e.g., oral traditions, performing arts, rituals, knowledge, and skills); and

Natural Heritage (e.g., natural sites with cultural aspects such as cultural landscapes and physical, biological, or geological formations).



projects. The thematic group reflects the multi-disciplinary characteristics of the CHST family, highlighting the wealth of information and experience available among more than one hundred Bank professionals. In the urban sector, it is clear that infrastructure projects can provide an entry point for effective interventions in heritage conservation and development. Conversely, many task team leaders find that discussions of lending that recognize the value of local heritage provide a positive starting point for dialogue on downstream lending operations addressing broader-based infrastructure investment needs. This note focuses on the rationale for World Bank-financed infrastructure projects that include or focus on conservation of cultural heritage assets either for their own value or as a component of infrastructure and economic development strategies.¹

Urban Revitalization, Heritage, and Tourism

World Bank experience with the connections between urban revitalization, heritage, and tourism includes the urban upgrading and rehabilitation of historic buildings undertaken by the **Georgia Cultural Heritage Project**[#], which is credited with playing a critical role in stimulating the revitalization of Tbilisi's Old Town. It led private investors to renovate their own buildings in the area; to the opening of hotels, restaurants, shops and galleries; to an influx of residents, offices, and tourists; and to a significant increase in property values. In the **Bosnia-Herzegovina Pilot Cultural Heritage Project**[#], the reconstruction of the iconic Mostar Bridge and other municipal infrastructure investments made a significant contribution to revitalization of the city center, reconciliation among residents, and the reestablishment of the local tourism industry (officials found that tourism arrivals in 2004 stood at 220,000, up from only 50,000 the preceding year).²

One of the most highly-visible and dynamic links between heritage conservation and local economic development lies in the potential for cultural and natural assets to attract tourism investment and spending.

While global tourism has grown steadily at 7% per year over the last 5 years, recent growth has been limited by the financial crisis. The UN World Tourism Organization (UNWTO) reports that it "expects 2009 international tourism [growth] to be in the range of 0 percent to a 2 percent decline."³ However, the UNWTO also reports that the niche markets of adventure and cultural tourism are two of the strongest segments of the tourism industry and that culture has become a component in almost 40% of all international trips⁴.

The economic slowdown is an opportunity for developing nations to improve their strategies, infrastructure, and tourism products in order to establish a strong base for future sustainable tourism. The investments in infrastructure and heritage conservation that are advantageous for tourism development are also key elements of creating livable cities—in other words, improvements that support tourism also enhance residents' economic opportunities and standard of living. Moreover, if short-term crisis actions can be aligned with the longer-term poverty and climate needs, the overall industry structure may actually be strengthened.

When the industry revives, cities in developing countries with a strong basis for tourism development will be better poised to attract private sector and foreign investors who see opportunities in developing hotels and other tourist-related activities. Employment opportunities for local workers will increase through

Project Profile: Jordan Cultural Heritage, Tourism, and Development Project (Po81823) Loan Amount: US\$ 56.0 M; Heritage Components: US\$56.0 M

The Jordan Cultural Heritage, Tourism, and Urban Development Project* is paradigmatic of the urban sector's support for cultural heritage and tourism. In many of Jordan's secondary cities poverty is high; environmental service delivery is poor; traffic is chaotic; and urban planning and management are weak. While these cities have tremendous cultural heritage resources, they are not managed or maintained to effectively create economic opportunities through tourism.

The project responds to Jordan's National Agenda, which designates cultural tourism as a key pillar of its economy. Tourism accounted for about 11% of GDP in 2005, is Jordan's largest export sector, its second-highest producer of foreign exchange, and its fifth-largest employer. However, recent studies by the UNWTO indicate that Jordan has not kept pace with regional competitors.

The project consists of four main components: (i) urban infrastructure improvements and cultural landscape regeneration in five historic urban centers⁵, (e.g., upgrading of streets, drainage, sidewalks, and signage; rehabilitation and cleaning of pivotal public spaces and building facades; and traffic and parking management plans); (ii) construction of a new visitors' center at the Petra Sanctuary; (iii) financial and technical assistance to local entrepreneurs, investors and community groups to encourage small- and medium-enterprises; and (iv) capacity building and monitoring. While urban revitalization and tourism development are the primary project focus, cultural heritage is supported as an important resource for tourism, with the protection and enhancement of the heritage providing benefits to all three sectors.



The Jordan project will redesign and expand traditional public space in the urban core of Salt to support mixed use and enhance the cityscape.

the development of the service industry and increased demand for local food production, handicraft manufacturing, and other cultural industries. The number of small and medium enterprises will grow as economic opportunities become apparent.

Cultural Heritage in Transportation Projects

Many World Bank transport projects have included pro-active components to support conservation and management of cultural heritage assets. For example, the **Xian Sustainable Urban Transport Project**[#] in China will develop 44 kilometers of bicycle paths in the urban core to link the city's key urban heritage sites and reduce traffic congestion. The project will also build an access road to a newly-excavated archaeological park. The **Cambodia Road Rehabilitation Project**[#] restored 10 ancient bridges on

National Road 6 connecting Phnom Penh to Siem Reap and the World Heritage site of Angkor. The bridges were part of the Angkor Dynasty's "royal route" and some of the most highly significant examples of civilian architecture in the country.

Typical transport sector goals such as reducing traffic emissions, noise, and vibration to improve residents' quality of life also have positive impacts on heritage areas. Pollution damages traditional surfaces and traffic vibration undermines ancient structural elements, while traffic noise detracts from the sense of history and quiet contemplation that many heritage sites offer. Projects that support transport focal points such as container ports and railroad terminals have long recognized that these facilities depend on their surrounding regions and cities for access to skilled labor, efficient services and integrated transportation links. As demonstrated in the City-Port of Limon project profile, support for cultural heritage assets has been used as part of strategies to revitalize lagging cities and regions that are hampering trade growth and competitiveness.

Infrastructure Upgrading in an Historic Context

With attention to appropriate design and materials, infrastructure projects can achieve their goals while conserving traditional streetscapes and the urban fabric. General guidelines for installing services include:

- fixtures and connections compatible with historic designs and materials;
- minimal destruction of historic structures and streetscapes;
- access for service maintenance and renewal that does not require disruption of historic materials or structures; and
- reversible processes that allow for further restoration of sites when future technology or research findings become available.

To create effective policies for conservation in an urban setting, it is vital that active consultation be established between all local agencies that have responsibility for the built environment and local communities. Protecting cultural property must be supported with coordinated policies and action at the local level.⁶

Cultural Heritage in Water and Environmental Management Projects

In China, several water and sanitation projects have supported the conservation of valuable heritage assets. In the **Yunnan Earthquake Reconstruction Program[#]**, a portion of the credit was set aside, based on local government requests, to repair and rehabilitate heritage assets that had sustained severe earthquake damage. Among the assets repaired were water and drainage systems compatible with the traditional network of streams and channels that provide fresh water to every part of the World Heritage City of Lijiang. In the **Zhejiang Urban Environment Project^{*}**, a component for the municipality of Shaoxing included renovation of traditional housing and conservation in five historic neighborhoods that are laid out along an extensive canal system and represent a fast-disappearing traditional waterside lifestyle. In addition to sewer connections, the project rehabilitated the canal system through dredging, embankment repair, and reinstatement of a closed canal section to improve water circulation and create tour boat circuits.

Incorporating heritage conservation into urban projects has supported the overall goal of revitalization, significantly increased client satisfaction, and led to a robust new business line for the World Bank in China.

Project Profile: City-Port of Limon Project (P085539) Loan Amount: US\$ 72.5 M; Heritage Components: US\$ 55.1 M

The City-Port of Limon Project^{*} in Costa Rica addresses the lack of reforms and inefficiency that have made the port one of the central bottlenecks to Costa Rica's increased trade and competitiveness. The city of Limon, which surrounds the port, is suffering from the loss of its cultural and natural assets; high crime and unemployment rates; and racial tension. In addition, conflicts between trade unions and the port businesses have led to periodic demonstrations and strikes, which have paralyzed the city and the port.

The objective of the project is to revitalize the city, prepare for the modernization of the port, and increase residents' ability to capture revenues from the tourists who currently disembark from cruise ships, but bypass the city to visit sites to the north. Project components include: (i) improving the protection and management of Limon's cultural and natural heritage; (ii) improving the city's sewage system and reducing urban flooding; (iii) fostering a more efficient and accountable local government; (iv) creating new employment opportunities through small and micro-enterprises; (v) mainstreaming crime prevention through environmental design; and (vi) supporting the port modernization process.

The operation could have addressed the port and the city under two separate projects. However, it was recognized that to enhance the synergies between heritage conservation and urban economic development, a single project would be the appropriate approach. Conservation of the tangible and intangible heritage of the city was seen as a key ingredient in reviving the city's unique character, sense of pride, and socio-cultural dynamism. The expected synergies from this holistic approach include: (i) the port's modernization and improved interface with the city, leading to new opportunities for residents, such as the growing cruise industry and linkages to external markets; and (ii) the city's improved physical infrastructure, and economic and socio-cultural conditions, contributing to the social and political viability of port reform.



The City-Port of Limon project aims to improve the city's infrastructure, cultural dynamism, and economic conditions, thereby contributing to the social and political viability of port reform.

The development of large-scale water, sanitation, and environmental management projects in China has also led to investments in heritage conservation that are not directly related to the infrastructure improvements. Local officials have begun requesting heritage conservation components to address the loss of their historic buildings and traditional streetscapes, due to the extremely rapid urbanization that is occurring in the country. Consequently, the issues of environmental quality and urban envi-

Project Profile: Chongqing Urban Environment Project (Po49436) Loan Amount: US\$200 M; Heritage Component: US\$4.9 M

The main focus of the **Chongqing Urban Environment Project*** in China is to assist the municipality: (i) recover from the degradation of its water and land resources; (ii) protect the quality of its rivers and water supply; and (iii) maintain water quality for the wider Yangtze River Basin. During project identification, city leaders requested that a component for heritage conservation be included in the project to help maintain their historic built environment; strengthen the local community's identification with their history; increase the value of the built heritage and surrounding real estate; and improve tourism potential.

The local Cultural Heritage Bureau, in collaboration with international specialists, developed a cultural heritage master plan and identified the Huguang Huiguan as a high priority site for immediate conservation. The Huguang Huiguan is an ancient merchants' guild complex that was constructed and modified during the Qing dynasty (1644-1911). It is one of the last historic sites in the heart of modern Chongqing. The project and the Italian Trust Fund for Culture supported detailed planning for conservation of the guild complex and an international specialist, who worked with local conservationists on historical research and documentation; surveys of physical deterioration; working drawings; and restoration of all exterior and interior elements.

Conservation of the Huguang Huiguan complex has contributed to Chongqing's efforts to improve the quality of life for its citizens and enhance economic development by providing a focal point for the municipality's civic events, creating a new tourism development site, and stimulating small businesses and employment in the site's surrounding neighborhoods. The project has become a model for restoration in China, based on international best practice and the sustainable reuse of the historic buildings (e.g., a theater, exhibit hall, museum, cultural center, and shops). This conservation work responded to client demand, increasing client satisfaction, and led to requests for additional similar projects in China.



The rehabilitation of one of the last historic sites in the ancient core of Chongqing has made it a focal point for civic events, tourism, and small business development.

talization in China's World Bank projects have been connected to assisting cities in conserving their traditional urban fabric.

Conclusion

Many of the World Bank's client countries have been successful in supporting cultural heritage activities within some large infrastructure projects. These projects have used heritage as an entry point for opening up opportunities for local economic development. The Bank's focus on sustainable development and poverty reduction means that it must aim to support heritage conservation and tourism development that can improve standards of living, increase income-earning opportunities, and generate wealth for the poor. Combining the conservation of heritage assets and improving infrastructure services provides more livable and dynamic environments that directly impact the ability of poor communities to take advantage of the opportunities for a better life, while at the same time supporting city competitiveness.

The Cultural Heritage and Sustainable Tourism Thematic Group (CHST), hosted at the Urban Anchor, has become the focal point for heritage and sustainable tourism work, and has been able to provide support to regional teams implementing operations that affect cultural and natural patrimony in client countries. CHST is helping to ensure coordination, disseminate knowledge and learning, and facilitate collaboration with partnership institutions including UNESCO and UNWTO.

Endnotes

¹ Many World Bank projects working on heritage conservation have received generous support from the Italian Trust Fund for Culture and Sustainable Development (ITFCSD). Discussed in this note are ITFCSD-supported projects in Bosnia and Herzegovina, China (Chongqing and Zhejiang), and Jordan.

² Taboroff, June and Katrinka Ebbe. *Europe and Central Asia Region Review: Cultural and Natural Heritage Conservation and Community Based Tourism*. World Bank, Washington DC (Unpublished 2007).

³ World Tourism Organization: http://www.unwto.org/media/news/en/press_det.php?id=3481&idioma=E

⁴ Saffrey, Alan. *An Analysis of Sarajevo, Herzegovina, and Krajina Tourism Regions*. USAID, 2006.

⁵ These historically-and-culturally important cities are Jerash, Karak, Madaba, Salt, and Ajloun.

⁶ Ebbe, Katrinka and Donald Hankey. *Ningbo, China - Cultural Heritage Conservation in Urban Upgrading*. World Bank Series: Culture and Sustainable Development. World Bank, Washington, D.C., 1999.

indicates that the project is closed and * indicates that the it is active.

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