

## **Approach Paper**

### **Tunisia: World Bank Group Country Program Evaluation, FY05-12**

**April 1, 2013**

#### **Background—Political and Socioeconomic Developments, 2005-2012**

1. Tunisia is a middle-income country with a mostly urbanized population of 10 million. After the country gained its independence from France in 1956, a republic with a highly centralized presidential system was established. Until the “Arab Spring” in January 2011, Tunisia was held up as a stable country and one of the most successful economies in the Middle East and North Africa (MENA). Tunisia was known for its progress on development, comparatively liberal social norms, and a large middle class. With respect to gender parity, Tunisia is one of the most advanced countries in the region. The code of Personal Status, introduced shortly after independence, gives women and men equal rights<sup>1</sup> and human resources development policies emphasized gender equity. As a result, Tunisia’s female participation rate in the workforce is higher than that of other countries in the region.

2. After independence, Tunisia transitioned gradually and successfully from a natural resource–dependent economy to a more market-based, diversified, and globally integrated economy (Figure 2). At independence, the economy relied on raw materials, notably petroleum, natural gas, and phosphates. As reserves were depleting, the government sought to develop manufacturing and tourism while simultaneously investing heavily in human resources development. Through this period, a dirigiste economic system entailed control of investment and prices, protected trade, and the distribution of generous subsidies to enterprises. The oil boom of the 1970s also helped finance a higher level of investment, notably in manufacturing. The creation of a liberal offshore regime attracted European investors and led to the creation of new export-oriented industries (including textiles and clothing).

3. As oil prices declined and production dropped in the 1980s, macroeconomic imbalances grew until the government decided in the mid-1980s to pursue a program of stabilization and adjustment supported by the World Bank and International Monetary Fund (IMF). The program called for prudent macroeconomic management and resulted in a decrease in fiscal deficit and inflation. In the 1990s, the government sought to accelerate growth and further diversify its economy through deeper integration in the world economy. Tunisia was the first country in the region to sign an association agreement with the European Union (EU) in 1995. The agreement called for phased establishment of a free-trade zone for manufactured goods over 1996-2008. Today, trade in these goods with the European Union, the Greater Arab Free Trade Area, and a large number of bilateral partners is duty free. These trade liberalization policies helped Tunisia to penetrate new markets in manufacturing (mechanical and electrical engineering) and led to improvements in total factor productivity.<sup>2</sup> These reforms led to economic diversification and

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<sup>1</sup> For example, the code outlawed polygamy, required mutual consent for marriage, and gave women the right to vote, travel, work, sign contracts, and open bank accounts without husband permission.

<sup>2</sup> Total factor productivity started to increase in the mid-1990s and saw its annual growth rate increase from 1.24 percent on average in the 1990s to 1.4 percent.

made Tunisia among the fastest growing countries in MENA, with annual average GDP growth of 5 percent over the past 20 years and a steady increase in average per capita income (Figure 1).

Figure 1. GDP per capita, Real (Constant 2000 US\$), FY05-11

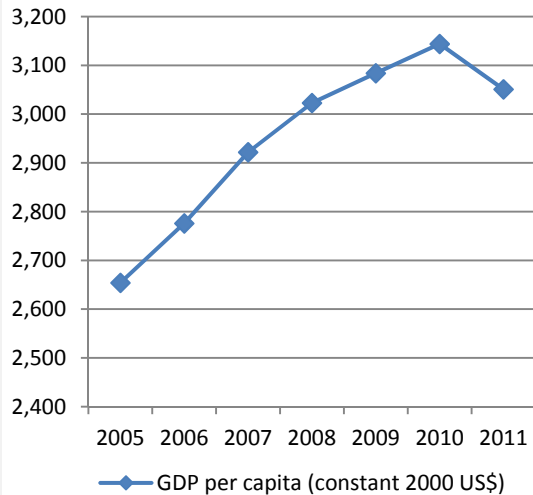
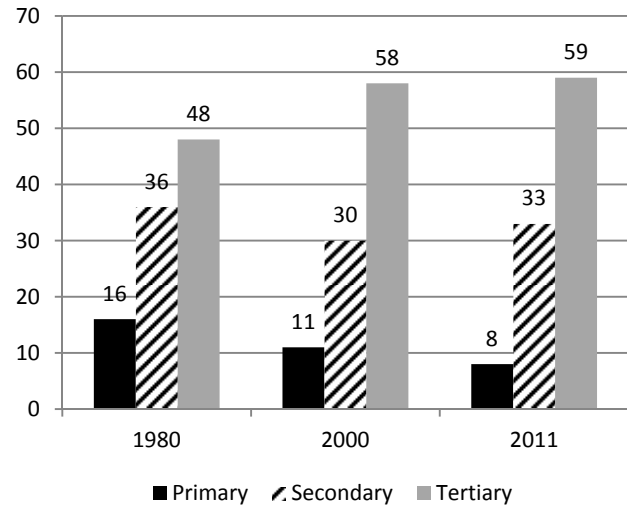


Figure 2. Evolution of the Structure of the Economy: GDP by Sector (Percentage of GDP), FY 1980, 2000, and 2011



Source: World Development Indicators, October 2012

4. Tunisia has also made sound progress on social development, although many challenges remain to be addressed. Poverty rates and inequality are higher than previously claimed. The incidence of poverty dropped from 32 percent in 2000 to 23.3 percent in 2005<sup>3</sup> and to 15.5 percent in 2010. The National Statistics Institute (INS) recently disclosed poverty estimates broken down by region, which show glaring regional disparities.<sup>4</sup>

5. Tunisia saw many social indicators improve significantly, as reflected in an increase in the primary net enrollment rate (98 percent in 2008) and secondary education (74 percent for boys and 81 percent for girls in 2008) and a decrease in adult illiteracy. Health outcomes also improved, as indicated by an increase in life expectancy (from 70 years in 1990 to 74 in 2008) and drop in maternal mortality rates (130 per 100,000 live births in 1990 to 60 in 2008) and infant mortality rates (40 per 1000 live births in 1990 to 18 in 2008). Access to basic services (water, sanitation, electricity) is near universal in urban areas. Overall, Tunisia is on track to achieve most of the Millennium Development Goals (with the exception of the maternal mortality rate). Yet the quality of public services still faces challenges. The quality and relevance of education are in need of improvement to be improved as learning outcomes are low compared to international benchmarks at Grades 4 and 8. The rapid expansion in secondary education has seen a worsening of performance and higher drop-out rates. Health outcomes display spatial

<sup>3</sup> Before INS revised the poverty estimates, the poverty rate was estimated at 3.8 percent in 2005.

<sup>4</sup> Poverty estimates range from a low rate of 8-9 percent in the Center East Region and Grand Tunis to 26 percent and 32 percent respectively in the North West and Center West regions.

disparities, with mortality<sup>5</sup> and health conditions lagging behind in underserved regions compared to urban areas, unequal expansion of health insurance coverage, and growing dissatisfaction with public services. Similarly, access to water and sanitation lag behind in underserved regions. Only 50-60 percent of the population has access to safe drinking water and 40 percent to modern sanitation in rural areas, compared to near- universal access in urban areas.

6. The economy was hindered by pervasive barriers to competition, an unfriendly business environment, discretion in the application of laws, restrictive labor regulations, and improper use of public banks. The Tunisian economy evolved on a dual track, with an offshore export-oriented sector operating under a liberal regime<sup>6</sup> and benefiting from preferential export policies coexisting with an insulated and slower-growing onshore domestic economy.<sup>7</sup> Hence, despite free trade agreements, the lack of fair competition discouraged domestic private sector investment. In addition, growth was heavily concentrated in the coastal areas, to the exclusion of inner regions and hinterlands where many rural and urban poor were living. The improvement of Tunisia's ranking in Doing Business indicators from 77 (out of 175 countries) in 2006 to 55 (out of 183 countries) in 2011 mainly reflects improvements in the business environment for the offshore sector.

7. Tunisia's political system and government operations lacked transparency and accountability to citizens. Combined with rising unemployment, a declining standard of living, and growing social disparities, this led to mounting discontent. The political system was characterized by an absence of checks and balances, illustrated by the absence of free elections and lack of conflict of interest legislation, of independent review of the executive or legislature, and of judicial system independence. The regime repressed media freedom and freedom of association. Collectively, these restrictions served to undermine the citizenry's voice, leading to a buildup of anger and frustration. Sparked by a specific incident where a vendor set himself alight to protest arbitrary treatment, widespread protests erupted in January 2011 and ultimately led to the ouster of President Ben Ali.

8. In February 2011, an interim government was put in place and tasked with organizing the election of a Constituent Assembly to write a new constitution. That election was held in October 2011. Ennahda, the once-banned moderate Islamist Party, won the most seats (40 percent) and formed a coalition with two secular parties, the Congress for the Republic (9 percent) and the social democratic party (7 percent). A second interim government was then appointed by the Constituent Assembly and given the task of writing the new constitution. The adoption of the new constitution, initially planned for a year after the first elections, is likely to be postponed to June or September 2013.

9. Since the 2011 Jasmine revolution, the socio-political situation has remained volatile due to uncertainty about the economic outlook related to the euro crisis and the lingering impact of

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<sup>5</sup> Maternal mortality rates are three times higher in rural areas (70 versus 20 deaths per 100,000 live births). Children are more than twice likely to be stunted (10 percent in rural areas versus 4 percent in urban areas).

<sup>6</sup> These included a 10-year tax holiday, duty-free imports, fast trade procedure, and free repatriation of profits, for example.

<sup>7</sup> As the onshore sector is less protected by high tariffs than in the past, the incentive and regulatory gaps between the onshore and offshore sectors became more patent.

the Libyan crisis and persistent social tensions. Tunisia’s banking sector, already performing poorly before the revolution, was further hit by the economic downturn, notably the sharp downturn in the tourism sector. On the economic front, the interim government has sought to ease social tension and boost economic recovery after the crisis through a mix of fiscal and monetary measures. The government announced a large stimulus package and an economic and social emergency plan comprising 17 measures ranging from security to employment and regional development. Despite this policy response, the economy contracted by 2 percent and unemployment increased to 18.9 percent in 2011.

10. Growth has started to recover in 2012 and unemployment to recede to 17.6 percent as of June 2012. Yet, social tensions continue to weigh on the transition, with repeated strikes and sit-ins disrupting strategic export sectors. Soaring world food and fuel prices have led to inflationary pressure and increased the expected cost of subsidies from 4 percent to 6 percent of GDP in 2012. As a result, the fiscal deficit (excluding grants and privatization) is budgeted at 6.6 percent of GDP over 2012. Tunisia had the fiscal space to accommodate such fiscal expansion, but the deterioration in the composition of spending is a cause for concern. The authorities will have little room for additional monetary expansion in 2012. To keep inflation under control, the Central Bank increased the benchmark interest rate in September 2012. The current account deficit is projected to remain at 7.4 percent of GDP in 2012 and to decrease during the next few years. Therefore, external financing needs are expected to remain large in 2012 and 2013 and decrease gradually thereafter. Over the medium term, the authorities expect to return to the capital market for an increasing share of their financing needs. Overall, the recent Debt Sustainability Analysis indicates that the space for fiscal expansion is rapidly closing and that debt sustainability will be significantly affected by the level of GDP growth, which underscores the need to accelerate the adoption of structural reforms to boost investment and accelerate economic growth.

11. The document for the last Development Policy Loan (October 2012) notes that “The main short term risk facing Tunisia is related to the resurgence of social tensions which could result in political instability”. The government is confronting growing activism by the Salafist movement, which is calling for Islamic Law and giving rise to increasing tensions with secularist movements. Political tensions persist, for example around several controversial issues, such as the role of religion and the status of women in the new constitution. The ruling party had decided against using Sharia Law as the basis for the new constitution but designated the role of women as “complementary” to that of men, fueling widespread opposition. Hence, Tunisia faces the risk of instability in the run-up to the elections.

### **Context—Government and Bank Group Strategy, FY05-14**

12. IEG completed a Country Assistance Evaluation (CAE) in 2004, which assessed World Bank involvement in Tunisia going back to 1990. Bank strategy during that evaluation period was to support macroeconomic stabilization, pro-market structural reforms to foster growth, and social programs with a specific focus on meeting the Millennium Development Goals. The evaluation rated the outcome of the Bank’s assistance program satisfactory, despite shortfalls in some areas, such as promotion of private sector development, non-performing loans in the financial sector, persistent discrimination against non-EU trade, and efficiency in the social sectors.

13. In the period since 2004, to be covered in this Country Program Evaluation (CPE), World Bank Group assistance to Tunisia has been guided by three strategic frameworks: the IBRD Country Assistance Strategy (CAS) covering FY05-08; the IBRD Country Partnership Strategy (CPS) covering the period FY10-13, which was cancelled in FY11 after the revolution; and the joint IBRD/IFC Interim Strategy Note FY13-14 (ISN).

14. Tunisia's development agenda was guided by the 10<sup>th</sup> Economic Development Plan over the period 2000-06. This had three main goals: accelerating the pace of growth, fostering the emergence of a knowledge economy, and upholding social achievements. The FY05-08 CAS aimed to help the government address these challenges through support for strengthening the business environment, enhancing skills and employability of graduates, and improving the quality of social services.

15. In 2007, Tunisia achieved Investment Grade status and was therefore able to access financing on the global market for its development strategy. As a result, between the mid-2000s and the end of 2010, demand for World Bank financing steadily declined (except in 2009 during the economic crisis). Nevertheless, Tunisia has continued to consider the Bank Group as a key strategic partner, notably with regard to knowledge services. Also in 2007, the government launched implementation of its 11<sup>th</sup> National Development Plan, which covered 2007-11. The plan identified employment as the government's highest priority and laid out a strategy to establish a knowledge-based economy with a focus on human capital development. The FY10-13 CPS noted that "the strong collaboration between the Bank and Government on analytical work has facilitated a common understanding of the challenges and reform options." The main challenges were to boost growth and transform Tunisia into a knowledge economy; increase employment and address the problem of employability; improve the quality of public service delivery; manage the impacts of climate change; and exploit the benefits of regional integration.

16. After the revolution, the 2013-14 ISN noted that "Pre Arab Spring Bank support was perceived as not being bold enough on governance and transparency." Bank analytical work had recognized that pre-2011 progress in Tunisia was marred by political interference and corruption. For example, the FY10-13 CPS noted a Bank report's conclusion to the effect that the business environment in Tunisia "is perceived to be based on privilege and unequal application of the rules of the game and has resulted in less competition." Moreover, the Country Policy and Institutional Assessment governance indicators for Tunisia and the 2010 Development Policy Review both underlined the need to strengthen competition and fairness and to address public procurement weaknesses. However, the Bank's governance-related work was confined to technocratic areas, notably the public financial management agenda and tended to shy away from areas like encouraging checks and balances on the executive and greater citizen voice and participation in policymaking. This said, the dialogue in such areas was highly restricted under the former government, which exercised tight control over the entire political system. Still, the FY10-13 CPS did not identify the lack of transparency and accountability as a specific risk to implementation of the strategy.

17. Following the revolution, the interim government asked development partners, including the World Bank, to support the consolidation of social and economic change and prepare the ground to complete the transition. The Bank put then-ongoing lending operations and analytical work on hold and worked with the government to support the post-revolution priorities through a

single-tranche, multi-sector DPL focusing on measures to promote governance, including transparency and accountability, and to alleviate the social impacts of the economic downturn. Given that the FY10-13 CPS no longer reflected the new country priorities, the Bank prepared a new Interim Strategy Note FY13-14 (ISN) covering the post-revolution engagement with Tunisia through the term of the Constituent Assembly and the transition to the next elected government.

18. The interim government’s main challenges are to ensure social peace and security and to establish an enabling environment to put the economy back on a growth trajectory. The government’s recovery program (outlined in the ISN) focuses on banking sector reforms, improving governance (as indicated above), strengthening competitiveness and the business environment, scaling-up social safety net programs, promoting regional development, supporting environmental protection and optimizing the use of the country’s natural resources, and creating short-term employment opportunities for the rising number of unemployed. Accordingly, the ISN organized support around three pillars: laying the foundation for renewed sustainable growth and job creation; promoting social and economic inclusion; and strengthening governance through improved voice, transparency, and accountability.

**WORLD BANK GROUP ACTIVITIES IN TUNISIA**

19. Lending commitments peaked in 2009 and 2011 to respond to government goals during the financial crisis and after the Jasmine revolution, reversing the negative trends in net transfers that had prevailed since the early 1990s. Annual average lending commitments for fiscal years 2005 to 2009—leaving out the 2009 DPL that was intended to help the government cope with the financial crisis—were \$64 million (or around \$6 per capita per year). This represents a declining trend compared to the 1990s, reflecting the start of Tunisia’s access to financing on global markets in 2007 (Figure 3).<sup>8</sup> After the World Bank provided \$250 million in budget support during the financial crisis, net transfers turned positive.<sup>9</sup>

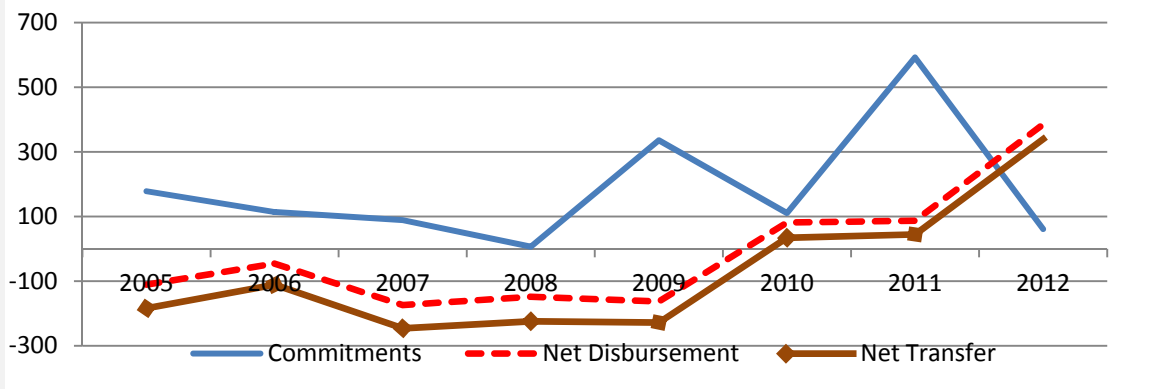
20. Just after the 2011 revolution, major rating agencies downgraded Tunisia’s sovereign debt rating. These ratings remained low or declined further in 2012. As Tunisia could no longer easily access financial markets, large multi-partner external financing was provided to the interim government to help meet external financing needs. The Bank Group’s engagement in Tunisia grew significantly, notably as a result of the Governance and Opportunity DPL (disbursed in FY12), which constituted part of a broader package of budget support with the African Development Bank, EU, and French Agency for Development.

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<sup>8</sup> From 1990-03, Tunisia received on average \$20 per capita per year. (Tunisia OED 2005 evaluation.)

<sup>9</sup> This DPL disbursed in FY10 and FY11.

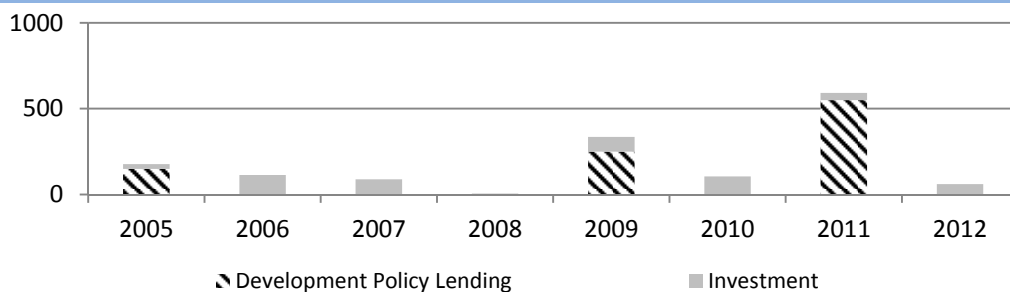
Figure 3. IBRD, IDA, and Grants—Commitments, Net Disbursements, and Net Transfers, FY05-12



Source: World Bank data, October 2012

21. **Budget support following the 2009 financial crisis and the Jasmine revolution.** From FY05 through FY08, out of the overall \$387.3 million that the Bank committed to the government of Tunisia under lending operations, 39 percent was for budget support. For FY09 and FY10, budget support increased to 56 percent of total commitments as a \$250 million DPL was prepared to help the government cope with the 2009 financial crisis (Figure 4). Following the revolution, the World Bank was able to respond promptly to changing circumstances and provided budget support in May 2011 (the Governance and Opportunity DPL) to support priority reforms of the interim government. The share of budget support in total lending commitments increased further to 80 percent between the start of FY11 and October 2012. A second DPL is now under preparation for FY13. In total, since the start of FY11, the World Bank has committed \$658.8 million for 10 IBRD projects and \$550 million for budget support.

Figure 4. Distribution of World Bank Commitments between Investment and Development Policy Lending, FY05-12



Source: World Bank data, October 2012.

22. **IBRD program implementation.** Under the FY05-08 CAS, the Bank’s actual lending volumes were \$387.3 million, much lower than the proposed allocation in the CAS baseline scenario (in the range of \$765–1,079 million<sup>10</sup>) and the share of budget support was \$150

<sup>10</sup> FY05-08 CAS, p. 27 – Minimum and maximum proposed aggregate lending by fiscal year.

million, half what was initially planned (Table 1). During the CAS period, 11 projects were launched, eight of which reached the implementation stage. Three projects<sup>11</sup> (totaling \$170 million) were dropped after being in problem status for many months as the government lost interest. Two projects initially planned under this CAS were launched later in FY09-10. Another task, initially programmed in the CAS, never materialized because of lack of funding.<sup>12</sup>

23. As noted earlier, the FY10-13 CPS was canceled after the January 2011 revolution. As a result, only \$160.8 million in IBRD loans under it were approved (between FY10 and end-December 2010). The other activities did not materialize. Indeed, immediately after the revolution, Bank team chose to put the activities under preparation on hold and took stock of the ongoing investment portfolio to ensure its relevance. For example, efforts were made to speed up the implementation of projects that targeted social and economic inclusion of vulnerable groups in lagging regions, in particular community-driven development operations. By September 2012, the Bank had 21 active IBRD projects in Tunisia.

Table 1. IBRD Proposed and Actual Lending, FY05-14

	CAS FY05-08		CPS FY10-13 (cancelled Jan11)		FY10 (as of Jan 11) to FY 12	ISN FY13-14	
	Proposed	Actual	Proposed	Actual (CPS canceled in 2011)	Actual	Proposed in ISN FY13-14	Actual (ongoing)
<i>Loan commitments (US\$ million at current price)</i>							
Total during period	765-1079	387	950	160.8	561.7	1900	609
Average annual	200-300	97	250	NA	281	950	NA
<i>Percentage of total commitment</i>							
DPL	46	39	77	NA	89	90	NA
Other	54	61	23	NA	11	10	NA

Source: World Bank data, October 2012.

24. **Distribution of IBRD commitments by sector.** Economic policy, the financial sector, and private sector development drew the largest amount of Bank support during FY05-FY12 (64 percent of total Bank commitments) followed by water (13 percent), rural/agricultural development (5 percent), energy and mining (5 percent), and education (5 percent) (Figure 5). This pattern is similar to the portfolio structure that prevailed during FY90-FY03.<sup>13</sup> However, these figures should be interpreted with some caution—the 2009 and 2011 DPLs are classified

<sup>11</sup> Tourism, water, and health.

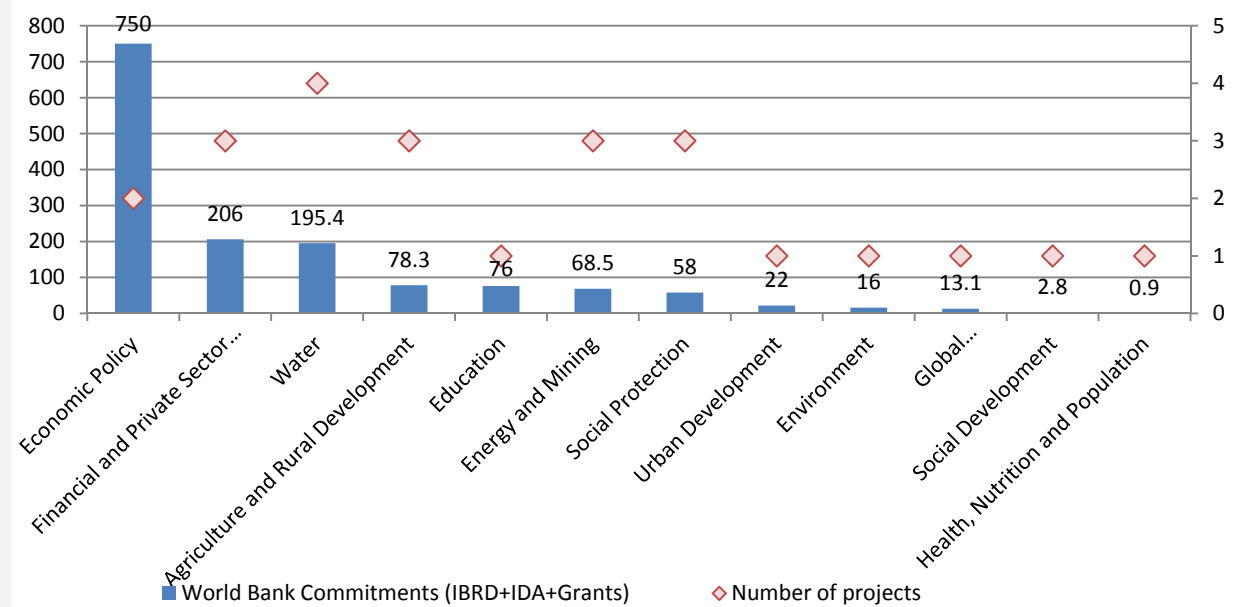
<sup>12</sup> Vocational training.

<sup>13</sup> Economic policy, financial sector, and private sector development (39 percent), rural/agricultural (19 percent), and education (17 percent).



under economic policy, even though these operations also supported several sector reforms (for example, social protection, private sector development, and procurement).

**Figure 5. World Bank Commitments IBRD + IDA + Grant Amounts (\$US million) by Sector Board and Number of Projects Approved, FY05-12**

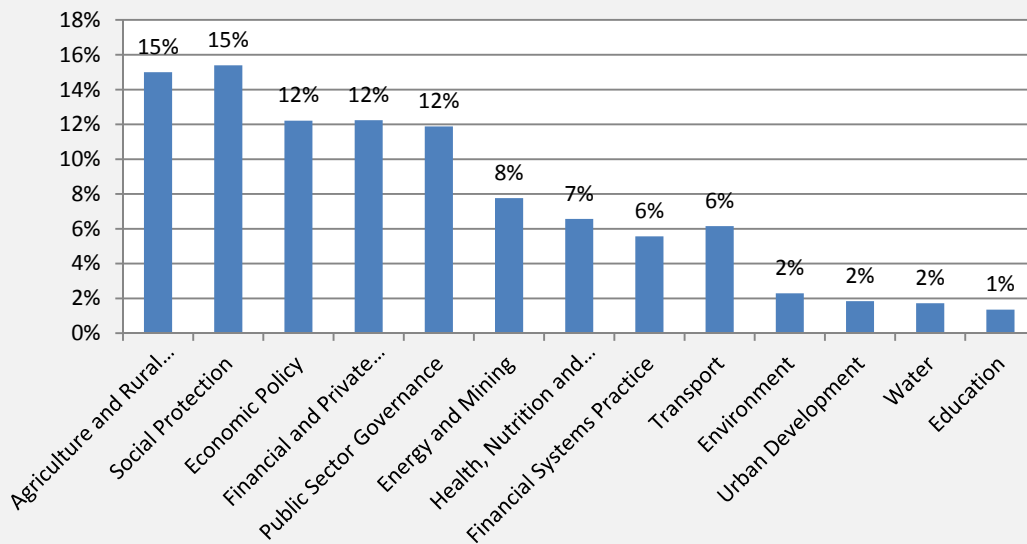


Source: World Bank data, October 2012.

25. **World Bank analytic and advisory activities (AAA).** Since 2005, the Bank has provided AAA as standalone activities or in support of lending operations, notably in agriculture (15 percent of total AAA budget), social protection (15 percent), economic policy (12 percent), and financial and private sector development (12 percent; Figure 6). There were 17 economic and sector work (ESW) tasks and 35 technical assistance activities during the FY05-12 period. Through its AAA, the Bank aimed to provide knowledge-sharing around innovative ideas and cutting-edge practices.

26. The largest share of ESW products was on agriculture and rural development (23 percent) followed by financial and private sector development (19 percent), economic policy (17 percent), and energy and mining (15 percent; Appendix 4). Most technical assistance activities were in the social protection sector (32 percent), public sector governance (23 percent), and transport (13 percent; Appendix 4).

Figure 6. Analytic and Advisory Activities by Sector Board, FY05-12

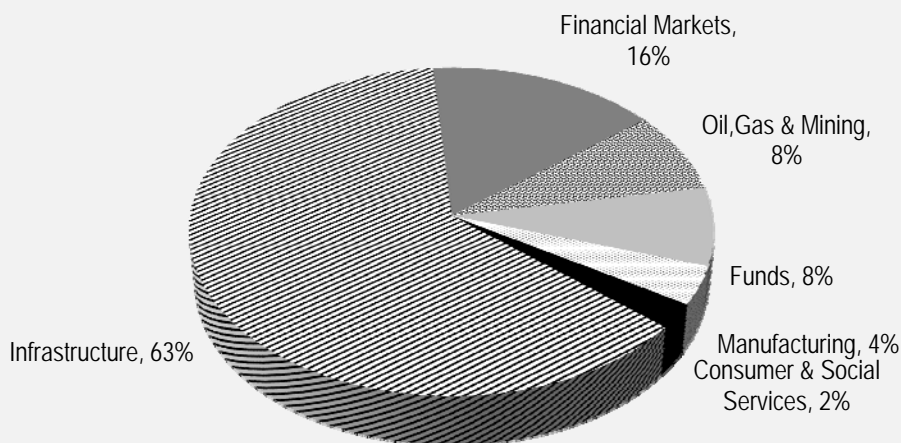


Source: World Bank data, October 2012.

27. **IFC program.** Prior to 2011, IFC had a limited role in Tunisia owing to a relatively challenging business environment. IFC engagement included the first airport concession in North Africa, small and medium enterprise funds, microfinance targeting women and selective engagement in electronics industry. After the revolution, IFC established a field presence in Tunis and increased its engagement, both in investment and advisory services. Four new IFC investments were approved (compared to 5 in the previous ten years) to enhance skills and employability in the private health sector, to support a financial fund focusing on SMEs, to provide trade finance facility to a commercial bank supporting exports and to provide equity to a junior oil and gas company. IFC had no active advisory program prior to the revolution and has since then launched six projects.

28. During FY05-12, IFC committed a total of \$285.4 million across nine operations. In dollar volume, sixty-three percent of all IFC projects between FY05 and FY12 supported infrastructure, 16 percent financial markets, and 8 percent oil, gas, and mining development. IFC's program has also included six advisory services projects in priority areas of investment climate (reforming the investment code, simplifying business regulations), corporate governance, clean energy, enhancing youth employability and access to finance to MSMEs, with a focus on female micro-entrepreneurs.

Figure 7. IFC Net Commitments (Percent of Total in \$US Million), FY05-12



Source: World Bank data, October 2012.

29. **MIGA program.** MIGA’s engagement role is very limited. MIGA issued three guarantees over the review period, for a total of \$227 million. The last investment dated from June 2011 and was a guarantee in support of financing for a passenger car ferry.

### Purpose, Objectives, and Audience

30. The purpose of IEG’s planned Country Program Evaluation (CPE) for Tunisia will be threefold. First and most importantly, the evaluation is intended to inform preparation of the next Country Partnership Strategy by gleaning lessons of experience from Bank Group engagement with Tunisia over the evaluation period. Second, the evaluation will fulfill an accountability function by comparing outcomes against Bank Group plans as outlined in the successive country strategies. However, in the post-revolution period, the focus will be on assessing how the Bank Group responded to the new priorities defined by the interim government’s priorities, and how its program has shifted as a result, rather than assessing whether the outcomes targeted in the ongoing ISN are on track to be achieved. And third, the evaluation will seek to identify lessons that may have broader applicability and usefulness in middle-income countries and/or in countries undergoing systemic political transition and facing the attendant risks.

31. The CPE will assess the outcome of the World Bank Group’s development assistance to Tunisia over the eight-fiscal-year period FY05-12, essentially the period since IEG’s last Country Assistance Evaluation was completed in 2004. The evaluation period will therefore encompass the historic Jasmine Revolution of 2011. CPEs typically place equal weight on the different sub-periods covered in the evaluation period. In this case, relatively greater weight will be ascribed to the post-revolution period covered by the ongoing FY13-14 ISN. All objectives of the current ISN will be covered under the pillars proposed for the evaluation. Since most activities are still ongoing (with the exception of the 2011 DPL), the assessment in the CPE will pay specific attention to the relevance and design of the Bank Group program under the ongoing

FY13-14 ISN in order to provide in-depth coverage of Bank Group engagement with Tunisia just after the revolution and during the transition period. This analysis will provide a basis for forward-looking inputs on the management of the ongoing program.

32. In this regard, the evaluation will be sensitive to and make an effort to understand the challenging environment in which the Bank Group was operating during the Ben Ali regime, and will make allowances for the very peculiar political economy and engagement environment, including the very restricted scope for dialogue and cooperation, that prevailed at that time. In a very different way, the assessment in the CPE will also make an effort to account for the challenges facing the Bank Group in the post-Jasmine-revolution period.

33. The principal audiences for the CPE consist of the Bank Group’s Board and management (including the Bank Group country team). Other audiences for the evaluation include key stakeholders in Tunisia’s development, including the country’s government and civil society, as well as development partners (notably the African Development Bank, the EU, and relevant bilaterals).

## Scope of the Evaluation

34. While the definition of strategic objectives has varied somewhat over time (notably as between the pre- and post-Jasmine revolution period), the broad areas of Bank Group interventions and activities have not changed significantly over the evaluation period. The most marked change of direction has been the post-revolution focus on voice, accountability, and transparency (see Table 2).

35. The **2005-08 CAS** sought to help the government address three challenges: (i) strengthen the business environment to support the development of a more competitive internationally integrated private sector and improve competitiveness of the Tunisian economy; (ii) enhance skills and employability of graduates and labor force in a knowledge economy; and (iii) improve the quality of social services through enhanced efficiency of public expenditure. The **2010-13 CPS** aimed to support Tunisia’s strategy of generating employment by establishing a knowledge-based economy with an emphasis on human development, and comprised three pillars: (i) growth, competitiveness, and employment; (ii) sustainable development and climate change; and (iii) improving the quality of public services. While sustainable development was not an explicit pillar of the FY05-08 CAS, numerous Bank activities under pillar 1 linked to water, energy, and agriculture focused on environmental issues, such as renewable energy and natural resource management projects. Nevertheless, as noted earlier, the 2010-13 CPS only saw one year of implementation. Immediately after the revolution, the Bank Group sought to signal a break with the past by supporting the now-changed priorities of the new government. The interim government’s immediate challenges were to promote shared economic recovery and respond to the demands during the revolution for greater citizen voice, transparency, and accountability of the state in order to ensure a successful systemic political transition. To support the overarching objective of employment creation, the Bank Group framed its **2013-14 ISN** under three pillars: (a) laying the foundation for renewed sustainable growth and job creation; (b) promoting social and economic inclusion; and (c) strengthening governance through improvements in voice, transparency, and accountability.

Table 2. Strategic Pillars in the FY05-08 CAS, FY10-13 CPS, and FY13-14 ISN

WBG strategy documents	Pillar 1	Pillar 2	Pillar 3
FY05-08 CAS	Strengthen the business environment	Enhance skills and employability of graduates and labor force	Improve the quality of social services through enhanced efficiency of public expenditure
FY10-13 CPS (canceled in 2011)	Growth, competitiveness and employment	Sustainable development and climate change	Improving the quality of public services
FY13-14 ISN	Laying the foundation for renewed sustainable growth and job creation	Promoting social and economic inclusion	Strengthening governance : Voice, transparency and accountability

36. In order to capture adequately the objectives of Bank Group Support over the entire evaluation period, the CPE will assess the extent to which the objectives have been achieved under each of the four pillars: (i) supporting macroeconomic stability, strengthening the business environment, improving the competitiveness, and deepening integration of the Tunisian economy; (ii) improving the skills and employability of graduates and creating an enabling environment for labor market reform; (iii) promoting social and economic inclusion; and (iv) strengthening governance. The report will identify the links among AAA, policy dialogue and lending in the light of Tunisia’s needs and assess the overall balance between lending and non-lending activities across the period. In particular, the evaluation will analyze the use of successive DPLs and evaluate their relative contribution to the achievement of development outcomes in the target sectors. Under pillars one and two, most of the outcomes targeted by the Bank Group program are derived from the FY05-08 CAS, the only strategic document for which implementation was completed over the period to be assessed. As appropriate, the evaluation will review ongoing activities under the FY13-14 ISN (notably with respect to the relevance of objectives and design), in particular to assess activities aiming to improve socioeconomic inclusion (pillar 3) and to strengthen the voice of citizens and accountability of the state (pillar 4), which were initiated or gained in importance after the revolution in early 2011.

37. As noted earlier, the evaluation will review the Bank Group’s response in the uncertain environment that has prevailed in Tunisia since the start of the Arab Spring. Among the questions to be examined are: What signals was the Bank receiving in the pre-Arab-spring period? How did it characterize and address risks during the transition? Through the period of transition, was it able to “stand back” and read signals impartially? How did it manage the country relationship under the conditions of uncertainty that prevailed in the immediate run-up to and aftermath of the Arab Spring? Together with the assessment of the relevance of objectives and design of ongoing activities, and of the Bank Group’s responsiveness to the priorities set by the interim government, this analysis will help identify lessons on program management under systemic transitions and attendant risks.

38. Pillar one will cover Bank Group assistance in five areas: macroeconomic stability, the business environment, infrastructure, agriculture, and the financial sector. Pillar two will cover areas related to the quality and relevance of education at all levels and labor market reforms, including greater flexibility in labor market regulations and the design and implementation of active labor market programs for the unemployed. Pillar three will encompass areas that include health, social safety nets, access to basic services, and better management of natural resources. Pillar four will cover improving public expenditure efficiency, access to information and social accountability, and the transparency and accountability of institutions.

Table.3. FY05-12 Pillars to be Used in the Country Program Evaluation

Pillar 1	Pillar 2	Pillar 3	Pillar 4
Supporting macroeconomic stability, strengthening the business environment; improving competitiveness; and deepening integration of the Tunisian economy	Improving skills and employability of graduates and creating an enabling environment for labor market reform	Promoting social and economic inclusion	Strengthening governance through improving public financial management, fostering voice, transparency, and accountability

## Evaluation Questions

39. **The evaluation questions for the CPE fall into four categories.** The over-arching question concerns the extent to which Bank Group support met outcomes targeted in Bank Group strategies that are/were relevant to Tunisia’s development goals. In turn, this question can be decomposed into assessments of the Bank Group program based on four criteria. The first two criteria cover the relevance of objectives and design and the contribution of the Bank Group to the achievement of objectives, with the objectives derived from the four pillars constructed for the evaluation from the successive CAS, CPS, and ISN documents (Table 3). The third criterion will gauge the effectiveness of collaboration within the Bank Group and with external development partners. The fourth criterion will focus on the Bank Group’s response in the post-revolution period in order to derive lessons that may be applicable and useful for other countries in the midst of systemic political transition. A detailed design matrix is provided in Attachment 2.

40. **To what extent was Bank Group support relevant to Tunisia’s development needs?** To answer this question, the evaluation will assess the extent to which Bank Group activities (lending and AAA) were appropriate to the priority needs of Tunisia and to the achievement of its key development goals. Were Bank Group interventions relevant?<sup>14</sup> Was there adequate selectivity in tailoring the Bank Group program to the strategic priorities? Did the program of knowledge activities provide for a structured partnership framework with focus on strategic priorities, addressing areas identified as key constraints or opportunities in the country’s development? Was the AAA designed as complementary to other forms of support provided for in the Bank Group’s strategies and program? Did Bank Group strategies effectively balance the need for flexibility against a focus on strategic priorities? Was Bank Group’s assessment of risks

<sup>14</sup> The evaluation will pay specific attention to the relevance of infrastructure investments and agriculture financing.

appropriate before the revolution, and did AAA work help identify the risks and make relevant recommendations? Were the Bank Group’s strategic objectives realistic and attainable? Was the sequencing of activities reasonable and was the quality of results frameworks used satisfactory? Were Bank Group interventions adequately customized to Tunisia’s needs and backed by an adequate understanding of the underlying political economy, incentive structure, and capacity of relevant organizations? How well did the Bank Group adapt to a changing external environment including the 2008-09 global economic crisis and the degradation of the business climate in the years prior to the revolution? How relevant were Bank Group interventions within the broader picture of other development partner support?

41. **To what extent did the Bank Group contribute to the achievement of objectives under each of the four strategic pillars?** The evaluation will review Bank lending, IFC investments, and knowledge services provided by the Bank and IFC and will assess to what extent the prevailing deleterious business environment constrained Bank Group’s effectiveness prior to the global crisis and the revolution, Bank activities focused increasingly on knowledge services as Tunisia progressively mobilized its financing needs from other sources. Consequently, the evaluation will pay specific attention to assessing the relevance and impact of all AAA completed during the FY05-12 evaluation period. In particular, the evaluation will review the synergies between knowledge services, both economic and sector work and technical assistance, and policy-based lending. The report will assess whether Bank Group support is likely to have lasting impacts on policies, institutions, and/or capacity and whether an appropriate framework is in place to monitor results over time. The evaluation will also gauge how Bank activities compared to similar activities (in particular on knowledge services) undertaken by other development partners, local think-tanks, and global consulting firms. Finally, the evaluation will seek to identify lessons that can be learned from successes and failures of the country program.

42. Following are the specific objectives to be assessed under each of the four pillars:

- **Pillar 1: How effective was the Bank Group in strengthening the business environment, improving the competitiveness, and deepening integration of the Tunisian economy?** Under this question, the evaluation will assess the Bank Group’s contribution to supporting macroeconomic stability and economic recovery; improving the incentives system and securing transparency and predictability of the regulatory framework and lowering transactions costs; improving the delivery and efficiency of infrastructure services by public and private firms<sup>15</sup>; increasing the competitiveness of agriculture and promoting more balanced and inclusive growth in rural areas; and making the financial sector more efficient. The evaluation will assess the Bank Group’s contribution through lending and investments, focusing particularly on the effectiveness of budget support provided through the Integration and Competitiveness DPL and the programmatic series of Economic Competitiveness Adjustment Loans (ECALs), as well as the various lending projects related to infrastructure and agriculture. Did these interventions help reduce the duality in incentives systems between the onshore and offshore economy?

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<sup>15</sup> The team will focus only on a few key sub-sectors, including water and transport.

- **Pillar 2: How effective was the Bank Group’s contribution to improving skills and employability of graduates and to creating an enabling environment for labor market reform?** Under this question, the evaluation will assess the Bank Group’s contribution in the education sector, notably to: improving the quality and relevance of all levels of education; improving the financial sustainability of the education system; and improving the linkages between research, education, and the marketplace. The report will also examine Bank Group effectiveness in supporting labor market reforms and employment, including the reforms supported by the 2011 Governance DPL. The paper will provide an overall assessment of Bank Group interventions with regard to unemployment.
- **Pillar 3: How effective was the Bank Group in promoting social and economic inclusion?** This question will assess the Bank Group’s contribution to improving the coverage, quality, and financial sustainability of the health insurance and pension systems; improving the efficiency of social safety nets programs; and improving access to basic services for underserved communities. The latter two objectives are mostly covered by the more recent FY13-14 ISN. The evaluation will review the relevance of objectives and design of ongoing operations and preliminary results under these whenever possible, notably the lending related to emergency support for youth (FY11), community work (FY12), and participatory service delivery (FY12). The evaluation will look at what happened to the geographic concentration of poverty to account for rural and regional disparities. The study will also explore ways to identify the gender dimension in Bank Group’s poverty reduction efforts. The report will assess how the AAA program has addressed the issue of socioeconomic inclusion and made actionable recommendations to remove counterproductive policies and foster more inclusive growth.
- **Pillar 4: How effective was the Bank Group in helping strengthen governance?** This question will assess the Bank Group’s contribution to improving public financial management, particularly to increasing budget flexibility and fiscal mobilization in order to reduce public debt, and to supporting performance budgeting and monitoring and evaluation in key line ministries. Following the revolution, the interim government requested Bank Group support for reforms to strengthen voice, transparency and accountability. Though Bank Group activities in support of this agenda only began in 2011, the evaluation will attempt to assess the relevance of the program and progress to date in improving access to information and social accountability, and in increasing transparency and accountability of institutions. In particular, the evaluation will examine the effectiveness of the 2011 Governance DPL, of technical assistance to foster adoption of information and communications technologies and strengthen social accountability in communities, of ongoing Bank Group work with the Arab Network for Social Accountability, as well as of lending activities to modernize procurement. The evaluation will also assess the contribution of the Stolen Asset Recovery (StAR) initiative sponsored jointly by the World Bank and the United Nations to supporting the Tunisian authorities’ efforts to recover illicitly acquired funds and other assets.

43. **How effective was collaboration within the Bank Group and with external development partners before and after the revolution to help Tunisia improve the outcome of its development efforts?** The evaluation will assess the alignment of the Bank Group’s strategic approaches and program as between IBRD and IFC. It will also assess the effectiveness



of collaboration with other development partners, in particular the alignment of activities financed by the Bank with those financed or co-financed by other development partners.

44. **What lessons can be derived from the Tunisia experience, notably for other MENA countries undergoing similar transitions?** The evaluation will assess the Bank Group's post-revolution engagement in Tunisia from the standpoint of timeliness and adequacy in responding to and aligning with the priorities of the first and second interim governments. The evaluation will seek to identify good practices and other lessons relevant to countries undergoing systemic political transition and facing attendant risks.

## **Methodology, Sources of Information, Limitations, and Design Matrix**

45. The study will use IEG's habitual combination of quantitative and qualitative methods to respond to the evaluation questions. Triangulation of findings will be undertaken through the use of different information sources. Portfolio data will be obtained from Bank Group databases and from previous IEG evaluations. The evaluation will also review the availability and quality of country data, in which respect Tunisia is severely deficient. For example, the pre-revolution government was very reluctant to update the assessment of poverty or to conduct an investment climate assessment.

46. One difficulty that the evaluation will face concerns the limited number of activities and elapsed time since the revolution—only the Governance DPL has been completed. Documentation to help assess the efficacy of certain objectives will therefore be patchy, especially in relation to the voice, transparency, and accountability reforms that began in 2011. In addition, changes and turnover since the 2011 revolution may mean that it is difficult to access institutional memory reaching back over the entire span of the evaluation period.

47. The evaluation design matrix (Attachment 2) provides some clarification on how the various methods will be used to answer the evaluation questions.

- **The evaluation team will conduct a literature review and a desk review of country program and project documents**, including Implementation Completion and Results Reports (ICRs) as well as sector and thematic background papers.
- **The team will draw on previous evaluations and the evaluation literature on Tunisia.** The team will review IEG's 2004 CAE. That evaluation was conducted jointly with the Islamic Development Bank and covered the period 1990-2003. In addition, the team will draw upon the IEG review of the FY05-08 CAS. In addition, during the evaluation review period, 86 percent of the completed ICRs have been reviewed by IEG.<sup>16</sup> Project Performance Assessment Reports (PPARs) were completed for three projects in Financial and Private Sector Development in FY05. IEG is undertaking PPARs for agriculture and forestry projects in FY13. The CPE will also build upon IEG thematic evaluations that cover Tunisia, such as the FY12 youth employment study and the FY10 report on earnings growth and employment creation. The team will use the

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<sup>16</sup> The remaining 14 percent of ICRs are expected to be reviewed by IEG over the coming months.

MILES framework to assess how Bank Group interventions<sup>17</sup> contributed to addressing employment issues. In addition, the team will also review the European Union’s 2010 evaluation of its Tunisia program as well as other evaluations of partners’ programs that may be available.

- **The evaluation team will employ a broad consultative approach**, including interviews with Bank Group managers and staff (presently engaged in the program as well as in the past), government counterparts in Tunisia, relevant experts in the research community, civil service organizations, and private sector representatives (including beneficiaries of IFC investments and holders of MIGA political risk insurance). As a rule, among government officials, efforts will be made to consult officials in all government departments that served as counterparts for specific lending and non-lending tasks undertaken during the evaluation period. In addition to present incumbents, the evaluation team will, to the extent feasible, also seek input from those holding the relevant positions during task preparation (if different). The team will also consult with present and relevant past officials of central coordinating departments, such as the Ministry of Finance and the Ministry of Investment and International Cooperation.
- **The team will also consult with development partners.** In particular, the team will hold in-depth discussions with relevant officials representing the EU, the African Development Bank, and the French Development Agency. The Bank Group prepared the Governance DPL jointly with these partners.

48. **The CPE will also encompass a comprehensive assessment of AAA on Tunisia, using the methodology developed for the ongoing Knowledge-Based Country Programs evaluation.** Prior to 2011, the partnership with Tunisia was building increasingly on AAA. Indeed, a significant portion of Bank support to Tunisia over the evaluation period has been in the form of ESW and technical assistance. The evaluation team has categorized the AAA work under the four-pillar framework to be used in the evaluation. Twelve clusters of AAA activities (both ESW and technical assistance) have been thus defined: macroeconomic management, trade and competitiveness, transport, energy, water, agriculture, the financial sector, education, employment and labor market reforms, health, social safety nets, and public financial management and procurement.

49. The evaluation will review these AAA clusters against the four criteria described below.

- *Relevance:* Was the design of AAA appropriate to meet its objectives? Was the AAA designed as complementary to other activities in the CPS? Was there adequate selectivity to appropriately tailor the Bank’s AAA to the country program’s strategic priorities? Did the Bank’s country partnership effectively balance the need for flexibility in the design and delivery of AAA with focus on strategic priorities?
- *Technical quality:* Were there any discrepancies with respect to the deliverables and outcomes sought in the terms of reference for the activity? Did the activity convey relevant knowledge and best practices from inside and outside the Bank? Did the activity rely on relevant examples from other regions? Did the activity explicitly refer to the

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<sup>17</sup> The MILES framework reviews policies linked to Macroeconomic stability, Investment climate, Labor market policies, Education and skills and Social protection.

institutional and policy context in the country? Did the activity generate new evidence or data that could inform analysis and decision-making? Did the recommendations include specific actions (or action plans) to be taken forward by specific stakeholders?

- *Results:* Were the outputs delivered in time to inform important decisions? Were the outputs of the activity used to inform new laws or regulations, design new budget programs, raise stakeholder awareness, build recipient capacity, create or improve institutions, and/or help reach consensus for change? Were the outcomes sought achieved? Did a government agency or other stakeholder participate in the different stages of the activity? Was the product of the activity discussed with senior policy makers? Did the outcome of the activity serve as an input to subsequent dialogue in the area? Was the product of the activity presented in a workshop or conference or disclosed on the internet? Did the AAA include measurable results indicators? Were any AAA products related to Bank lending operations or to other knowledge services embedded in lending operations?
- *Sustainability of results:* Are the outcomes of the activity likely to last? Did the outcomes of the activity contribute to strengthening or developing institutions? Is there evidence that, as a result of the AAA activity, monitoring and evaluation capacity has been strengthened? Was the Bank’s ESW complemented by technical assistance activities to achieve sustainability of results?

50. Some analytical works, notably under the last two pillars, are programmed under the ongoing FY13-14 ISN and may still be under preparation as the evaluation is undertaken. As appropriate, the team will look at the relevance of design and objectives and the participatory process (as presented in the concept papers for these activities) in cases where the task is still ongoing.

51. The evaluation will also compare the Bank Group’s response in Tunisia during the ongoing systemic political transition with that in other countries that may have undergone similar transitions.

## **Quality Assurance Process**

52. The report will follow the standard IEG quality assurance process. Quality assurance will be ensured through peer review and internal IEG review. Mr. Pedro Alba and Mr. Rachid Ghozali are the peer reviewers for the evaluation. The report will be prepared under the direct supervision and guidance of the IEGCC Director.

## **Expected Outputs and Dissemination**

53. The main output of this task will be an evaluation report (the CPE) that presents relevant findings, lessons, and recommendations. Once discussed by the CODE sub-committee of the Board, the report will be disclosed publicly in accordance with IEG’s access to information policy. Background papers prepared in support of this work will be considered deliberative in nature and therefore not subject to disclosure. Data files prepared in the course of and used in the evaluation will be available on request. Appropriate opportunities for disseminating the report to internal Bank group audiences will be explored, and are likely to include discussion sessions during IEG evaluation week as well as specific events organized jointly with the Bank Group’s

Tunisia country team. Suggestions for an in-country event to engage stakeholders on CPE findings and recommendations will be developed in consultation with Tunisian counterparts and development partner representatives during the preparation of the CPE.

## Resources

54. **Evaluation Team.** The task team will be led by Florence Charlier (Senior Evaluation Officer, IEGCC) and will consist of Antony Tyrrell, who will provide general support to the TTL in drawing evaluation inputs together, Georges Corm (governance/PFM), Chandrashekar Pant (competitiveness/business environment/financial sector/IFC), Pia Schneider (health/social safety nets), Isabelle Tsakok (agriculture), Hernan Levy (Infrastructure), and Jean Paul Perresson (education/labor market reform), Disha Zaidi (gender). Aimée Niane (Program Assistant, IEGCC) will provide administrative support to the task team. Aida Taplova (consultant, IEGCC) provided data support for the preparation of the approach paper and Yasmine Rouai (consultant, IEGCC) will be providing overall support to the team.

55. **Timetable.** Tasks will be sequenced starting with desk reviews of the strategy documents, lending, and AAA in parallel with interviews of Bank Group staff. This will be followed by meetings with key development partners (notably AFD, ADB and EU) and research institutions (notably Marseille Center for Mediterranean Integration). Country visits will be undertaken in April-May 2013 to complete the assessment and triangulate evaluation findings. The evaluation report will be submitted to CODE by end-December 2013. Milestones for the evaluation are outlined below.

Table 4. Evaluation Timeline

Item	Date
Approach paper to CODE	April 2013
IEG review of draft report	September 2013
Management comments	October 2013
Government comments	December 2013
Submission to CODE	December 2013

## Attachment 1

### References

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## Attachment 2

### Evaluation Design Matrix

Key questions	Information required	Information sources	Data collection methods	Data analysis methods	Strengths and limitations
<p>To what extent was the assistance of the Bank Group between FY05 and FY12 relevant to Tunisia's development needs?</p>	<p>Establish the socioeconomic context in Tunisia 2005-12</p> <p>Identify major development challenges</p> <p>Establish the analytical base for the CAS/CPS</p> <p>Identify development objectives selected by the Bank Group</p>	<p>Official statistics (Tunisia federal, Bank Group, International Monetary Fund, African Development Bank, etc.)</p> <p>Relevant literature and analytical work</p> <p>IEG reports</p> <p>Key stakeholders; development partners and area experts</p> <p>Country team and relevant Bank Group management</p>	<p>Online search for relevant external documentation, data, research, evaluation, and analysis</p> <p>Collation of available data and documents produced by the Bank Group, Tunisian authorities, and the research community</p> <p>Semi-structured interviews with key stakeholders</p> <p>Possible state-level case studies and survey of key stakeholders</p>	<p>Analysis of key socioeconomic data and indicators over the period</p> <p>Literature review</p> <p>Desk review of lending portfolio</p> <p>Cluster-based AAA: assessment of relevance of objectives and design including ongoing ESW as appropriate (concept notes) through desk review and interviews</p> <p>Retrospective review of the results frameworks</p> <p>Qualitative analysis of interviews</p>	<p>Changes and turnover in the wake of the 2011 revolution in Tunisia mean that it may be difficult to access "institutional memory" reaching back over the entire span of the evaluation period</p> <p>Political uncertainty and social tensions may linger ahead of the June/September 2013 elections</p> <p>No particular difficulty in collecting written materials</p> <p>Field visits may be constrained for security reasons</p>
<p>To what extent did the Bank Group contribute to the achievement of objectives under each of the four strategic pillars?</p> <p>How effective was Bank Group in:</p> <p>Pillar 1: Strengthening</p>	<p>Data and analysis relating to business environment, education and labor market reform, socioeconomic inclusion, governance 2005-12</p> <p>Performance of lending and nonlending operations</p>	<p>Program/project documents and country team documentation (including notes prepared just after January 2011)</p> <p>ISRs, ICRs, XPSRs</p> <p>IEG documents : ICR review, CASCR, PPAR</p>	<p>Collation of data on lending and nonlending portfolio: completed (ICR/PPAR) and ongoing projects (ISR) (as appropriate)</p> <p>Collation of relevant documents produced by IEG (at the project,</p>	<p>Desk-based review and analysis of results frameworks, management materials, and available monitoring data</p> <p>Desk-based analysis of Bank Group and IEG performance related documents and data to</p>	<p>Same as above</p> <p>One difficulty to assess Bank Group response after the revolution is the limited number of completed activities to assess (with the exception of the governance DPL). therefore, there will be uneven</p>

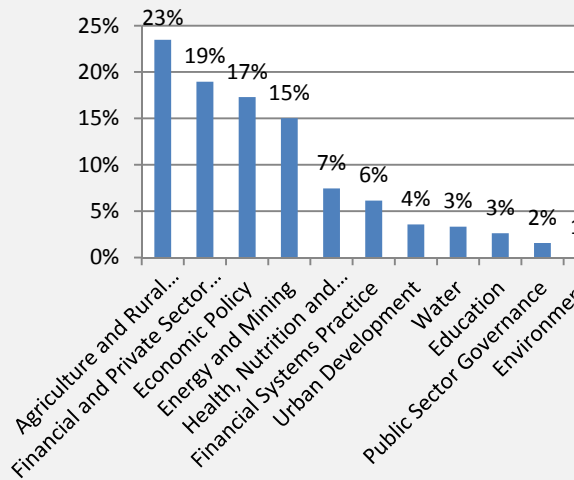
Key questions	Information required	Information sources	Data collection methods	Data analysis methods	Strengths and limitations
<p>the business environment, improving the competitiveness, and deepening integration of the Tunisian economy?</p> <p>Pillar 2: Improving skills and employability of graduates, creating an enabling environment for labor market reform?</p> <p>Pillar 3: Promoting social and economic inclusion?</p> <p>Pillar 4: Strengthening governance?</p>	<p>Results of reforms supported by the Bank Group</p> <p>Degree of synergy achieved between lending and analytical work</p>	<p>External Evaluation Report (such as 2010 European Union evaluation of Tunisia program)</p> <p>External research</p> <p>Country team personnel</p> <p>Public officials</p> <p>Civil society organizations</p> <p>Donors</p>	<p>country, and thematic levels)</p> <p>Interviews with clients</p> <p>Interviews with partner organizations</p>	<p>include databases, ICR-Reviews, XPSRs, PPARs, CASCRs, etc.</p> <p>Desk review of ISRs of ongoing activities, notably those in the post-revolution period, as appropriate.</p> <p>Cluster-based AAA assessment of efficacy and sustainability using the evaluation questionnaire attached: questionnaire will be filled through desk review and qualitative analysis of interviews</p>	<p>documentation to assess the efficacy of some objectives notably activities under pillar 4 voice/transparency/accountability, which started after the 2011 revolution</p>
<p><b>How effective was collaboration within the Bank Group and with external development partners before and after the revolution to help Tunisia improve its development outcome?</b></p>	<p>Intra-Bank collaboration</p> <ul style="list-style-type: none"> <li>• Level and type</li> <li>• Processes or structures put in place</li> <li>• Results attributable</li> </ul> <p>Collaboration with development partners</p> <ul style="list-style-type: none"> <li>• Level and type</li> <li>• How was alignment/harmoniza</li> </ul>	<p>Bank Group analytical products, self-evaluations, and notes</p> <p>IEG assessments</p> <p>External research and assessments</p> <p>Development partners</p> <p>Country team personnel</p> <p>Other stakeholders</p>	<p>Collation of :</p> <ul style="list-style-type: none"> <li>• Available data and documents produced by the Bank Group, Tunisian authorities, donors, and the research community</li> <li>• Relevant Bank Group self-evaluations</li> <li>• IEG assessments</li> </ul> <p>Interviews of</p>	<p>Qualitative analysis of interviews with public officials, country team, and donor partners</p> <p>Desk-based review of:</p> <ul style="list-style-type: none"> <li>• Country-team documentation</li> <li>• Relevant AAA products</li> <li>• Lending including joint operations (such as the Governance DPL)</li> <li>• Bank Group and IEG</li> </ul>	<p>Staff turnover in donor agencies can limit feedback on early years of the evaluation period</p>

Key questions	Information required	Information sources	Data collection methods	Data analysis methods	Strengths and limitations
	<p>tion done</p> <ul style="list-style-type: none"> <li>Processes or structures put in place, level of transaction costs</li> <li>Results</li> </ul>		<ul style="list-style-type: none"> <li>Public officials</li> <li>Representatives of the country team</li> <li>Other development partners and key stakeholders</li> </ul>	performance data and reports	
<p><b>What lessons can be derived from Tunisia for other countries in systemic political transition?</b></p>	<p>Successes and failures of the transition</p> <p>Areas that fell short of expectations</p> <p>Experimentation</p> <p>Results from alternative approach adopted by the Bank Group in other states in transition</p>	<p>Preparatory notes just after the revolution</p> <p>Strategic documents, lending and non-lending operations (such as the 2011 Governance DPL, ISN2012-13)</p> <p>Development partners</p> <p>Country team personnel</p> <p>Other stakeholders</p> <p>IEG evaluation of program in states in transition</p>	<p>Collation of notes and background paper prepared by the country team just after the 2011 revolution</p> <p>Interviews with government, country team, and partner organizations</p>	<p>Desk-based reviews of notes and background papers prepared by the country team just after the 2011 revolution</p> <p>Qualitative analysis of interviews</p>	

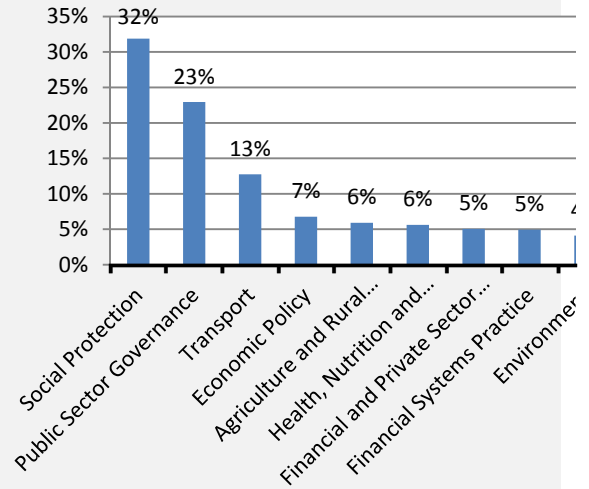


### Attachment 3. Analytic and Advisory Activities by Sector Board, FY2005-2012

**Figure 4.A. Economic and Sector Work by Sector Board, FY05-12**



**Figure 4.B. Nonlending Technical Assistance by Sector Board, FY05-12**



Source: World Bank data, October 2012.