



1. CAS/CPS Data	
Country: The Republic of Tunisia	
CAS/CPS Year: FY10 - FY13	CAS/CPS Period: FY10-13 (CPS)/FY13-14 (ISN)
CASCR/CPSCR Review Period: FY10-14	Date of this review: April 28, 2016

2. Ratings		
	CLR Rating	IEG Rating
Development Outcome:	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
WBG Performance:	<i>Superior</i>	<i>Good</i>

3. Executive Summary
<p>i. Tunisia had by 2010 been transitioning gradually and successfully from a natural resource-dependent economy to a more market-based, diversified and internationally integrated model. The incidence of poverty dropped sharply since 2000, although glaring regional disparities persisted. There was, however, growing general frustration at the stultifying hold of a centralized, authoritarian regime that increasingly served the exclusive interests of a small and powerful elite. In that context, a series of events starting in December 2010 (“the revolution”) led to protests against the regime throughout the country and to the flight of the president and his family in January 2011, followed by a transition period with social and political unrest and several changes of government.</p> <p>ii. The Bank had prepared in late 2009 its Country Partnership Strategy (CPS) for FY10-13, but that strategy became inoperative after little more than a year as its basis disappeared with the revolution. The Bank then engaged rapidly and intensively, with a flexible approach, while planning for the country program to be formally revised following the election of a new government as many of the strategy elements in the CPS were no longer relevant. However, the situation remained fluid for longer than first expected, so the Bank was only able to prepare in May 2012 its Interim Strategy Note (ISN) for the period FY13-14. This CLR Review will first comment briefly on the CPS and its one year of operation, and then on the Bank’s activities 2011/12 up to the ISN period - drawing largely for both discussions on IEG’s 2014 Country Program Evaluation (CPE). The CLR Review will then discuss the ISN and the ISN period. The ratings for this Review cover the ISN period.</p> <p>iii. IEG’s CPE assessed and rated together the achievement of the first strategy for the evaluation period (CAS FY05-08) and inasmuch as relevant for the second (CPS FY10-13) – limited to the achievement of objectives prior to 2011 – rating most aspects of the two programs as Moderately Unsatisfactory. The most significant flaw was that critical bottlenecks/issues identified by the Bank’s ESW (most importantly governance issues) were not addressed, and the Bank’s conditionality focused instead on ancillary issues. The CPE noted that the CPS FY10-13 praised the authorities and their overall approach to development, and downplayed the muted criticism expressed in earlier CAS and in the 2007 CAS Progress Report. The CPE also found that the two country strategies were wide-ranging, but lacking in focus. Within this context, the CPS FY10-13 had three appropriate strategic objectives: Employment/growth/competitiveness, Sustainable development and climate change, and Improving quality of service delivery.</p>

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- iv. The CPE found that in the immediate aftermath of the revolution, the WBG engaged rapidly and intensively in Tunisia's transition, and the lending pipeline was consolidated and streamlined into the quick-disbursing Governance and Opportunity (GO) DPL designed to (a) rapidly address the interim authorities' resource constraints; and (b) support reform priorities, including measures to promote governance, transparency and accountability, and alleviate the social impact of the economic downturn. The WBG strengthened its engagement with other development partners, IFC established its field presence, and the WBG also strengthened its partnership with civil society and the private sector.
- v. The new strategy as reflected in the ISN addressed the government's main challenge in the short term to ensure economic and social stability, to reestablish a good pace of economic growth after the contraction in 2011, and to launch a structural reform process to establish the bases for a new model of development. In this challenging context, the Bank outlined in the ISN a program focused on contributing directly and indirectly to the short-and medium term employment creation objective, promoting private sector-led recovery and job creation, with a focus on openness, opportunity and accountability. The ISN set out a two-year program with three pillars: (i) Laying the foundation for sustainable growth and job creation; (ii) Promoting social and economic inclusion; and (iii) Strengthening governance: Voice, transparency and accountability. These pillars as areas of concentration were highly congruent with the government's priorities and relevant for Tunisia.
- vi. The overall program identified critical reforms but could have been better streamlined. It would have been more realistic and manageable to focus on a restricted number of measures. The results framework for the program was adequate, but – naturally enough for a program of only two years – many of the indicators focused significantly on inputs and processing steps rather than outcomes on the ground. Selectivity was one of the stated principles of engagement for the ISN, and the key priorities were well chosen in light of the country's requirements. The program also duly recognized the limitations of a program of such short duration, and rightly avoided ambitious reform objectives, but it still turned out to be too optimistic regarding the government's ability to take and implement decisions. The program also covered a large number of outcomes and indicators. The program achieved progress in a number of areas, under difficult domestic circumstances and over a modest time period. Most importantly, the program supported macroeconomic stability and the country was able to achieve some economic growth after the decline in 2011, with improvements also in the areas of enabling environment for labor reforms, access to basic services, improved efficiency of social safety net programs, and access to information. Progress was, however, slow in other areas (including for labor markets for the unemployed and for increased transparency and accountability of institutions), even when measured against modest institutional/process objectives, and some indicators seemed more relevant for the pre-ISN period. Overall, IEG rates the development outcome of the program as Moderately Satisfactory, and WBG performance as Good.
- vii. IEG emphasizes some key lessons from the CPE: First, it is important under such transition circumstances to conduct political economy analyses to better manage risk in a volatile environment, to galvanize public support for reforms, and to sequence first-order policy reforms (based on the political economy analyses) in designing WBG strategies, taking into account capacity and decision-making constraints inherent in the transition periods. This is a prime lesson, inter alia, from both the DPLs rated by IEG, one originating before and one after the revolution. Second, it is important for the Bank to consult widely even when, or perhaps especially when, such consultations may not find favor with the government of the day. In addition, IEG concurs with some more specific findings and lessons from the CLR: (a) The Bank Group's focus on the most critical short-term priorities helped to pave the way for achieving results in the medium term. (b) Reforms take time, and objectives need to be realistic and modest in a transition country prone to political volatility and social unrest. (c) It is important to incorporate selectivity principles while deciding on partners and projects. Experience in post-Revolution Tunisia confirms in this regard the importance of the Bank's role in promoting the coordination of donors.

4. *Strategic Focus*

Overview of CAS/CPS Relevance:

Background and Context

1. Tunisia is a coastal middle-income country in North Africa with a mostly urbanized population of about 10 million with comparatively open social norms. It is one of the most liberal countries in MENA in terms of women's rights and female emancipation. The country had by 2010 been transitioning gradually and successfully from a natural resource-dependent economy to a more market-based, diversified and internationally integrated model. It was the first country in the region (1995) to sign an association agreement with the EU, an important part of trade liberalization policies and related economic diversification that led for decades to an economic growth rate of around five percent. The incidence of poverty dropped sharply since 2000 to 15.5 percent in 2010 although glaring regional disparities persisted. Many social indicators improved significantly, but the quality of public services remained problematic, and there was increasing unemployment that disproportionately affected young, educated people. There was also growing general frustration at the stultifying hold of a centralized, authoritarian regime that increasingly served the exclusive interests of a small and powerful elite.
2. In that context, a series of events starting in December 2010 ("the revolution") led to protests against the regime throughout the country and to the flight of the president and his family in January 2011, followed by a transition period with social and political unrest and several changes of government. The country completed the first phase of its political transition to a multi-party democracy, elections were held in October 2011 and a coalition government was formed with a once-banned moderate Islamist party in a leading role. Following elections in 2014 there was a peaceful change of government to another coalition led by independents.
3. However, starting with the international financial crisis Tunisia has gone through a period of lower economic growth. IMF (October 2015) shows that real GDP contracted in 2011, the year of the revolution, picked up moderately thereafter, but the growth momentum waned in early 2015 with activities in the manufacturing, tourism and mining sectors slowing significantly – and the situation for the tourism sector is now poor following several deadly terrorism attacks. The overall unemployment rate had improved but remained high. Inflation had been contained, but the current account deficit had deteriorated significantly. Following a significant deterioration in 2010-12, the fiscal stance had improved, but at the expense of budget composition with declining public investment.
4. The Bank had prepared in late 2009 its Country Partnership Strategy (CPS) for FY10-13, but the strategy became inoperative after little more than a year as its basis disappeared with the revolution. As described in IEG's Country Program Evaluation (CPE) FY05-13 the Bank engaged rapidly and intensively in the immediate aftermath of the revolution. The May 2011 program document for a Governance and Opportunity Development Policy Loan (DPL GO) explained that the program would be formally revised following the election of a new government as many of the strategy elements were no longer relevant. However, at the time the situation was still too fluid for a new strategy, so in the short term the Bank was adopting a flexible approach suited to the social and economic challenges of Tunisia. In the event, the situation remained fluid for longer than first expected, so the Bank was only able to prepare in May 2012 its Interim Strategy Note (ISN) for the period FY13-14.
5. Normally, when a CPS is followed by an ISN, the CLR and IEG's CLR Review will assess and rate the two periods separately. However, as explained above this is an exceptional situation. Accordingly, this CLR Review will first comment briefly on the CPS and its one year of operation, and then on the Bank's activities 2011/12 up to the ISN period - drawing largely for both discussions on IEG's CPE.

The CLR Review will then in the normal fashion discuss the ISN and the ISN period. The ratings for this Review cover the ISN period.

6. The CPS and Before. IEG's CPE assessed and rated together the achievement of the first strategy for the evaluation period (CAS FY05-08) and inasmuch as relevant for the second (CPS FY10-13) – limited to the achievement of objectives prior to 2011 (the time of the revolution). The CPE rated most aspects of the WBG's two programs together as Moderately Unsatisfactory. The evaluation found that the Bank had chosen to continue to engage, and to pursue essentially unachievable objectives, in sectors where key bottlenecks could not be removed because the government was unwilling to engage in first-order reform. The most significant flaw was that critical bottlenecks/issues identified by the Bank's ESW (most importantly governance issues) were not addressed, and the Bank's conditionality focused instead on ancillary issues. The CPE thus found that the two Bank strategy documents painted a picture of the country and the nature of the dialogue with the Bank in stark contrast to that portrayed in the subsequent ISN. The CPE thought that the CPS FY10-13 continued this approach. The strategy document praised the authorities and their overall approach to development, and downplayed the muted criticism expressed in earlier CAS and in the 2007 CAS Progress Report. The CPE found through field interviews that this approach was quite damaging to the Bank's reputation, and that the Bank Group's assessment of the socio-economic and political economy landscapes at the time had been way off the mark. The CPE also found that with the exception of the CPS FY10-13 the WBG for this period was largely accurate in its identification of risk, but in the CPS it failed to consider the risk of domestic political turmoil caused by population resentment to political interference and lack of participation in the democratic process – a risk that had been identified in the previous CAS and the FY07 CASPR.

7. The CPE also found that the two country strategies were wide-ranging, but lacking in focus. Within this context, the CPS FY10-13 had three appropriate strategic objectives: Employment, Growth and Competitiveness, Sustainable development and Climate Change, and Improving Quality of Service Delivery. However, the results framework was weak, with a number of baselines to be determined later, and virtually no numeric targets. For FY10-11 the base-case lending program included 15 operations (plus GEF projects), mostly for FY11, although only seven are listed in the CLR Attachment 2. Of these seven, three were delivered in that period. Three items of AAA were also delivered in FY10, while several others were carried forward to the period after the revolution and/or included in the ISN.

8. 2011 and after. The CPE found that in the immediate aftermath of the revolution, the WBG engaged rapidly and intensively in Tunisia's transition. In FY11, the lending pipeline was consolidated and streamlined into the quick-disbursing Governance and Opportunity (GO) DPL designed to (a) rapidly address the interim authorities' resource constraints; and (b) support reform priorities, including measures to promote governance, transparency and accountability, and alleviate the social impact of the economic downturn. The WBG strengthened its engagements with other development partners, IFC established its field presence, and the WBG also strengthened its partnership with civil society and the private sector. Overall, the country team was responsive to adjusting the strategic direction after the revolution, and showed flexibility in view of the evolving political environment. The interventions proposed were not novel and were similar to those included, unsuccessfully, in strategies since the mid-1990s. But the CPE saw as the most marked change in strategic emphasis the post-revolution focus on voice, accountability, and transparency. What was new – such as in the ISN – was their coupling with the explicit inclusion of governance issues, and in particular measures to increase voice, transparency and accountability. And women's issues came to the forefront.

9. The DPL GO was the Bank's main instrument in this intermediate period. It was approved in June 2011 and closed in June 2012 – just before the ISN period. In its ICR Review for this loan IEG rated the relevance of its objectives as High, and relevance of design as Substantial, however, the results

framework had many shortcomings and the overall program identified critical reforms that could have been better streamlined. The outcome was rated as Moderately Unsatisfactory, with significant shortcomings in the achievement of program objectives. At the time of the ICR Review, one year and a half after project closure, the pace and quality of program implementation was still lower than expected.

Relevance of the WBG Strategy:

10. Congruence with Country Context and Country Program: At the time of the ISN, Tunisia was faced with a slow recovery during the continued transition, after the sharp deterioration in 2011. As outlined in its Letter of Development Policy of October 2012 (attached to the Program Document for the Governance, Opportunity and Jobs Development Policy Loan (DPL GOJ)), the government's main challenge in the short term was to ensure economic and social stability given the unfavorable outlook at the regional and international level, to reestablish a good pace of economic growth after the contraction in 2011, and to launch a structural reform process to establish the bases for a new model of development. The government's strategy provided for a series of structural reforms over the medium and long haul to achieve regional balance and inclusive development, with five pillars: Economic and social reforms, infrastructure modernization, regional rebalancing, strengthening the social, education and employment sectors, and promoting sustainable development.

11. In the challenging and multi-faceted context with a significant shift in the Government's priorities following the revolution, the Bank outlined in the ISN a program focused on contributing directly and indirectly to the short-and medium term employment creation objective, promoting private sector-led recovery and job creation, with a focus on openness, opportunity and accountability. The Bank also established four principles of engagement under the ISN: Flexibility, selectivity, integrating gender into new activities, and broadening consultations to reach new stakeholders. In this context the ISN set out a two-year program with three pillars: Laying the foundation for sustainable growth and job creation. Promoting social and economic inclusion. Strengthening governance: Voice, transparency and accountability. These pillars as areas of concentration were highly congruent with the government's priorities and relevant for Tunisia, reflecting both the weaknesses of the previous development model and the needs for forward-looking reforms.

12. Relevance of Design: The three ISN pillars were supported by a total of eight objectives that included supporting macroeconomic stability, strengthening business environment, labor market reforms, and social safety nets, and were to be achieved through a blend of instruments including IBRD policy-based and investment operations, GEF trust funds, other trust funds administered or funded by the WB, and AAA services including an investment climate assessment and PER, long denied by the previous regime. Given the worsening international and domestic economic outlook and the need to support cross-cutting reforms, the Bank planned to commit a large share of Tunisia's IBRD envelope through budget support using the DPL instrument. Therefore, the 2012 GOJ DPL, a follow-up to the 2011 GO DPL, was the centerpiece of the program. As also noted by the CPE, the decision to consolidate Bank support into a multi-sector budget support operation was appropriate, and the design benefited from strong analytical underpinnings. The Bank picked up prior actions that were relevant in response to immediate needs arising during the transition period, and that could be implemented relatively quickly given the short time horizon of the then government. The overall program identified critical reforms but could have been better streamlined. It would have been more realistic and manageable to focus the 2012 GOJ DPL on a restricted number of measures – also noting the weaknesses of the results and M&E framework and the weaknesses in the design of the active labor market policies in the 2011 GO DPL. In some cases, also, the WBG approach could have been more selective and better identified prior actions to monitor the impact, if any, of initial measures. The results framework for the program was adequate, but – naturally enough for a program of only two years – many of the indicators focused significantly on inputs and processing steps rather than outcomes on the ground.

13. The ISN was prepared jointly by the Bank and IFC with MIGA engagement, and it included a substantial program for IFC, integrated into the ISN - although this was not well reflected in the ISN results matrix. The stated priorities included to help strengthen the financial sector, to work with the Bank on an investors' motivation survey and an investment climate assessment, and to implement a pilot project focused on the mismatch between job skills and labor demand. In line with the expected ISN priorities, by the end of the review period IFC had addressed Focus Area 1, Laying the Foundation for Sustainable Growth and Job Creation, through a number investment and advisory services projects towards the CPS Outcome of Increased access to financing for MSMEs. IFC invested in this regard in several regional SME investment funds and provided technical advice to a local bank and a micro-lending entity. It also initiated the Education for Employment E4E Initiative for Arab Youth in Tunisia, and helped introduce changes in the investment climate, jointly with Bank.

Selectivity:

14. Selectivity was one of the stated principles of engagement for the ISN, and the key priorities were well chosen in light of the country's requirements. The program also recognized the limitations of a program of such short duration, and rightly avoided ambitious reform objectives - also because it was recognized that in the context of Tunisia's post-revolutionary adjustment the capacity of deciding and implementing on substantial reforms could well be limited - as turned out to be the case. However, the program may nevertheless still have over-estimated the government's capacity for implementing even modest steps towards reform – such over-estimation is also indicated by the FY13 Governance and Opportunity DPL which IEG rated *Moderately Unsatisfactory*. The program also covered a large number of outcomes and indicators especially for a program of such short duration - a total of 20 outcomes with 27 indicators – whereas the CPE had argued for a more streamlined results framework and selection of critical reforms.

Alignment with the WBG's Corporate Strategy:

15. The CLR finds that the ISN was fully aligned with the WBG corporate goal of boosting shared prosperity as this was a key demand of the revolution, and notes that as a break from the past, a separate pillar was defined to begin the process of promoting social and economic inclusion. IEG notes in addition that the circumstances for this program were special with a need to support a significant adjustment after the revolution as a basis for economic recovery and growth. In addition, many aspects of the program resonate directly with the WBG twin goals – improving active labor market programs for the unemployed, better access to infrastructure and services in rural communities, improving the efficiency of social safety net programs, and the general attention to women's issues. However, it is also clear that several of these aspects have so far developed quite slowly, including that the pace of economic growth has been slowing quite significantly.

5. Development Outcome

Overview of Achievement by Objective:

16. The ISN comprised three areas, which aimed to (1) lay the foundation for sustainable growth and job creation; (2) promote social and economic inclusion; (3) strengthen governance, voice, transparency and accountability.

Focus Area I: Laying the Foundation for Sustainable Growth and Job Creation

17. **Objective 1: Supporting macroeconomic stability and economic recovery.** This objective had envisaged two outcomes: Sustain economic recovery, and promote fiscal sustainability and consolidation. The Bank Group program helped the economy stabilize and continue to recover from the 2011 recession, although this took place at a slower rate than initially expected, and with a decline from 2012 to an expected rate of only 0.5 percent in 2016, whereas the ISN had projected an increasing growth rate. The fiscal situation is also under control, and guided by a 2012 Fiscal and Debt Sustainability Analysis prepared by the Bank in consultation with the IMF. The deficits are sustainable, but at the cost of reduced public investments. The Bank has provided budget support through three DPLs, of which one was extended during the ISN period. There has also been considerable such support from other sources including the EU, while the IMF has authorized use of the proceeds of the Standby Arrangement for budget financing purposes. There were two indicators for sustained economic recovery but no explicit targets: (a) Fiscal stimulus by Government is supported by Bank and leverages funding from other budget support donors, through joint DPL preparation, which was achieved. (b) Emergency procurement procedures are streamlined (although the reasons for prioritizing this task are not clear given the civil service's risk aversion and unwillingness to expedite transactions). The Government introduced measures to simplify tendering processes and devolve responsibility to line agencies. New procedures called for one stage bidding process. A public procurement decree was approved.

18. There were also two indicators for fiscal sustainability and consolidation: (a) Fiscal and debt sustainability analysis (DSA) was completed in 2012 (before the ISN period). (b): Public Expenditure Review (PER) completed which was not achieved. A PER was expected to begin during the ISN but was delayed until new Government was in place. It is now expected to start in FY16 – the CLR is not clear whether this exercise has now started.

19. In sum for this objective: Fiscal stimulus provided, fiscal and debt sustainability completed, but public expenditure review postponed. Economic stabilization and some economic recovery have been achieved, but the economic growth has been below expectations and Tunisia's longer term economic outlook is still uncertain. IEG therefore rates this objective as Partially Achieved.

20. **Objective 2: Strengthening the business environment and deepening [trade] integration.** There were three expected outcomes to this objective: Streamlined customs procedures, banking sector stabilized, and Increased access to financing for MSMEs.

21. Streamlined Customs Procedures: The ISN referred to the Second Export Development project as a main Bank channel for improvements of customs procedures. However, this FY04 project closed in September 2012, so just into the ISN period, and it is therefore not clear what is meant in relation to achievements under the ISN period when the CLR states that "The targets of Second Export Development Project (EDPII), which closed in December 2012 (should have been September 2012), related to technical controls and customs declarations were met". The CLR goes on to comment that "there are indications that the situation in the custom authorities of the ports has deteriorated over the

past two years with the frequent changes in personnel.” The ISN target of increased efficiency in port container handling was not achieved during the ISN period (but subsequently in FY15). There were two indicators to measure streamlined customs procedures: (a) Compliance time with selected customs procedures and taxes to be reduced by 20% from 2010 baseline of 3.6 days. This was achieved - the CLR reports that processing time for selected customs technical controls fell from 2-11 days to 2-3 hrs. and that the processing time for customs declarations declined from 3.6 days to 15 minutes. These good results were presumably achieved prior to the ISN period (see also IEG’s ICR Review). (b) Processing time for a 20 m3 container in port to be decreased by 1 day. This was not achieved, and container processing time remained at 4 days. (In addition, the CLR has added an indicator not shown in the ISN results matrix: (c) Regulatory simplification started. The CLR reports that a review of business formalities to streamline procedures and reduce the room for arbitrary and discretionary behavior started under the GO DPL, with progress in several ministries and more expected. This is positive for business environment, but of more tangential importance for the streamlining of customs procedures.) IEG considers this indicator as not achieved.

22. Banking Sector Stabilized: The Bank Group supported reforms aimed at improving the operation and stability of the financial sector, with the 2012 Financial Sector Assessment Program (FSAP) providing a core analytical underpinning. Reforms supported by the Bank have included the introduction of stricter regulations, the strengthening of banking supervision procedures, as well as the restructuring and recapitalization of state-owned banks, a process that is now underway (the audits for two of these banks were completed in the ISN period and the third audit in FY15). The IMF (2015 Article IV Consultation, October 2015) reports that addressing vulnerabilities of public banks is still a key priority for the reform agenda. There were two indicators underpinning this outcome: (a) Capital adequacy ratio to be increased to 9% (7% tier one). This was achieved. The CLR reports that the capital adequacy ratio increased from 8% to 9%. (b) At least 18 banks, including the five largest, to have appointed two or more independent directors. The formulation in the CLR matrix is incomplete, but seems to say that 16 out of the 18 banks have appointed two or more independent directors – so this target was then almost achieved.

23. Increased access to financing for MSMEs: Work on MSME (micro, small and medium enterprises) was primarily undertaken by IFC. Investment and advisory services projects with ENDA contributed to this outcome: Its microfinance loan portfolio at the end of the review period was about \$ 63.5 million. At least another \$60 million of MSME lending was made through various private equity funds. This indicates that IFC projects deliver over \$120 million of MSME loans through over 900,000 loans. The amount of MSME lending due to the investment and advisory services projects with Amen Bank (the second largest private bank in Tunisia) could not be ascertained. ISN objectives on SME lending were largely met. At end FY14 the entire proceeds of \$50 million were committed with over 200 loans approved coupled with the establishment of procedures for the Microfinance Supervisory Authority. There were two outcome indicators: (a) Over 200 MSMEs received loans totaling TND 61 million (US\$38 million versus the target of \$30 million) – the time period not given but presumably largely or fully the ISN period. (b) Establishment of the supervisory body for microfinance activities. A decree was promulgated (CLR does not say when), setting out the operational procedures of the Microfinance Supervision Authority and Arêtes relating to business licensing procedures and procedures for aligning existing microcredit associations to new legislation. IFC documents indicate that a Microfinance Authority exists. However, the Bank did not provide any support for the promulgation of this decree and the result therefore cannot be attributed to the ISN program.

24. In sum: The streamlined customs was not achieved (and the CLR may be quoting some improvements that pre-dated the ISN), but on the other hand the CLR refers to a number of other steps including by IFC that have supported a slowly strengthening of the business climate, the WBG provided lots of support for the banking sector and for MSMEs and the outcome targets were mostly achieved. IEG rates this objective as Mostly Achieved.

25. **Objective 3: Creating an enabling environment for labor market reforms.** This objective had one outcome: Process launched for national consensus for labor market reform, with three indicators. The CLR reports that to build consensus on needed structural reforms of the labor market, including revision of the Labor Code which was an indicative target under the first GOJ DPL, the Government launched in 2012 a social dialogue process that included the main trade union and the main business confederation as planned. The dialogue resulted in a new social contract and action plan signed in January 2013, which paved the way for a reform of the Labor Code. As a follow up, the Government has commissioned studies that will help identify policy options in the areas of social security and labor regulation. Analytical work in the area of social protection included a review of social security sustainability to prepare pension and health insurance reforms, and an institutional assessment of the National Employment 21-21 Program which were completed within the ISN timeframe providing a sound analytical basis for needed reforms. The government had consolidated five new active labor market programs by the end of FY14.

26. There were three indicators: (a) Institutional framework (e.g. a National Commission) set up to discuss labor market reform options. This was achieved as described above. (b) Number of meetings on social dialogue organized jointly by the Ministry of Vocational Training Employment and the Ministry of Social Affairs. This was not achieved and not explained in the CLR. (c) The government to commission studies and identify options for reform in the areas of social security, labor taxation, and labor regulation. This was achieved as described above. In sum, two out of three targets were met, and with progress in several areas although much work remains. The formulation of the indicators for this objective was also not ambitious. On balance, this objective was Mostly Achieved.

27. **Objective 4: Improving active labor market programs for the unemployed.** This objective has two outcome measures: Improving delivery of employment services/intermediation; and governance and accountability of employment programs delivered by ANETI (National Agency for Employment and Independent Work). Regarding employment services, the CLR explains that in 2012, with technical support from the Bank, the Government consolidated the existing five labor market programs financed by the National Employment Funds, in order to improve the effectiveness of active labor market programs (ALMPs) and develop job insertion programs. Existing ALMPs continue to exist until the rollout of the new programs. The GOJ DPLs supported the dialogue on policy reforms in labor legislation and labor markets. In 2013, the Bank also supported the establishment, in the Office of the Comptroller General, of an independent evaluation system for labor market programs, a prior action under the second GOJ DPL. The ongoing IFC AS project E4E Initiative for Arab Youth has about 1800 students enrolled in the program. There were two indicators: (a) Number of registered unemployed who receive employment services through private providers. This was not achieved, according to the CLR, due to overlapping agencies and limited capacity, although political problems were also central. The second indicator: Increase number of ANETI job counselors was also not achieved, although the CLR refers to several IFC initiatives.

28. The ANETI employment programs were underpinned by two indicators: (a) Set up a results-based monitoring system for ANETI programs. This was partially achieved. The monitoring system is apparently being tested on a limited regional basis. An online monitoring system has been developed for the Community Works and local participation JSDF pilot cash-for-work program in Jendouba (not used for all ANETI programs). (b) Develop periodic Monitoring Reports (results-based) for ALMPs (Active Labor Market Policies) delivered by ANETI was also partially achieved. A monitoring report was prepared. (The CLR included a third indicator that was not used in the ISN and is therefore not used to rate this outcome: Increase the number of vacancies registered in ANETI which is not achieved. Registered vacancies by end FY14 were less than 100,000 (down substantially from the baseline). This decline was due to (i) sluggish labor demand and (ii) less prospection efforts (presumably

meaning search for possible vacancies) conducted by ANETI staff – many of whom had to administer/support new labor market policies in place after the political transition.) Overall, this objective is rated Partially Achieved.

29. Based on the ratings for its four objectives, IEG rates the outcome of Focus Area I as Moderately Satisfactory.

Focus Area II. Promoting Social and Economic Inclusion

30. Objective 5: Improving access to basic services for underserved communities. This objective had two expected outcomes: Better access to basic infrastructure and services in rural communities; and Better management of natural resources and participatory community development in rural areas. For the first outcome, as explained in the CLR the revolution opened the way for greater participation of local authorities and local communities in the design of economic policies, in decision making, and in delivery of public services, but government policy changes have taken time to filter to the regions. The process of validating project and community structures was completed in the areas covered by the Fourth Northwest Development Project and is underway in the areas covered by the Second Natural Resources Management Project, which is being implemented in one of the poorest regions in Tunisia with high levels of social turmoil. Additional financing was approved in FY14 for the Urban Water Supply Project, which aims to improve the quality of services in Greater Tunis, home to about one-fifth of Tunisia's population, and to small urban centers in northern and central provinces. There were three outcome indicators: (a) Twenty percent of targeted rural Imadas with improved access to basic infrastructure and services. The CLR reports that 89% of targeted rural Imadas have participatory development plans (157 out of 177 targeted), while 48% have plans under implementation with completed activities that improve access to basic infrastructure and services. The CLR reports on number of target beneficiaries (8,956 as of April 2015) but it is unclear whether this constitutes 20% of targeted rural Imadas since this indicator was dropped when the project supporting this objective was restructured. It also not clear whether the mere coverage of participatory development plans is indicative of better access to services since progress at the output level of infrastructure provision is mixed (number of roads constructed). In the absence of clear evidence of improved access of 20 percent of rural Imadas, this indicator is rated partially achieved; (b) Water storage capacity to be increased by 12,000 m3 is rated partially achieved. Water storage capacity increased by 6,480 m3 (or 54% of targeted storage capacity). Improved water supply systems without increased storage capacity are not included. (c) Ten percent of vulnerable people, incl. women and youth, seeking to start income generating activities (IGAs) have obtained financing. The CLR states that this was achieved, but without giving numbers. It does mention that "over 12 percent micro projects planned are being supported. 350 beneficiaries including youth and women trained."

31. There are three indicators on better management of natural resources: (a) 33% of land under soil/water conservation was achieved at 33.6 % of land under soil/water conservation as of 6/2014); (b) 97 administrative sectors to have their population organized in community development groups and to have prepared Community Development Plans being implemented in collaborations with partner was also achieved (with actuals of 157 such administrative sectors that have prepared Community Development Plans). (c) 75 income-generating activities, which are managed by women and young graduates was achieved, with 152 income-generating activities being implemented, of which women manage 32. Most activities were managed by women and young graduates.

32. Overall, this objective was Mostly Achieved.

33. Objective 6: Improving the efficiency of social safety net programs. This objective had three closely related outcomes: INS (National Statistical Office) staff trained in new poverty measures

methodology and social protection diagnostics. INS to publish methodology for poverty measurement online. Improved targeting of social services. Bank staff conducted seminars for staff from INS and ministries involved in developing safety net programs, although the number trained was lower than initially planned, as INS was significantly affected by personnel changes and disturbances during the transition. The Government initiated the process of improved targeting of social services. The process was politically sensitive and involved ministries with overlapping functions, which delayed actions.

34. There were seven indicators: (a) Ten INS staff to be trained in new methodologies. Partially achieved, with five INS staff trained. (b) Ten INS staff to be trained in core poverty and SP diagnostics. Partially achieved, with three INS staff trained. (c) Researchers to be able to access information online once the new methodology is launched. Achieved. Government published poverty measurement methodology on INS external website. (d) Beneficiary eligibility criteria for social services to be updated. Achieved. Circular updating eligibility criteria by Ministry of Interior and Social Affairs issued in May 2011 (well before the ISN.). (e) Unified database to be created for beneficiary information. Partially achieved. Two databases unified, and unified database principle agreed by Council of Ministers in October 2012. (f) Monitoring framework for targeting mechanisms to be created. Achieved. Circular on developing new targeting strategy based on proxy-means testing adopted in October 2012. (g) Thirty percent of community workers in Social Protection Project to be women. Achieved. 70% of community workers are women in Social Protection Project. Overall, this objective was Mostly Achieved.

35. Based on the ratings of the two objectives, IEG rates Focus Area II, as Moderately Satisfactory.

Focus Area III: Strengthening Voice, Transparency and Accountability

36. **Objective 7: Access to information and social accountability.** The Bank has supported work to gradually transfer responsibilities and budget resources from the central government to local governments to enable them to provide services. Analytical work on municipal governance and finance under the ISN served as an input for defining policies. An Urban Development and Local Governance Program-for-Results focused on financing local investments and promoting sector-wide reforms using an innovative “bottom up” approach was approved by the Board in July 2014. Under this operation, the Government will transfer capital grants to local governments. The CLR also discusses the Bank’s effort to bring gender issues center stage, although these were not included in the ISN.

37. There were eight indicators, aimed at various aspects of increased access to information and making possible more public participation: (a) Clear procedures and contact details to request public information to be established and published. Achieved. Decree law adopted and implemented including consolidation of earlier decrees and introduction of an information commission for complaint enforcement. (b) Increased use of the new right to access public sector information, with more than 50 official requests made. Achieved. The CLR reports that more than 800 such requests had been made as of May 2014. However, proactive diffusion of information by ministries has been relatively limited. (c) 2007 and 2009 Labor force surveys to be published. Partially Achieved. Four labor force surveys published, but micro data is not yet available. (d) 2000, 2005 and 2010 Household surveys to be published. Partially achieved. Two household surveys have been published but micro data not yet available. (e) Detailed national accounts for 400 products to be published. Partially Achieved. Most recent information published in 2013 for 2011, but not at the 400 products level. (f) Openness of the budget process, through the presentation and debate of pre-budget statements and the public disclosure of budget proposals. Achieved, including with an online open budget platform representing detailed budget data since 2008 completed (went live in FY16). Budget circular and proposals are published. (g) Greater accountability on budget execution. Achieved. Quarterly and end of year budget execution reports are published. (h) Private demand for internet usage: demand for TN domain

should increase by 50 percent from 2010 (8,000 domains). Achieved, with 22,365 domains as of March 2014.

38. The objective is rated Partially Achieved.

39. Objective 8: Increasing transparency and accountability of institutions. In 2012, the Government instituted accreditation systems for health and education to promote better governance and improved quality of services. A functioning health accreditation agency was organized and an assessment program was launched. Improving public procurement is a priority to improve transparency and efficiency of public expenditures, and the Bank has provided technical assistance in changing the legal and regulatory framework. A new public procurement decree that improves transparency, governance and complaint handling, and that clarifies consultants' selection methods, was adopted by the Council of Ministers and published in the Gazette, and went into effect on June 1, 2014. The first electronic public contract through the new e-procurement system was signed in October 2014. However, several agencies have not yet posted their information and some remote public entities such as municipalities do not yet have access to this portal.

40. There were six indicators towards the strengthening of the legal and institutional framework to foster more accountable public institutions: (a) A permanent anti-corruption institution to be set up and be operational. Not achieved. Such an institution has not been set up. (b) A more transparent and performance-based budget process to be introduced, with the publication of ministry's performance plans and reports. Achieved. Circular on 2014 budget preparation, as well as ministerial budgets presented in a programmatic form with performance plans for an increasing number of ministries (education, agriculture, higher education, health). Programmatic budget being rolled out progressively. (c) The internal financial controls to be revised to integrate a risk-based approach and foster greater accountability of public institutions: Two out of the four main control bodies' mandate and operations to be revised. Partially achieved. The mandate of two out of four main control bodies has been revised but implementation has been delayed. (d) 100% of contract award information available on the website of the Observatoire National des Marchés. Partially achieved. Some contracts are published, but some agencies have not started posting and others located in remote areas do not yet have access to the system. (e) Time for full cycle of procurement process to be reduced by 50 percent. Partially achieved. 2012 decree requires that full cycle be completed in 120 days, but the data is not available. (f) GOT websites have an operating feedback mechanism. Achieved. Government has improved the disclosure of legal and regulatory information both in substance (quantity of information) and form (individual and searchable text).

41. Overall rating for this objective: Partially Achieved.

42. Based on the ratings of the two objectives of partially achieved, IEG rates Focus Area III as Moderately Unsatisfactory.

Overall Assessment and Rating

43. The program achieved progress in a number of areas, under difficult domestic circumstances and over a modest time period. Most importantly, the program supported macroeconomic stability and the country was able to achieve some economic growth after the decline in 2011, with some improvements also in the areas of enabling environment for labor reforms, access to basic services, improved efficiency of social safety net programs, and access to information. Progress was however slow in other areas, including for labor markets for the unemployed and for increased transparency and accountability of institutions, even when measured against modest institutional/process objectives, and

some indicators (like for customs reforms) seemed more relevant for the pre-ISN period. Overall, IEG rates the development outcome of the program as Moderately Satisfactory.

Objectives	CLR Rating	IEG Rating
Focus Area I: Laying the Foundation for Sustainable Growth and Job Creation	Mostly Achieved	Moderately Satisfactory
Objective 1: Supporting macroeconomic stability and economic recovery	Achieved	Partially Achieved
Objective 2: Strengthening the business environment and deepening integration	Mostly Achieved	Mostly Achieved
Objective 3: Creating and enabling environment for labor reforms	Mostly Achieved	Mostly Achieved
Objective 4: Improving active labor market programs for the unemployed	Partially Achieved	Partially Achieved
Focus Area II: Promoting Social and Economic Inclusion	Mostly Achieved	Moderately Satisfactory
Objective 5: Improving access to basic services for underserved communities	Achieved	Mostly Achieved
Objective 6: Improving the efficiency of social safety net programs	Partially Achieved	Mostly Achieved
Focus Area III: Strengthening Governance: Voice, Transparency, and Accountability	Partially Achieved	Moderately Unsatisfactory
Objective 7: Access to information and social accountability	Partially Achieved	Partially Achieved
Objective 8: Increasing transparency and accountability of institutions	Partially Achieved	Partially Achieved

6. WBG Performance

Lending and Investments

44. At the beginning of the CPS period the Bank's portfolio consisted of \$847 million for a total of 13 operations with approvals dating back all the way to FY01. During the whole CPS period FY10-14 the Bank approved ten new operations (including additional financings) for a total of \$1.4 billion. The original CPS program became inoperative after the revolution, leading to most operations in the indicative CPS program being dropped. The planned ISN FY13-14 lending program was anchored on annual multi-sector DPLs, which materialized in FY13 and FY14 (\$500 million and \$250 million, respectively), while about half (by number) of the total planned operations were dropped also for this period. The program was supported by 25 trust funded activities for a total of \$92 million, of which 17 were approved in FY11 and after. A number of the larger trust funds were in support of Bank projects in the environment sector (such as Northern Tunis Wastewater and Natural Resources Management), while others supported institutional and social reforms after the revolution (social accountability, social protection reforms, communications for policy reforms).

45. IEG ratings for 15 completed projects exiting FY10-14 varied from Moderately Satisfactory (MS) (seven) to Moderately Unsatisfactory (MU) (five), with two Unsatisfactory and one Highly Unsatisfactory. By numbers, 46.7 percent of the operations were rated MS and above, but by amount as little as 22.7 percent – by both measures substantially below the averages for the MNA and Bank overall portfolios. The low averages were affected significantly by the MU rating of two DPLs – the Integration and Competitiveness exiting FY11 and the Governance and Opportunity DPL exiting FY12.

The latest ISR ratings for seven ongoing operations are MS and above with only one MU, indicating a disconnect with the average IEG ratings for completed projects.

46. The IFC portfolio consisted of 16 investment projects. Eight of them, with \$300.0 million of net commitments, were already active at the inception of the review period. The two largest of them were in airport construction/operation and the largest private commercial bank in the country, respectively. During the review period, IFC committed \$83.1 million through another eight investments, in a range of sectors including private equity funds, financial institutions, health, oil and gas, and agribusiness. The CLR made no comments on the IFC portfolio and IEG has not reviewed any of the IFC investments that were active during the review period. However, of the investments made during FY10-FY15, the percentage of IFC portfolio rated internally as substandard or worse was close to 40 percent indicating the particularly challenging environment for private investments.

47. MIGA gave gross coverage (the amounts of the guarantees given to clients) for US\$226.9 million to three projects during the review period.

Analytic and Advisory Activities and Services

48. The Bank extended a total of 46 items of AAA and TA over the period FY10-15, of which 63 percent through TA. There was a very clear increase in such activities after the revolution, including a number in FY15 (so after the formal ISN period). As noted also in the CLR the analytical work was broad-based and included TA support for measures implemented under the development policy operations, other support for the reform program (including to help manage assets recovered from the family of the ex-president) and for preparing the ground for future activities.

49. IFC had one advisory service (AS) project approved before the review period for \$110,000, which was terminated in the beginning of the review period. As noted below, the IEG CPE had noted that IFC was working closely with the Bank in particular to promote a business friendly investment climate and to stabilize the financial sector. During the period FY10-15 IFC approved nine new AS projects amounting to over \$7.4 million, of which four in the ISN period FY13-14. One of these nine projects (regional activities project for corporate governance) has been closed and IEG rated its Development Effectiveness as Successful. Several of these AS projects were on regulatory reform issues supported by the Bank DPL.

Results Framework

50. The CPS FY10-13 was presented with a results framework that was tentative and weak, with a number of baselines to be determined later, and virtually no numeric targets. In some contrast, the results framework in the FY13-14 ISN was more clear and coherent with as many as 44 indicators (perhaps too many), although not many numerical targets – this was reasonable in light of the still unsettled conditions on the ground, the short ISN period, and the strong emphasis on institutional and process issues. The implicit causal links between the planned Bank interventions and the achievement of the still evolving country development goals were reasonably clear and convincing.

Partnerships and Development Partner Coordination

51. The FY14 IEG CPE stated that the donor community, led by the Bank Group, was to be commended for having moved so rapidly to provide sustained development assistance to Tunisia in the high risk environment after the revolution. The Bank Group had at that time capitalized on a sound analytical program to help the government identify critical bottlenecks and prioritize the reform program in the transition period. The Bank Group had also done well in consolidating efforts through the DPL mechanism and in securing the support of other donors in this respect. The DLPs were prepared jointly with several other important development partners and there were also joint supervision missions to

assess implementation progress of the common policy reform matrix. The CLR also notes that IFC's program of advisory services was co-financed with bilateral donors and with international financial institutions.

Safeguards and Fiduciary Issues

52. In the ISN period, the Bank received four allegations of misconduct and finalized one investigation, which found that a bidder under the Tunis West Sewerage project had submitted five fraudulent performance certificates, resulting in the Borrower's inability to cash guarantees valued at \$3.3 million.

53. For projects evaluated by IEG during the review period, compliance with the Environmental Assessment (OP 4.01) was uneven across Global Practices (GPs) and also among projects within a GP. OP 4.01 was triggered and was fully complied with for projects in Transport and Education. On the other hand, issues were identified on safeguard compliance for projects in Agriculture. The Northwest Mountainous and Forestry Areas Development project included safeguard measures in the project design, but as the ICR noted, Bank supervision and to a lesser extent the Government team fell short of ensuring proper compliance, application, and monitoring of these safeguard measures. The Sustainable Municipal Solid Waste Management Project did not successfully address all the issues related to safeguards raised by the Bank team, such as the expropriation of land adjoining the rehabilitated dump of Ezzouhour-Sousse, which was still outstanding at project closure. As stated in the ICR, Tunisia was selected to pilot the use of country systems to address environmental and social safeguard issues in Bank-supported projects (OP/BP 4.00) since it had an advanced regulatory framework. However, it is not clear from the ICR how the country systems were used to address environmental and social safeguard issues during project implementation.

54. In terms of social safeguards, the Northwest Mountainous and Forestry Areas Development project did not trigger OP4.12 (Involuntary Resettlement) at appraisal since at that time no resettlement had been envisaged, but as the ICR suggested, the Bank team should have reassessed the social safeguard requirements during MTR and assisted in the proper treatment and documentation of voluntary temporary cessation agreements from participating private land owners or in the preparation of a resettlement policy framework to address the potential loss of assets or revenues as a result of private property infringement.

Ownership and Flexibility

55. The ISN program was flexible in formulation and execution, to respond to the evolving government priorities during the uncertain post-revolutionary period, as these were reflected e.g. in the DPL letters of development policy.

WBG Internal Cooperation

56. The IEG CPE rated the relevance of Bank/IFC cooperation post 2011 as Satisfactory, noting that IFC was working closely with the Bank notably to promote a business friendly investment climate and stabilize the financial sector. It noted in that regard that IFC was implementing several advisory projects on several regulatory reforms supported by the Bank DPL (investment code, regulatory simplification, and bankruptcy law). This close alignment was also reflected in the ISN, which noted that IFC had ramped up its engagement and established a field presence for the first time, co-located in the Bank country office. There were however just a few explicit indications of this alignment in the ISN results matrix

Risk Identification and Mitigation

57. The ISN rightly noted that the risks to the program included social tensions and political uncertainty, delayed economic recovery, financial sector instability, government ownership, and institutional and implementation capacity limitations. The Bank program sought to address these risks including through support of domestic social dialogue, and by supporting the design of a reform program that would help to respond to Tunisia's immediate needs while securing macro-stability and laying the ground for sustained private sector-led recovery. Overall, these approaches were reasonably as far as they went, but the CPE noted that the ISN did not spell out specific, alternative plans to guide the Bank in its engagement in a changed political economy should these risks materialize ("as they ultimately did").

Overall Assessment and Rating

58. The CPE found that in the immediate aftermath of the revolution, the WBG engaged rapidly and intensively in Tunisia's transition. The lending pipeline was consolidated and streamlined into the quick-disbursing DPLs to (a) rapidly address the interim authorities' resource constraints; and (b) support reform priorities, including measures to promote governance, transparency and accountability, and alleviate the social impact of the economic downturn. Overall, the country team was responsive to adjusting the strategic direction after the revolution, and showed flexibility in view of the evolving political environment while planning to commit a large share of Tunisia's IBRD envelope through budget support using the DPL instrument. IEG's CPE rated the *relevance* of the program for the period FY11-13 overall as Satisfactory.

59. Design of the Program FY13-14. The three ISN pillars were supported by a total of eight driving objectives that included important items including supporting macroeconomic stability, with appropriate inclusion of IFC. The decision to consolidate Bank support into a multi-sector budget support operation was appropriate, and the design benefited from strong analytical underpinnings. The WBG interventions were generally well designed for achieving the WBG objectives, although some components such as for procurement reform could seem not all that relevant for Tunisia's current situation. The results framework for the program was adequate, but – naturally enough for a program of only two years – many of the indicators focused significantly on inputs and processing steps rather than outcomes on the ground. The program could also have been more tightly focused on key objectives. For program design the Bank had drawn lessons from the previous years regarding the difficulties of achieving important decisions, but the Bank was probably still too optimistic in relation to Tunisia's difficult transition process.

60. Implementation of the Program FY13-14. The Bank and IFC both implemented their respective shares of the program, with a strong underpinning of a relevant AAA program. Implementation of the program was in principle flexible, but most components were sought implemented reasonably as designed. Coordination with other partners was strong, including through the central DPOs. The pace and quality of implementation of the program has however been variable, with lack of expected progress for a number of the objectives, often as a result of difficult conditions on the ground. Overall, IEG rates WBG performance for the ISN period as Good

7. Assessment of CLR Completion Report

61. The CLR presented a reasonably coherent overview of the issues from the ISN period. However, the document did not set out clearly the evaluative issues from the unique evolution of the program due to the events on the ground. The safeguards discussion was also quite brief, without much detail such as e.g. presented in this Review. It is also not clear why the CLR results matrix included some indicators not included in the ISN matrix.

8. Findings and Lessons

62. The ISN was prepared and implemented in the post-revolutionary context of a new government faced with significant social and economic challenges in a fluid situation. In this context, IEG underlines the following lessons also noted in the CPE: First, it is important to conduct political economy analyses to better manage risk in a volatile or potentially volatile environment, to galvanize public support for reforms, and to sequence first-order policy reforms in designing WBG strategies, taking into account capacity and decision-making constraints inherent in the transition periods. This is a prime lesson, inter alia, from both the DPLs rated by IEG (as noted earlier in this CLRR), one originating before and one after the revolution. Second, although consultations with civil society and the private sector are not new to the Bank's work in Tunisia, the groups whom the Bank engaged in the past, such as the business elite, were closely allied with the authorities. This demonstrates the importance for the Bank to consult widely even when, or perhaps especially when, such consultations may not find favor with the government of the day

63. In addition, IEG concurs with the more specific findings and lessons from the CLR, in particular: (a) The Bank Group's focus on the most critical short-term priorities helped to pave the way for achieving results in the medium term. (b) Reforms take time, and objectives need to be realistic and modest in a transition country prone to political volatility and social unrest. (c) It is important to incorporate selectivity principles while deciding on partners and projects, including also the use of trust-funded grants. Experience in post-revolution Tunisia confirms in this regard the importance of the Bank's role in promoting the coordination of donors.

Annex Table 1: Summary Achievements of CPS Objectives

Annex Table 2: Tunisia Planned and Actual Lending, FY10-14

Annex Table 3: Analytical and Advisory Work for Tunisia, FY10-14

Annex Table 4: Grants and Trust Funds Active in FY10-15 (in US\$ million)

Annex Table 5: IEG Project Ratings for Tunisia, FY10-14.

Annex Table 6: IEG Project Ratings for Tunisia, FY10-15

Annex Table 7: Portfolio Status for Tunisia and Comparators, FY10-15

Annex Table 8: Disbursement Ratio for the Tunisia, FY10-15

Annex Table 9: Net Disbursements and Charges for Tunisia, FY10-15

Annex Table 10: List of IFC Investments in Tunisia

Annex Table 11: List of IFC Advisory Services for Tunisia

Annex Table 12: IFC Net Commitment Activity for Tunisia

Annex Table 13: List of MIGA Activities in Tunisia (in US\$ millions)

Annex Table 14: Total Net Disbursements of Official Development Assistance and Official Aid for Tunisia

Annex Table 15: Economic and Social Indicators for Tunisia, 2010-2015

Annex Table 1. Summary of Achievements of CPS Objectives

	ISN FY13-FY14 – Focus Area 1: Laying the foundation for sustainable growth and job creation	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	1. CPS Objective: Supporting macroeconomic stability and economic recovery (Partially Achieved)		
	<p><u>Sustain Economic recovery</u> Indicator: 1) Fiscal stimulus by Government is supported by the Bank and leverages funding from other budget support donors, through joint DPL preparation; 2) Emergency procurement procedures are streamlined.</p> <p>Baseline: 1) \$1.3 billion (2011); 2) No (2012)</p> <p>Target: 1) Not specified; 2) Yes (July 2014)</p>	<p>1) <u>Fiscal Stimulus</u> The Bank delivered a combination of AAA and lending to support the fiscal stimulus. In terms of AAA, the Bank prepared a Fiscal and Debt Sustainability Analysis (DSA) in 2012, in consultation with the IMF, to help authorities ensure that the fiscal stimulus to respond to the downturn remained consistent with a sustainable fiscal path.</p> <p>In terms of lending, the Bank delivered US\$ 1.2 billion to support the fiscal stimulus through the following Development Policy Loans The following operations were delivered:</p> <ul style="list-style-type: none"> - Governance and Opportunity DPL (P126094) approved in FY11 delivered US\$ 491 million. IEG: MU. - Governance, Opportunities and Jobs DPL-1 (P128251) approved in FY13 delivered US\$ 500 million. Management assessment: MU. - Governance, Opportunities and Jobs DPL-2 (P132709) approved in FY14 delivered US\$ 250 million. Management assessment not available. <p>2) <u>Procurement</u> As prior actions to the Governance and Opportunity DPL (P126094) (IEG: MU) approved in FY11, the Government published a decree in 2011 (prior condition #3), strengthened in 2012 by another decree, to adopt a number of immediate measures to simplify rules for urgent projects and give more responsibility to public procurement entities (through an increase in shopping ceilings, and the establishment of a procurement commission in each procuring entity). The percentage of contracts not subject to one stage bidding process was reduced by 100% (against a target of 75%). In terms of transparency, most of the bidding and contract awards are now published on the website of the Observatoire National des Marches Publics. There was also some</p>	<p>Source: ISN, CLR and ICRR P126094.</p> <p>1) The indicator proposed a baseline but no numeric target was provided to indicate the level of Bank and other donors' support that was expected.</p> <p><u>Lending</u> Tunisia Governance and Opportunity DPL (P126094). Approved FY11. IEG: MU.</p> <p>Tunisia - Governance, Opportunities and Jobs DPL (P128251). Approved FY13. Management assessment: MU.</p> <p>Governance, Opportunities and Jobs DPL-2 (P132709). Approved FY14. Management assessment not available.</p>

	ISN FY13-FY14 – Focus Area 1: Laying the foundation for sustainable growth and job creation	Actual Results (as of current month/year)	IEG Comments
		improvement in reducing the duration of the contract award process (which decreased by 54% against a targeted decrease of 50%). Yet, the volatility of the transition period has created uncertainties and fears among civil and public servants, many of whom are reluctant to accept greater personal and /or professional responsibility by taking advantage of simplified measures. The Bank is now providing support to Government to implement an action plan to overhaul the procurement framework (based on the self-evaluation done using the OECD/DAC methodology to benchmark against international standards).	
	<p><u>Promote fiscal sustainability and consolidation</u> Indicator: 1) Fiscal and debt sustainability analysis completed, 2) Public Expenditure Review completed</p> <p>Baseline: 1) No (2012); 2) No (2012)</p> <p>Target: 1) Yes (July 2014); 2) Yes (July 2014)</p>	<p>1) <u>Fiscal and debt sustainability analysis completed</u> Fiscal and debt sustainability analysis (DSA) by Bank in consultation with IMF completed in 2012. This analysis helped the government ensure that the response to the economic downturn remained consistent with a sustainable fiscal path. The DSA was commissioned under the preparation of the Governance, Opportunities and Jobs DPL-2 (P132709) approved FY14.</p> <p>2) <u>Public Expenditure Review</u> The CLR reports a Public Expenditure Review (PER) was expected to begin during ISN but was delayed until the new Government was in place and is expected to start in FY16. Instead, jointly with other donors, the Bank delivered studies on Public Investment Management and Public Enterprise Management.</p>	Source: ISN, CLR and Tunisia Team.
	2. CPS Objective: Strengthening the business environment and deepening integration (Mostly Achieved)		
	<p><u>Streamlined customs procedures</u> Indicator: 1) Compliance time with selected customs procedures and taxes reduced, 2) Processing time for a 20 m container in port</p> <p>Baseline: 1) 3.6 days (2010), 2) 4 days (2010)</p>	<p>1) The Export Development II (P071115) approved in FY04 had a component to make trade logistics in Tunisia more efficient. The achievement of this objective was rated substantial. The project financed technical assistance and IT equipment that led to important results:</p> <ul style="list-style-type: none"> The maximum clearance time (of documents) for movement of goods was reduced from 8.1 days to three (a substantial improvement although the target of two days was not fully achieved). 	<p>Source: ISN, CLR, ICRR P071115, and Tunisia Team.</p> <p>1) The indicator was not clear and did not specify the customs procedures in which the improvements were expected.</p> <p>2) The Tunisia team notes that progress towards this target was supported through the Export Development II (P132381) and notes that the indicator should have been “Days to process and release containers in the</p>

	ISN FY13-FY14 – Focus Area 1: Laying the foundation for sustainable growth and job creation	Actual Results (as of current month/year)	IEG Comments
	<p>Target: 1) by 20% (2.9 days) (July 2014); 2) 3 days (July 2014)</p>	<ul style="list-style-type: none"> • The time for notification to WTO of new technical regulations was reduced from six months to two (as targeted). • The time for processing technical control requests (Provisional Authorization for Lifting) was reduced from two days to three hours (target was between 0 and two days). • The processing time of customs declaration was reduced from 3.6 days to 15 minutes (as targeted). • The percentage of import declarations assigned to the green channel (immediate release) increased from six percent to 50 percent (against the target of 80 percent). <p>2) The CLR reports that the target was not met, and thus, that the container processing time remained at 4 days. The P132381 ISR Sequence 1 (November 2014) reports no progress in the number of days to process and release containers in the port of Radès. The number of days remained at 6 days which is above the baseline indicated in the CPS / CPSPR.</p>	<p>port of Radès”. This latter indicator was included in the results framework of the P132381.</p> <p><u>Lending</u> Export Development II (P071115). Approved in FY04. IEG: MS Export Development II (P132381). Approved in FY14. IEG: MS</p>
	<p><u>Banking sector stabilized</u> Indicator: 1) Capital adequacy ratio; 2) At least 18 banks, including the 5 largest have appointed 2 or more independent directors</p> <p>Baseline: 1) Not provided (2012); 2) No (2012)</p> <p>Target: 1) 9% (7% tier one) (July 2014); 2) Yes (July 2014)</p>	<p><u>Capital Adequacy Ratio</u> As prior action to the Governance, Opportunities and Jobs DPL (P128251) approved FY13 the Governor of the Central Bank has issued a Circular outlining stricter prudential regulations for the banking sector, gradually moving towards International best practice. The CLR reports that the capital adequacy ratio increased from 8% to 9%, thus meeting the ISN target. However, the ISR P128251 Sequence 1 reports that, as of July 2013, the Central Bank of Tunisia had not shared data on capital adequacy ratios. Furthermore, the program document for the Governance, Opportunities and Jobs DPL-2 (P132709) approved in FY14 reports that that six out of 21 commercial banks currently do not meet the target for the minimum solvency ratio of 9%. There is no available management assessment from this DPL and therefore, it cannot be verified whether progress has been made. The Tunisia Team reports that, as of December 2015, except for 1 bank that is insolvent</p>	<p>Source: ISN, CLR, ICRR P126094, ISR P128251 Sequence 1 (July 2013), Program Document DPL-2 (P132709), and Tunisia Team.</p> <p><u>Lending</u> Tunisia Governance and Opportunity DPL (P126094). Approved FY11. IEG: MU.</p> <p>Tunisia - Governance, Opportunities and Jobs DPL (P128251). Approved FY13. Management assessment: MU.</p> <p>Governance, Opportunities and Jobs DPL-2 (P132709). Approved FY14. Management assessment not available.</p>

	ISN FY13-FY14 – Focus Area 1: Laying the foundation for sustainable growth and job creation	Actual Results (as of current month/year)	IEG Comments
		<p>and about to be liquidated or sold, all the banks were compliant with the 9% capital adequacy ratio.</p> <p><u>Independent Directors</u> According to the ICRR for the Governance and Opportunity DPL (P126094), the Government issued a circular in 2011 to set clear rules for the appointment of board members and the independence of the internal audit committee (DPL P126094 prior action 7). By end 2012, 17 out of 18 banks had 2 independent board members (against a target of 100% compliance). But the level of "professionalism" of the boards in state owned banks (SOB) is insufficient. 16 out of 18 banks have an audit committee chaired by an independent administrator (against a target of 100% compliance) but by February 2013, the central bank was not able to provide quantitative data to report on the functioning of these audit committees.</p>	<p><u>AAA</u> Financial Sector Assessment Program (FSAP) (P128946) delivered in 2012. This assessment confirmed that the banking sector faced increasing difficulties as a result of poor risk provisioning, a large non-performing portfolio and weak governance practices. The FSAP provided the analytical underpinnings for technical assistance and policy reforms that the Bank, IFC, and the IMF have supported.</p>
	<p><u>Increased access to finance for MSMEs</u> Indicator: 1) US\$ 30 million in loans granted to 200 MSMEs , 2) Establishment of the supervisory body for microfinance activities</p> <p>Baseline: 1) No (2011); 2) No (2011)</p> <p>Target: 1) Yes (July 2014); 2) Yes (July 2014)</p>	<p>1) The ISR P124341 Sequence 8 (May 2015) reports that, as of December 2014, 198 MSMEs had received loans for a total of US\$ 31.77 million</p> <p>2) The support for the establishment of the supervisory body for microfinance activities was delivered through the Governance, Opportunities and Jobs DPL (P128251) approved FY13. The CLR reports that the Government adopted a Decree fixing the operational procedures of the Microfinance Supervision Authority and two Arretes relating to business licensing procedures and procedures for aligning existing microcredit associations (MCA) to the new legislation. The Tunisia team noted that the Bank did not provide any support towards the achievement of this target.</p>	<p>Source: ISN, CLR, ISR P124341 Sequence 8 (May 2015) and Tunisia Team.</p> <p>Micro, Small and Medium Enterprise Financing Facility (P124341) approved FY12 and Additional Financing (P146799) approved in FY14. Management assessment: S.</p> <p>Tunisia - Governance, Opportunities and Jobs DPL (P128251). Approved FY13. Management assessment: MU.</p>
	<p>3. CPS Objective: Creating an enabling environment for labor market reforms (Mostly Achieved)</p> <p><u>Process launched for national consensus for labor market reforms</u> Indicator: 1) Institutional framework (e.g. National</p>	<p>1) Government launched dialogue with the main trade union (UGTT) and business confederation (UTICA) with ILO support (2012). "Social Contract" signed in 1/2013 to pave way for labor code reforms. The Bank supported this dialogue through the Employment TA Package for Tunisia (P126485). The Tunisia Team reports that also the Governance</p>	<p>Source: ISN, CLR and Tunisia Team.</p> <p><u>Lending</u> Tunisia Employment DPL (P117161). Approved FY11. IEG: U.</p>

	ISN FY13-FY14 – Focus Area 1: Laying the foundation for sustainable growth and job creation	Actual Results (as of current month/year)	IEG Comments
	<p>Commission) set up to discuss labor market reform options, 2) Number of meetings on social dialogue organized jointly by the Ministry of Vocational Training Employment and the Ministry of Social Affairs, 3) The government commissions a series of studies and identifies options for reform in the areas of social security reform, labor taxation, and labor regulation</p> <p>Baseline: 1) No (2010); 2) Not provided; 3) No (2010)</p> <p>Target: 1) Yes (July 2014), 2) Not provided, 3) Yes (July 2014)</p>	<p>in Social Sectors Technical Assistance (P128545) supported the dialogue</p> <p>2) The CLR reports that this indicator was not met. The Tunisia team reports that the a law creating a “Social Dialogue Council” has been drafted and endorsed by the Council of Ministers in 2015 ; however, the law awaits adoption by the National Assembly.</p> <p>3) Review of social security sustainability to prepare pension and health insurance reforms and an institutional assessment of the National Employment Fund (Fund 21-21) underway under Social Protection Project. Decree reforming National Employment Fund to improve efficiency of active labor market programs approved. Government consolidated 5 new active labor market programs end FY14. Independent evaluation system under the national controller’s office instituted by decree (8/2013).</p>	<p><u>AAA</u> Employment TA Package for Tunisia (P126485). Governance in Social Sectors Technical Assistance (P128545).</p>
<p>4. CPS Objective: Improving active labor market programs for the unemployed (Partially Achieved)</p>			
	<p><u>Improving the delivery of employment services / intermediation</u> Indicator: 1) Number of registered unemployed who receive employment services through private providers, 2) Increase number of ANETI job-counselors per job seekers</p> <p>Baseline: 1) 0 (2012); 2) 1 counselor per 794 job seekers (2009)</p>	<p>1) The CLR reports that this indicator was not achieved. The ICCR for the Governance and Opportunity DPL (P126094) reports that 22,350 beneficiaries who received the 3 day training program. Progress towards the achievement of this indicator was also supported through the Governance, Opportunities and Jobs DPL (P128251). This project was supposed to support the participation of the unemployed in labor market programs. As of July 2013, the latest management assessment reports no progress towards the target of training 45,000 unemployed individuals (ISR P128251 Sequence 1).</p> <p>2) IFC signed partnerships with a vocational training institution (ISET Djerba), a training provider (CEFAC) and a business association (IACE). By June 2014, 10 trainers were trained in the Business Edge methodology, who in turn trained 129 participants, of which 59 (46%)</p>	<p>Source: ISN, CLR, ICRR P126094, and ISR P128251 Sequence 1 (July 2013).</p> <p>1) The indicator lacked a target.</p> <p><u>Lending</u> Tunisia Governance and Opportunity DPL (P126094). Approved FY11. IEG: MU.</p> <p>Tunisia - Governance, Opportunities and Jobs DPL (P128251). Approved FY13. Management assessment: MU.</p> <p>Tunisia Employment DPL (P117161). Approved FY11. IEG: U.</p>



	ISN FY13-FY14 – Focus Area 1: Laying the foundation for sustainable growth and job creation	Actual Results (as of current month/year)	IEG Comments
	<p>Target: 1) Not provided; 2) > 1 counselor per 794 job seekers (July 2014)</p> <p><u>Governance and accountability of employment program delivered by ANETI</u></p> <p>Indicator: 1) Set up a results-based monitoring system for ANETI programs, 2) Develop periodic monitoring reports (results-based) for ALMPs delivered by ANETI.</p> <p>Baseline: 1) No (2010); 2) No (2010)</p> <p>Target: 1) Yes (July 2014); 2) Yes (July 2014)</p>	<p>women in different management topics. IFC also signed a partnership agreement with the ICT Federation. The CLR does not report on whether the number of job-counselors per job seeks increased.</p> <p>1) The CLR reports that an online monitoring system has been developed for the Community Works and Local Participation JSDF pilot cash-for-work program in Jendouba. However, a result-based monitoring system for ANETI Programs has not been developed. Support was provided through the Employment TA Package for Tunisia (P126485).</p> <p>2) The CLR reports that a monitoring report was prepared for the AMAL program. Support was provided through the Community Works and Local Participation (P128427).</p>	<p>Source: ISN, CLR and Tunisia Team.</p> <p><u>AAA</u> Employment TA Package for Tunisia (P126485).</p> <p><u>Trust Funds</u> Community Works and Local Participation (P128427). Approved FY12. Management assessment: S. Recipient Executed Activity - Japan Social Development Fund (JSDF).</p>



	ISN FY13-FY14 – Focus Area 2: Promoting social and economic inclusion	Actual Results (as of current month/year)	IEG Comments
<p>Major Outcome Measures</p>	<p>5. CPS Objective: Improving access to basic services for underserved communities (Mostly Achieved)</p> <p><u>Better access to basic service infrastructure and services in rural communities</u> Indicator: 1) Percent of rural Imadas with improved access to basic infrastructure and services, 2) Water storage capacity increased, 3) Percent of vulnerable people, including women and youths, seeking to start income generating activities (IGAs) have obtained financing.</p> <p>Baseline: 1) Not provided, 2) Not provided, 3) 0 (2010)</p> <p>Target: 1) 20% (July 2014), 2) by 12 000 m3 (July 2014), 3) 10% (July 2014)</p>	<p>1) Bank support was provided through Second Natural Resources Management Project (P086660) approved in FY10 (Management assessment: MU). The CLR reports that 89% of targeted rural Imadas have participatory development plans (157 out of 177 targeted) and that 48% have plans under implementation with completed activities that improve access to basic infrastructure and services.</p> <p>The P086660 ISR Sequence 3 (September 2012) reports that, as of April 2015, 11,122 beneficiaries had improved access to basic infrastructure services.</p> <p>2) Water storage capacity increased by 6,480 m3 (or 54% of targeted storage capacity). Improved water supply systems without increased storage capacity are not included. Support was provided through: Fourth Northwest Mountainous & Forested Areas Development Project (PNO4) (P119140), the Second Natural Resources Management Project (P086660), and the GEF Second Natural Resources Management (P112568).</p> <p>3) Over 12 percent micro projects planned are being supported. 350 beneficiaries including youth and women trained. The CLR is not clear about the interventions that supported this progress and does not report on the proposed indicator.</p>	<p>Source: ISN, CLR, and P086660 ISR Sequence 3 (September 2012).</p> <p><u>Lending</u> Fourth Northwest Mountainous & Forested Areas Development Project (PNO4) (P119140). Approved FY11. Management assessment: MS.</p> <p>Second Natural Resources Management Project (P086660). Approved FY10. Management assessment: MU.</p> <p><u>Trust Fund</u> GEF Second Natural Resources Management (P112568). Approved FY10. Management assessment: MU.</p>
	<p><u>Better management of natural resources and participatory community development in rural communities</u> Indicator: 1) Percent of land under soil/water conservation, 2) Number of administrative sectors that have their</p>	<p>1) According to the ISR P119140 Sequence 11 (March 2015), the percentage of land under soil/water conservation management was 34% as of December 2014.</p>	<p>Source: ISN, CLR, ISR P119140 Sequence 11 and 12</p> <p>Second Natural Resources Management Project (P086660). Approved FY10. Management assessment: MU.</p>

	ISN FY13-FY14 – Focus Area 2: Promoting social and economic inclusion	Actual Results (as of current month/year)	IEG Comments
	<p>population organized in community development groups and have prepared Community development Plans being implemented in collaborations with partner, 3) Number of income generating activities which are managed by women and young graduates.</p> <p>Baseline: 1) 30.9%; (2010); 2) 37 (2010); 3) 0 (2010)</p> <p>Target: 1) 33% (July 2014); 2) 97 (July 2014); 3) 75 (July 2014)</p>	<p>2) As of June 2015, 113 sectors had their population organized community development groups and had prepared community development plans (ISR P119140 Sequence 12 – September 2015). The CLR reports 157 administrative sectors.</p> <p>3) 152 income-generating activities being implemented, of which women manage 32. Most activities managed by women and young graduates. The CLR is not clear on which where the interventions that supported progress towards this target.</p>	<p>Fourth Northwest Mountainous & Forested Areas Development Project (PNO4) (P119140). Approved FY11. Management assessment: MS.</p> <p>Urban Water Supply (P064836). Approved FY06. Management assessment: MS.</p>
	6. CPS Objective: Improving the efficiency of social safety net programs (Mostly Achieved)		
	<p><u>INS staff trained</u> Indicator: 1) Number of INS staff trained in new methodologies, 2) Number of INS staff trained core poverty and SP diagnostics</p> <p>Baseline: (i) 0 (2011); (ii) 0 (2011)</p> <p>Target: 1) 10 (July 2014); 2) 10 (July 2014)</p>	<p>1) 5 INS staff trained (3 under poverty training and 2 under social services programs).</p> <p>Bank support was provided through: the Public investment Management Report (FY14) and the Public Enterprise Management (FY14)</p> <p>2) 3 INS staff trained.</p>	<p>Source: ISN and CLR</p> <p>The indicator proposed is an output measure that does not necessarily reflect an improved efficiency of social safety net programs.</p> <p><u>AAA</u> Governance in Social Sectors Technical Assistance (P128545).</p>

	ISN FY13-FY14 – Focus Area 2: Promoting social and economic inclusion	Actual Results (as of current month/year)	IEG Comments
	<p><u>Methodology</u> Indicator: Researchers are able to access information online once the new methodology is launched</p> <p>Baseline: No (2012)</p> <p>Target: Yes (July 2014)</p>	<p>Government published poverty measurement methodology on National Institute of Statistics' (INS) external website. The Tunisia Team also reports that the Bank collaborated very closely with INS and ADB in 2012 to produce a joint report on poverty based on 2010 data. These are the latest data available (i.e. 2010).</p>	<p>Source: ISN and Tunisia Team.</p> <p>The indicator proposed is an output measure that does not necessarily reflect an improved efficiency of social safety net programs.</p>
	<p><u>Targeting of social services</u> Indicator: 1) Beneficiary eligibility criteria updated, 2) Unified database for beneficiary information created, 3) Monitoring framework for targeting mechanisms created, 4) Percent of community workers are women.</p> <p>Baseline: 1) No (2011); 2) No (2011); 3) No (2011); 4) 0 (2011)</p> <p>Target: 1) Yes (July 2014); 2) Yes (July 2014); 3) Yes (July 2014); 4) 30% (July 2014)</p>	<p>1) Circular updating eligibility criteria by Ministry of Interior and Social Affairs issued in May 2011. 2) Two databases unified. And unified database principle agreed by Council of Ministers in October 2012. 3) Circular on developing new targeting strategy based on proxy-means testing adopted in October 2012. 4) 70% of community workers are women.</p> <p><u>Bank support was provided through:</u> Social Protection Project</p>	<p>Source: ISN</p> <p><u>AAA</u> Employment TA Package for Tunisia (P126485). Governance in Social Sectors Technical Assistance (P128545).</p>



	ISN FY13-FY14 – Focus Area 3: Strengthening governance, voice, transparency and accountability	Actual Results (as of current month/year)	IEG Comments
<p>Major Outcome Measures</p>	<p>7. CPS Objective: Access to information and social accountability (Partially Achieved)</p> <p><u>Access to information and economic and social surveys</u> Indicator: 1) Clear procedures and contact details to request public information are established and published, 2) Increased use of the new right to access public sector information, 3) 2007 and 2009 Labor force surveys are published, 4) 2000, 2005 and 2010 Household surveys are published, 5) Number of products with detailed national accounts</p> <p>Baseline: 1) No (2010), 2) No (2010), 3) No (2010), 4) No (2010), 5) 0 (2010)</p> <p>Target: 1) Yes (July 2014), 2) > 50 official requests made (July 2014), 3) Yes (July 2014), 4) Yes (July 2014) 5) 400 (July 2014).</p>	<p>1) As a prior action to the Tunisia Governance and Opportunity DPL (P126094) approved in FY11, the Interim Government signed Decree Decree-Law 41 on public access to administrative documents of public bodies including economic and social statistics (May 26, 2011). Subsequently, as a prior action to the Governance, Opportunities and Jobs DPL (P128251) approved in FY13, the Government issued Circular No. 25-2012 (May 5, 2012) specifying the procedures for the implementation of Decree-Law 41. In addition, as a prior action to the Governance, Opportunities and Jobs DPL (P128251), the Minister of Finance has issued Decision No. 278 (August 25, 2012) mandating the publication of key information on public finances, including a Citizen's Budget providing an online open budget platform which allows citizen's direct access to detailed and real time public expenditure data.</p> <p>2) The CLR reports that, as of May 2014, 800 public information requests had been received. The ICRR for Government and Opportunity DPL (P126094) reports that as of May 2014, (i.e. two years after the adoption of the Decree), proactive diffusion of information by Ministries has been relatively limited and Government is not yet monitoring statistics on the number of information requests by the public and the associated rate of response.</p> <p>3) As of June 2012, the Government, through the National Institute of Statistics, had published four labor force surveys (2007, 2008, 2009 and 2010). However, micro data is not yet available (ICR P126094).</p>	<p>Source: ISN, CLR, ICR and ICRR P126094</p> <p>1) The Decree Law Decree Decree-Law 41 was approved before the ISN period whereas Circular No. 25-2012 was approved within the ISN period.</p> <p><u>Lending</u> Tunisia Governance and Opportunity DPL (P126094). Approved FY11. IEG: MU.</p> <p>Tunisia - Governance, Opportunities and Jobs DPL (P128251). Approved FY13. Management assessment: MU.</p> <p>Governance, Opportunities and Jobs DPL-2 (P132709). Approved FY14. Management assessment not available.</p>

	ISN FY13-FY14 – Focus Area 3: Strengthening governance, voice, transparency and accountability	Actual Results (as of current month/year)	IEG Comments
		<p>4) As of June 2012, the Government, through the National Institute of Statistics, had published two household surveys (1999 and 2005) had been published. However, micro data is not yet available (ICR P126094). (ICR P126094).</p> <p>5) The CLR reports that national accounts have been published on the National Institute of Statistics website and that the most recent information has been published in 2013 for the 2011 year. However, the latest management assessment reports (ICR P126094) that, as of June 2012, aggregate data had been published but not at the 400 products level.</p>	
	<p><u>The Budget process is more transparent and participatory</u> Indicator: 1) Openness of the budget process, through the presentation and debate of pre-budget statements and the public disclosure of budget proposals, 2) Greater accountability on budget execution: publication of quarterly, mid-term and year end budget execution reports</p> <p>Baseline: 1) No (2010), 2) No (2010)</p> <p>Target: 1) Yes (July 2014), 2) Yes (July 2014)</p>	<p>1) As prior action to the Governance, Opportunities and Jobs DPL (P128251) approved in FY13, the Minister of Finance has issued a Decision on the publication of key information on public finances, including a Citizen's budget and an online open budget platform giving citizen's direct access to detailed and timely public expenditure data. In addition, the CLR reports that an online open budget platform representing detailed budget data since 2008 has been completed and went live in FY16 and that budget circular and proposals are published.</p> <p>2) As prior action to the Governance, Opportunities and Jobs DPL (P128251) approved in FY13, monthly and year-end budget execution reports are published.</p>	<p>Source: ISN and CLR</p> <p>Tunisia - Governance, Opportunities and Jobs DPL (P128251). Approved FY13. Management assessment: MU.</p>
	<p><u>Private demand of internet usage met</u> Indicator: Demand for TN domain increased</p> <p>Baseline: 8,000 domains (2010)</p>	<p>The procedures for registration and hosting of internet websites were simplified as a prior action to the Tunisia Governance and Opportunity DPL (P126094) approved in FY11. Tunisia has now a livelier internet space (including significant social media activity) for consultation and debate</p>	<p>Source: ISN, CLR, ICRR P126094, and ATI (www.registre.tn)</p>

	ISN FY13-FY14 – Focus Area 3: Strengthening governance, voice, transparency and accountability	Actual Results (as of current month/year)	IEG Comments
	<p>Target: by 50% (12,000) (July 2014)</p>	<p>involving civil society and the private sector. Yet the growth of the "tn" domain was very limited (17,900 as of Jan 2013) compared to the initial target of 80,000 (that was based on an international benchmark) as Tunisia web-hosting services are less competitive that the ".com" websites and obstacles remain in the registry process. The CLR reports that, as of March 2014, the demand for TN domains had risen to 22,365.</p>	
	<p>8. CPS Objective: Increasing transparency and accountability of institutions (Partially Achieved)</p> <p><u>The legal and institutional framework to foster more accountable public institutions and to fight corruption has been revised</u></p> <p>Indicator: 1) A permanent anti-corruption institution has been set-up and is operational, 2) A more transparent and performance based budget process is introduced, with the publication of ministry's performance plans and reports, 3) The internal financial controls are being revised to integrate a risk based approach and foster greater accountability of public institutions</p> <p>Baseline: 1) No (2010), 2) No (2010), 3) 0 (2010)</p> <p>Target: 1) Yes (July 2014), 2) Yes(July 2014), 3) Two out of the four main control bodies' mandate and operations have been revised (July 2014)</p>	<p>1) The CLR reports that a permanent anti-corruption institution has not been set-up and is not operational.</p> <p>2) The CLR reports the following: Circular on 2014 budget preparation, as well as ministerial budgets presented in a programmatic form with performance plans for an increasing number of ministries (education, agriculture, higher education, health). Programmatic budget being rolled out increasingly.</p> <p>3) The mandate of 2 out of 4 main control bodies has been revised but implementation delayed.</p>	<p>Source: ISN and CLR</p> <p><u>Lending</u> Governance and Opportunity DPL (P126094): IEG: MU</p>

	ISN FY13-FY14 – Focus Area 3: Strengthening governance, voice, transparency and accountability	Actual Results (as of current month/year)	IEG Comments
	<p><u>All government contract awards are made available on-line</u> Indicator: Percent of contract award information available on the website of the Observatoire National des Marchés Publics</p> <p>Baseline: 0 (2010)</p> <p>Target: 100%</p> <p><u>Procurement process streamlined</u> Indicator: Time for full cycle of procurement process reduced</p> <p>Baseline: 6 months (2011)</p> <p>Target: by 50% (3 months) (July 2014)</p>	<p><u>All government contract awards are made available on-line</u> As of June 2012, most of the contracts awards information were posted on the website. However, the Observatoire is not aware if all of the bidding / contract awards information has been published, as publication power is delegated to the bidding agencies.</p> <p><u>Procurement process streamlined</u> As a prior action to the Governance and Opportunity DPL (P126094), the Interim President of the Republic signed the Decree amending Decree No. 2002-3158, dated December 17, 2002, regarding the regulations for public procurement, to reduce the procurement processing time while ensuring transparency and compliance with the regulations. The decree bring the procurement processing duration to 120 days, thus meeting the 50% target reduction. However, the Tunisia Team could not verify whether this processing time was met owing to the lack of statistics in the the Procurement Observatory (Observatoire National des Marches Publics).</p>	<p>Source: ISN, CLR, ICR, ICRR P126094, and Tunisia Team.</p> <p><u>Lending</u> Governance and Opportunity DPL (P126094): IEG: MU</p>
	<p><u>E-governance complaint systems for citizens introduced</u> Indicator: Government of Tunisia websites have an operating feedback mechanism.</p> <p>Baseline: No (2010)</p> <p>Target: Yes (July 2014)</p>	<p>Government has improved the disclosure of legal and regulatory information both in substance (quantity of information) and form (individual and searchable text).</p>	<p>Source: ISN, CLR and Tunisia Team.</p> <p>Tunisia team reported that the TF071840 provided support towards this target. IED did not find this TF activity within the CPS period.</p>

Annex Table 2: Tunisia Planned and Actual Lending, FY10-14

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved Amount	Outcome Rating	Comments
Project Planned Under CPS / ISN 2010-14								
Planned Projects in FY10								
P117161	Employment DPL 1	2010	2011	2011		50	IEG: U	TN:Employmnt DPL
P117082	Northern Tunis Wastewater 1	2010	2010	2017		52	LIR: U	TN-Northern Tunis Wastewater
P086660	Community Based Integrated Rural Development	2010	2010	2017		36.1	LIR: MU	TN-2nd Natural Res. Mgmt.
	<i>TOTAL FY10</i>					138.1		
Planned Project in FY11								
DROPPED	Integration and Competitiveness DPL 2					DROPPED		
DROPPED	Municipal Development 4					DROPPED		
DROPPED	Agriculture/Climate Change					DROPPED		
DROPPED	Health Sevices Strengthening					DROPPED		
DROPPED	Export Development 3					DROPPED		
DROPPED	Education 3					DROPPED		
DROPPED	Skills Development					DROPPED		
DROPPED	Regional Energy Inter-Connection					DROPPED		
P119140	North West Development 4	2011	2013	2014		41.6	LIR: MS	TN-4th NW Mount & Forest Area Dev PNO4
DROPPED	Competitiveness Poles					DROPPED		
DROPPED	Cultural Heritage 2					DROPPED		
	<i>TOTAL FY11</i>					41.6		
Planned Projects in FY12								
DROPPED	Employment DPL 2					DROPPED		
DROPPED	Higher Education 2					DROPPED		

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved Amount	Outcome Rating	Comments
DROPPED	Solid Waste Management 2					DROPPED		
DROPPED	Energy Efficiency 2					DROPPED		
	<i>TOTAL FY12</i>					0		
Planned Projects in FY13								
DROPPED	Integration and Competitiveness DPL 3					DROPPED		
DROPPED	Water Sector 3					DROPPED		
DROPPED	Northern Tunis Wastewater 2					DROPPED		
	<i>TOTAL FY13</i>					0		
Planned Projects in FY13-FY14								
P126094	TN-Governance and Opportunity DPL		2013	2014		500	IEG: MU	Annual multi-sector Dev. Policy Loans
P132709	TN - Governance Opportunities Jobs DPL-2		2014	2015		250	LIR: MS	
P132381	Export Development III	2014	2014	2021		50	LIR: MS	TN-3 rd Export Dev. Project
P130637	Urban Development and Local Governance	2014	2015	2020		300	LIR: S	
DROPPED	Financial Sector Support					DROPPED		Moved to FY16
DROPPED	Training for Employment					DROPPED		Moved to FY16
DROPPED	Concentrated Solar Power					DROPPED		Moved to FY16
DROPPED	Treated Waste-Water Reuse					DROPPED		Moved to FY16
	<i>TOTAL FY13-FY14</i>					1100		
	Total Planned					1279.7		
Unplanned Projects during the CPS and ISN Period								
P146799	TN-MSME Development Project AF		2014			100	LIR: S	
P150033	TN- Urban Water Supply AF		2014			26.2	N/A	
	Total Unplanned					126.2		

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved Amount	Outcome Rating	Comments
On-going Projects during the CPS and ISN Period			Approval FY	Closing FY		Approved Amount		
P095388	TN-Integration and Competitiveness DPL		2009	2011		250	IEG: MU	
P095847	TN- Water Sector Investment II		2009	2015		31	LIR: MU	
P104266	TN-Energy Efficiency		2009	2016		55	LIR: MS	
P095012	TN-Sustainable Municipal Solid Waste Mgt		2007	2014		22	IEG: MU	
P099811	TN-Tunis West Sewerage		2007	2015		67	LIR: U	
P064836	TN-Urban Water Supply		2006	2018		38	LIR: MS	
P075809	TN Higher Education Reform Support II		2006	2014		76	IEG: MU	
P088929	TN-ICT Sector Development Project		2005	2011		13	IEG: MS	
P071115	TN-Export Development II		2004	2013		36	IEG: MS	
P082999	TN-Education PAQSET II		2004	2011		130	IEG: MS	
P072317	TN-NW Mountainous and For. Areas Dev.		2003	2010		34	IEG: MS	
P074398	TN-Municipal Development III		2003	2010		78	IEG: MS	
P048825	TN-Cultural Heritage		2001	2012		17	IEG: U	
	Total On-going					847.29		

Source: Tunisia CPS, ISN and WB Business Warehouse Table 2a.1, 2a.4 and 2a.7 as of 1/21/16

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Analytical and Advisory Work for Tunisia, FY10 - FY15

Proj ID	Economic and Sector Work	Fiscal year	Output Type
P128254	TN - Development Policy Review	FY15	Development Policy Review (DPR)
P117467	TN-Climate Change Ctry Systems Strategy	FY14	Sector or Thematic Study/Note
P120911	TN-Youth Inclusion Study	FY14	Sector or Thematic Study/Note
P127418	TN-Peri-Urban Assessment	FY14	Other Poverty Study
P127796	TN-Public investment management and PER	FY14	Public Expenditure Review (PER)
P128461	TN Investment Climate Assessment	FY14	Investment Climate Assessment (ICA)
P128506	TN-Trade and Integration	FY14	Sector or Thematic Study/Note
P133823	TN-Support to Improve Governance of SOEs	FY14	Sector or Thematic Study/Note
P128244	TN -Poverty PESW	FY13	Sector or Thematic Study/Note
P129349	TN - Tourism Sector Debt Restructuring	FY13	Sector or Thematic Study/Note
P113857	TN-Clean Energy	FY12	Not assigned
P128946	FSAP Update Tunisia	FY12	Financial Sector Assessment Program (FSAP)
P121196	TN-Agricultural Finance	FY11	Not assigned
P107054	TN-Development Policy Review	FY10	Development Policy Review (DPR)
P108077	TN-SME Finance Policy Note	FY10	Not assigned
P112434	TN-Competitiveness Poles	FY10	Not assigned
P119393	TN-Public Expenditure and Financial Mgmt	FY10	Public Expenditure Review (PER)

Proj ID	Technical Assistance	Fiscal year	Output Type
P126485	TN-Employment TA Package	FY15	Not assigned
P128545	TN-Governance in Social Sectors TA	FY15	Not assigned
P132985	TN-ICT and Broadband TA	FY15	Not assigned
P145098	Tn: #A001 Establishment of an AMC	FY15	Not assigned
P145870	TN: #A002StateOwnedBank Restructuring	FY15	Not assigned
P149013	TN: Advancing Global Integration	FY15	Not assigned
P149635	Tn: #A053 Banking Laws Modernzn & CP	FY15	Not assigned
P152603	TN: Youth Inclusion Dissemination	FY15	Not assigned
P121039	TN-Low Carbon Action Plan for Trp Sector	FY14	Not assigned
P126475	TN ICT Service Delivery Health Sector	FY14	Not assigned
P129821	TN-Strategic Energy Vision TA	FY14	Not assigned
P129827	TN-Household Survey	FY14	Not assigned
P143490	TN: Decentralization & M. Finance	FY14	Not assigned
P146843	STARTUNISIA	FY14	Not assigned
P130139	TN-ICT Collaboration for Civic Engagement	FY13	Not assigned
P132264	Asset Recovery in Tunisia	FY13	AML/CFT Assessment
P132540	TN-SABER WfD	FY13	Not assigned
P122552	TN-ALMP/E2W Pilots and Impact Eval.- Ph2	FY12	Not assigned
P122874	TN - Public Sector Reform TA	FY12	Not assigned
P123106	TN-FINANCIAL SECTOR REFORM	FY12	Not assigned
P127794	TN-Public Sector Governance	FY12	Not assigned
P128637	StAR - Tunisia	FY12	Not assigned
P107160	Tunisia- Trade Integration TA	FY11	Not assigned
P114161	TN-ESMAP Low Carbon Transport Strategy	FY11	Not assigned

Proj ID	Technical Assistance	Fiscal year	Output Type
P116108	TN-Impl. Logistics Action Plan TA	FY11	Not assigned
P119399	TN Growth & Macro Management	FY11	Not assigned
P122705	TN Performance Based Budgeting PESW FY11	FY11	Not assigned
P111813	TN-TF ALMP/E2W Pilots and Impact Eval.	FY10	Not assigned
P117400	TN-Performance-Based Budgeting PESW	FY10	Not assigned

Source: AO ESW/TA Table 1.4 as of 1/21/16

Annex Table 4: Grants and Trust Funds Active in FY10-15 (in US\$ million)

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount
P150877	The National Network of Social Accountability	TF 18057	2015	2019	800,000
P132157	TN-Oases Ecosystems and Livelihoods Project	TF 17362	2015	2020	5,760,730
P147887	Building Citizens€™ Capacities and State Responsiveness for an Open and Transparent Democracy	TF 15845	2014	2017	600,000
P144674	TN: DTF Social Protection Reforms Support	TF 15956	2014	2017	4,700,000
P144917	Tunisia - Communications for policy reforms	TF 15167	2014	2016	600,000
P120561	Tunisia: Ecotourism and Conservation of Desert Biodiversity	TF 13636	2013	2019	4,270,000
P100478	Managing Healthcare Waste and PCBs	TF 11541	2013	2017	5,500,000
P115314	TN-CBF Sidi Daoud Wind Farm Project	TF 13798	2013	2016	1,678,242
P120233	TN-JSDF Emergency Support for Youth	TF 10625	2012	2016	2,780,000
P127212	Participatory Service Delivery for Reintegration SPF	TF 11069	2012	2015	5,000,000
P128427	Community Works and Local Participation	TF 12412	2012	2016	2,870,000
P125657	Community Health Collaborative JSDF	TF 99374	2012	2016	878,550
P128843	Modernization of Tunisia Public Procurement System	TF 12222	2012	2015	250,000
P121364	Tunisia Energy Efficiency and Biomass project	TF 10293	2012	2013	90,000
P120561	Tunisia: Ecotourism and Conservation of Desert Biodiversity	TF 97752	2011	2013	200,000
P118131	TN-GEF Northern Tunis Wastewater Project	TF 96891	2011	2016	8,030,000
P112568	TUN GEF Second Natural Resources Management	TF 97703	2011	2017	9,730,000
P086660	Tunisia Second Natural Resources Management Project	TF 93089	2009	2012	999,710
P106415	Tunisia Avian Influenza Preparedness	TF 91965	2009	2013	653,105
P120542	Tunisia Vocational Training and Technical Education Modernization	TF 90853	2008	2011	340,000
P086660	Tunisia Second Natural Resources Management Project	TF 57248	2007	2010	480,000
P099672	Tunisia- Nine landfills Carbon Finance	TF 56660	2006	2019	7,840,000
P099670	Tunisia- Jebel Chekir Solid Waste Carbon	TF 56659	2006	2019	13,510,000
P069460	Gulf of Gabes Marine and Coastal Resources Protection Project	TF 54942	2005	2013	6,310,000
P078131	Energy Efficiency Program/Industrial Sector	TF 54398	2005	2012	8,500,000
Total					92,370,337

Source: Client Connection as of 1/21/16

Annex Table 5: IEG Project Ratings for Tunisia, FY10-14

Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2010	P064082	TN-Transport Sector Project II	38.3	MODERATELY UNSATISFACTORY	SIGNIFICANT
2010	P072317	TN-NW Mountainous and For. Areas Dev.	34.1	MODERATELY UNSATISFACTORY	MODERATE
2010	P074398	TN-Municipal Development III	102.4	MODERATELY SATISFACTORY	SIGNIFICANT
2011	P082999	TN-Education PAQSET II	128.8	MODERATELY SATISFACTORY	MODERATE
2011	P088929	TN-ICT Sector Development Project	9.2	MODERATELY SATISFACTORY	NEGLIGIBLE TO LOW
2011	P095388	TN-Integration and Competitiveness DPL	250.0	MODERATELY UNSATISFACTORY	MODERATE
2011	P117161	TN:Employment DPL	50.0	UNSATISFACTORY	SIGNIFICANT
2012	P005591	TN-Ozone Depleting Substance	0.0	MODERATELY SATISFACTORY	NEGLIGIBLE TO LOW
2012	P048825	TN-Cultural Heritage	25.1	UNSATISFACTORY	SIGNIFICANT
2012	P078131	TN-GEF Energy Efficiency Program/Ind.	0.0	MODERATELY SATISFACTORY	SIGNIFICANT
2012	P126094	TN-Governance and Opportunity DPL	491.1	MODERATELY UNSATISFACTORY	HIGH
2013	P069460	TN-GEF: Gulf of Gabes	0.0	MODERATELY SATISFACTORY	SIGNIFICANT
2013	P071115	TN-Export Development II	41.0	MODERATELY SATISFACTORY	SIGNIFICANT
2014	P075809	TN Higher Education Reform Support II	51.5	MODERATELY UNSATISFACTORY	NEGLIGIBLE TO LOW
2014	P095012	TN-Sustainable Municipal Solid Waste Mgt	20.7	HIGHLY UNSATISFACTORY	SIGNIFICANT
Total			1,242.2		

Source: AO Key IEG Ratings as of 1/20/16

Annex Table 6: IEG Project Ratings for Tunisia, FY10-15

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Tunisia	1,242.2	15	22.7	46.7	38.1	40.0
MNA	6,168.8	113	56.1	61.8	22.1	21.4
World	127,538.3	1,489	82.0	70.6	61.9	49.9

Source: AO 4.a.5 as of 1/20/16

With IEG new methodology evaluating projects, institutional development impact and sustainability no longer rated separately

Annex Table 7: Portfolio Status for Tunisia and Comparators, FY10-15

Fiscal year	2010	2011	2012	2013	2014	2015	Average
Tunisia							
# Proj	17	17	17	16	20	17	17
# Proj At Risk	1	3	5	7	5	4	4
% Proj At Risk	5.9	17.6	29.4	43.8	25.0	23.5	24
Net Comm Amt	864	1,016	546	492	820	767	751
Comm At Risk	76	165	129	330	176	106	164
% Commit at Risk	9	16	24	67	22	14	25
MNA							
# Proj	159	164	151	160	169	159	160
# Proj At Risk	40	44	54	47	39	61	48
% Proj At Risk	25	27	36	29	23	38	30
Net Comm Amt	8,720	9,450	8,532	9,082	12,335	13,629	10,291
Comm At Risk	1,913	1,479	1,840	1,817	2,284	2,932	2,044
% Commit at Risk	22	16	22	20	19	22	20
World							
# Proj	1,990	2,059	2,029	1,964	2,048	2,022	2,019
# Proj At Risk	410	382	387	414	412	444	408
% Proj At Risk	21	19	19	21	20	22	20
Net Comm Amt	162,975	171,755	173,706	176,203	192,610	201,045	179,716
Comm At Risk	28,963	23,850	24,465	40,806	40,934	45,988	34,167
% Commit at Risk	18	14	14	23	21	23	19

Source: AO as of 02/20/15

Annex Table 8: Disbursement Ratio for the Tunisia, FY10-15

Fiscal Year	2010	2011	2012	2013	2014	2015	Overall Result
Tunisia							
Disbursement Ratio (%)	27.47	19.66	10.75	19.08	15.55	12.79	17.83
Inv Disb in FY	104.36	72.74	35.61	66.00	41.98	45.60	366.30
Inv Tot Undisb Begin FY	379.98	370.06	331.38	345.92	269.93	356.60	2,053.87
MENA							
Disbursement Ratio (%)	24.05	14.16	15.56	18.58	21.23	21.60	19.08
Inv Disb in FY	1,088.32	795.34	890.18	1,090.02	1,250.88	1,333.97	6,448.71
Inv Tot Undisb Begin FY	4,524.81	5,615.28	5,722.23	5,866.73	5,892.44	6,176.22	33,797.70
World							
Disbursement Ratio (%)	26.91	22.38	20.79	20.60	20.79	21.78	22.02
Inv Disb in FY	20,928.83	20,933.36	21,048.24	20,510.39	20,756.98	21,852.73	126,030.53
Inv Tot Undisb Begin FY	77,760.85	93,516.54	101,234.29	99,588.04	99,852.72	100,343.74	572,296.18

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.
 Source: AO disbursement ratio table as of 1/20/15

Annex Table 9: Net Disbursement and Charges for Tunisia, FY10-15

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
FY10	227,626,215.05	146,122,188.82	81,504,026.23	45,180,971.73	1,919,005.52	34,404,048.98
FY11	249,714,323.91	162,568,861.13	87,145,462.78	41,191,806.01	1,083,718.97	44,869,937.80
FY12	525,398,840.15	140,820,312.73	384,578,527.42	42,894,673.37	1,760,123.93	339,923,730.12
FY13	576,809,350.76	168,595,985.34	408,213,365.42	39,023,237.16	1,577,987.67	367,612,140.59
FY14	36,771,491.41	180,457,751.55	(143,686,260.14)	34,321,371.31	255,400.22	(178,263,031.67)
FY15	285,493,949.85	149,797,875.47	135,696,074.38	27,115,421.72	1,564,139.20	107,016,513.46
Report Total	1,901,814,171.13	948,362,975.04	953,451,196.09	229,727,481.30	8,160,375.51	715,563,339.28

Source: World Bank Client Connection 1/20/16

Annex Table 10: List of IFC Investments in Tunisia
Investments Committed in FY10-FY15 (US\$, 000)

Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm	Project ID
35469	2015	Active	Collective Investment Vehicles	16,000		6,594	6,594	35469
36202	2015	Active	Agribusiness & Forestry	26,000	16,000	-	16,000	36202
30880	2013	Active	Finance & Insurance	6,293	6,293	-	6,293	30880

32359	2013	Active	Finance & Insurance	56,270		4,796	4,796	32359
30467	2012	Active	Collective Investment Vehicles	48,000		21,713	21,713	30467
30647	2012	Closed	Oil, Gas and Mining	23,563		9,532	9,532	30647
27984	2011	Active	Health Care	54,070		8,206	8,206	27984
31071	2011	Active	Finance & Insurance	10,000	10,000	-	10,000	31071

Investments Committed pre-FY10 but active during FY10-15 (US\$, 000)

Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm	Project ID
26678	2009	Active	Oil, Gas and Mining	66,400		17,000	17,000	26678
28076	2009	Active	Transportation and Warehousing	39,484		39,484	39,484	28076
24657	2008	Active	Finance & Insurance	2,734	2,734	-	2,734	24657
26716	2008	Closed	Industrial & Consumer Products	12,646		12,646	12,646	26716
26842	2008	Active	Collective Investment Vehicles	8,800		4,013	4,013	26842
26913	2008	Active	Transportation and Warehousing	904,506	170,124	-	170,124	26913
20363	2004	Closed	Finance & Insurance	50,000	49,341	-	49,341	20363
8548	1998	Active	Collective Investment Vehicles	5,000		4,702	4,702	8548

Annex Table 11: List of IFC Advisory Services for Tunisia

Advisory Services Approved in FY10-15 (US\$)

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Business Descriptn	Total Funds, US\$
600172	Tunisia Water and Sewerage (w/ ONAS)	2015	2017	ACTIVE	PPP	188,142
600508	One TECH capacity building	2015	2018	ACTIVE	Lead Firm Value Chain	35,385
599434	Tunisia E4E ICT	2014	2017	ACTIVE	Trade & Competitiveness	617,702
599818	NFS MENA	2014	2017	ACTIVE	Non Fin Services Trng to Fls	364,000
591087	Tunisia Investment Climate Reform Program	2013	2017	ACTIVE	Trade & Competitiveness	3,105,862

592887	FAST E4E MENA	2013	2016	ACTIVE	Cross-cutting Advisory	734,000
592967	ENDA	2012	2016	ACTIVE	FIG	1,088,097
596627	Amen Bank Risk Management Advisory	2012	2016	ACTIVE	FIG	590,000
573188	CG MENA Regional Activities Project	2010	2012	CLOSED	Corporate Governance	613,947
	Sub-Total					7,337,135

Advisory Services Approved pre-FY10 but active during FY10-15 (US\$)

Project ID	Project Name	Start FY	End FY	Project Status	Primary Business Line	Total Funds, US\$
561087	Tunisia competitiveness	2008	2010	TERMINATED	IC	110,198
	Sub-Total					110,198
	TOTAL					7,447,333

Source: IFC AS Data as of June 30, 2014

Annex Table 12: IFC Net Commitment Activity for Tunisia

Investments Committed in FY10-FY15 (US\$, 000)

	2010	2011	2012	2013	2014	2015	Total
Financial Markets		-	-	11,089		-	11,089
GTFP		10,000					10,000
Agribusiness & Forestry		-	-			16,000	16,000
Manufacturing							-
Health, Education, Life Sciences		8,206					8,206
Oil, Gas & Mining			9,532				9,532
Infrastructure			-				-
Collective Investment Vehicles			21,713			6,594	28,307
Total	-	18,206	31,245	11,089	-	22,594	83,134

Investments Committed pre-FY10 but active during FY10-15 (US\$, 000)

	2007 and before	2008	2009	Total
Financial Markets	49,341			49,341
GTFP				-
Agribusiness & Forestry		2,734		2,734
Manufacturing		12,646		12,646
Health, Education, Life Sciences				-
Oil, Gas & Mining			17,000	17,000
Infrastructure (Transportation)		170,124	39,484	209,608
Collective Investment Vehicles	4,702	4,013		8,716
Total	54,044	189,517	56,484	300,044

Source: IFC MIS Cube as of 1/20/16

Annex Table 13: List of MIGA Activities Tunisia (in US\$ millions)

ID	Contract Enterprise	FY	Project Status	Sector	Investor	Max Gross Issuance
10180	Passenger-Car Ferry TANIT	2012	Active	Transportation	France	217.7
10015	HHW, S.A.	2012	Not Active	Manufacturing	Spain	4.1
9949	Bitaka S.A.	2012	Not Active	Services	Spain	5.1
TOTAL						226.9

Source: MIGA 1/20/16

Annex Table 14: Total Net Disbursements of Official Development Assistance and Official Aid for Tunisia

Development Partners	2010	2011	2012	2013	2014
Australia	..	0.64	0.69	0.29	0.34
Austria	0.95	0.44	0.40	0.53	0.59
Belgium	(0.07)	6.77	(2.62)	(0.42)	(0.69)
Canada	(2.85)	1.06	(2.87)	(2.23)	(1.92)
Czech Republic	0.02	0.08	0.06	0.05	0.07
Denmark	..	0.81	3.49	3.55	5.56
Finland	0.32	2.04	0.58	0.49	0.75
France	126.80	304.36	242.48	66.90	66.38
Germany	23.86	31.13	42.72	67.73	53.14
Greece	0.21	0.13	0.09	0.01	0.27
Ireland	..	0.08	0.01	..	..

Development Partners	2010	2011	2012	2013	2014
Italy	8.65	2.94	(5.07)	16.95	19.47
Japan	35.87	25.87	(53.32)	(36.43)	23.87
Korea	4.01	2.21	3.91	4.78	3.39
Luxembourg	..	0.13	1.08	1.19	1.54
Netherlands	(0.71)	0.78	0.90	2.23	1.56
New Zealand	..	..	..	0.02	..
Norway	..	..	0.43	0.10	1.05
Poland	0.02	0.06	0.30	0.37	0.34
Portugal	0.03	0.01	0.05	0.06	0.07
Slovak Republic	..	..	0.41	0.39	0.12
Slovenia	..	0.01	..	..	..
Spain	158.03	82.86	0.52	25.18	(0.83)
Sweden	..	7.76	4.37	5.29	5.81
Switzerland	0.96	10.96	17.95	20.91	17.22
United Kingdom	2.50	6.00	11.26	7.53	3.43
United States	(3.23)	4.76	107.58	16.84	18.37
DAC Countries, Total	355.37	491.89	375.40	202.31	219.90
African Development Bank [AfDB]	..	1.27	0.68	0.63	1.65
Arab Fund [AFESD]	87.01	(36.49)	7.54	4.67	(35.09)
EU Institutions	92.30	442.29	559.14	439.17	452.68
Food and Agriculture Organization [FAO]	..	..	..	0.39	..
Global Environment Facility [GEF]	6.97	3.33	1.60	2.78	5.33
Global Fund	7.04	1.47	1.76	1.85	1.90
International Atomic Energy Agency [IAEA]	0.40	0.18	0.33	0.56	0.39
International Bank for Reconstruction and Development [IBRD]	..	..	..	..	..
International Development Association [IDA]	(2.11)	(2.11)	(2.03)	(1.94)	..
IFAD	..	..	..	0.14	0.25
International Finance Corporation [IFC]	..	..	..	..	..
Islamic Development Bank [IsDB]	0.07	(1.01)	(1.89)	(1.11)	(1.21)
Montreal Protocol	0.15	0.08	0.11	..	..
Nordic Development Fund [NDF]	(0.16)	(0.17)	(0.16)	(0.16)	(0.22)
OPEC Fund for International Development [OFID]	(1.87)	(0.65)	(1.68)	13.31	21.80
UNAIDS	-	0.27	0.05	0.06	0.06
UNDP	0.92	1.12	0.93	1.09	1.04
UNFPA	0.50	0.94	0.74	0.57	0.59
UNHCR	0.24	..	5.32	..	2.73
UNICEF	0.76	1.32	0.70	1.03	0.99

Development Partners	2010	2011	2012	2013	2014
WFP	..	0.53	0.47	0.48	0.01
World Health Organization [WHO]	..	0.95	0.51	0.64	0.51
Multilateral, Total	192.22	413.32	574.12	464.16	453.41
Estonia	..	..	0.03	0.11	0.12
Hungary	..	..	..	..	0.11
Israel	0.07	..	..	..	..
Kuwait [KFAED]	4.51	7.37	2.75	3.57	15.46
Lithuania	..	..	..	0.02	..
Romania	0.03	0.13	1.55	0.03	0.02
Russia	..	0.87	0.04	1.98	5.65
Thailand	0.02	..	..	0.01	..
Turkey	0.34	0.61	60.39	36.19	200.70
United Arab Emirates	(2.13)	7.87	2.59	2.06	25.92
Non-DAC Countries, Total	2.84	16.85	67.35	43.97	247.98
Development Partners Total	550.43	922.06	1,016.87	710.44	921.29

Source: OECD Stat, [DAC2a] as of 1/19/16

Annex Table 15: Economic and Social Indicators for Tunisia, 2010 - 2015

Series Name							TUN	MNA	World
	2010	2011	2012	2013	2014	2015	Average 2010-2015		
Growth and Inflation									
GDP growth (annual %)	3.5	-1.9	4.1	2.9	2.7	..	2.3	3.6	2.8
GDP per capita growth (annual %)	2.5	-3.1	3.1	1.9	1.7	..	1.2	1.5	1.6
GNI per capita, PPP (current international \$)	9,800.0	9,700.0	10,230.0	10,570.0	11,020.0	..	10,264.0	17,107.5	13,867.5
GNI per capita, Atlas method (current US\$) (Millions)	4,150.0	4,000.0	4,120.0	4,200.0	4,230.0	..	44,456.1	7,779.9	10,207.6
Inflation, consumer prices (annual %)	4.4	3.5	5.1	5.8	4.9	..	4.8	3.4	3.5
Composition of GDP (%)									
Agriculture, value added (% of GDP)	8.2	9.1	9.4	8.8	8.8	..	8.9	6.0	3.1
Industry, value added (% of GDP)	31.5	31.6	31.1	29.9	29.3	..	30.7	50.1	26.7
Services, etc., value added (% of GDP)	60.3	59.3	59.5	61.3	61.9	..	60.5	44.0	70.2
Gross fixed capital formation (% of GDP)	24.7	21.7	21.7	20.3	19.2	..	21.5	24.2	21.8
Gross domestic savings (% of GDP)	21.9	16.4	15.1	13.1	11.2	..	15.6	37.8	22.5
External Accounts									
Exports of goods and services (% of GDP)	50.5	49.3	49.3	47.1	44.6	..	48.1	49.6	29.3
Imports of goods and services (% of GDP)	55.3	56.5	58.5	56.2	55.4	..	56.4	38.5	29.3
Current account balance (% of GDP)	-4.8	-7.4	-8.2	-8.3	-8.8	..	-7.5		
External debt stocks (% of GNI)	53.3	51.9	58.5	57.3	..	..	55.2		
Total debt service (% of GNI)	5.6	6.1	6.0	5.9	4.1	..	5.6		
Total reserves in months of imports	4.4	3.3	3.7	3.2	3.1	..	3.5	29.0	13.5
Fiscal Accounts ¹									
General government revenue (% of GDP)	23.5	24.8	24.0	23.8	24.5	22.8	23.9		
General government total expenditure (% of GDP)	24.0	28.0	28.8	29.8	28.1	28.4	27.9		

Series Name							TUN	MNA	World
	2010	2011	2012	2013	2014	2015	Average 2010-2015		
General government net lending/borrowing (% of GDP)	-0.5	-3.2	-4.8	-6.0	-3.7	-5.7	-4.0		
General government gross debt (% of GDP)	40.7	44.5	44.5	44.3	50.0	54.0	46.3		
Social Indicators									
Health									
Life expectancy at birth, total (years)	74.6	74.3	74.0	73.6	..	..	74.1	72.6	70.9
Immunization, DPT (% of children ages 12-23 months)	98.0	98.0	97.0	98.0	98.0	..	97.8	90.5	85.5
Improved sanitation facilities (% of population with access)	89.0	89.6	90.3	90.9	91.6	91.6	90.5	89.6	66.2
Improved water source (% of population with access)	88.4	89.6	90.8	92.0	93.2	93.2	91.2	86.2	82.5
Mortality rate, infant (per 1,000 live births)	14.9	14.2	13.6	13.1	12.6	12.1	13.4	21.3	34.4
Education									
School enrollment, preprimary (% gross)	..	..	..	40.0	..	..		28.3	51.9
School enrollment, primary (% gross)	108.8	108.3	109.7	110.3	..	..	109.3	108.4	108.2
School enrollment, secondary (% gross)	89.0	91.1	..	90.6	..	..	90.2	79.2	73.2
Population									
Population, total (Millions)	10,547,100	10,673,800	10,777,500	10,886,500	10,996,600	..	10,776,300	401,173,875	7,091,259,024
Population growth (annual %)	1.0	1.2	1.0	1.0	1.0	..	1.0	2.1	1.2
Urban population (% of total)	65.9	66.1	66.3	66.5	66.6	..	66.3	63.1	52.4

Source: WDI Central as of 12/22/15

*International Monetary Fund, World Economic Outlook Database, October 2015

**IMF WEO Note: 2015 indicate IMF Staff Estimate