TUNISIA
STATEMENT BY MR NOUREDDINE ZEKRI, REPRESENTING TUNISIA

Mr Hristov, Chairman of the Board of Governors
Mr Chakrabarti, President of the EBRD
Governors
Ladies and gentlemen

It is an honour and pleasure for me to be participating in the 23rd Annual Meeting of the Governors of the European Bank for Reconstruction and Development, which is taking place in this magnificent historic city of Warsaw.

Allow me first to express my sincere gratitude to the Polish authorities for the warm reception accorded to us, for their remarkable hospitality and for the excellent organisation of this Meeting.

Also, I take this opportunity to congratulate the EBRD, under the leadership of Mr Suma Chakrabarti, on the financial and operational results achieved in 2013 and on the successful start of investment activities in the new region of operations, SEMED, to which my country belongs.

Mr President
Ladies and Gentlemen

The adoption, in January 2014, of the new Tunisian constitution, following an in-depth participative discussion guided by the quest for the widest possible consensus, was a historic moment for Tunisia and a major step on the road to democratic reconstruction.

This constitution – progressive, unifying, guaranteeing freedom of expression and of conscience, and making for equality between men and women – represents an important stage in the process of transition to democracy that is to culminate in presidential and parliamentary elections before the end of this year.

The success of the forthcoming general elections, which is crucial to the success of Tunisia’s democratic experiment, is one of the top priorities of the present Tunisian Government, as is the stabilisation of the security situation, marked by the recent lifting of the state of emergency.

This positive development should send reassuring signals to economic players inside and outside Tunisia and to our development partners and prepare the ground for an improvement of the business climate and for a recovery of the rate of economic activity and a resumption of growth.

Mr President
Ladies and gentlemen
Besides political and security-related issues, the resumption of economic growth and the emergence of a more competitive and more inclusive economy are a top priority of governmental action.

In particular, our Government is endeavouring to:

- improve the business climate through a revision of the investment code;

- bring about structural reforms aimed essentially at:
  - stabilisation of the public finances,
  - restructuring of the financial sector,
  - reduction of fiscal distortions, and
  - revision of the system for subsidising basic necessities and its rationalisation for the benefit of those truly in need;

- initiate the process of energy transition with a view to the rationalisation of energy consumption and the promotion of renewable energy forms through, in particular, institutional, regulatory and tax reforms;

- launch a process of decentralisation whereby individual regions and local communities will have greater powers and prerogatives as regards the formulation and implementation of development policies and projects;

- improve the employability and job prospects of qualified and non-qualified job seekers;

- reduce regional disparities through the establishment of objective criteria permitting a more equitable distribution of investments and of national wealth; and

- combat smuggling and black marketeering, through the use of effective prevention and repression mechanisms.

This programme of action will boost our economy, which needs to be stimulated not only in order to reduce unemployment and regional disparities, but also to restore the confidence of national and international investors.

In that connection, the Tunisian Government intends to launch, with a conference taking place on 28 May, a national economic and social dialogue for the purpose of ensuring the success of this new transition phase and shielding the country from the grave consequences of this crisis situation.

This dialogue, which we hope will be inclusive, responsible and frank, should lead to agreement among the different political, economic and social actors on a roadmap for the adoption of a new model of alternative development for the forthcoming period.

The issues to be addressed in this national dialogue relate, in particular, to the rationalisation of the system of state subsidies, to the improvement of people’s
purchasing power and of the competitiveness and productivity of enterprises, to the trade balance, to smuggling and black marketeering, to regional development, to the promotion of investment and the strengthening of public institutions and finances, and to the supplementary finance act.

Clearly, the transition towards a new development model based, in particular, on awareness and knowledge will not be easy and will not be achieved overnight.

We shall be relying primarily on our own resources, but it will also be important for us to be sure of the support and expertise of all our development partners, especially the EBRD, as we carry out the structural reforms necessary for ensuring inclusive growth that generates jobs in response to the demands of the revolution and for further strengthening the resilience of the Tunisian economy to internal and external shocks.

I take this opportunity to call upon all the international partners of Tunisia represented here – countries and investors – to participate in the Conference of the Friends of Tunisia due to take place in September. This event, designed to relaunch investment in my country, will doubtless mobilise all investors by directing them towards the most attractive projects of greatest interest for Tunisia.

Mr President
Ladies and gentlemen

The year 2013 saw the operational start-up of the EBRD’s financing and technical assistance activities in Tunisia, particularly with the opening of the EBRD’s Resident Office. The EBRD invested more than €110 million in the private sector and supported more than 70 small and medium-sized enterprises through the provision of dedicated technical assistance.

The year 2014 will undoubtedly see the signing of Tunisia’s first sovereign loan, for the water and waste treatment sector, and the start of negotiations on other public projects relating to, in particular, transport, infrastructure development and energy.

In this regard, I am very pleased that the EBRD has established a solid cooperative relationship with Tunisia; the Bank’s first investments are increasingly innovative, and the institutional dialogue with the Bank’s experts is continuing in a spirit of trusting and constructive partnership.

However, I must mention the fact that during the discussions regarding the conditions of the Bank’s loan, the Tunisian authorities expressed reservations about certain financial conditions, especially the front-end and commitment fees, which they considered to be much less favourable than those granted by other international financial institutions operating in Tunisia.

Accordingly, I take this opportunity to invite the Bank to reconsider these conditions in the light of the exceptional situation in the SEMED region, with a view to harmonising these conditions with those of other regional and international investors.
As regards reforms, I should, during this Annual Meeting, like to voice Tunisia’s support for the process of reform initiated by the Bank with a view to restructuring the Board of Directors, in the hope that this process will result in a seat for the SEMED region, which is still the only region of operations of the Bank that does not have a seat on the Board of Directors. A presence in the Board of Directors will, on one hand, enhance the representation of the countries concerned in that body and, on the other, give to the Bank’s activities a more inclusive, innovative, effective and responsible dimension, which will constitute a qualitative leap in improving the governance of the Bank and in the democratisation of its decision-making process.

Mr President
Ladies and gentlemen

In reiterating my thanks for the EBRD’s support for the transition in Tunisia, I would emphasise that we are proud of the international community’s interest in that transition and of the international mobilisation in favour of the democratic transition process.

They are a sign of the confidence placed in my country and a factor likely to encourage foreign backers to invest in the new Tunisia and thereby smooth our path towards a better future.

Thank you for your kind attention.