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Statement by the Hon. **YASSINE BRAHIM**,
Governor of the Bank for **TUNISIA**

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Mr. President of the World Bank Group, Madam Chairperson of the International Monetary Fund, distinguished governors, honorable guests.

First of all, on behalf of the Tunisian government, I would like to thank you, you are giving us a great opportunity to express our thoughts about several economic and financial issues that we will discuss along our meetings and conferences, where we will analyze the challenges, solutions and prospects of our development during these Annual meetings of the World Bank and IMF.

This 2015 session happens on the same moment as a very important event on the world development issues: the Development Agenda post 2015 through the adoption of the 17 sustainable development goals for all of our countries.

This new agenda for sustainable development next to the Millennium Development Goals, which focused on poverty eradication, represents a highly relevant framework for all countries to incorporate, or even align their strategies on such important human development goals, which at the end of the day are the main objective of any development program.

As you know, the Tunisian people have, in a short period of time and armed only with its democratic convictions, achieved a peaceful revolution that will be remembered in human history.

Today, **Tunisia is at a turning-point in its history**. After a successful political transition that ended by the country's first free, fair and transparent general elections, Tunisia has reached an important milestone of its democratization process; one that builds on significant achievements, but which also encompasses serious challenges.

However, Tunisia still faces two economic and social structural challenges which must be overcome if the country's stability is to be preserved. **First, youth unemployment has reached a historical high (30% of 20-29 year-olds are jobless)** and must be reduced quickly in order to give real hope to the younger generation of Tunisians. Second, **the economic and social disparities between the regions** must be significantly reduced by promoting fairer resource allocation and by connecting isolated rural areas.

Tunisia must also meet a critical challenge in the short term. **Terrorism and other security uncertainties** arising from a long and difficult transition and a **chaotic regional context** have impacted negatively the Tunisian economy, with a cost estimated at about 10% of GDP.

Tunisia needs to accelerate the inclusive transformation of its economy and to consolidate its democracy through a support ambitious plan, based on five main axis:

1. Structural Reforms starting with the public administration one, going through the education system, the healthcare and social services systems, the business environment and the financial and banking system.
2. Transforming the economy from a low cost production site toward an economic hub, maximizing the opportunity of the geographical positioning in the middle of the Mediterranean sea and the well educated young generation

3. Enhancing the educational system and reinforcing the women role in all areas
4. Connecting more efficiently all regions to the coast to maximize investment opportunities in the less developed regions
5. Encourage the green economy all over the country through the renewable energy projects and better natural resources management most notably water

That said, and through this 2016-2020 strategic plan, Tunisia, as all countries present at the United Nations Summit of September 2015 for the adoption of development agenda post 2015, joins the collective orientation to a more inclusive socio-economic model, fairness and more friendly environment.

In this context, the World Bank and the International Monetary Fund will have a strategic role to play to ensure mobilization of resources through a strong commitment of the multilateral, regional and bilateral financial institutions to help, as it always did, but even more taking in account the opportunity over risk ratio for a country like Tunisia in a challenging transitional period of time.

This phase of setting new development objectives, a new opportunity for a new deal where these countries can show more significantly their intentions to accelerate the speed at which we all want to reach such a goal, very important for all the world.

The commitment of donors to support Tunisia should materialize quickly because of the urgent needs to be covered and we are committed to a rapid and effective implementation, hence our new government has already achieved largely better public project implementations in the last months.

To this end, Tunisia reiterates its appeal to international financial institutions, development partners, to support the call to any institution presenting initiatives to support developing countries in exceptional and vulnerable situations, and to realize the promise with a consistent speed, I mention particularly the initiatives taken in the G7 meetings.

We invite our partners to support us to succeed the challenge of transition and to fight against terrorism with long concessional loans for important infrastructure projects and with grants mainly dedicated to human capital development.

Finally, to ensure proper implementation of support in the framework of the international cooperation, we wish to reiterate the importance of implementing our commitments as countries and international and financial institutions made under the 2005 Paris Declaration and action plans that followed, for a confirmed Official development Aid effectiveness through strong coordination mechanisms, alignment of aid with national priorities, its rationalization and simplification of policies and procedures donors and especially by working on the basis of measuring performances and results in an effective framework for public financial management and procurement, but with a more efficient processes that accelerate decision making at all levels, in the institutions and within the benefiting countries.

Thank you very much for your attention