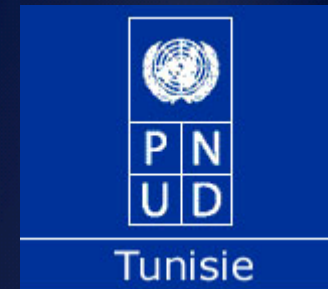




REPUBLIC OF TUNISIA

Ministry of Development
and International Cooperation



*Assessing Development Strategies to Achieve
the MDGs in the Arab Region*

League of Arab States
Cairo, 2-5 April 2007

A propitious macroeconomic framework to achieve the MDGs

- Improvement of Fundamentals : is the result of sound macroeconomic management essentially since the implementation of SAP from 1986
- Tunisia introduced a series of reforms to reduce current and budget deficits while preserving macroeconomic equilibrium and establishing a favourable social environment
- Over the last two decades, Tunisia achieved a good growth performance averaging 5 % for GDP.
- Reduction of poverty incidence from 60% in the 1960s to 4.2% in 2000.

Tunisian economic performances : main weaknesses and challenges

1. Main Weaknesses

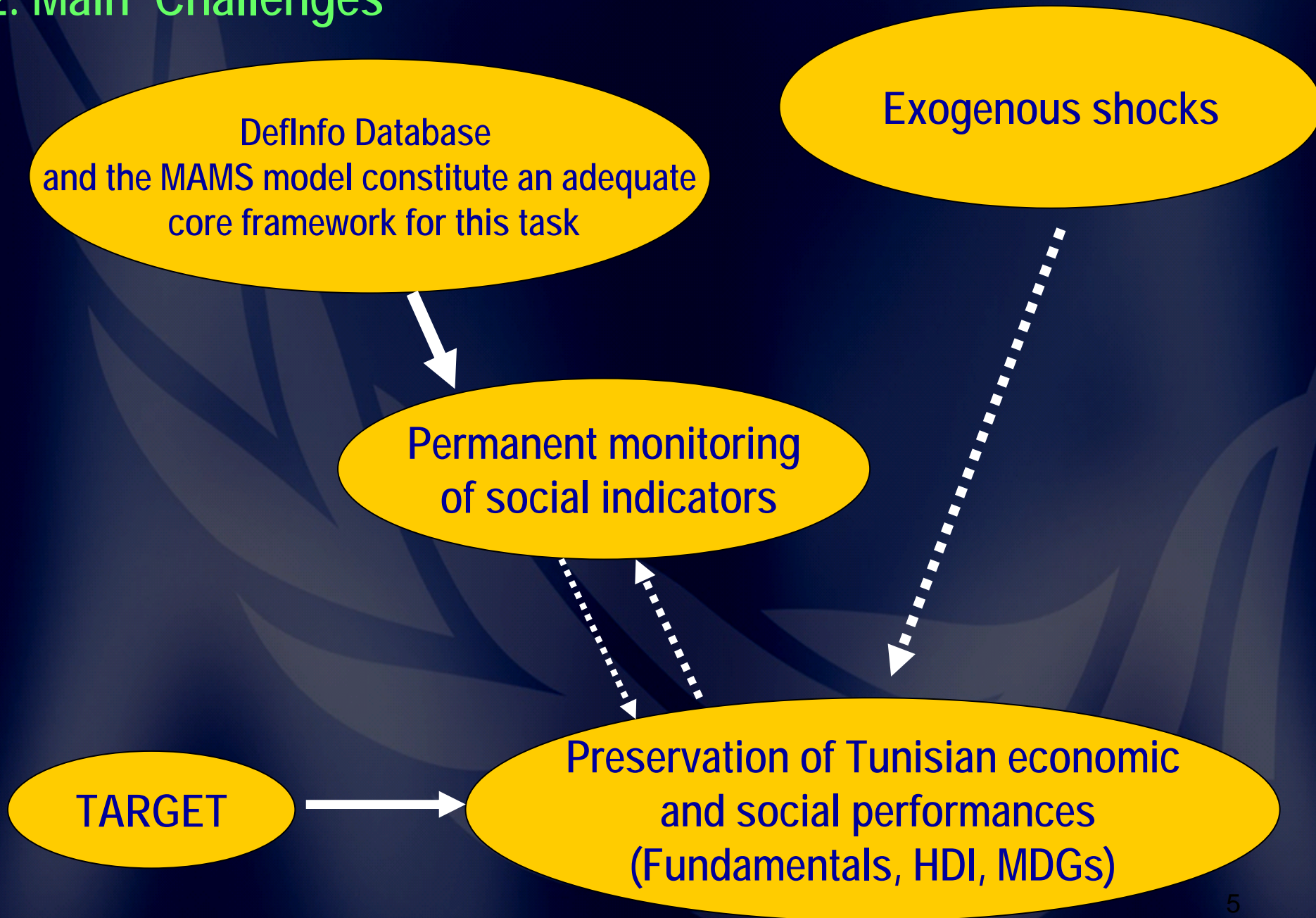
- Growth has not been steady, varying across sub-periods due to fluctuations in weather conditions (high variability in agricultural output), and to exogenous international shocks as well
- Rate of unemployment still relatively high (14.3% in 2006) despite of growth performances
- Vulnerability of some important sectors (Textile industry) due to an ever-growing international competition especially after the abolishment of ATC in 2005

Tunisian economic performances : main weaknesses and challenges

2. Main Challenges

- Economic and social performances may be upset by the challenges facing the Tunisian economy in the next coming years in connexion with commitments contracted within the framework of the partnership agreement with the EU and also with the WTO
- Capability of sectors to cope with strong economic competition
- Authorities should master harmful effects of opening process particularly on vulnerable categories (unskilled labour force belonging to declining sector, little farmers, and women in rural areas)

2. Main Challenges



Goal 1 : Eradicate extreme poverty and hunger

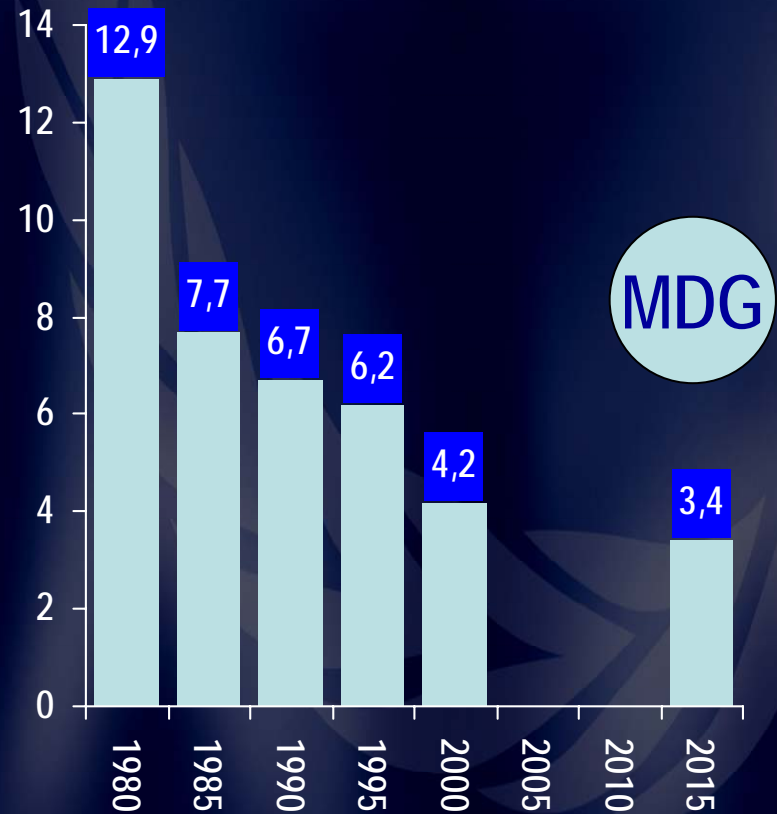
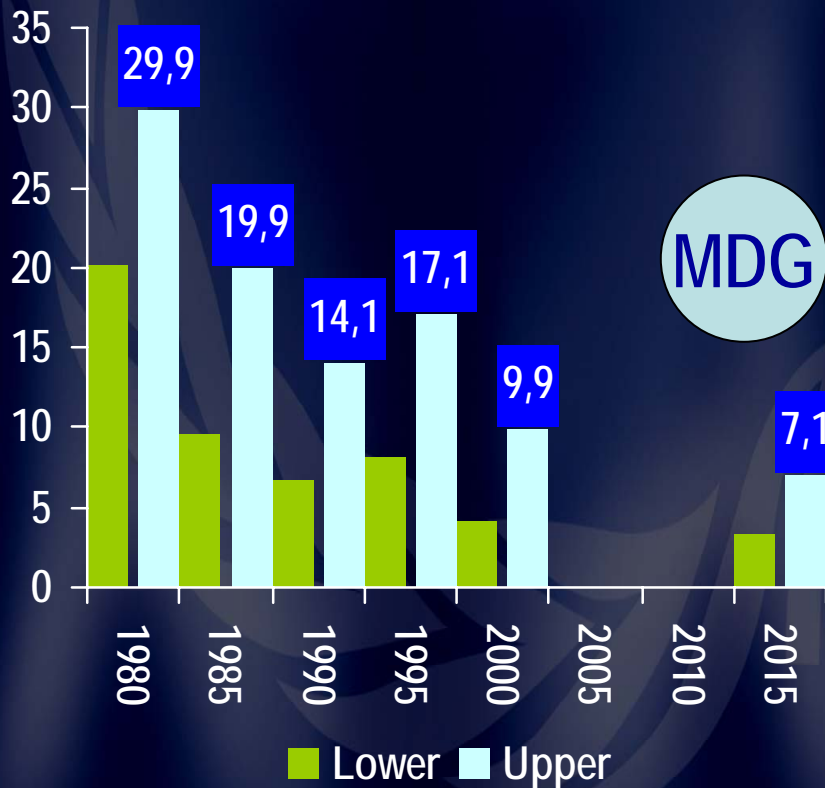
Target 1 : Halve between 1990 and 2015, the proportion of population whose income is less than one dollar a day

- Poverty lines in Tunisia are determined on the basis of surveys on Budgets, Consumption expenditure and the Living standards of Households
- The poverty headcount index declined sharply for the whole country from over 20 percent in 1980 to about 4.2 percent in 2000.
- The World Bank approach introduced in 2000, two rates of poverty (lower and upper). The upper rate enlarge poverty incidence appraisal to the economically vulnerable population. The upper rate has declined from 29.9% in 1980 and 14.1% in 1990 to 9.9% in 2000.

Poverty incidence in Tunisia (%)

- World Bank Method

- INS Method



Source : NIS (National surveys 1990, 1995, 2000) and WB (2003)

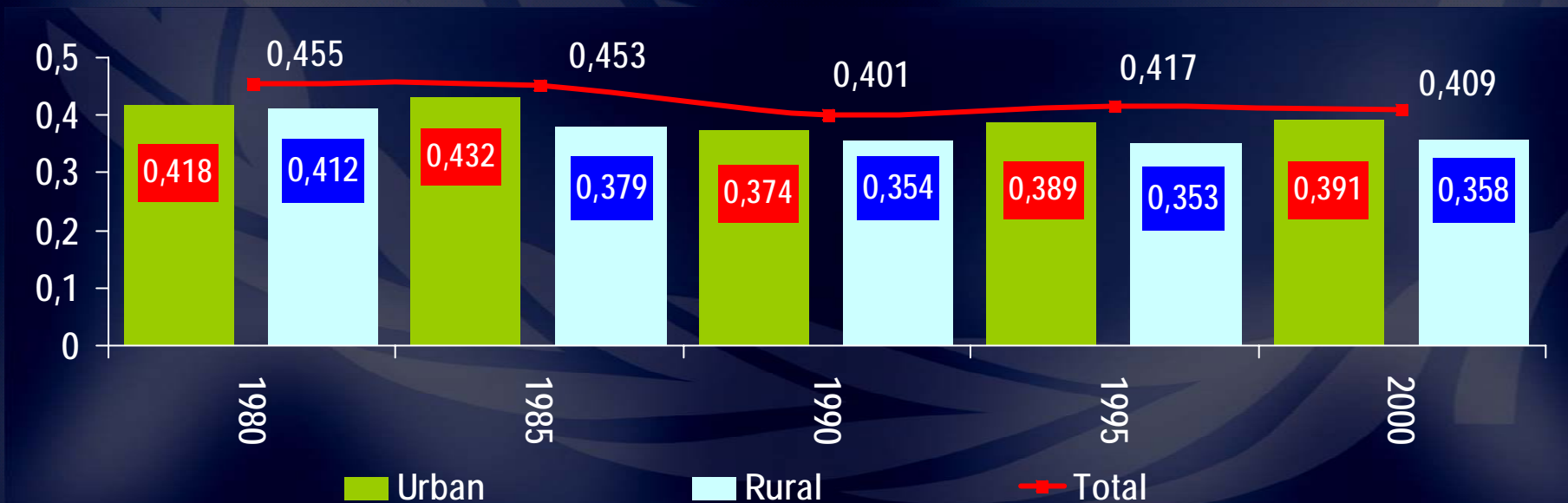
Target 1 : Halve between 1990 and 2015, the proportion of population whose income is less than one dollar a day

- National poverty incidence conceals disparities in poor population distribution : According to World Bank method, core poverty dropped both in rural and urban areas.
- Core poverty became insignificant in urban areas, declining to 1.7% in 2000, and dropped sharply in rural areas from over 12% in 1990 to 8.3 percent in 2000.
- Poverty stills consistently au rural phenomenon

Target 1 : Halve between 1990 and 2015, the proportion of population whose income is less than one dollar a day

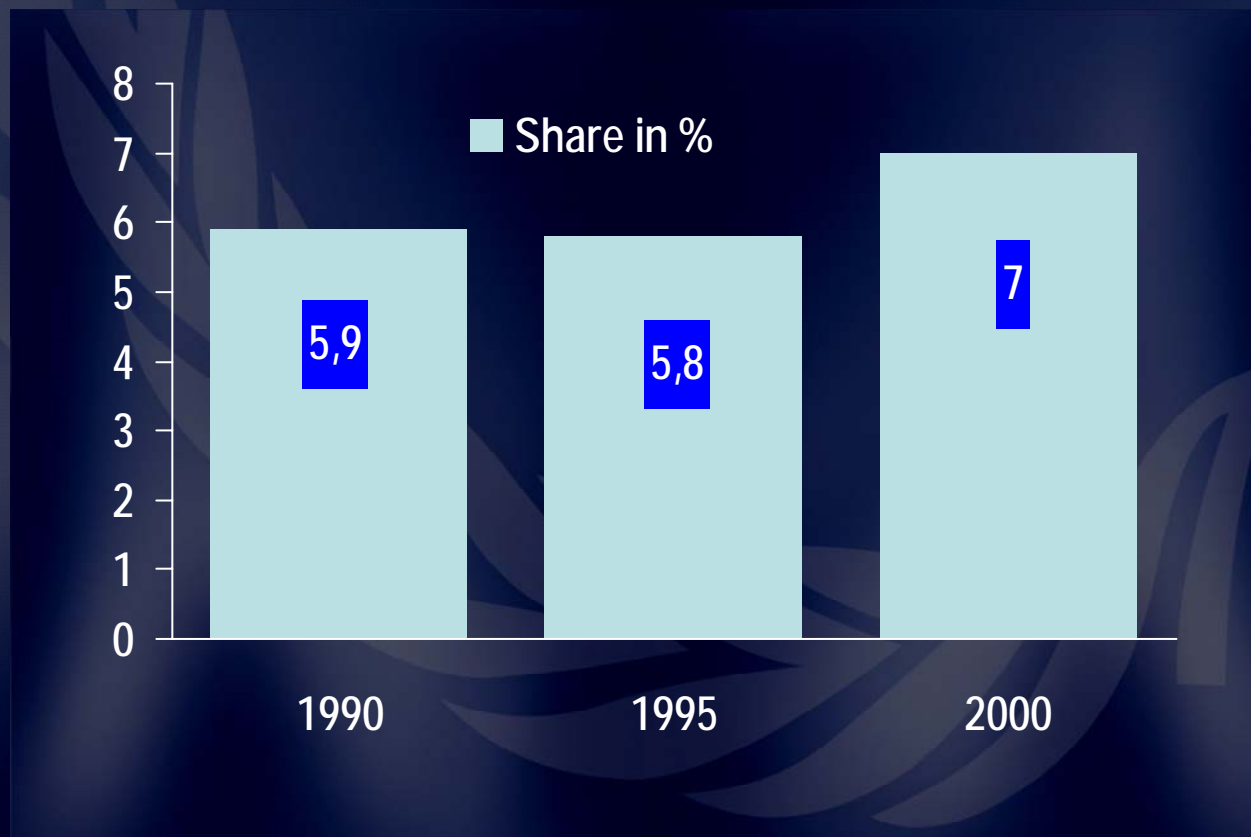
Economic inequalities and poverty

- Gini's coefficient has remained at about 0.4 and the portion of expenditure of each of the two poorest deciles increased only marginally.
- Between 1995 and 2000, Gini's coefficient deteriorated slightly in rural areas and remained unchanged in urban areas.



Target 1 : Halve between 1990 and 2015, the proportion of population whose income is less than one dollar a day

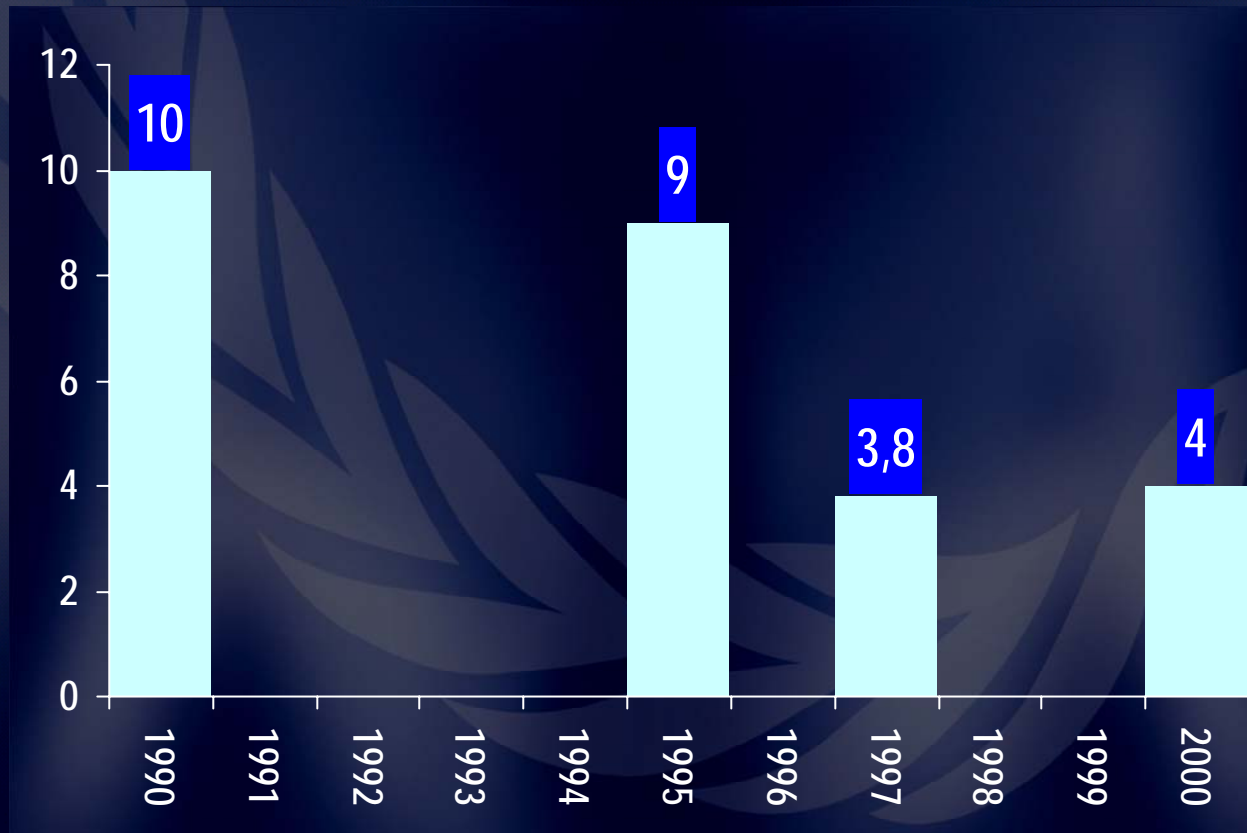
Share of the poorest quintile in national consumption



Source : NIS (National surveys 1990, 1995, 2000)

Target 2 : Halve between 1990 and 2015, the proportion of people who suffer from hunger

Prevalence of underweight children under-five years of age



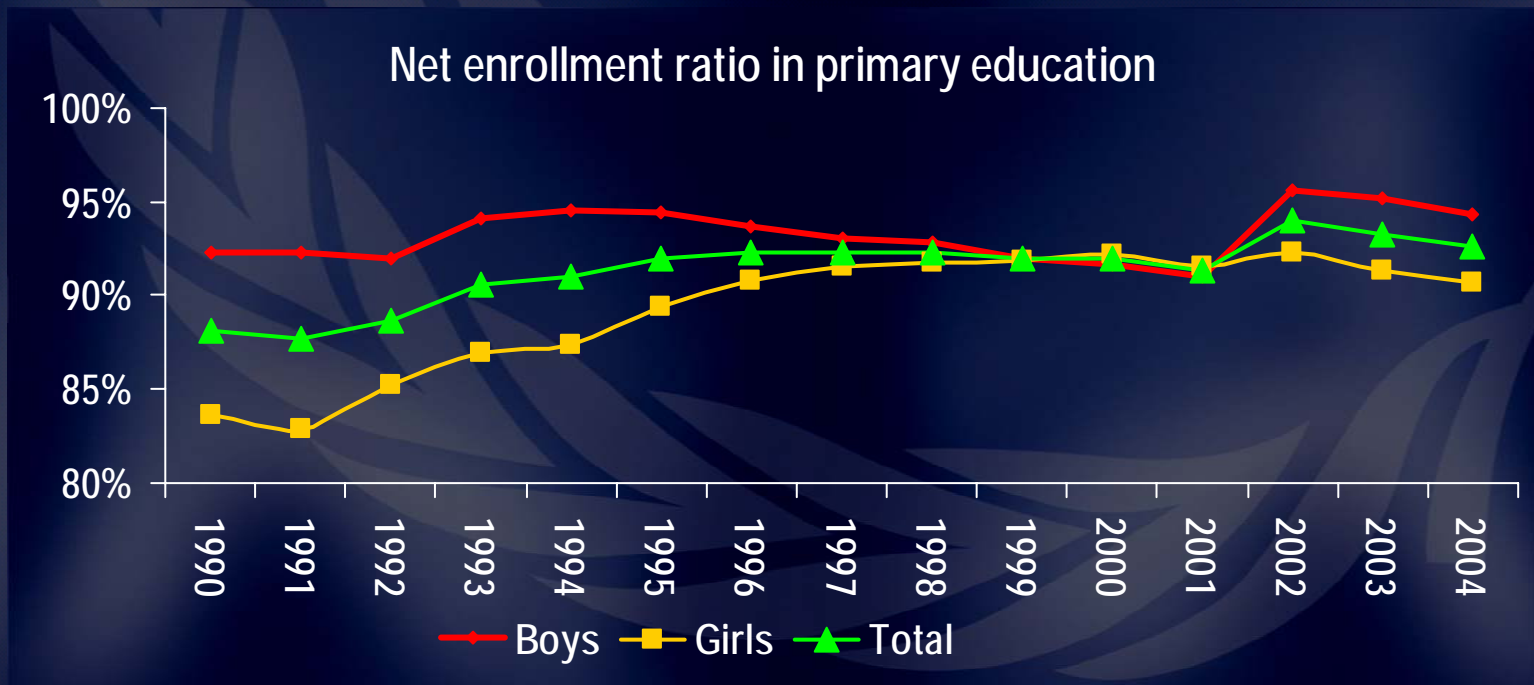
Goal 2 : Achieve universal primary education

Target 3 : Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

- Tunisia in the last forty years has deployed tremendous efforts to progressively consolidate the goal of education for all.
- Despite the evermore pressing development constraints and commitments, the government continued to devote an average of 6% per annum of the GDP to education.
- The results obtained were not as expected and not in line with the goals fixed basically. In the beginning of the 1990s a second reform was introduced.

Target 3 : Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

- Better results were achieved as there was a lower dropout rate and a higher level of schooling of the children aged from 6 to 12 years.



Target 3 : Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Proportion of pupils starting grade 1 who reach grade 5

- The various regulatory, institutional, financial and pedagogical measures implemented have made it possible to attain the goal of universal schooling at the primary school and should also make it possible to ensure schooling throughout the whole duration of primary education.



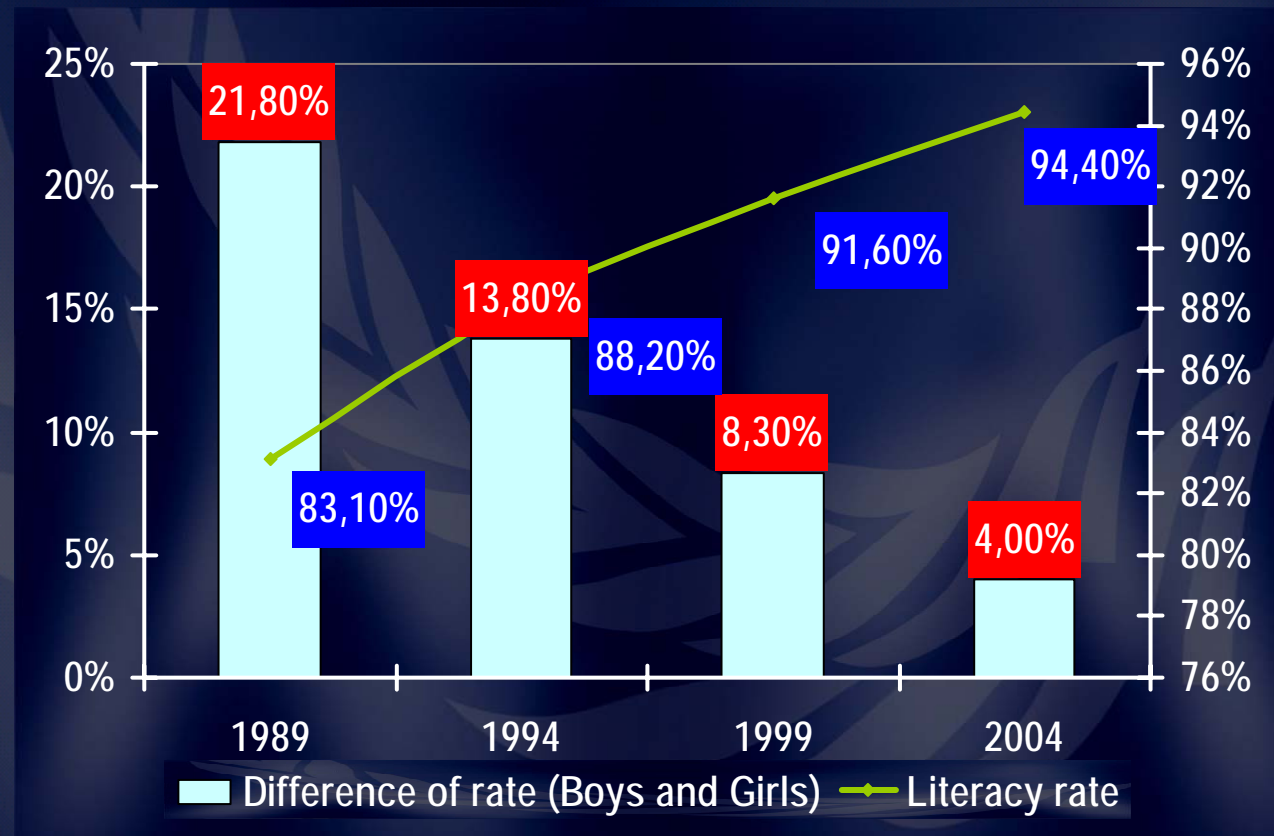
Source : Schooling statistics

Literacy rate of 15-24 year-olds

- The number of illiterate persons was deemed to be too high in view of the efforts deployed in the sphere of education and this led to the adoption in 2000 of the National Adult Education Programme with more resources being allocated to this domain.
- Paltry performances of the Literacy rate impeded widely the improvement of Tunisian HDI ranking.
- According to the last results of the general census on population and housing published in 2005, 22.9 percent of the population aged 10 years and over is illiterate.

Literacy rate of 15-24 year-olds

- The Literacy rate for young aged 15 to 24, estimated at 94.4% in 2000 on a national level, dropped considerably in the last two decades.



Source : General Census on Population and Housing (1994, 2004)

Goal 3 : Promote Gender equality and empower women

Target 4 : Eliminate gender disparity in primary and secondary education preferably by 2005, and in all levels no later than 2015

- Since independence, Tunisian legislation has helped to promote women, and to ensure the durability and irreversibility of their acquired rights.
- Women's role in development has been strengthened by the opportunities provided through education, training and access to the labour market.
- The gaps in the rate of schooling of boys and girls at all levels of educations have not only retracted but the trend has also been reversed to the detriment of boys.

Target 4 : Eliminate gender disparity in primary and secondary education preferably by 2005, and in all levels no later than 2015

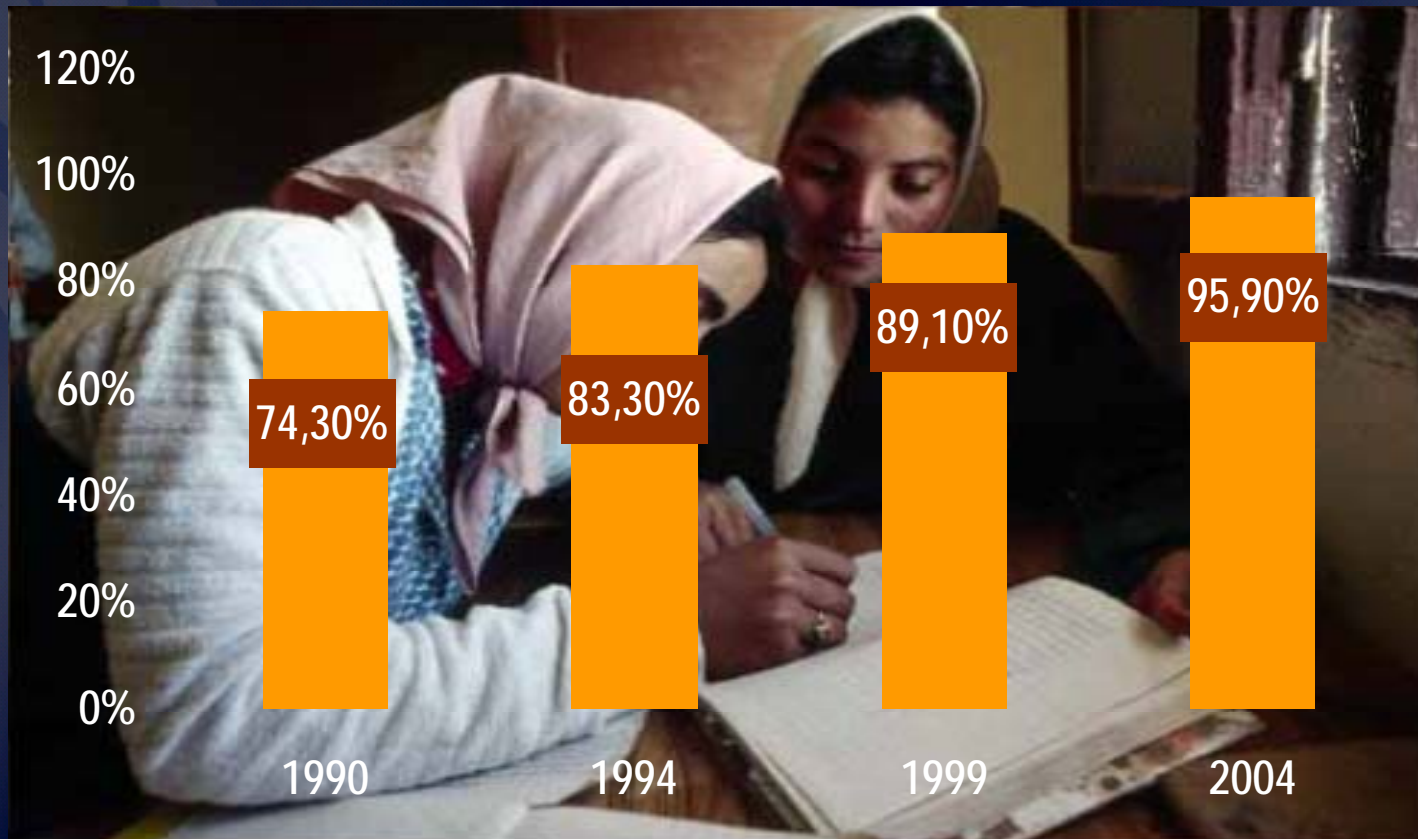
Ratio of Girls to boys in primary education



Source : Schooling statistics (1990-2006)

Target 4 : Eliminate gender disparity in primary and secondary education preferably by 2005, and in all levels no later than 2015

Ratio of Literate women to men, 15-24 years old



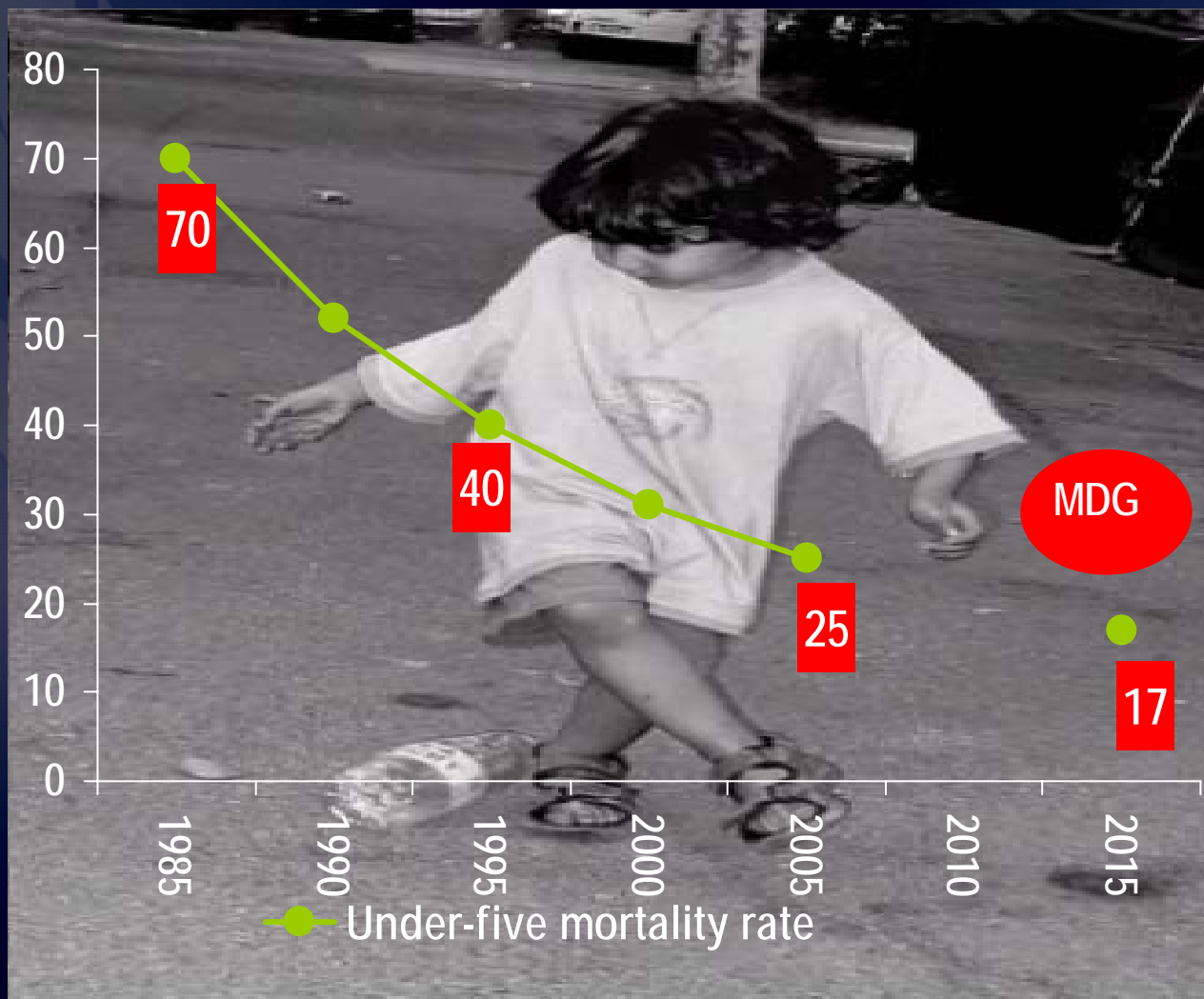
Source : General Census on Population and housing (1994-2004)

Goal 4 : Reduce Child Mortality

Target 5 : Reduce by two thirds, between 1990 and 2015, the under five mortality rate

- The significant drop in child mortality in Tunisia resulted not only from the means used to promote the health policy but also from the various changes in Tunisian society.
- Improvement in living standards was indeed a determinant factor in reducing infant mortality which dropped from 37.3 per thousand in 1990 and 30.5 per thousand in 1995 and finally 22.1 per thousand in 2002.
- These overall satisfactory results however, must not obscure the gap which separates Tunisia from the other developed countries (10 per thousand in the OECD countries in 2004) as well as the disparities between rural and urban areas. Child mortality in rural areas is double that of urban areas.

Under-five mortality rate



Target 5 : Reduce by two thirds, between 1990 and 2015, the under five mortality rate

- It can be said in conclusion that great strides forwards have been made in reducing infant mortality. These results were obtained thanks mainly to the programmes and health actions which were implemented.
- Regional disparities still exist nevertheless and some of the causes of infant mortality seem to be out of proportion.
- Awareness building in the population needs to be strengthened so that the families take appropriate action to protect their children against certain diseases

Goal 5 : Improve Maternal Health

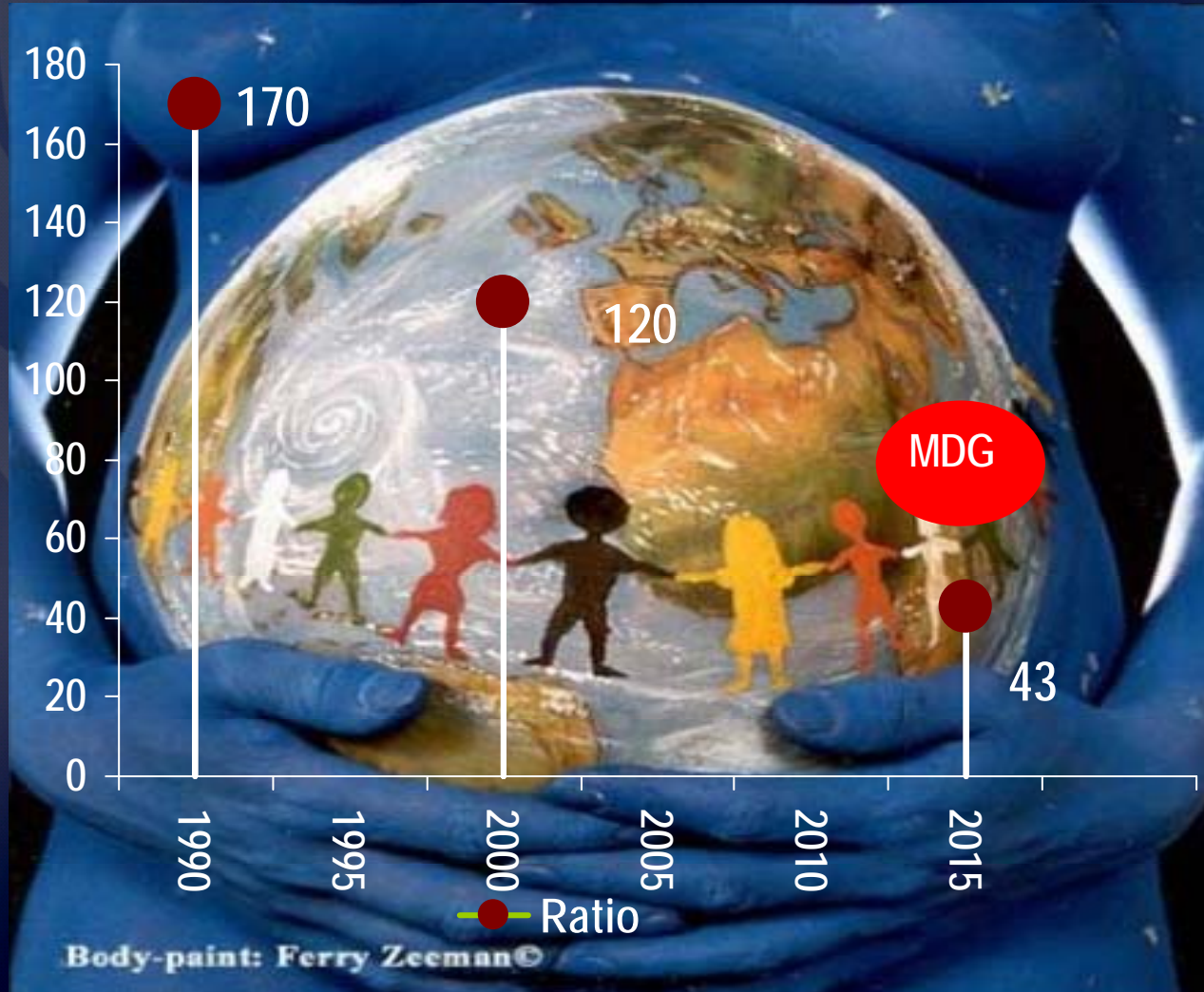
Target 6 : Reduce by three quarters, between 1990 and 2015, the mortality ratio

- Like the general health policy, the women-oriented policy was aimed at women of child-bearing age in particular and took account of the economic and social changes.
- This policy was based on the concept of family planning, then evolved towards the concept of mother-and-child health care and finally included the aspect of reproductive health based on the promotion, prevention and management of women's health in general and more specifically the health of the mother in particular.

Target 6 : Reduce by three quarters, between 1990 and 2015, the mortality ratio

- The rate of maternal mortality was estimated at 120 per 100 thousand births in 2000 against a rate of 170 per 100 thousand in 1990. The evolution rate of maternal mortality does not, however, make it possible to attain the objective of reducing this rate by three quarters between 1990 and 2015.
- A national strategy to reduce maternal mortality had been set up since 1998. This strategy made it possible to set up a maternal deaths monitoring system.

Maternal Mortality Ratio

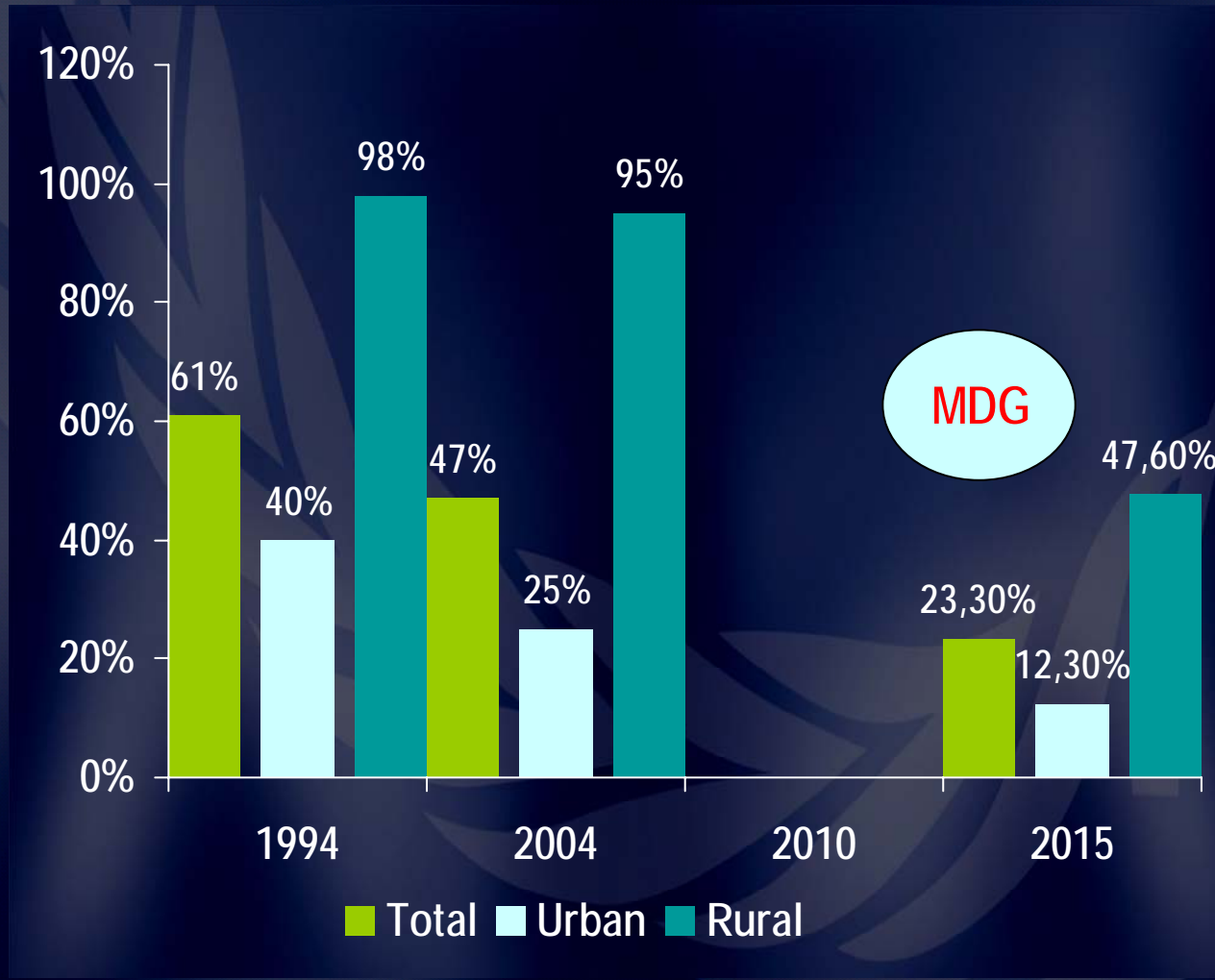


Goal 7 : Ensure environmental sustainability

Target 10 : Halve by 2015, the proportion of people without access to safe drinking water and basic sanitation

- Great efforts were deployed by adopting regional development strategies to improve the living conditions of the households through access to basic public services such as drinking water, electrification, health services, sanitation and education.
- According to the general census of population, households who access to safe drinking water in 2004 attained 97.7% of the total households, and 84.6% in rural areas. But regional statistics showed up notable disparities with 10% of the population in the North West and Centre West with no access to drinking water.

Proportion of population without access to improved sanitation, urban and rural



Relevance of project for MDG policy making

Prerequisites to ensure the success of the project :

1. National team should introduce at the time of SAM construction and the MAMS model adaptation to the national economic context, new goals of the MDG Plus.
2. Carry a major interest to economically vulnerable populations.
3. Take into account the existence of linkages between growth and poverty (Lahouel and All, 2005), and also education, unemployment and poverty (WB, 2003)

Relevance of project for MDG policy making

Contribution of this project to Development policy making :

1. MAMS model will support efforts for MDGs advocacy at the national level
2. MAMS model will be used as fundamental core framework for economic policy analysis
3. The application of MAMS will enable the Ministry of Development and International Cooperation to realize projections of Output, employment and poverty
4. Think since now to regionalize the SAM in order to support the ongoing project of Localizing MDGs