



Republic of Tunisia

**THE TENTH
PLAN IN BRIEF
2002--2006**



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THE TENTH PLAN IN BRIEF 2002 - 2006

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Preamble

This document is a summary of the overall, sectoral and regional content of the Tenth Development Plan covering the period 2002-2006.

It includes two parts :

Part one deals with the achievements of the Ninth Plan (1997-2001) and the main guidelines of the Tenth Plan. It also covers the policies, programs and projects planned for the next five years.

Part two includes a statistical index as well as various indicators showing trends and developments that should be observed in economic and social fields.

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The main indicators of the Tenth Plan

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Part One
**The guidelines and economic
and social policies of the Tenth Plan**

The choices, programs and projects of the Xth Plan are drawn from the Future program of the President of the Republic. This plan represents a stage-strategy which fits within a prospective and long-term development vision.

The Tenth Development Plan represents a decisive stage of the development process in Tunisia which has a legitimate ambition to join the group of developed countries in the beginning of the 21st century, in the light of the assets achieved in different fields thanks to an unprecedented effort of reform.

The general framework of the Tenth Plan

The Tenth Plan is matched with the establishment of a comprehensively-developed society. It encompasses a consensus-based project that reflects the ambitions and expectations of Tunisian citizens for progress and prosperity and that illustrates the pillars of the Tunisian approach, namely the search of a better balance between the requirements of a sustainable economic development and those of social promotion, as well as the reinforcement of the values of openness, tolerance and solidarity among all the social categories.

The Tenth Plan period follows fifteen years of continuous reforms having covered all the political, economic and social fields and led to the achievement of appreciable growth levels, the diversification of the national production basis, the enhancement of Tunisia's credibility among international financial institutions and the consolidation of social assets as reflected through the satisfactory evolution of the different human development indicators.

The objectives fixed by the Tenth Plan take account of developments in the international situation characterized by the quickness and the unpredictability of changes and by an important slowdown of global demand, in relation with the increasing openness of the national economy to the outside world.

They also take account of the development priorities and the challenges to be met during the next stage, given the commitments undertaken by Tunisia within the Partnership and Free-trade agreement with the European Union which enters its final phase, within the World Trade Organization and the agreements signed with Arab countries.

The tenth Plan represents an important stage within the long-term development strategy where the set up of a knowledge-based society has a central position.

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The main guidelines retained for the Tenth Plan period are based on the following nine axes :

- Meet the employment challenge
- Set up a knowledge-based economy
- Enhance economic competitiveness
- Improve the private sector's performance
- Meet sectoral challenges
- Maintain overall balances
- Ensure social development
- Ensure sustainable development
- Offer larger perspectives for the regions

To this effect, in order to meet the challenges of the next stage and to make the most out of the opportunities offered by the New economy, reforms will be deepened in all fields to reinforce economic competitiveness, set up the bases of a knowledge-based economy, establish a modern infrastructure, intensify efforts to promote human resources and meet the employment challenge.

The latter represents the number one priority and the strategic choice for the next period. Thus, all the programs and projects included in the Plan have a common objective : meeting the highest possible proportion of additional job demands.

All the programs and projects included in the Tenth Plan have a common objective : meeting the highest possible proportion of additional job demands.

Finally, the Tenth Plan will reflect Tunisia's strong commitments to forge ahead with social development, reinforce solidarity and mutual aid among all social categories, guarantee social welfare through a fair sharing of growth outcomes and combating all forms of social exclusion and marginalization.

Achievements of the Ninth Plan :

The assets and the lessons

During the Ninth Plan period (1997-2001), Tunisia managed to achieve significant results in different fields, which allowed for reinforcing the private sector's competitiveness, enhancing the integration of the national economy into the international arena and the consolidation of its social assets thanks to the continuity of reforms.

The main results achieved during this period include :

- Achievement of an average annual growth rate of 5,3% at constant prices as compared to 4,6% during the Eighth Plan, thanks to the sustained growth in manufacturing industries and services, the contribution of which rose to 20,3% and 52,2% of GDP respectively.
- Improvement of the total factor productivity which contributed 36% to the achieved growth rate, as compared to 33% only during the Eighth Plan. This is due to the impact of the initiated reforms, notably the contribution of new qualitative factors such as the integration of modern technologies, the efficient use of organizational and methodological instruments and the progress in upgrading the economy.
- Increase of exports of goods and services at an average annual rate of 7,4% at constant prices, thanks to the dynamics of traditional activities such as textiles and tourism, and mainly to the contribution of new promising activities such as electric and electronic industries and automotive components. This allowed for reinforcing Tunisia's competitive position in the various foreign markets and increasing the contribution of exports to GDP to 48,5% in 2001, as compared to 42,5% in 1996.
- Satisfactory evolution of investments, the contribution of which reached 26,1% of GDP in 2001 as compared to 23,2% in 1996, thanks to the measures introduced to improve the business climate and foster private investment.

This led to an annual increase of private investment at 13%, its contribution to total investments also rose to 53,9%.

- Mobilization of an important volume of foreign investments to reach 3637 million Dinars, as compared to 2480 MD during the Eighth Plan, hence contributing to the creation of

- GDP = +5.3% (average per year)
- Exports = 7.4% (average per year)
- Investment ratio = 26.1% in 2001
- Inflation = 1.9% in 2001
- Budget deficit = 2% (average per year)
- Current deficit = 3.5% (average per year)

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910 new companies and bringing the total number of companies with a foreign participation to almost 2300 companies employing more than 212 000 individuals.

- Preservation of internal and external financial balances which is reflected through the limitation of budget deficit within 2,9% of GDP (annual average) and current deficit within 3,5% (annual average), in spite of pressures on external payments, and the control of debt indicators within acceptable levels.

Indeed, the indebtedness ratio did not exceed 52,3% of National Available Income in 2001 and the debt service was brought from 16,4% of current receipts in 1997 to 13,7% in 2001, in spite of the appreciation of the US Dollar. The inflation rate was maintained within 1,9% as compared to 3,6% in 1996 and the current deficit was limited to an average of 2,9% during the Ninth Plan.

These economic results were accompanied by significant social achievements which have mainly covered :

- Intensifying efforts in the field of employment by creating 332 thousand new job opportunities, as compared to 280 thousand during the Eighth Plan period, and meeting 92% of additional job demands, thanks to the voluntarist policy implemented in this field, as well as the contribution of the new mechanisms introduced, such as the National Solidarity Bank and the National Employment Fund.
 - Increasing social transfers to reach 5581 MD in 2001 as compared to 3777 MD in 1996, offering each family an extra monthly revenue of 233 Dinars.
 - Improving the various welfare indicators such as the per capita income which rose to 2840 Dinars, the increase of life expectancy to 72,9 years, the improvement of enrollment ratios in the different education levels, the decrease of the poverty rate to 4,2% in 2000 and the proportion of rudimentary houses to 1,2% only in 2001, the improvement of electricity and drinking water supply rates in rural areas to 91,7% and 81% respectively.
- 332 thousand new job opportunities
 - Additional monthly revenue of 233 dinars for each family
 - Per capita income : 2840 dinars
 - Life expectancy 72.9 years
 - Poverty rate 4.2% in 2000
 - Electrification rate in rural areas 91.7%
 - Drinking water supply in rural areas 81%

These results provide evidence for the ability of the Tunisian economy to reach higher growth levels and to cope with the global context characterized by uncertainty and unpredictability. These results also emphasize some lessons among which :

- The need to preserve internal and external balances, given the impact of the rapid increase of local demand on current deficit and the challenges of the coming period in relation with an unstable international environment having brought about structural effects such as the US Dollar exchange rate and the oil prices.
- The need to further diversify the national economic basis so as to reduce the impact of climatic conditions on growth, through the reinforcement of the manufacturing industries contribution and the promotion of investments in new, high value-added industries.

The main guidelines of the Tenth Plan

The Tenth Plan represents a significant stage of the development process of Tunisia, the aim of which is to achieve the highest possible growth, making it possible to meet the employment target, to improve income, to establish a knowledge-based society, to preserve financial balances and to ensure sustainable development.

Guidelines and priorities have been determined with reference to the choices included in the Future program of the President of the Republic, to the features of the development policy, to the achieved assets and the requirements of the next stage which include ensuring more efficiency of economic activities by fostering private productive investment and encouraging the establishment of companies, notably in the new activities.

The achievement of these objectives requires :

- To bring the share of productive private investment to higher levels and adapt sectoral policies with challenges of the coming period, so as to make the most out of the opportunities offered by globalization and the New economy.
- To multiply efforts in the field of export, given its impact on growth, balance of payments and savings.

The development scheme of the Tenth Plan

The development scheme of the Tenth Plan has been defined on the basis of an approach that takes account of the need to consolidate the achieved assets during the last fifteen years, to reach a new growth level making it possible to meet the employment challenge, to enhance Tunisia's credibility within

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international financial institutions and to satisfy the expectations of Tunisian citizens in terms of progress and prosperity.

The key objectives of this scheme cover the following :

First : The achievement of an average growth of 5,5% at current prices, which would allow for an increase of per capita income at an average of 4,5% per annum.

This growth level would result from an increase of value-added in agriculture by 3,5%, in manufacturing industries by 4,9% and in services by 7,5%.

Second : The creation of 380 thousand new job opportunities to meet 95% of the additional demand in this field. This target would be achieved by ensuring a rapid and sustainable growth, enhancing private investment notably in labor-intensive activities and the expected impact of the new policies and measures to be introduced in this field. These job opportunities would arise basically in manufacturing industries (240 thousand) which offer real opportunities that should be seized advisedly during the Tenth Plan.

Third : Ensuring a greater efficiency of investments through the promotion of private investments in high value-added activities and the opening of certain activities such as transportation, telecommunications and Higher education to the private initiative, which will allow for raising the share of the private sector in total investments to 58,5%.

Fourth : Export promotion which represents a key factor for achieving the fixed objectives in terms of growth and investment during the coming period that will be marked by a crucial phase of the trade liberalization program. The target set in this field consists in achieving a growth rate of exports of goods and services at 6% per annum at constant prices, along with an evolution of imports of goods and services at an average of 5,5% per annum at constant prices.

Fifth : The development of national savings as an instrument of consolidation of the economy and a means to preserve overall financial balances.

The savings rate should reach 25,2% of Gross National Available Product by 2006, as compared to 23,3% in 2001, which would consolidate local financing of investment as it is expected to rise by more than 6 points by the end of the Plan period.

GDP : + 5.5% (average per year)
Exports : + 6% (average per year)
Investment : +7.5% (average per year)
380 new job opportunities

Sixth : The preservation of financial balances through the mobilization of resources needed to meet the financing requirements and the improvement of debt indicators.

The financing requirements of the coming period would rise to 17 510 MD, as compared to 13 217 MD during the Ninth Plan.

These requirements will be met through international financial markets, mobilization of resources available within international cooperation and the promotion of FDI.

This financing scheme would allow for improving foreign debt indicators. The indebtedness ratio is expected to decrease to 42,3% of GDP by 2006, as compared to 52,3% in 2001, and the debt service ratio would be around 13,8% of current receipts by 2006 versus 13,6% in 2001.

The regional development strategy and axes

Regional development represents both a priority and a strategic choice for the coming period. Achievements accomplished in this field allowed for moving ahead with establishing decentralization and deconcentration, narrowing gaps between regions, setting up modern infrastructures, diversifying regional economies and improving the living conditions for the inhabitants.

The structure of the regional development strategy for the Tenth Plan is based upon the Future program of the President of the Republic and emphasizes the basic choice of opening larger perspectives for the regions. Moreover, the implementation of big national projects, mainly those relating to employment and integration into the world economy, requires a more active contribution of the different regions.

This strategy will be based upon the following axes :

- improving the regions competitiveness through a basic infrastructure that meets the globalization requirements. An emphasis will be put on the upgrading of coastal regions (governorates) and the development of the countryside (western) regions so as to boost their gradual integration into the globalization process. To this effect, efforts will be multiplied to develop the transport sector, modernize and reinforce the road network, expand the telecommunication network, develop multi-purpose working areas in conformity with international standards in the field of investment and provide the skillful human resources required.

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- reinforcing complementarity among regions deemed to be a tool for the efficient use of the territory ensuring a fair and integrated development of all the country regions. To this end, efforts will be geared toward the set up of programs and projects that would reinforce complementarity and interaction among coastal and countryside regions. Regional development incentives and encouragements will also continue to be provided in the eligible areas.
- providing support for priority regions, which represents a component of fair, comprehensive and complementary development at the regional level, to enhance social stability and control inward emigration. Thus, the coming period will be marked by the implementation of a single integrated development program that encompasses the various development programs and devotes a special interest to priority regions in order to boost their development and create job opportunities and income sources. The Tenth Plan period will also be marked by the implementation of specific employment programs in the localities with a high unemployment rate.
- reinforcing the private sector's role in the regional development process along with the aim of enhancing its contribution as a mainspring of the development effort, while taking account of the potentialities and incentives provided to the regions.
- developing decentralized international cooperation, in order to implement the main lines of the prospective program which aims at taking advantage of the opportunities offered by globalization in this field. Thus, efforts will be multiplied to establish partnerships between Tunisian regions and institutions and their counterparts in foreign countries, which would allow for linking the regions to the international market of high value-added services.

The sectoral and social policies

The guidelines and sectoral policies defined for the Tenth Plan emphasize the deepening of reforms in the various sectors of activity, so as to meet the employment challenge which represents the utmost priority in the coming period, to enhance the national economy's competitiveness, to make good use of the opportunities offered in the global economy, mainly in high value-added activities and to promote human resources.

These guidelines will be based upon the following main lines :

- Meeting 95% of the additional demand for jobs by promoting a labor-intensive growth, improving the employability, encouraging self-employment, reinforcing the regions contribution to the investment effort and the creation of enterprises and improving the labor market follow-up mechanisms.
- Achieving national food security through the improvement of the agricultural sector competitiveness, the mobilization and exploitation of available natural resources, the improvement of smallholders revenue and the upgrading of human resources.

These objectives would be met through an average increase of production of 3,5% per annum, the development of 30 thousand hectares of irrigated zones, the improvement of yield in the different farms and the investment of 4850 MD, 54,7% of which are to be provided by the private sector.

- Developing the manufacturing industries sector with regard to its contribution to exports, investment and employment. In addition to the enhancement of the upgrading program, efforts will be geared towards the improvement of the integration rate, the development of a modern technological basis, the promotion of private initiative and investment and the definition of priorities and promising activities.

To this effect, it is expected to reach an average growth of 4,9% per annum, which would stabilize the contribution of manufacturing industries within 20,2% of GDP, an average export growth of 10% per annum in this sector and the implementation of a volume of investments equivalent to 6895 Dinars, accounting for 14,6% of total investments.

- Enhancing the Tunisian economy's competitiveness by improving the position of Tunisian products in foreign markets and the increase of the private sector's share in investment. During the Tenth Plan period, the shares of Tunisian exports in foreign markets are expected to rise at more than 1% per year, as compared to 0,5% per year during the Ninth Plan period. Similarly, the local market shares are expected to increase at an average rate of 0,4% annually, despite the gradual tariff-dismantling. The achievement of this objective requires sustained efforts to promote human resources, support scientific research and technology, modernize basic infrastructures, improve the business

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climate, carry on with the upgrading program and reinforce the creation of new enterprises.

- Developing the IT sector to increase its contribution to GDP from 3,3% to 7% through an expected average annual growth of 21,6% and the creation of 30 thousand new job opportunities.
- Boosting investments in the field of basic infrastructure (4845,5 MD as compared to 2491,5 MD during the Ninth Plan) and housing by constructing 272 thousand new houses through the investment of 7550 MD. Such an effort would allow for eliminating all the rudimentary houses by 2004.
- Establishing more balance between the requirements of a sustainable economic development and the need to protect natural resources. The achievement of this objective requires the implementation of policies and programs supposed to allow the preservation of natural resources, to fight against desertification and all sorts of pollution and to facilitate the improvement of living standards for Tunisians.
- Enhancing social development endeavors so as to consolidate the bases of the middle-class, to improve the different human development indicators, to reduce the poverty rate and to foster associative activities.

Part Two

The Main Indicators of the Tenth Plan

OVERALL INDICATORS

Main characteristics of the development scheme

Main indicators	Ninth Plan	Tenth Plan
Total factor productivity (%)	36	44
Marginal capital-output ratio	4,55	4,34
Consumer price growth rate (%)	3,2	3,0

Overall results (average annual growth rate at constant prices of 1990 in %)

GDP	5,3	5,5
Per capita income	3,9	4,5
Consumption	5,2	5,1
Investment	12,1	7,7
Investment ratio	25,5	25,7
Savings	10,2	9,7
Savings rate	23,5	24,1
Imports	7,3	5,5
Exports	7,4	6,0
Job creations (in thousands)	322	380
Coverage rate of job demands	92,0	95,0

Main end-of-the-period figures (%)

Investment ratio	26,1	25,4
Savings rate	23,3	25,2
Current deficit / GDP	4,2	2,4
Budget deficit / GDP	3,3	2,0
Indebtedness rate	52,3	42,3
Debt service ratio	13,6	13,8

OVERALL INDICATORS

Evolution of the main

Economic indicators

(Current prices)

In Million Dinars

	2001	2002	2003	2004	2005	2006	Average growth (%) 2002-2006
GDP (market prices)	28 757,2	30 482,0	33 582,8	36 588,4	39 704,7	43 185,2	8,2
GNP	27 446,5	29 199,0	32 248,8	35 182,4	38 196,7	41 499,2	8,5
Gross National Available Income (GNAI)	28 694,2	30 558,9	33 704,6	36 787,3	39 925,0	43 349,5	8,5
Domestic Savings	6 691,0	6 838,1	7 958,6	8 915,9	9 869,7	10 921,2	9,7
Investment	7 510,0	8 014,0	8 684,0	9 394,0	10 144,0	10 964,0	7,7
Foreign Debt	15 010,0	16 070,0	17 050,0	17 190,0	17 735,0	18 320,0	4,4
Indebtedness ratio	52,3	52,6	50,6	46,7	44,4	42,3	-
Debt service	2 086,6	2 381,0	2 500,0	2 840,0	2 850,0	3 240,0	9,5
Debt service ratio	13,6	15,3	14,2	14,5	13,3	13,8	-
Population (in thousands)	9 674,0	9 758,0	9 853,0	9 947,0	10 038,0	10 127,0	0,9
Per capita income (in Dinars)	2 966,1	3 131,7	3 420,7	3 698,3	3 977,4	4 280,6	7,5

OVERALL INDICATORS

Statement of sources and allocations

(Current Prices)

In Million Dinars

	2001	2002	2003	2004	2005	2006	Average growth (%) 2002-2006
GDP (market prices)	28 757,2	30 482,0	35 582,8	36 588,4	39 704,7	43 185,2	8,2
Imports of goods and services	14 843,0	15 260,3	16 884,8	18 565,3	20 309,3	22 167,7	7,7
Total resources and allocations	43 600,2	45 742,3	50 467,6	55 153,7	60 014,0	65 352,9	8,1
Consumption	22 003,3	23 720,8	25 746,0	27 871,4	30 055,3	32 428,3	8,1
Investment	7 510,0	8 014,0	8 684,0	9 394,0	10 144,0	10 964,0	7,7
Stock variation	400,8	229,1	394,6	473,9	717,7	996,2	-
Exports of goods and services	13 686,2	13 778,4	15 643,0	17 414,4	19 097,0	20 964,4	8,1

(Constant Prices)

En Million de Dinars

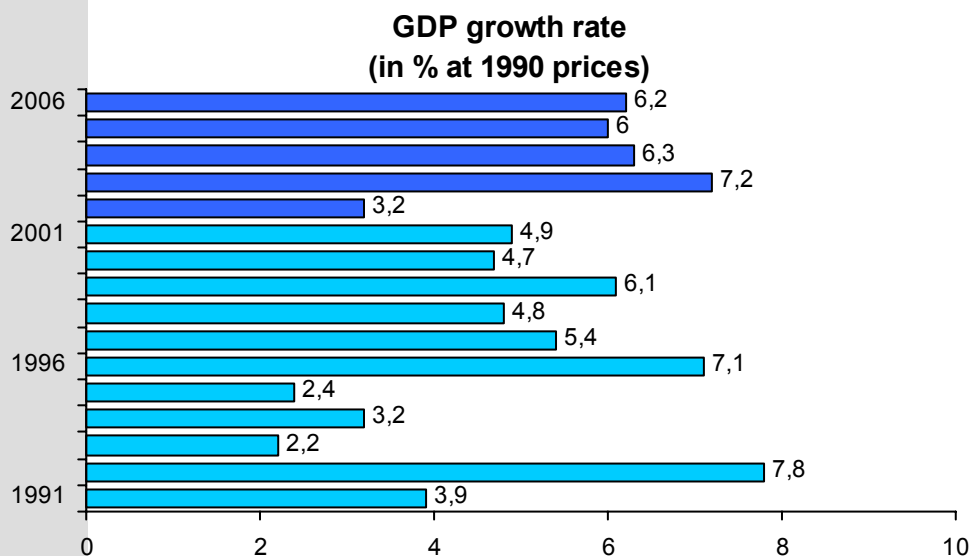
	2001	2002	2003	2004	2005	2006	Average growth (%) 2002-2006
GDP (market prices)	18 027,5	18 601,7	19 942,8	21 202,0	22 466,6	23 869,6	5,5
Imports of goods and services	9 051,2	9 204,4	9 926,1	10 647,9	11 364,0	12 101,3	5,5
Total resources and allocations	27 078,7	27 806,1	29 869,0	31 849,9	33 830,6	35 971,0	5,5
Consumption	13 820,1	14 420,0	15 195,6	16 022,0	16 871,1	17 792,4	5,1
Investment	4 406,7	4 565,5	4 803,1	5 069,0	5 340,2	5 631,1	4,8
Stock variation	116,1	87,0	196,7	252,5	378,9	508,8	-
Exports of goods and services	8 735,8	8 733,5	9 673,6	10 506,3	11 240,5	12 038,7	6,0

OVERALL INDICATORS

GDP growth

Growth rate by sector (Constant prices)	9 th Plan (annual in %)	10 th Plan (annual in %)
Agriculture and fishery	2,6	3,5
Manufacturing industries	6,1	4,9
Non-manufacturing industries	4,6	4,2
Services	6,9	7,5
GDP	5,3	5,5

GDP by sector (Constant prices)	2001	2002	2003	2004	2005	2006	Average growth (%) 2002-2006
Agriculture and fishery	2 248,8	2 068,9	2 420,6	2 565,8	2 655,6	2 775,1	3,5
Manufacturing industries	3 332,1	3 427,9	3 638,4	3 841,4	4 051,0	4 282,9	4,9
Non-manufacturing industries	2 051,4	2 172,6	2 240,2	2 344,6	2 411,1	2 469,5	4,2
Services	6 752,6	7 139,1	7 714,2	8 364,8	9 085,1	9 897,5	7,5
Intermediate consumption	788,1	811,4	877,4	937,8	997,3	1 064,3	6,0
Total of market activities	13 596,7	13 997,1	15 136,0	16 178,8	17 205,5	18 360,7	5,8
Non-market activities	2 327,5	2 427,6	2 531,9	2 645,9	2 765,0	2 888,0	4,4
GDP in factor costs	15 924,1	16 424,7	17 667,9	18 824,7	19 970,4	21 248,7	5,6
Indirect taxes net of subsidies	2 103,4	2 177,0	2 274,9	2 377,3	2 496,2	2 621,0	4,3
GDP in market prices	18 027,5	18 601,7	19 942,8	21 202,0	22 466,6	23 869,6	5,5



OVERALL INDICATORS

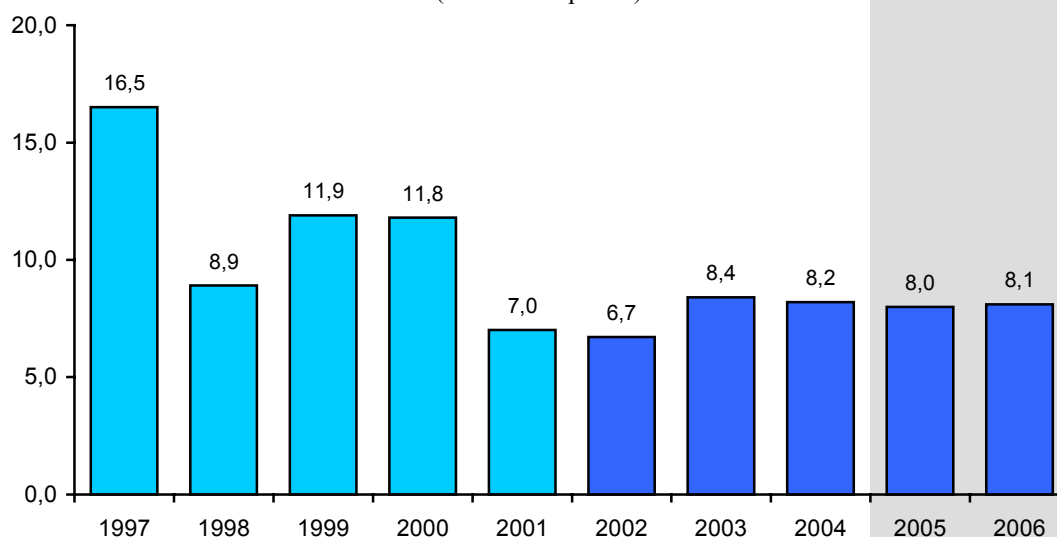
Investment

	9 th Plan	10 th Plan
Investment ratio (end of the period)	26,1	25,4
Private sector share (average)	53,9	57,1
Private sector share (end of the period)	55,5	58,5

Gross Fixed Capital Formation by sector (at current prices)

	9 th Plan		10 th Plan	
	(MD)	(%)	(MD)	(%)
Agriculture and fishery	4 241,1	13,4	4 850,0	10,3
Manufacturing industries	413 4,5	14,0	6 895,0	14,6
Food industry	1 087,4	3,4	1 250,0	2,6
Mechanical and electric industries	675,0	2,6	1 215,0	2,6
Textiles clothing and leather	1 089,5	3,4	1 660,0	3,5
Non-manufacturing industries	4 219,5	13,4	5 805,0	12,3
Hydrocarbons	1 465,7	4,6	1 592,0	3,4
Electricity	1 665,9	5,3	2 523,0	5,3
Services	15 467,1	49,0	24 680,0	52,3
Transportation	4 787,6	15,2	7 565,0	16,0
Telecommunications	1 436,6	4,6	2 840,0	6,0
Hotels, cafés and restaurants	1 668,9	5,3	1 800,0	3,8
Public facilities	3 229,8	10,2	4 970,0	10,5
Total GFCF	31 571,0	100,0	47 200,0	100,0

Growth of investment (in %)
(at constant prices)



OVERALL INDICATORS

Development Financing

Evolution of financing needs

	9 th Plan		10 th Plan	
	(MD)	Contribution to GDP	(MD)	Contribution to GDP
Investment	31 571	25,5	47 200	25,7
Stock Variation	1 673	1,3	2 811	1,5
Repayment of debt principal and other capital expenditures	7 867	6,4	10 063	5,5
Variation of foreign currency reserves	1 018	0,2	1 939	1,1
Total needs	42 129	34,1	62 013	33,8

Coverage of financing needs (in million dinars)

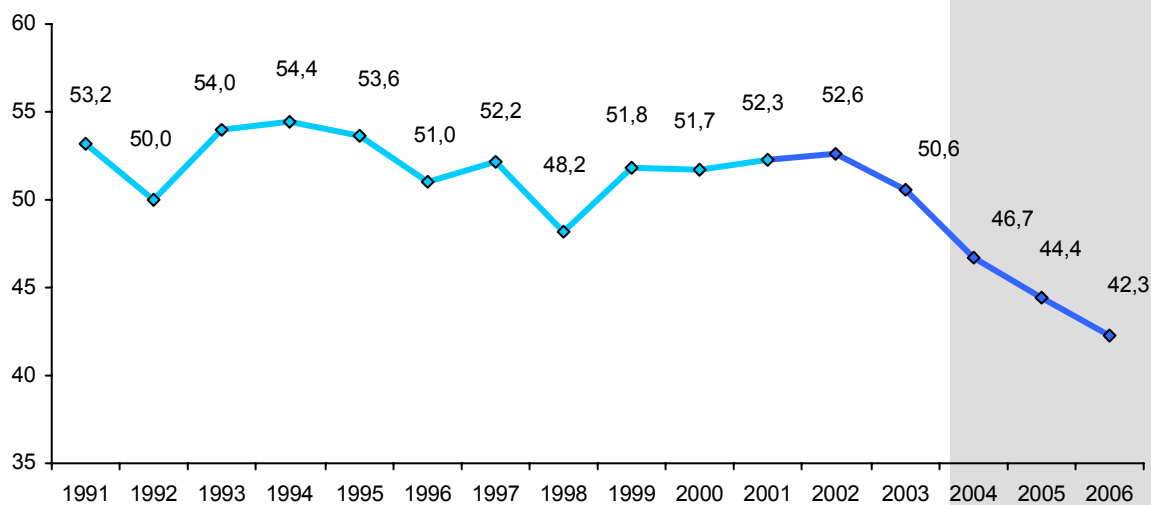
	9 th Plan	10 th Plan
Domestic savings	28 912	44 503
External financing	13 217	17 510
Grants	377	750
Foreign investment and equity	3 637	5 050
Public loans	4 175	5 200
Commercial and financial loans	5 029	6 510
Total resources	42 129	42 129

OVERALL INDICATORS

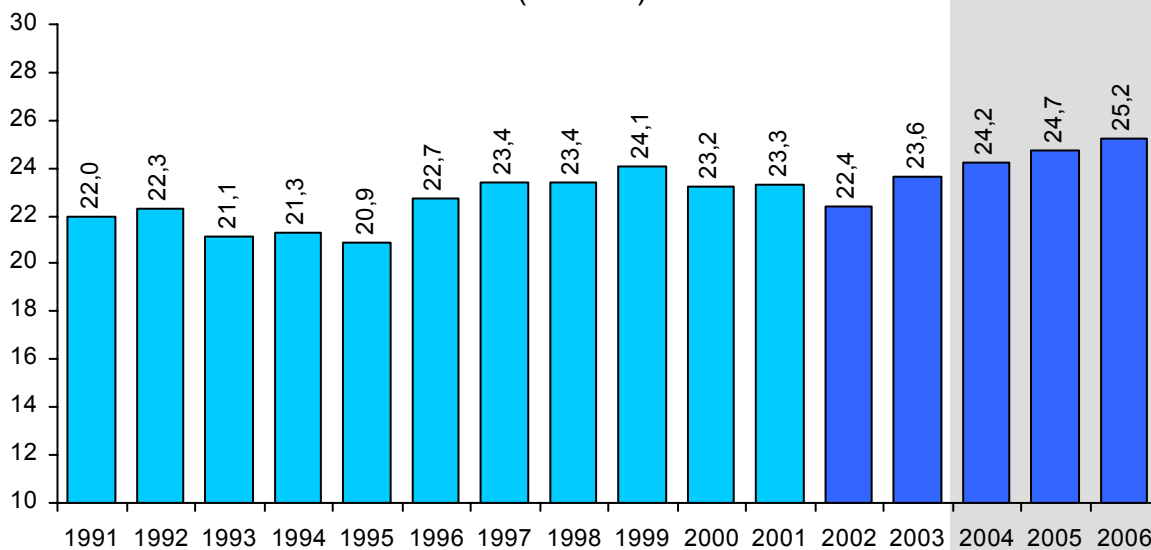
Domestic Savings

Savings rate (%GNAI)	9 th Plan	10 th Plan
Average of the period	23,5	24,1
End of the period	23,3	25,2

Indebtedness rate (%)



Savings rate (% GNAI)

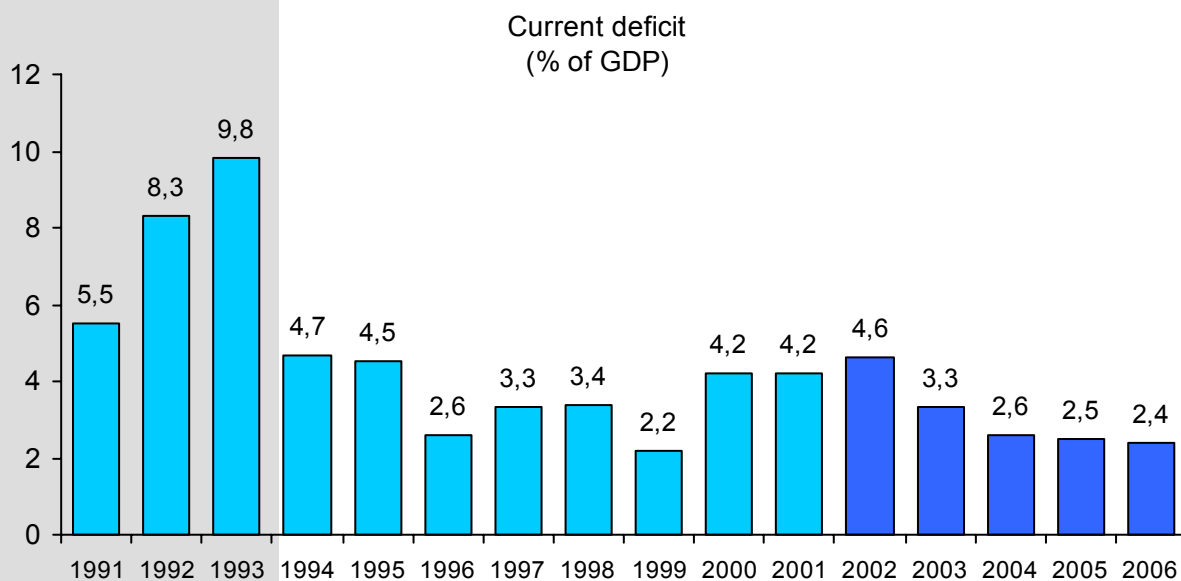


OVERALL INDICATORS

Overseas operations

In Million Dinars

	2001	2002	2003	2004	2005	2006
Current Receipts	16 604,7	17 014,0	18 753,0	20 551,0	22 460,0	24 561,0
Current Expenditures	15 384,9	15 609,0	17 633,0	19 599,0	21 468,0	23 522,0
Current balance	-1 219,8	-1 405,0	-1 120,0	-952,0	-992,0	-1 039,0
Capital transfers	79,9	150,0	150,0	150,0	150,0	150,0
Financing capacity or needs	-1 139,9	-1 255,0	-970,0	-802,0	-842,0	-889,0
Financial Resources	1 797,8	1 761,0	1 888,0	2 113,0	2 034,0	2 267,0
Debt amortization	1 379,6	1 651,0	1 700,0	1 960,0	1 880,0	2 160,0
Equity investment	81,6	120,0	120,0	120,0	122,0	125,0
Short-term credits	336,6	-10,0	68,0	33,0	32,0	-18,0
Financial allocations	3 311,5	3 486,0	3 237,0	3 305,0	3 206,0	3 526,0
Equity and FDI	718,3	1 000,0	800,0	1 315,0	960,0	975,0
Public loans	1 278,0	1 100,0	1 100,0	1 000,0	1 000,0	1 000,0
Private loans	1 315,2	1 386,0	1 337,0	990,0	1 246,0	1 551,0
Financial operations balance	1 513,7	1 725,0	1 349,0	1 192,0	1 172,0	1 259,0
Overall balance	373,8	470,0	379,0	390,0	330,0	370,0



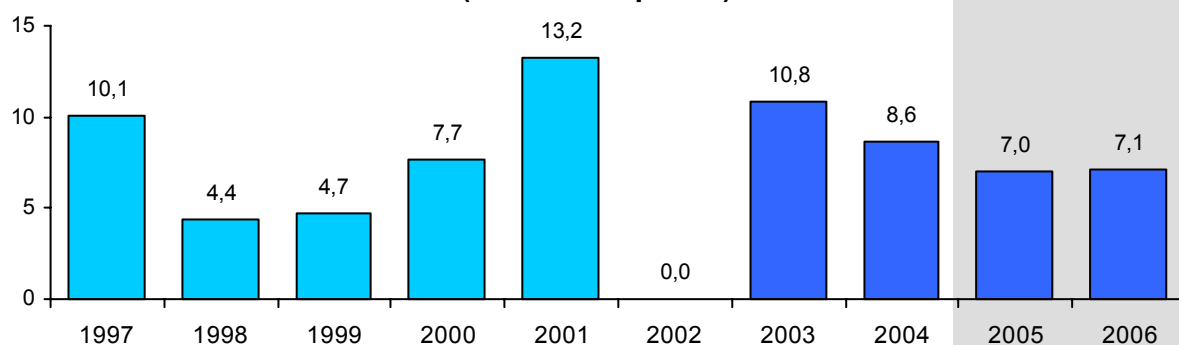
OVERALL INDICATORS

Foreign Trade

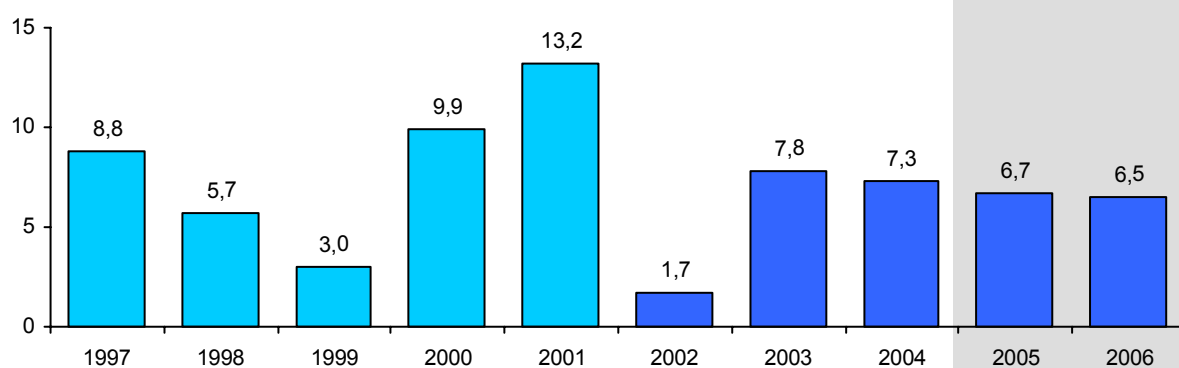
Annual growth rate (Constant prices)	9th Plan	10th Plan
Exports of goods and services	7,4	6,0
Imports of goods and services	7,3	5,5

Foreign trade (Constant prices)	2001	2002	2003	2004	2005	2006
Exports of goods and services	8 735,8	8 733,5	9 673,6	10 506,3	11 240,5	12 038,7
Imports of goods and services	9 051,2	9 204,4	9 926,1	10 647,9	11 364,0	12 101,3

Export growth (%) (at constant prices)



Import growth (%) (at constant prices)



OVERALL INDICATORS

Imports and exports at current prices

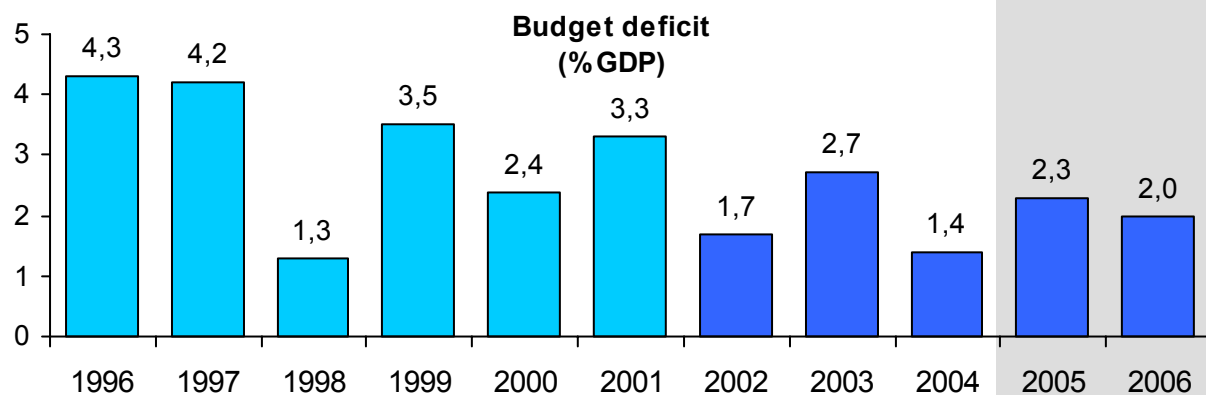
In Million Dinars

	2001	2002	2003	2004	2005	2006	Average growth (%) 2002-2006
IMPORTS							
Goods	13 820,1	14 170,0	15 700,0	17 256,0	18 859,0	20 577,0	7,6
Services	1 022,9	1 090,3	1 184,8	1 309,3	1 450,3	1 590,7	8,8
Goods and Services	14 843,0	15 260,3	16 884,8	18 565,3	20 309,3	22 167,7	7,7
EXPORTS							
Goods	9 651,7	9 947,0	11 092,0	12 247,0	13 404,0	14 727,0	8,1
Services	4 034,5	3 831,4	4 551,0	5 167,4	5 693,0	6 237,4	7,9
Goods and Services	13 686,2	13 778,4	15 643,0	17 414,4	19 097,0	20 964,4	8,1

OVERALL INDICATORS

Public Finance

	9th Plan		10th Plan	
	MD	Average increase(%)	MD	Increase (%)
Tax revenue	26 119,9	11,0	38 000,0	6,7
Share in GDP (%)	21,1		20,7	
Non-fiscal earnings	5 288,5	1,3	5 705,0	9,3
Loan resources	14 725,9	2,3	17 635,0	-2,0
Total Resources	46 134,3	6,8	61 340,0	4,1
Debt service	16 549,5	7,7	19 166,0	3,1
Working expenditures	20 702,0	8,2	28 717,0	6,7
Investment expenses	10 112,3	7,9	13 457,0	3,3
Treasury Adjustment	55,6			
Total Expenditures	47 419,4	8,0	61 340,0	4,7
Net Deficit	3 632,3		3 695,0	
% of GDP	2,9		2,0	



Financial system resources and other counterparts (End of the period)

	9th Plan		10th Plan	
	MD	Average increase (%)	MD	Average increase (%)
Money supply M4	18 058	8,2	26 141	7,4
Money supply M3	17 412	12,4	25 800	8,1
Money supply M2	16 051	13,1	23 480	7,8
Other resources	7 042	6,7	10 686	8,5
T. Resources = T. Allocations	25 100	7,7	36 827	7,6
Net claims on abroad	1 597	10,5	3 536	19,4
Net claims on the State	3 471	3,5	3 974	0,8
Financing of the economy	20 032	8,5	29 317	7,7

SECTORAL INDICATORS

Agriculture and Fishery

Main products

Average annual production

Production in thousands of tons	7th Plan 1987-1991	8th Plan 1992-1996	9th Plan 1997-2001	10th Plan 2002-2006
Cereals	1 383	1 607	1 406	1 481
Oil olives	563	740	915	880
Citrus	228	209	212	245
Dates	71	77	102	115
Potatoes	183	217	284	320
Tomatoes	453	507	704	789
Red meats	162	182	214	250
Poultry	63	87	130	162
Eggs (million units)	999	1 065	1 425	1 529
Milk	385	528	808	1 057
Fish	95	85	93	114

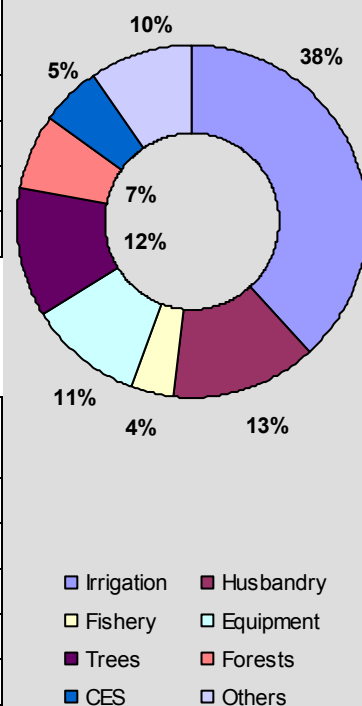
SECTORAL INDICATORS

Agriculture and Fishery Investment

Investments by activity

Amount in MD 1996 prices	8 th Plan 1992-1996	9 th Plan 1997-2001	10 th Plan 2002-2006
Irrigation	10 19,0	1 362,7	1 393,7
Animal husbandry	362,0	529,2	489,3
Fishery	143,2	141,4	136,4
Agricultural equipment	382,3	350,5	384,4
Fruit trees	224,7	340,4	438,8
Forests	191,5	238,2	255,2
Water and soil preservation	204,8	185,3	197,6
Other activities	467,2	551 ,6	346,3
Total	29 94,7	3 699,3	3 641,7

Breakdown of investment
by agricultural activity



Investments by agent

Amount in MD 1996 prices	8 th Plan 1992-1996	9 th Plan 1997-2001	10 th Plan 2002-2006
Administration	1 554,0	1 751,1	1 578,2
Public enterprises	99,3	76,3	73,7
Private enterprises	1 341,4	1 871,9	1 989,8
Total	2 994,7	3 699,3	3 641,7

Investments by financing origin

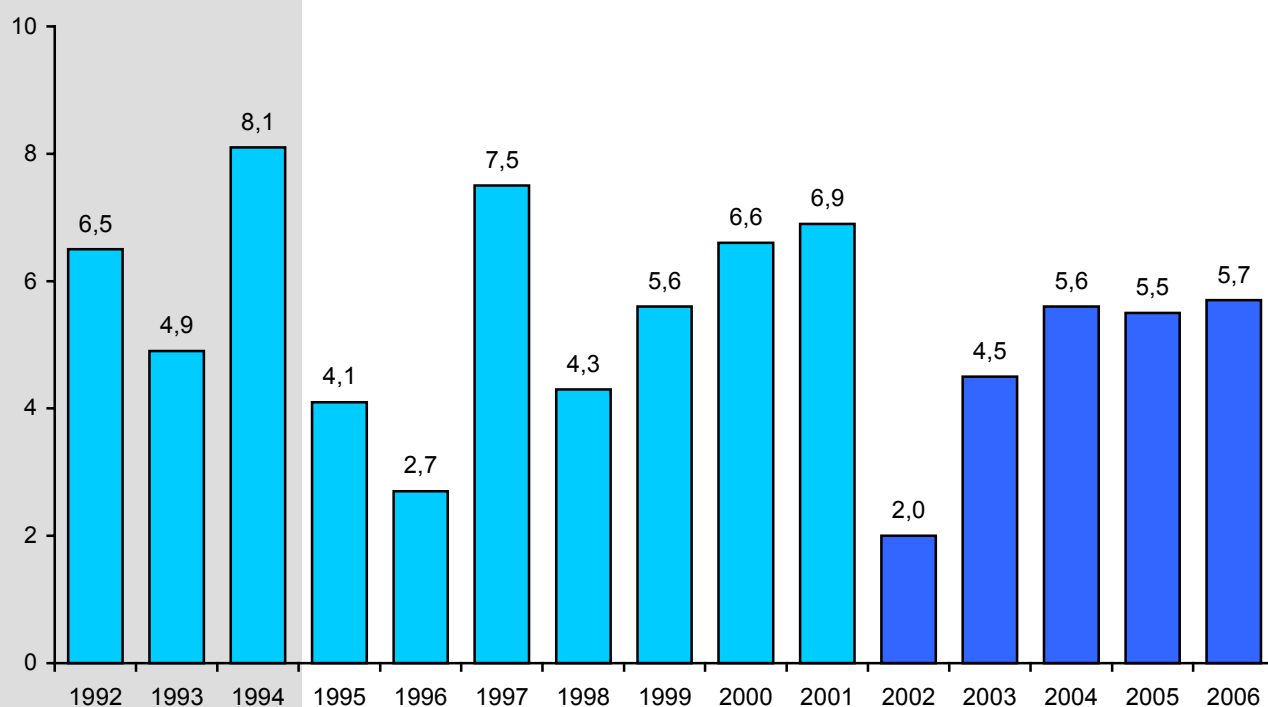
Amount in MD 1996 prices	8 th Plan 1992-1996	9 th Plan 1997-2001	10 th Plan 2002-2006
State budget	1 214,4	1 579,7	1 161,1
External financing	607,6	588,4	748,7
Bank credits	483,3	417,9	596,9
Self-financing	689,4	1 113,3	1 135,0
Total	2 994,4	3 699,3	3 641,7

SECTORAL INDICATORS

Manufacturing industries Value-added

	Average annual growth rate (%)		Contribution to growth (%)	
	9 th Plan	10 th Plan	9 th Plan	10 th Plan
Food industries	8,4	5,1	18,4	20,0
Construction materials, Ceramics and Glass	3,7	5,1	7,4	10,0
Mechanical and Electric Industries	7,8	5,8	19,8	18,4
Chemical Industries	5,0	3,0	7,5	6,0
Textiles and leather	5,4	4,5	34,4	31,3
Diverse Industries	5,4	5,3	12,5	14,3
Manufacturing Industries	6,1	4,9		
including : exporting industries	11,8	10,0		

Manufacturing industries value-added grow rate (in % at constant prices)

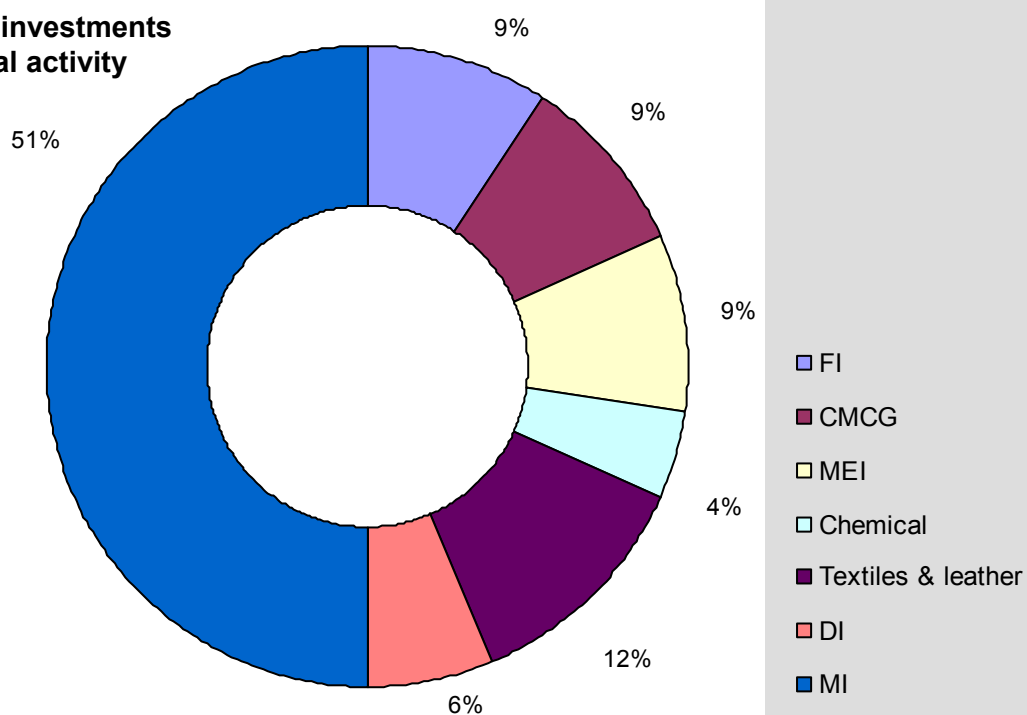


SECTORAL INDICATORS

Manufacturing industries Investment

Amount in MD 1996 prices	Investment Amount	
	9 th Plan	10 th Plan
Food industries	930,3	935,6
Construction materials, Ceramics and Glass	527,8	958,1
Mechanical and Electric Industries	590,5	909,4
Chemical Industries	362,9	464,1
Textiles and leather	946,0	1 242,5
Diverse Industries	465,4	651,2
Manufacturing Industries	3 822,7	5 160,9
Public sector	529,7	415,4
Private sector	3 293,0	4 745,5

**Breakdown of investments
by industrial activity**



SECTORAL INDICATORS

Mining and Energy

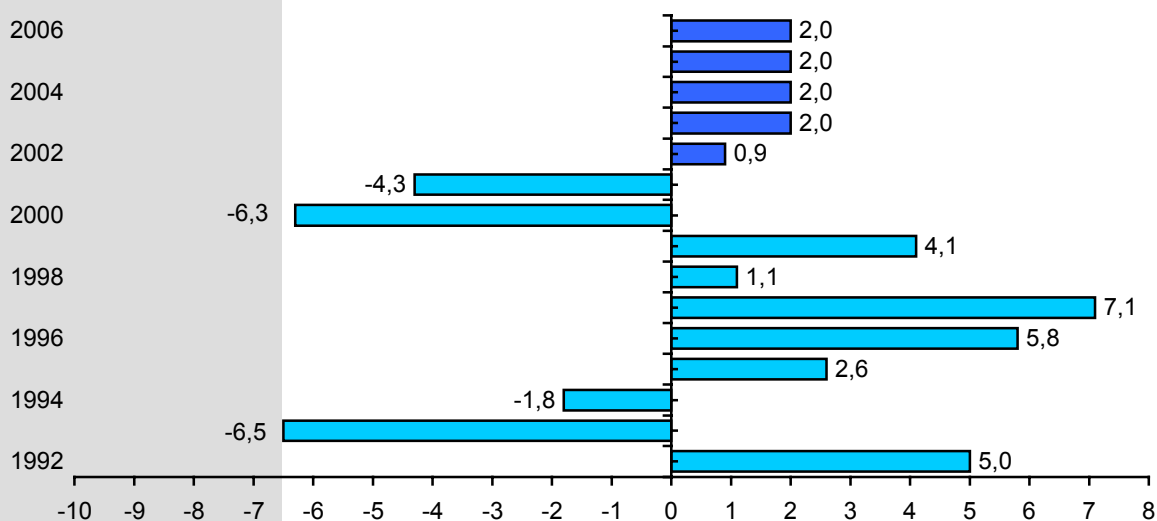
Primary energy

	8 th Plan	9 th Plan	10 th Plan
Hydrocarbons production TEP	24,6	32,6	36,2
Oil	23,1	19,0	18,2
Gas	1,5	8,6	11,8
Gas fees	3,6	5,0	6,2
Hydrocarbons consumption TEP	25,2	31,3	38,3
Oil products	16,7	18,5	21,0
Natural gas	8,1	12,3	16,8
Other products	0,4	0,5	0,5
Energy balance surplus	3,0	1,3	-2,1

Mines

Production (in mt)	8 th Plan	9 th Plan	10 th Plan
Lead	32	47	45
Zinc	220	300	307
Barium and fluorine	112	62	45
Iron ore	1 503	1 136	750
Salt	2 192	2 000	4 000

Mining and energy value-added growth rate (in % at constant prices)



SECTORAL INDICATORS

Transportation

Investment amount (in MD)

1996 prices	8 th Plan	9 th Plan	10 th Plan
Rail transport	290	298	518
Road transport	487	788	1 266
Maritime transport	157	483	843
Air transport	646	973	816
Transport by oil pipeline	27	49	37
Total	1 607	2 591	3 480

(I) not including infrastructure

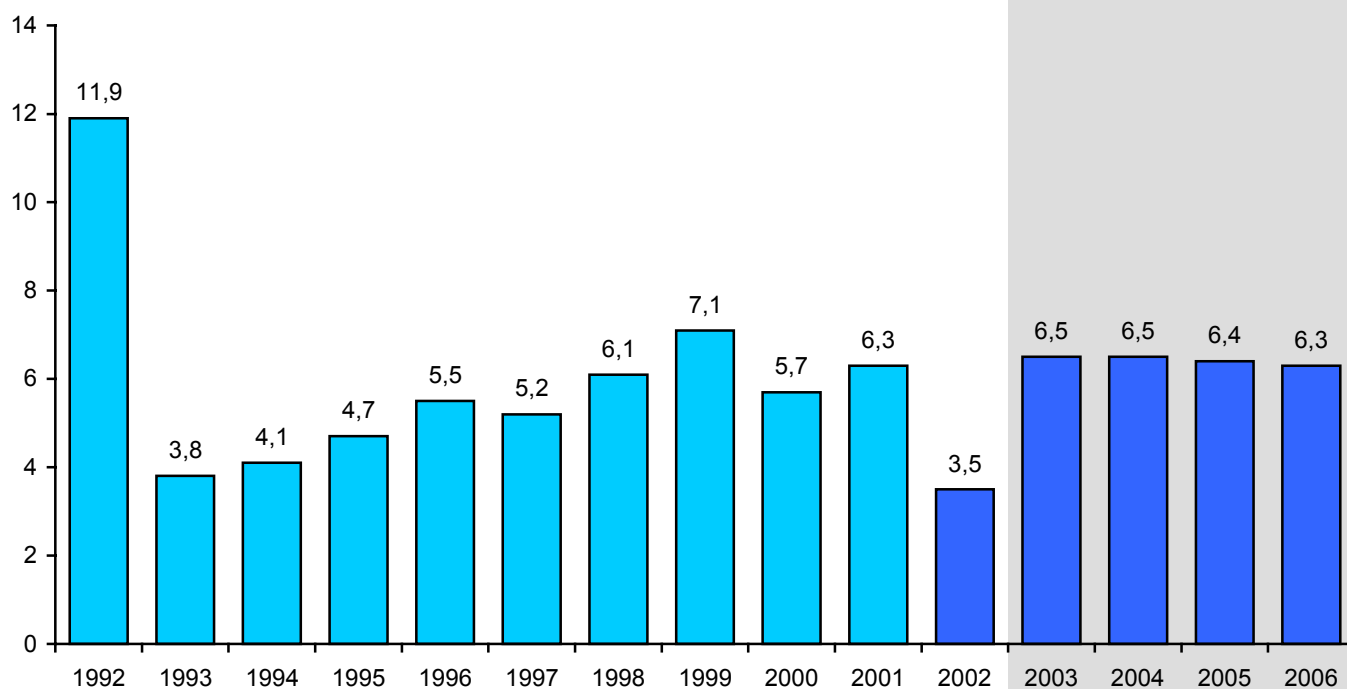
10th Plan investment

Public sector	1 450
Private sector	2 030

Financing

State budget	374
BOT	1 002

Transportation value-added growth rate (in % at constant prices)



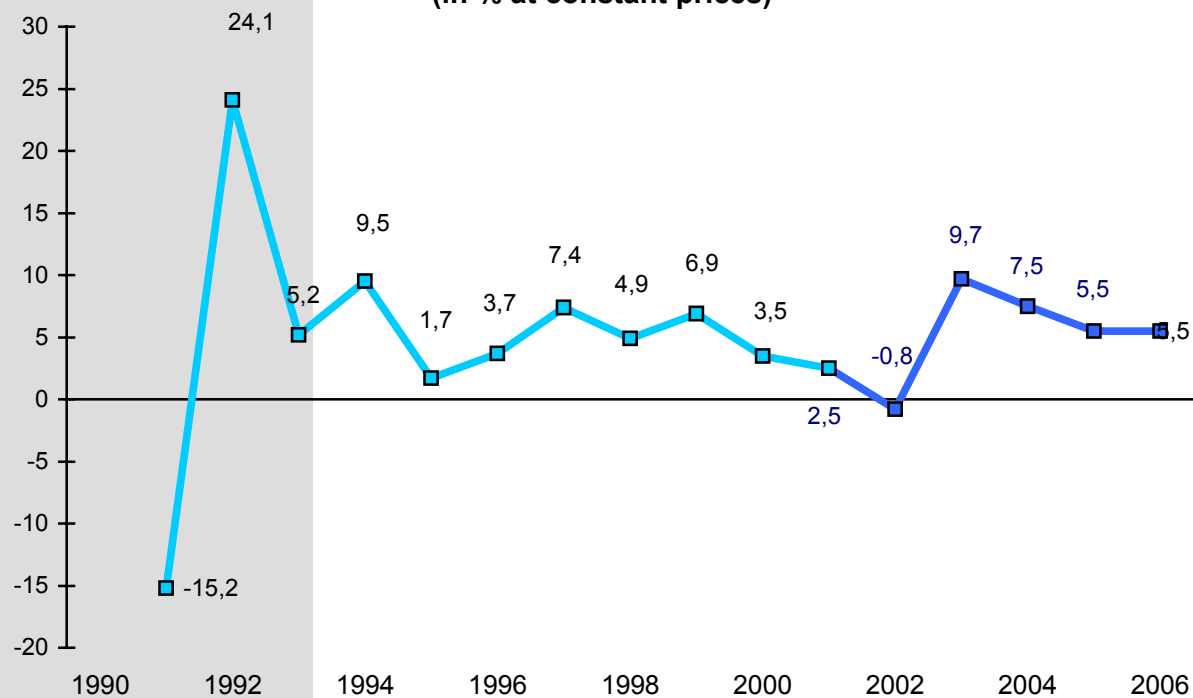
SECTORAL INDICATORS

Tourism

Main indicators

	1996	2001	2006
Bed-nights (million)	26,1	35,3	46,0
	1993-1996	1997-2001	2002-2006
Bed-nights growth rate	6,3%	8,4 %	4,0%
Occupancy ratio	48,1%	54,4 %	55,0 %
Tourist earnings (MD)	1 411	2 343	3 500
	8 th Plan	9 th Plan	10 th Plan
Investments (MD in 1996 prices)	535	1 450	1 346

**Tourism value-added growth rate
(in % at constant prices)**



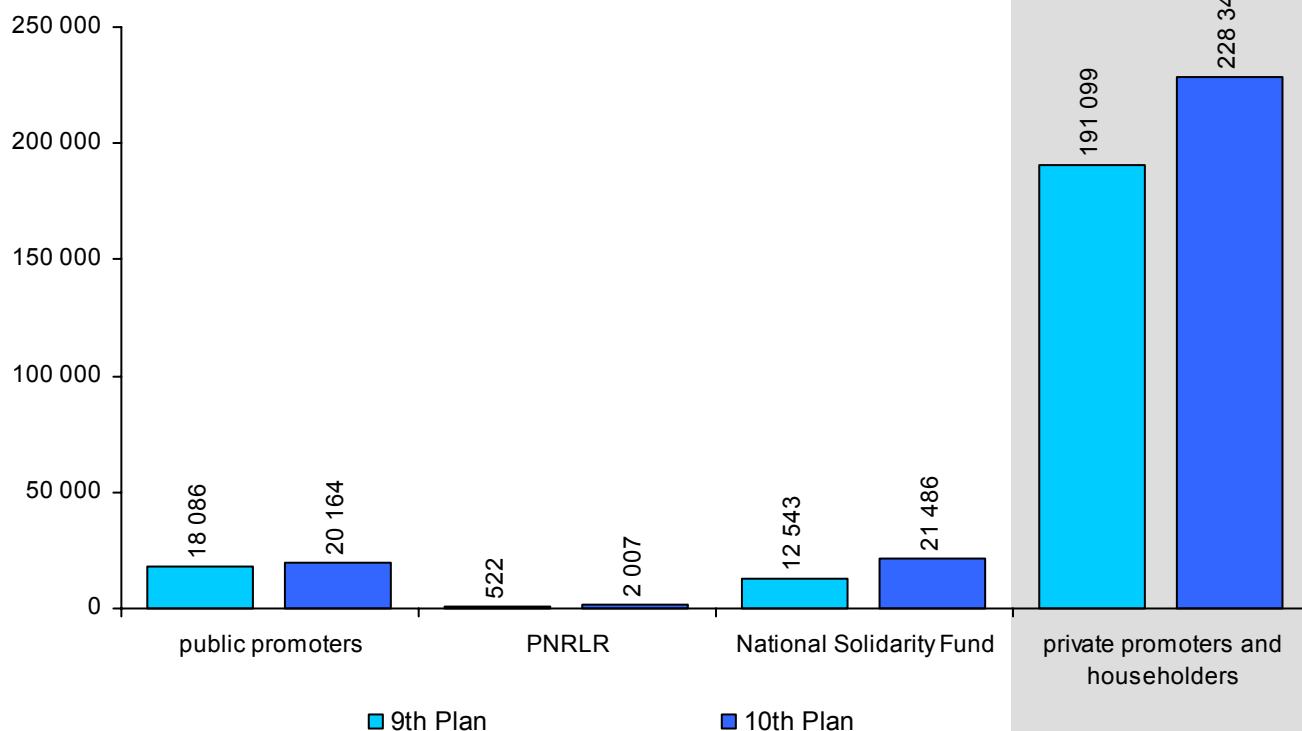
SECTORAL INDICATORS

Housing

	9th Plan achievements		10th Plan forecasts	
	Number of houses	Investment (in MD)	Number of houses	Investment (in MD)
SNIT	12 458	299.5	16 556	664.4
SPROLS	3 414	69.7	3 268	85.1
Other public promoters	2 214	69.8	340	12.6
PNRLR	522	1.7	2 007	7.0
National Solidarity Fund	12 543	44.5	21 486	120.1
Private promoters and households	191 099	4 214.7	228 343	6 616.2
Total ⁽¹⁾	222 250	4 699.9	272 000	7 505.4

(1) not including improvement and rehabilitation investments

Number of houses built by promoter (in thousands)



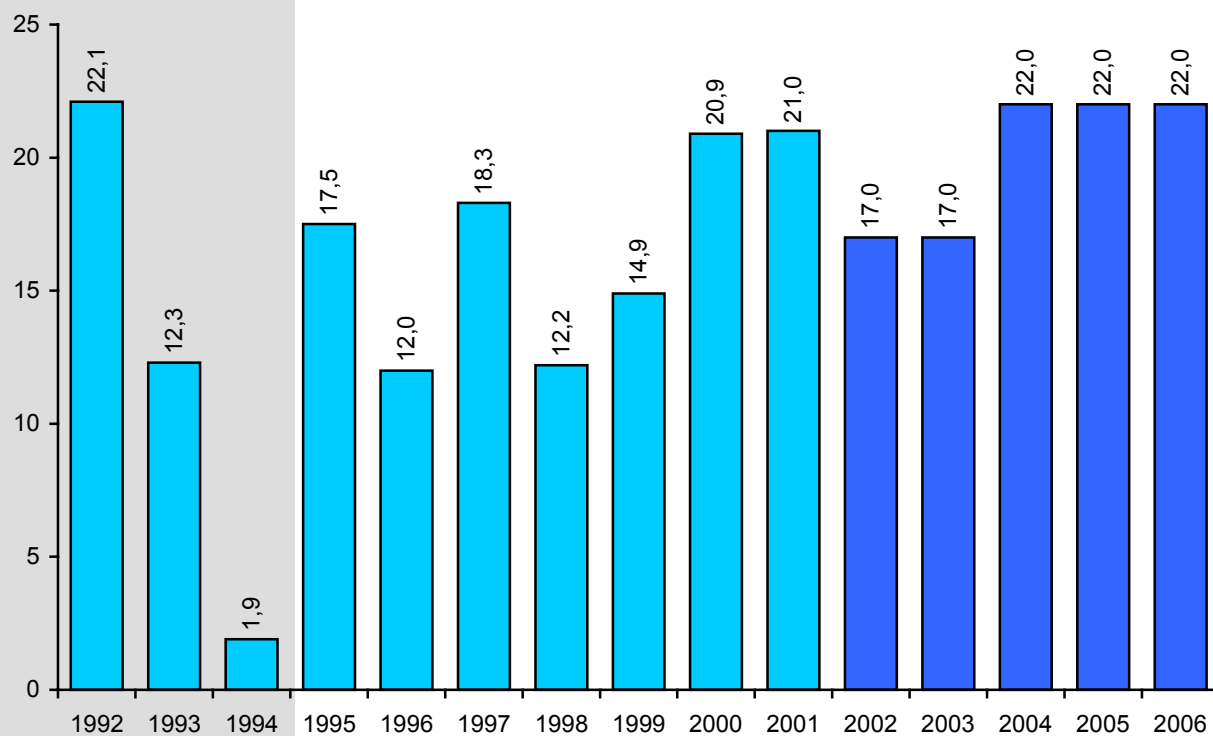
SECTORAL INDICATORS

Telecommunications

Main indicators

	8 th Plan	9 th Plan	10 th Plan
Average annual growth rate (in %)	14,9	16,6	21,6
Job creations	9 000	12 000	30 000
Investments (MD) in current prices	784,6	1 436,6	2 840

Telecommunications value-added growth rate
(% at 1990 prices)



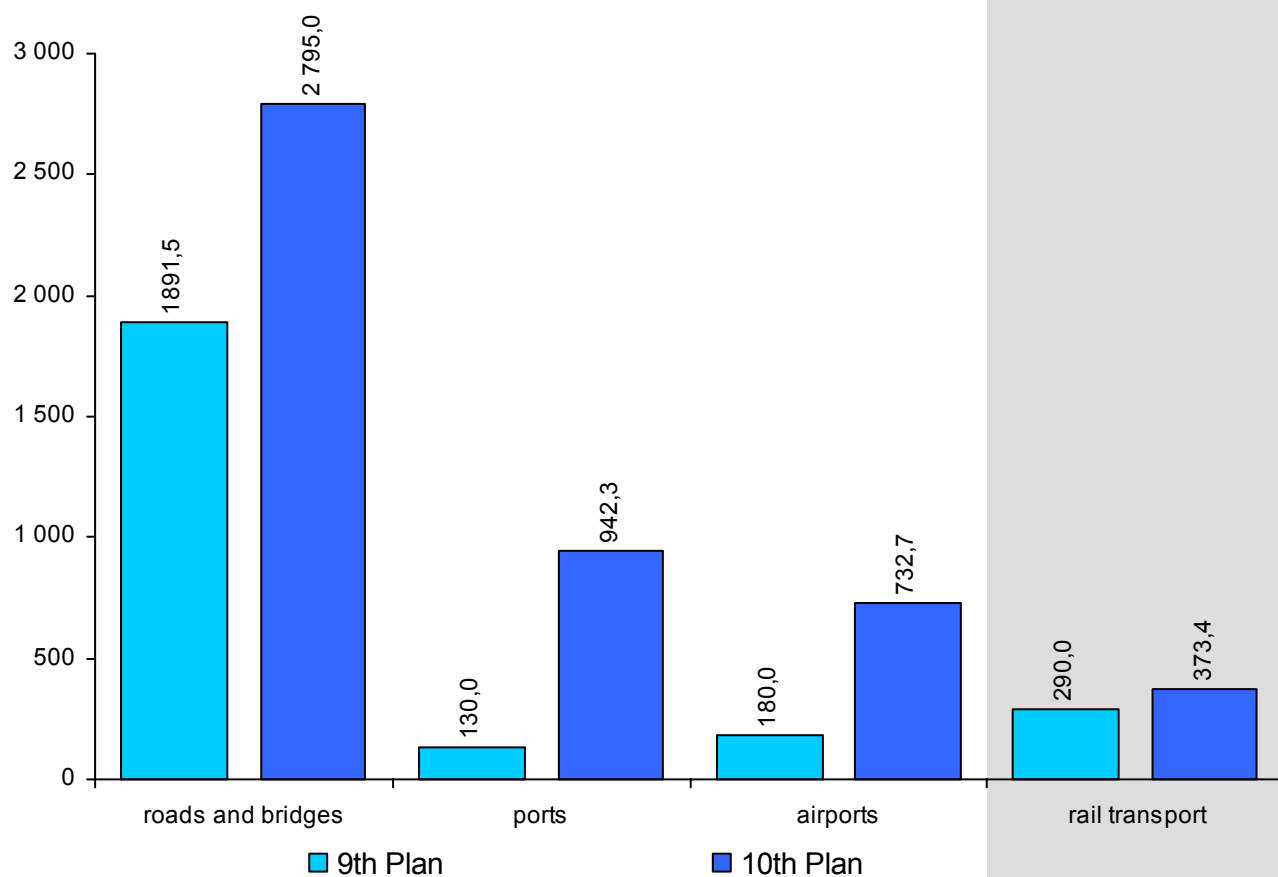
SECTORAL INDICATORS

Transport infrastructure

Investments (in MD)	8 th Plan	9 th Plan	10 th Plan
Roads and bridges	776,0	1 891,5	2 795,0
Ports	49,6	130,0	942,3
Airports	59,0	180,0	732,7
Rail transport	239,0	290,0	373,4
Total	1 123,6	2 491,5	4 845,4

Road projects (in Km)	8 th Plan	9 th Plan	10 th Plan
Network development	639	1 485	1 763
Network reinforcement	365	750	1 230
Development of the regional network	177	330	298

Investments (in MD at 1996 prices)

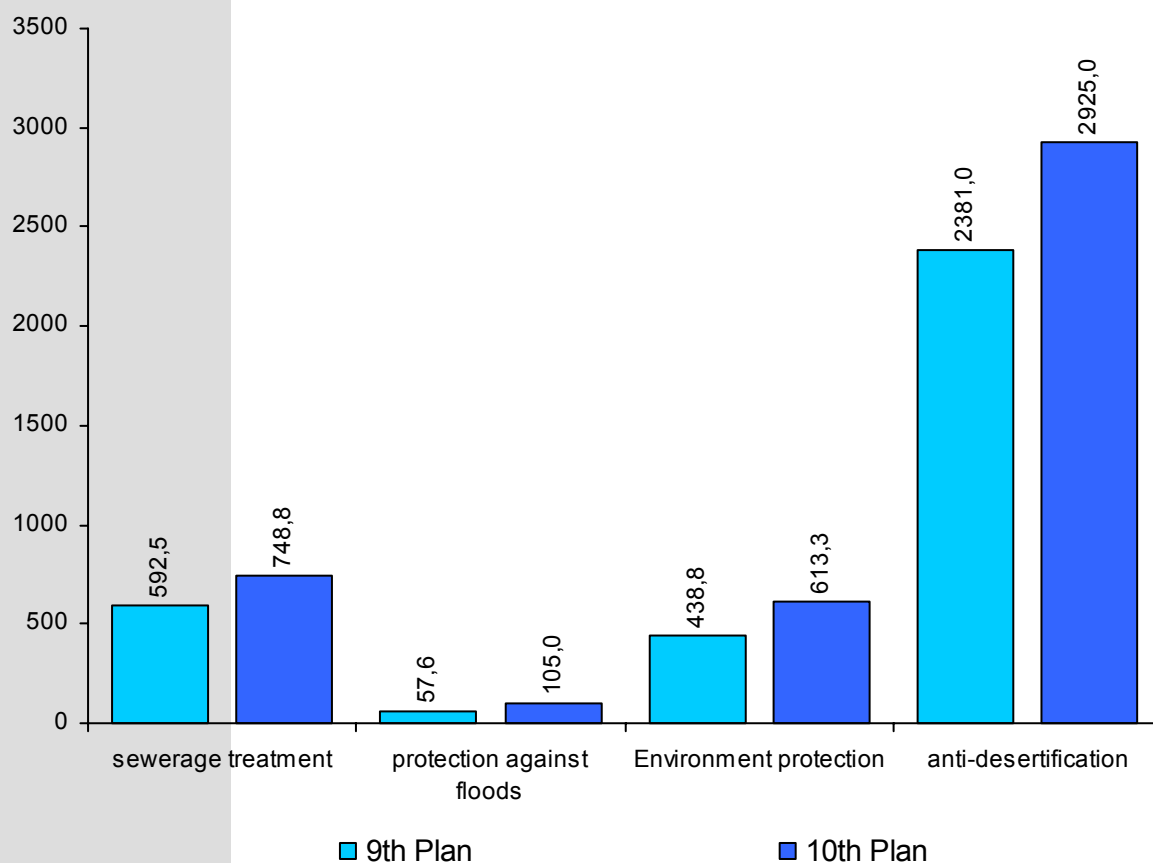


SECTORAL INDICATORS

Environment protection

Investments (in MD)	9th Plan achievements	10th Plan forecasts
Sewerage treatment	592,5	748,8
Protection of cities against floods	57,6	105,0
Environment protection	438,8	613,3
Nature preservation, anti-desertification	2 381,0	2 925,0
Total	3 469,9	4 392,1

Investments (in MD)



SECTORAL INDICATORS

Natural resources preservation and ant-desertification

Investments (MD current prices)	9th Plan achievements	10th Plan forecasts
Mobilization and exploitation of water resources	1602	1905
Forests and pastures	273	330
Water and soil preservation	211	263
Fishery	162	185
Integrated agricultural projects	133	216
Other projects supporting the National anti-desertification Program	-	26
Total	2 381	2 925

Mobilization and exploitation of water resources

Investments (MD current prices)	9th Plan achievements	10th Plan forecasts
Dams et pipelines	644,8	520,6
Development of irrigated areas	172,0	254,5
Study of water resources	69,3	87,2
Rehabilitation and modernization of IA	575,4	837,2
Drinking water supply in rural areas (GR + SONEDE)	134,2	196,8
Sewerage and agricultural drainage	6,0	9,4
Total	1 601,7	1 905,7

SOCIAL INDICATORS

Demographic growth

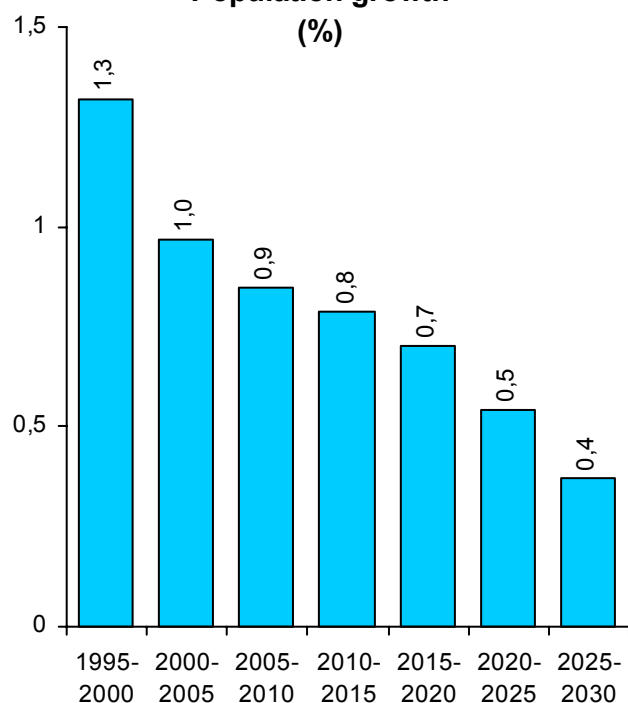
Population growth rate (%)

1995-2000	1,32
2000-2005	0,97
2005-2010	0,85
2010-2015	0,79
2015-2020	0,70
2020-2025	0,54
2025-2029	0,37

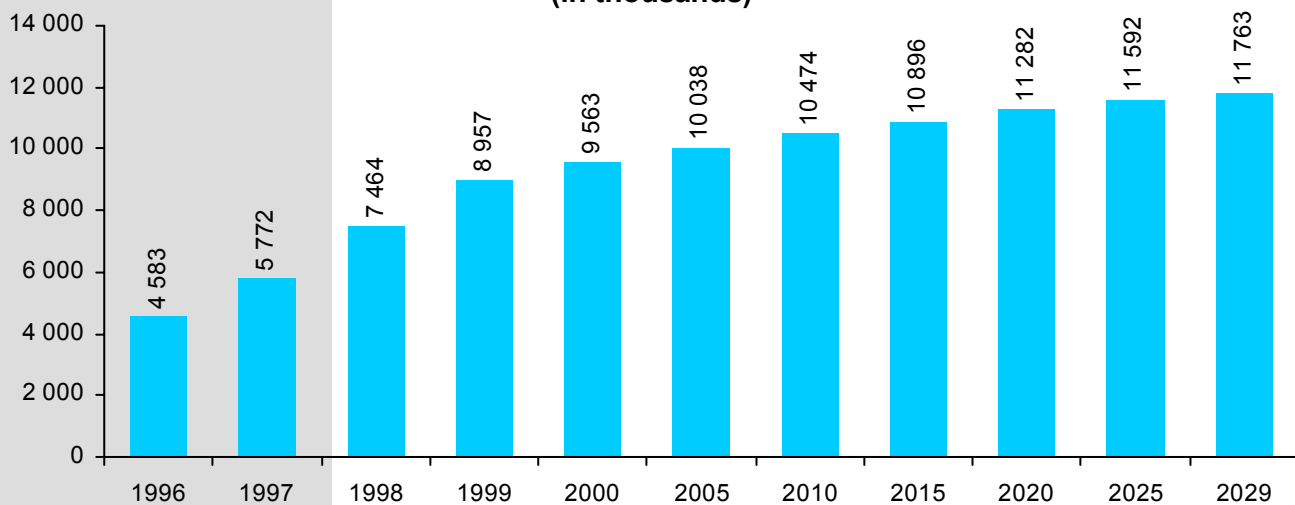
Mid-year population in thousands

1966	4583
1976	5772
1986	7464
1995	8957
2000	9563
2005	10038
2010	10474
2015	10896
2020	11282
2025	11592
2029	11763

Population growth (%)



Population (in thousands)



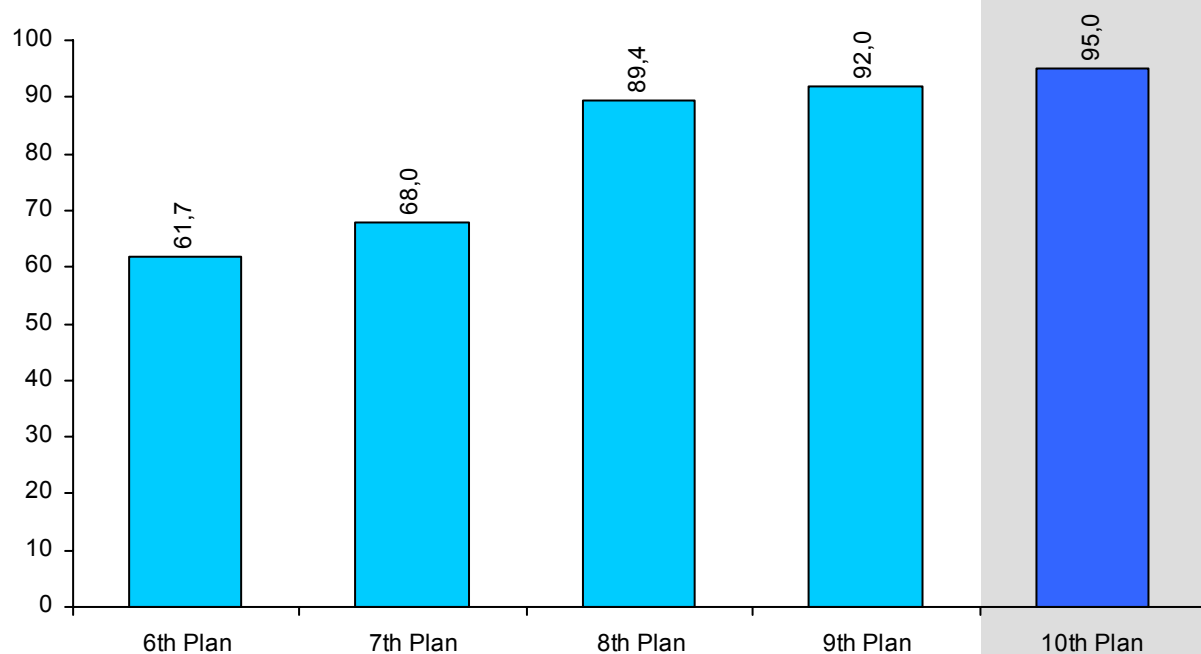
SOCIAL INDICATORS

Employment and social development

Employment (in thousands)	6 th Plan 1982-1986	7 th Plan 1987-1991	8 th Plan 1992-1996	9 th Plan 1997-2001	10 th Plan 2002-2006
Additional demands	324	300	313	350	400
Job creations	200	204	280	322	380
Coverage rate	61,7%	68,0%	89,4%	92,0%	95,0%

Job creations	8 th Plan 1992-1996	9 th Plan 1997-2001	10 th Plan 2002-2006
Fishery	6 000	3 350	4 000
Mining and energy	-1 450	1 050	800
Construction and Public Works	19 000	16 400	30 000
Manufacturing industries	75 000	95 000	105 500
Transportation and telecommunication	17 100	26 700	42 700
Tourism	19 500	16 050	15 000
Administration	49 200	37 700	42 000
Trade and services	95 650	125 800	140 000
Total	280 000	322 000	380 000

cover rate of additional job request (%)



SOCIAL INDICATORS

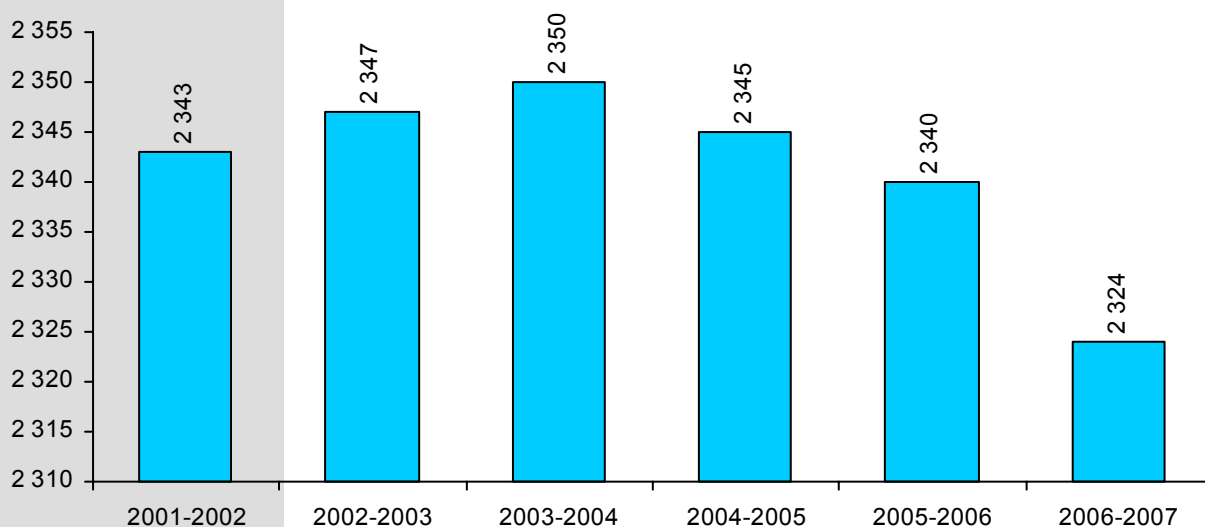
Education

Enrollment	1996	2001	2006
Enrollment ratio of 6-12 year olds	97,3	97,0	96,5
Withdrawal rate (all the primary cycle)	4,5%	1,9%	7%

Number of pupils (in thousands)	1996/1997	2001/2002	2006/2007
Elementary school : primary cycle	1 447,7	1 315	1 027
Elementary school : preparatory cycle	461,3	604	719
Secondary school	333,9	424	578

Social facilities	9th Plan	10th Plan
Preparatory schools	148	90
Colleges	41	116
Classrooms	3 048	3 600
Specialized rooms	519	1 735
Prep rooms	112	25
Dormitories	12	10
Libraries	-	-

**evolution of the number of pupils
during the 10th Plan
(in thousands)**



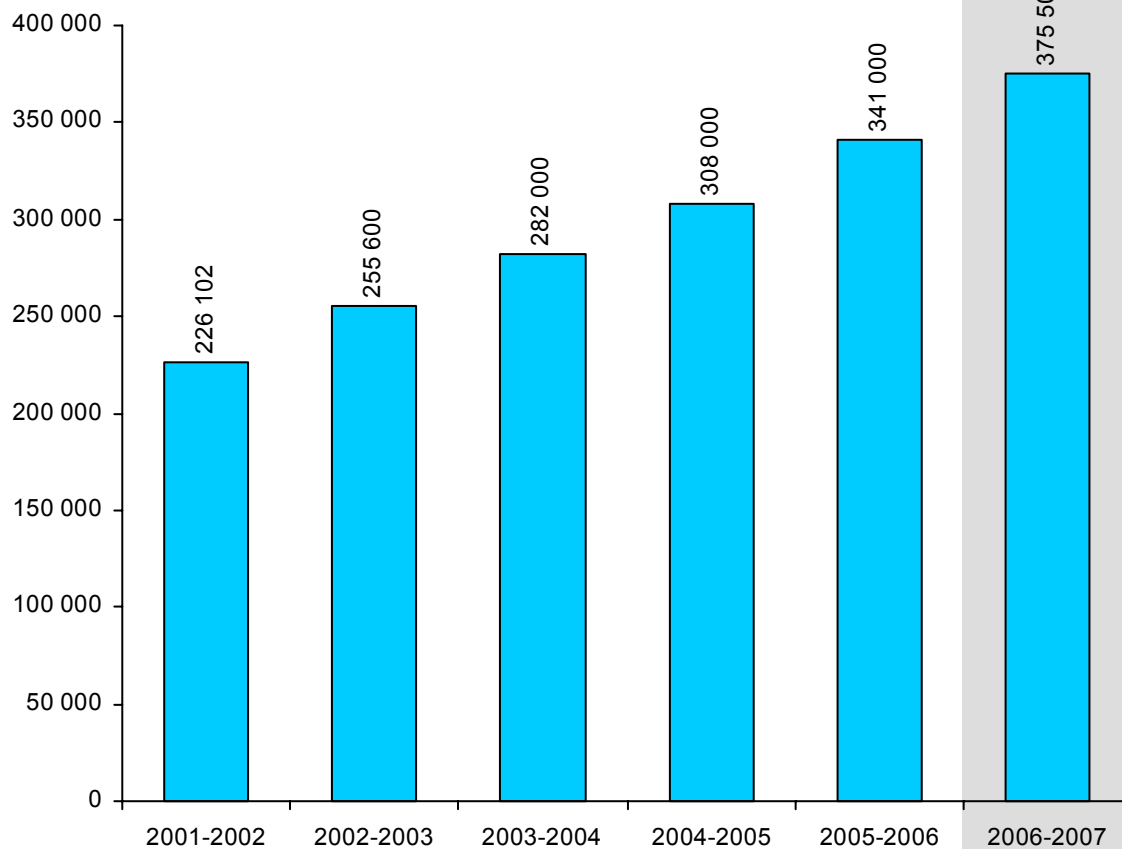
SOCIAL INDICATORS

Higher education

Number of university graduates

	1996-1997	2001-2002	2006-2007
Humanities and social sciences	4 800	8 021	14 000
Law and economic sciences	4 100	9 549	14 900
Medical sciences	1 470	2 184	2 400
Elementary sciences	1 300	2 307	5 300
Technical sciences	1 600	6 139	16 900
Agricultural sciences	330	763	1 300
Total	13 600	28 963	54 800

Evolution of the number of students during the 10th Plan (in thousands)



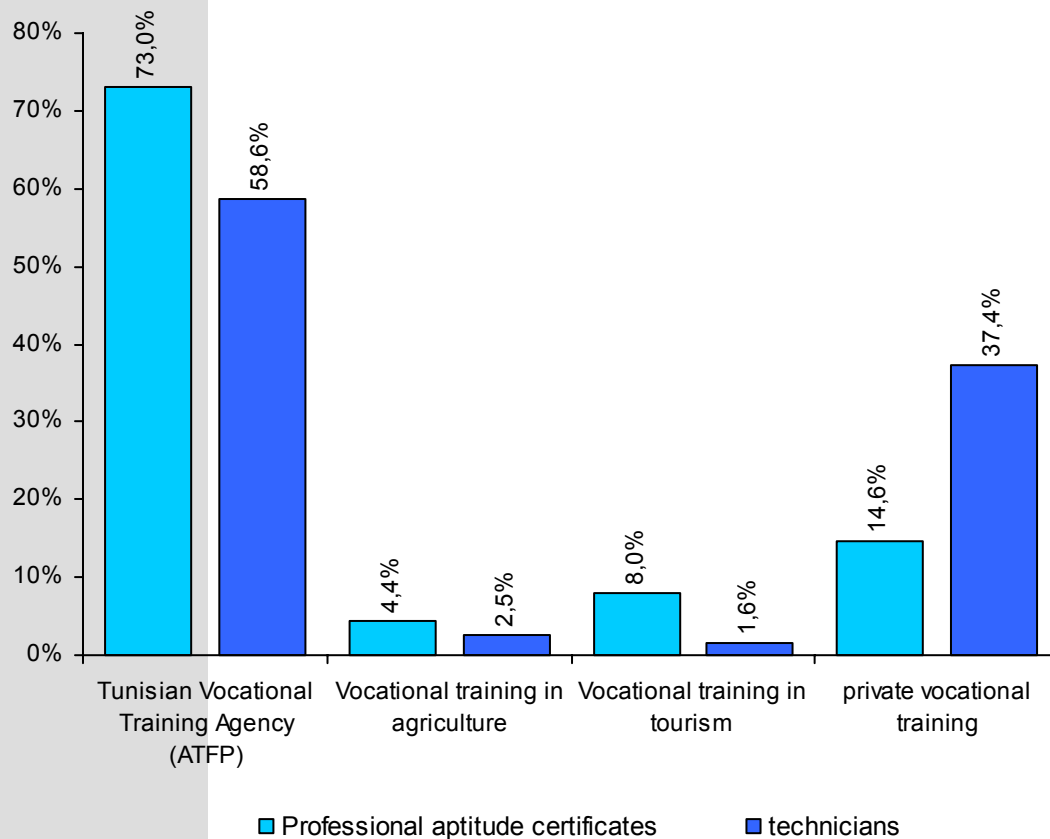
SOCIAL INDICATORS

Vocational training

Number of vocational training centers graduates in 2006

	Technicians	Certificates of professional capacity	Total
Tunisian Vocational Training Agency (ATFP)	10 000	9 400	19 400
Vocational training in agriculture	600	400	1 000
Vocational training in tourism	1 100	250	1 350
Private vocational training	2 000	6 000	8 000
Total	13 700	16 050	29 750

Number of vocational training centers graduates in 2006



SOCIAL INDICATORS

Medical and social coverage

10th Plan projects	Investment (MD)
Consolidation of sanitary infrastructure	195
Prevention campaigns	71
Maintenance and renewal of medical equipment	144
Total	410

% of eligible people currently covered by a social protection regime

1992	63,0%
1996	77,0%
2001	84,3%
2006	90,0%

SOCIAL INDICATORS

Electrification and drinking water supply
in rural areas

	1991	1996	2001	2006
DWS in rural areas	62,0	68,3	81,0	90,0
Rural electrification	47,0	76,0	91,7	95,0

