



# Tunisia ICT Competitiveness Project Newsletter

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## PROJECT VOICES

### FROM THE POLICY TEAM

Throughout our work, the focus of the Project's policy team is always on the country's most pressing economic and social challenge: creating jobs, for all regions and for all income levels of Tunisian society.

Our work spans several areas with a high capacity to unlock the employment potential of Tunisia's ICT and ICT-enabled sectors: from financial sector to telecommunications, from tax to labor markets, and from business enabling environment to investment and trade policies. The ultimate goal of job creation, particularly for small and medium-sized enterprises, is our constant reference point as we work hand-in-hand with our Tunisian partners to build understanding, consensus, and capacity for implementing reforms.

As the Enterprise Days conference discussed in this issue demonstrates, tackling this challenge requires complex cooperation among all stakeholders. We believe that informed, inclusive dialogue that we help to foster among government agencies, the private sector, civil society, and international donor agencies will ultimately help employment grow.

This week's newsletter highlights Project activities that are aimed to improve the overall environment in which ICT and ICT-enabled companies operate – an outcome that will improve the context for ICT and for the economy as a whole.

## USAID Project Co-sponsors a Conference that Offers Insights for New Investment Framework

**H**undreds of business leaders, entrepreneurs, government officials, and policy experts poured into the grand hall of the Mouradi Palace Hotel in Sousse, Tunisia, to share visions for an improved business enabling environment on December 7-8, 2012.

The USAID Tunisia ICT Competitiveness Project was among the key co-sponsors of this large-scale event, known as Enterprise Days and organized annually by the Institut Arabe des Chefs d'Entreprises (IACE), a leading think tank. This year's conference focused on outlining the vision for a new investment framework for the country.

In several topical workshops, participants from the public and private sectors discussed the framework's critical pillars: fostering market competition, facilitating access to funding and export markets, enabling sector-based investment strategies, strengthening investor protection, combatting corruption, and improving fiscal governance. Over 50 speakers, including heads of top government ministries, presented their analysis and insights.

The Project also contributed three speakers, who shared their views on business enabling environment, tax policy, innovative sector strategies, and budgetary planning and fiscal governance.

Prime Minister Hamadi Jebali gave the opening speech and answered questions from the audience. The questions emphasized the urgency of establishing a national strategy of regional cooperation that would decrease regional disparities and of creating public-private partnerships to encourage investment.

For the participants, the Enterprise Days event helped forge a foundation for improved coordination between members of the business community and policy-makers.

Mr. Majdi Hassen, IACE director, noted, "this event is an essential opportunity to improve understanding between the ruling party and business people. It highlights the current impediments for the public and private sectors and ways to remedy them during this transition period."



**Right:** Over 1000 participants gathered to discuss their visions for the new investment framework for Tunisia during the Enterprise Days conference co-sponsored by the Project.

Attendees from the private sector praised the event's balanced approach to incorporating their perspectives into policy conversations.

"Unlike past years, when government officials dominated strategy discussions, this year's private-sector representatives had the opportunity to speak first during

each panel," one participant said. "This allowed them to have their vision heard."

Another participant, Mr. Mustapha Mezghani, a senior business executive, added, "this event is a crucial opportunity to increase transparency of decision making and create dialogue on key national economic objectives."

The Project plans to carry forth the momentum of Enterprise Days by hosting roundtable discussions where business leaders will further articulate key objectives and next steps in value-chain development, to support the competitive advantage and increased job creation in ICT and ICT-enabled sectors.

## Project Highlights

- Two ICT companies in the city of Sousse launched skill-building courses in business English and workplace success for 26 young professionals, with support from the Project.
- The Project met with the leadership of the National Chamber of Services and IT Engineering (INFOTICA) to discuss ongoing collaboration in the areas of public-private partnerships, ICT sector strategy, and labor market analysis.
- The Project held a full-day workshop for olive oil producers interested in reaching the US market, as the first step of company-specific technical assistance to boost competitiveness and employment, including through enhanced use of ICT tools.
- The Project launched technical assistance for Hannibal Lease, Tunisia's fifth largest leasing company and the largest among independent firms. Assistance is aimed at strengthening its process of lease

approvals and further expanding in the SME segment.

- The Project provided training material in private equity due diligence to Alternative Capital Partners, a fund management company that supports entrepreneurs and investors in Tunisia and broader North Africa.
- The Project carried out a two-day training in SME credit risk assessment for 12 mid-level managers at Banque Internationale Arabe de Tunisie (BIAT), Tunisia's largest privately owned bank.
- The Project met with the IMF tax policy team to coordinate fiscal policy advice, affirming agreement on priority reform areas needed to broaden the tax base and lower tax rates.
- The Project met with Mr. Ali Chebbi, economic advisor at the Prime Minister's office, and Mr. Nizar Alaya, advisor to the Minister of Investment and International Cooperation, to

explore possible areas of cooperation, including in the areas of investments and macroeconomic reform that would improve the business enabling environment for ICT and other sectors.

- The Ministry of Information and Telecommunication Technologies requested the Project to play a lead role in guiding the drafting of a comprehensive new telecommunications code.
- The Project completed one month of technical assistance for Banque de Financement des Petites et Moyennes Entreprises (BFPME), the SME finance bank, with a presentation of its strategy analysis and recommendations to the CEO and senior managers.
- The Project met with analysts from the Ministry of Finance and the Tax General Administration to discuss technical collaboration on developing tax-by-tax tools and improving data exchange, and has initiated technical collaboration in this area.

### Right:

ICT professionals from the city of Sousse, selected to participate in skills-building classes in business English and workforce success, line up with their trainers to demonstrate logos of their companies.



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