Republic of Tunisia

Country strategy and programme evaluation

104th Session of the Evaluation Committee
28 March 2019
Country context

- **Successive** political, social and economic *crises* – weakened public services

- **Limited growth** and **increasing** public debt

- **Strong contrasts** between urban and rural areas, coasts and interior

- **Particular** social challenges for rural development

- **Weak coordination of development partners** in the agricultural and rural sector

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<tbody>
<tr>
<td><strong>Population</strong></td>
<td>11 million</td>
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<tr>
<td><strong>Urbanisation</strong></td>
<td>67%</td>
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<tr>
<td><strong>Average growth</strong></td>
<td></td>
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<tr>
<td>2010</td>
<td>3.5%</td>
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<tr>
<td>2011</td>
<td>-1.9%</td>
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<tr>
<td>2017</td>
<td>1.9%</td>
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<td><strong>Public debt</strong></td>
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<tr>
<td>2010</td>
<td>40.7% of GDP</td>
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<tr>
<td>2016</td>
<td>69.9% of GDP</td>
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<tr>
<td><strong>Poverty rate</strong></td>
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<tr>
<td>urban</td>
<td>10.1%</td>
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<tr>
<td>rural</td>
<td>26%</td>
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<tr>
<td><strong>Unemployment</strong></td>
<td></td>
</tr>
<tr>
<td>total</td>
<td>15-24 yrs</td>
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<tr>
<td>2015</td>
<td>15.5%</td>
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<tr>
<td>2016</td>
<td>35.7%</td>
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IFAD in Tunisia

• **13 projects since 1980** estimated at USD 465M (37% IFAD)

• **First COSOP in 1998**: Participatory approaches, natural resources management, gender, rural finance

• **First Country programme evaluation (2002)** recommended strengthening 3 key areas:
  - Targeting of the rural poor, women and youth
  - Innovative character of the country programme
  - Non-agricultural economic activities

• **Country strategy note 2017-2018** introduced a value chain approach and made farmer organisations the main entry point
From 2003 to April 2018

- 6 projects (US$ 248M)
- Non-lending activities
- IFAD & Government performance
- Country strategy performance

**Ongoing**
- PRODESUD-II (2014-2020)
- PRODEFIL (2015-2021)
- PROFITS (2017-2023)

**Completed**
- PDAI Siliana-II (2007 - 2014)
Evaluation findings
Relevance

- **Project objectives have evolved** in line with country and IFAD policies and strategies.

- **Development approaches generally relevant** but some limitations.

- **Recent value chain approach** expected to create more local added value and generate much needed rural employment.

- **Geographic targeting** makes sense.

- Only a small proportion of **financing** is dedicated specifically to the poorest and most vulnerable population groups.
Effectiveness and rural poverty impact

- Improved access to socio-economic infrastructure with multiple impacts (income, health, workload) also benefiting rural women
- Significant impact on agricultural productivity (and income)
- Strengthening of citizen’s participation in development planning and management of public goods, but limited participation of women
- Limited performance on income generating activities and rural enterprises targeted towards poorer and more vulnerable groups → Little perceptible impact on job creation for young people and women
Efficiency and sustainability

- Important impact of the **context** on efficiency and sustainability
- Almost systematic **start-up delays**
- **Operating costs and unit costs were generally acceptable** but costs per beneficiary were high especially in the South
- **Sustainability** is integrated as a basic principle in all projects, but also shows significant limitations
  - **Ownership of approaches** by public administration but **limited resources** to upscale
  - **Participation and accountability** of beneficiaries, but **local institutions remain fragile**
  - **Important natural resource protection** investments, but some **environmental risks**
Non-lending activities

• Important **innovative** development approaches and techniques

• Strong partnerships with **research institutions** but **insufficient with the private sector**

• Highly **complementary parallel co-financing** (GEF, France, Spain, EU)

• **No strategies and resources** for knowledge management and policy engagement

• **Policy dialogue is constrained** by internal and external factors, but there have been some modest contributions

• Good integration of **loans and grants**
Conclusions and recommendations
Conclusions

• Important contribution to the improvement of living conditions in disadvantaged rural areas through “traditional" investments

• Notable progress in terms of rural participation in the management of public goods, but grassroots organisations remains fragile

• Remarkable environmental and NRM results, but with some risks for sustainability.

• The successes can be attributed in part to fruitful partnerships, although the private sector has been weakly involved
Conclusions

However:

- A low proportion of funding was directed specifically towards the poorest and most vulnerable social groups
- Very modest impact on the social and economic empowerment of rural women and youth
- Scaling up of innovations through knowledge management and policy engagement was limited
Main recommendations

• **Recommendation 1.** Target financing and interventions towards the poorest and most vulnerable economically active populations, especially extremely poor family farmers, women and young adults.

• **Recommendation 2.** Strengthen and scale up innovative approaches for the reduction of rural poverty, in coordination with a wide range of stakeholders.

• **Recommendation 3.** Strengthen strategic partnerships to promote policy engagement to the benefit of the rural poor.
Thank you