

American Chamber of Commerce in Tunisia

policy notes

U.S.-Tunisia Relations: From Dialogue to Partnership

Five Key Priorities

Note II - September 9, 2014



in collaboration with  **mnj**
consulting

Key messages

- Tunisia transition to democracy should get additional attention and support from its international partners and **it should be regarded as a top priority** given the urgent need to show a successful example to follow in the current geopolitical chaos in the region
- **There are strong reasons for hope** given the immense progress that has been already made, and as tunisians, as a whole, are being strongly committed to the success of the future steps of the democratic transition in the country
- This hope needs to be maintained and **it is time now, for economic questions to start to be addressed** and concrete steps forward would need to be made with the help of the international community
- AmCham Tunisia promotes a vision for Tunisia open towards its international environment and is looking forward to the development **of strong ties with the US**. The recent announcement of a strategic dialogue between the two countries is a major step in this direction that needs to be followed by concrete actions.
- Regarding the economic development component of this dialogue, we believe this should be tackled through a **comprehensive approach focusing on five key priorities** that we further detail in this policy note.



Five Key Priorities

Purpose

- Support Tunisia's transition
- Deepen and strengthen U.S.-Tunisia relations

Priorities

1. Invest in people
2. Invest in knowledge and innovation
3. Invest in high-priority infrastructure
4. Deepen business and economic ties
5. Engage the private sector



1. Invest in People

Objectives

- Strengthen understanding, ties, and partnerships
- Improve the quality and performance of Tunisian education and training systems
- Enhance youth employability

Actions

- Develop a five-year strategy with specific programs to expand academic, professional and cultural cooperation
- Increase (significantly) allocation of financial and human resources to education and culture
- Re-establish a permanent mission of US AID in Tunisia



2. Invest in Knowledge and Innovation

Objectives

- Help transform the Tunisian economy through science and technology
- Strengthen the triangle of knowledge, i.e. education, research, and enterprise,
- Develop Tunisia capacity to innovate

Areas of engagement

- Innovation
- Research and development
- Training and skills development
- Technological infrastructure
- Funding for creative work and innovation



3. Invest in High-Priority, High-Return Infrastructure Projects

Objectives

- Ensure inclusive and balanced development
- Enhance Tunisia's regional and international integration
- Increase productivity levels

Areas of action

- Transport and logistics, Energy, Water, Environment, Technology, Manufacturing, Essential services: education, health, sports, culture
- Create an infrastructure fund to be leveraged with private investment (put in place a subordination type of financing)
- The US can help Tunisia put in place the right environment and framework for PPPs and the project of the Asset Management Company
- OPIC can be instrumental in providing financing for such projects, it will need however to be able to provide more equity like instruments in order to lower the risk profile of those projects.



4. Deepen business and economic ties

Objective

- Create growth and job opportunities

Actions

- Establish a U.S.-Tunisia Economic Partnership Agreement including a Free Trade Agreement or variation thereof. The idea of Special Trade Zones could be part of it.
- Increase the U.S. economic aid package



5. Engage the Private Sector

Objectives

- Advance the private sector role in broadening and deepening U.S.-Tunisia relations
- Strengthen understanding and generate a joint vision based on shared values and interests

Initiative

- Create **the U.S.-Tunisia Leadership Forum** to bring together private and public sector leaders from Tunisia and the United States to review the Tunisian-American relations, identify key areas of cooperation and put forward concrete initiatives to advance bilateral relations





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