



**Meeting of the Tunisia – European Union Task Force
28-29 September 2011
Tunis**

Co-Chairs conclusions

1. The first meeting of **the joint Tunisia-European Union (EU) Task Force** took place on 28 and 29 September in Tunis, under the joint chairmanship of the Tunisian Prime Minister, Béji Caïd Essebsi, and Catherine Ashton, High Representative of the EU for foreign affairs and security policy, and Vice President of the European Commission. Also present were the President of the Swiss Confederation, Micheline Calmy-Rey, members of the Tunisian Government, the European Commissioner Stefan Füle, the EU Special Representative, Bernardino León, as well as representatives of the European Parliament, EU Member States, the private sector and many international and regional financial institutions (see list in annex).
2. This Task Force was set up to better understand and identify the challenges and needs of Tunisia in its democratic transition process. It aims to coordinate more efficiently the support of the international community and accelerate and better target the support of the EU, with a particular focus on short term measures and initiatives. The Task Force will contribute to substantial and concrete strengthening of the partnership between Tunisia and the European Union.
3. At this historical time for Tunisia, the authorities reported on the **preparations for the upcoming elections** for the Constituent Assembly, which will be the first democratic elections in the region since the January revolution and the first truly democratic elections since Tunisia's independence. They presented their **economic and social development strategy** for 2012-2016 ("Jasmin Plan"), while underlining the short term challenges confronting the country. Representatives of third countries and international organisations expressed their support to the democratisation, development and reform process, and underlined that the success of this process would benefit both the stability and prosperity of Tunisia and that of the entire region.

Towards a privileged partnership

4. Tunisia, at the forefront of democratic transition in the Arab world, will play a strategic role in the EU neighbourhood. Representatives of the European Union and Tunisia announced that negotiations to establish a privileged partnership in all areas of mutual interest would start on 30 September. This partnership will respond to Tunisia's needs and will match both partners' new ambitions. The joint ambition of the EU and Tunisia is to build this partnership through the implementation of an action plan for a step change in bilateral relations. It will strengthen political cooperation, in particular between the Tunisian Parliament and the European Parliament, boost the democratisation process and support progressive integration in the European Union's Internal Market, through a process of legislative and regulatory approximation in the spirit of the 2020 initiative.

Returning illicitly acquired assets

5. The Task Force underlined the political importance of the return of **illicitly acquired assets** which are currently frozen in a number of third countries. The Task Force is committed to do everything possible to assist the authorities to return to the Tunisian people what was stolen by the corruption of the previous regime. In order to facilitate the return of these assets, the EU announced that it will provide assistance to the Tunisian authorities, notably by setting up an asset recovery support team, with experts based in Tunis and Brussels. In addition, a high level meeting would be organised in Brussels in November, in cooperation with the World Bank and the United Nation (UNODC) with the Tunisian authorities, and representatives of third countries and EU Member States and other states which are the competent authorities for the judicial processes around assets repatriation.

Coping with immediate financing needs

6. The first session of the Task force focused on investment and growth with a view to creating jobs and reducing unemployment and regional imbalances. Because of the slowing down of the economy, Tunisia's external **financing needs** have increased significantly.
 - Recognising Tunisia's short term needs, many donors have rallied around the authorities' recovery programme and have mobilised a **one billion euro support programme**. In this context, the European Commission and the Tunisian authorities signed, in the margins of the meeting, a financing agreement by which the EU has provided a 100 million euro grant in support of the recovery programme. This grant accompanies loans already provided by the World Bank (USD 500 millions), the African Development Bank (USD 500 millions) and the French Development Agency (185 millions euro).
 - A second financing agreement was also signed, for an EU grant worth 57 millions euro, in support of reforms in the **water sector**, by improving water

management, in particular for rural areas to improve their sustainable development.

- Finally, the European Commission confirmed the launch of its 20 million euro programme of support for impoverished areas, which was announced after the revolution. This will allow the rehabilitation of about a hundred poor neighbourhoods, will develop access to micro-credits for around 40,000 people, helping the young unemployed to find a place in society.
- The European Commission confirmed that Tunisia's progress has enabled the country to become the first beneficiary of the new regional **SPRING** (Support for Partnership, Reform and Inclusive Growth) programme. This programme provides funds to improve good governance, economic growth and social development for the Southern Mediterranean partners countries most advanced in the democratisation process.
- Taken together, following the revolution, the European Commission has doubled its assistance to Tunisia public and non state entities in 2011 compared to initial forecasts for 2011, from **80 to 160 millions euro**. At this stage, a total of **400 millions euro are foreseen** for the 2011-2013 period.
- Many European Union **Member States** have also increased their financial assistance to the benefit of Tunisia.

Stimulate investment, growth and employment

7. The Task Force welcomed the presentation by the Tunisian authorities of their "economic and social development strategy 2012-2016" which represents a solid framework for the current transition process. Private sector representatives underlined the advantages of investing in Tunisia and the successes already achieved. There was a consensus on the need to take measures to **stimulate private investment**.
 - The European investment Bank (EIB) has confirmed its commitment to accelerate the implementation of its **130 millions** euro project in support of the development of small and medium size enterprises.
 - In 2011, Tunisia and the EU launched a programme, with a 65 millions euro budget, supporting vocational training and a better employability for graduates. The European Commission will launch a 60 millions euro project in 2012 in order to encourage employment creation.
 - The Commission and many EU member States have also signalled their intention to deepen cooperation on the functioning of the job market and vocational training, with a view to improving training quality, young graduates'

employability and the number of professional opportunities and apprenticeships that could be offered to them.

- To improve access to the European market, Tunisia and the EU will sign a Memorandum of Understanding aiming at a closer integration of Tunisian small and medium sized enterprises (SMEs) in the European Enterprise Network (EEN). Tunisia will name an Ambassador for SMEs promotion in Europe.
- The **European Investment Bank** (EIB), which has already committed more than 470 millions euro this year in Tunisia, announced its intention to further increase its financing, notably in favour of small and medium enterprises. It hopes to reach a financing amount of 800 millions euro for Tunisia before the end of the year, which represents a 60% increase compared to last year. Payments from loans have increased by 50%. These EIB operations will allow the creation of 20 000 direct jobs. The EIB also announced that it was considering the possibility to extend the grace period for its new loans to Tunisia, which would reduce debt service charges in the short term while ensuring adequate financing for investment.
- Recognising the historical nature of the transition, the governors of the **European Bank for Reconstruction and Development** (EBRD) are expected to agree by the end of this week to extend EBRD operations into the Southern and Eastern Mediterranean region, and to formally accept Tunisia's application. The EBRD announced that a cooperation fund would be operational before the end of the year and a scoping team has already visited Tunisia with a view to identifying appropriate projects.
- In order to accelerate the EBRD's operations in Tunisia, notably in favour of SMEs and to prepare for infrastructure projects, the European Commission announced a **20 millions euro** contribution to the EBRD's cooperation funds.
- Globally, this year, the European Commission has already committed 100 millions euro to strengthening the **Neighbourhood Investment Facility**. Through this instrument, it hopes to encourage and finance large investment projects in Tunisia, notably for priority projects in the energy, water and transport sectors.
- The development of large regional initiatives, such as the Mediterranean Solar Plan, in the framework of the Union for the Mediterranean (UfM), will contribute to stimulate growth, employment and sustainable development. In this context, the projects of the Tunisian solar plan deserve a special attention. The Secretariat of the Union for the Mediterranean will support and facilitate the financing and realisation of projects presented by Tunisia and certified by the UfM.

- The UfM proposes to organise a **conference on economic development and investment** in Tunisia with key regional institutions with a view to promote new business opportunities.
- The Task Force agreed on the need to explore further the possibility for Tunisia to participate in EU programmes and agencies as one way to provide appropriate support to the Tunisian economy.

Ensuring that trade and economic integration play a key role

8. Participants agreed that the continuation of the modernisation of the Tunisian economy was essential to increase growth and employment. The development of trade and economic links with the European Union, the Maghreb countries and others is a priority of the Tunisian authorities.
 - Tunisia and the EU agreed to continue negotiations on **liberalisation of trade in agricultural products, transformed agricultural products and fisheries products**. This liberalisation could be progressive, while granting to Tunisia asymmetrical dismantling schedules. In this framework, the EU is ready to consider favourably the Tunisian proposals to improve concessions. In addition, Tunisia and the EU will work together to develop rural areas, strengthen the agricultural production capacity and the upgrading of this sector.
 - With a view to ultimately establish a common economic space, and in the context of the establishment of a privileged partnership, the European Commission and the Tunisian authorities have agreed to envisage as soon as possible the negotiation of an agreement, which will contribute to the progressive integration of their markets, as soon as condition allow.¹
 - Tunisia and the EU have also decided to launch before the end of the year the negotiations of an **agreement on acceptance and conformity assessment for industrial products** in three priority sectors that account for a large part of Tunisian exports (mechanical and electrical industries; construction materials).
 - With a view to ensuring a full recovery of the tourism sector, the development of business opportunities and the facilitation of people-to-people links, Tunisia and the EU will start soon preliminary discussions with a view to agree on an Air Services Agreement that will allow to develop air links and reduce costs for passengers. Tunisia will be associated before the end of 2011 to a technical project aiming at promoting the use of the EGNOS satellite navigation system with a view to improve air safety, in particular in the airports least well equipped. In addition, given the importance of the tourism sector in Tunisia and

¹ The opening of negotiations of a **Deep and Comprehensive Free Trade Area** (DCFTA) will be subject to agreement from the Council of the European Union.

with a view to develop tourist exchanges, the EU and Tunisia will promote a sustainable tourism model.

Developing partnership between peoples

9. The second session of the Task Force focussed on the means to support the democratic transition in Tunisia. Participants underlined in particular the importance of developing links between peoples.
 - In the short term, the Task Force encourages EU Member States to use all the possibilities of visa facilitation offered by the Schengen Code, for students, researchers, business people and all other bona fide travellers. The European Commission will facilitate this process by taking appropriate initiatives in the context of the Schengen cooperation.
 - Tunisia and the European Commission have decided to launch on 6 October, in Tunis, a dialogue on mobility, migration and security with a view to concluding a **mobility partnership**. Tunisia, which made a proposal for employment and mobility, is the first country of the region with which these negotiations are launched. Adapted to Tunisia's own needs and specificities, the partnership aims to provide notably visa facilitation for some categories of peoples, readmission, concerted border management, access to the EU job market, migration, asylum and the strengthening of Tunisia's capacities in all these areas.
 - In order to strengthen the **cooperation with Tunisian university institutions**, the Commission announced an increase in the allocation to the Erasmus Mundus programme (20 million euro for the neighbourhood countries) and Tempus (11 million euro). The reinforcement of the Erasmus Mundus programme will allow the financing of more than a thousand mobility actions, notably for Tunisian students.
 - With the view to improving the competitiveness of the Tunisian economy in those sectors with high added value and high technological content, the Task Force underlined the need to strengthen and accelerate joint research programmes. In this context, the EU will fully support Tunisia's increased participation in the European innovation and research space and the General Conference on Research and Innovation in Tunisia.
 - This year, the European Commission already provided support worth 6 millions euro to Tunisian civil society organisations. To increase its support to civil society, the European Commission announced the launch of the Civil Society Facility, with a budget of 22 millions euro in 2011, for all neighbourhood countries, notably Tunisia. Participants underlined the importance of the role of non state actors in the democratisation process. In this context, the Co Chairs

note with appreciation the intention of the European Union to increase its support to **civil society organisation and other non state actors**.

- In addition, increased support will be granted to **trade unions**, in the context of existing or future initiatives.
- The Task Force recalled the remarkable role of Tunisian women in Tunisia history and recognised their pioneer role in the current transition period. They should continue to be one of main actors and beneficiaries. The Task Force identified support to Tunisian women as a key cooperation priority at all levels.

Investing for the long term

10. With a view to guaranteeing a concrete follow up to the commitments, and because of the need for closer coordination, the Task Force decided the following:

- Representatives of the EU and Tunisia have agreed to ensure that the Association Committee would follow up on the Task Force recommendations, notably with a view to ensuring that EU technical assistance fully supports the reform priorities of the Tunisian government.
- The setting up of the Task Force and of the coordination platform in the framework of the G8 **Deauville Partnership** gives scope to better coordination of the international support, which the Tunisian government welcomes. The European Commission has committed to strengthen synergies between the Task Force initiatives and those of the Deauville partnership.
- It was agreed to organise a **second meeting of the Task Force** during the first semester of 2012.

**Annexe
List of participants**

Annexe

EU Tunisia Task Force Co-chaired by:

H.E Mr Béji Caïd Essebsi, Prime Minister of Tunisia

H.E. Ms Catherine Ashton, High Representative of the Union for Foreign Affairs and Security Policy / Vice President of the European Commission

List of Participants

Tunisian Government

H.E. Mr Mohamed Mouldi Kefi, Minister of Foreign Affairs

H.E. Mr Jalloul Ayed, Minister of Finance

H.E. Mr Abdelhamid Triki, Minister of Planning and International Cooperation

H.E. Mr. Mokhtar Jallali, Minister of Agriculture and Environment

H.E. Mr. Adelaziz Rassaa, Minister of Industry and Technology

H.E. Mr. Ridha Belhaj, Minister to the Prime Minister

Mr. Khémaies Jhinaoui, Secretary of State to the Minister of Foreign Affairs in charge of European Affairs, Americas and Asia

Tunisian institutions

UGTT -Mr S-Himi, Secretary General responsible for External Relations

UTICA - Mrs W. Bouchamaoui, President.

EU Institutions

Mr Ignacio Salafranca, Member of the European Parliament

Mr Antonio Panzeri, Member of the European Parliament

Ms Annemie Neyts-Uyttebroeck, Member of the European Parliament

Ms Isabelle Montoya, Adviser, European Parliament

H.E. Mr Štefan Füle - Commissioner for Enlargement and ENP

H.E. Mr Bernardino Leon, EU Special Representative

H.E. Mr Adrianus Koetsenruijter, EU Ambassador to Tunisia and Libya

Switzerland

H.E. Ms Micheline Calmy-Rey, President of the Swiss Confederation

International Institutions

The European Investment Bank, EIB - Mr Claudio Cortese, Deputy Director General

The European Bank for Reconstruction and Development, EBRD -Mr Hans Peter Lankes, Head of Institutional Strategy

The World Bank, WB -Mr Janamitra Devan, Vice President & Head of Network

The International Monetary Fund, IMF -Ms Patricia Alonso-Gamo, Senior Advisor

The Islamic Development Bank, IDB -Mr Salah Mansour, Manager, North Africa Region

The African Development Bank, AfDB -H.E. Mr Donald Kaberuka, President

Union for Mediterranean, UfM - H.E. Mr Youssef Amrani, Secretary General

Anna Lindh Foundation -Mr Andreu Claret, Executive Director

Economic Cooperation Council -Mr. Andrea Canino, President

EU Member States

Germany -H.E. Dr Horst-Wolfram Kerll

Austria -H.E. Mr Johan Frölich

Spain -H.E. Mr Antonio Cosano

Greece -H.E. Ms Theodora Gromanidou

Hungary -H.E. Mr Gyorgy Pantos

Malta -H.E. Ms Victoria Ann Cremona

Holland -H.E. Mr Michiel Den Hond

Poland -H.E. Mr Olendzki Krzysztof

Portugal -H.E. Ms Rita Ferro

Belgium -H.E. Mr Alphonse Creusen

Finland -H.E. Ms Tiina Jortikka-Laitinen

Sweden -H.E. Mr Jan Thesleff

Luxembourg - H.E. Mr Jean Marc Hoscheit

Slovenia -H.E. Mr Iztok Mirošič

United Kingdom -H.E. Mr Chris O'Connor

Denmark -H.E. Ambassador Lars Vissing

Cyprus -H.E. Mr Kornelios Korneliou

Lithuania -Ms Ina Marciulionyte Director of the Latin America, Asia, Africa, Pacific
France -H.E. Mr Boris Boillon
Italy -H.E. Mr Pietro Benassi
Bulgaria -H.E. Mr Petko Doykov
Czech Republic -H.E. Mr Alexander Slaby

Private Sector

Mr Francisco de Lacerda, President of CIMPOR-Cimentos de Portugal

Mr Pier Francesco Guarguaglini, President of Finmeccanica

Mr Fabrizio Di Amato, President and CEO of Maire Tecnimont Group

Mr Roger Goudiard, Director of AFD

Mr Henri Giscard d'Estaing - President and CEO of Club Méditerranée

Mr Mickael Rees, President of British Gas, Tunisia

Mr Javier Monzón de Cáceres, President of INDRA

Mr José Manuel Entrecanales Domecq, President of ACCIONA

Mr Jean-Luc Decornoy, Vice-President of KPMG

Mr Jean-Louis Prades, Country Manager of Air France

Mr Slim Kchouck, Director General of Siemens-Tunisia

Mr Xavier Beulin, President of Prolea-Sofiproteol

Mr Timothy Collins, Lead shareholder of Kleinwort Benson

Ms Laurence Parisot, Director of Mouvements des Entreprises de France

Mr Guilhem Granier, Sanofi Aventis

Mr Radhi Meddeb, President of IPEMED

Mr Tarak Chérif, President of CONECT

Mr Noura, President of Arab Enterprise Institute

Mr Gérard de Mestrallet, President of Gas de France Suez

Mr Jean-Louis Guigou, President of IPEMED