

Neighbourhood: working for the Southern Mediterranean

EU Support for Tunisia

1. Summary

The **European Union acted swiftly** to support Tunisia in the wake of the revolution. It was quick to recognise the challenges of political and economic transition faced by Tunisia and the region as a whole, as well as the need to adapt its approach to relations with its southern neighbours to help to push forward reforms.¹

Financial assistance for 2011 was doubled from the EUR 80 million programmed to just under EUR 160 million and indeed **tripled** if the humanitarian assistance provided in the context of the Libyan crisis is included.

In the immediate aftermath of the revolution, the EU provided assistance to support the preparation of the elections and direct support to civil society. The additional funds for 2011 targeted in particular both Tunisia's economic recovery and the need to relieve hardship and to create employment in the most impoverished parts of the country. The EU has also made available considerable humanitarian support in 2011 (worth EUR 80.5 million from the Commission and EUR 72 million from EU Member States), in particular to help Tunisia to cope with the influx of refugees fleeing war in Libya.

The EU also immediately reviewed programmes in the pipeline to ensure that they responded to immediate challenges. For the period 2011 to 2013 the EU raised the amount indicatively earmarked for Tunisia from **EUR 240 million to EUR 400 million** (excluding humanitarian assistance), **an increase of EUR 160 million – in excess of 60%**.

The European Union seeks wherever possible to co-finance initiatives with EU Member States and other international partners to and maximise the impact of support. The EU seeks to ensure as much as possible that its grant support to Tunisia leverages loans from financing institutions and private sector investments, thus multiplying considerably the amounts made available.

The value of support from **EU Member States** over the period, while difficult to calculate exactly due to different programming periods, amounts to **around EUR 850 million in loans** and **EUR 45 million in grants**.

¹ See the Joint Communications of the European Commission and the High Representative of the EU for Foreign Affairs and Security Policy of 8 March 2011 entitled "[A partnership for democracy and shared prosperity with the Southern Mediterranean](#)" and of 25 May 2011 entitled "[A new response to a changing Neighbourhood](#)".

The EU is a major contributor to the **EUR 1 billion economic recovery support programme**, which supports economic reforms put in train by the government to reinforce the process of economic and political transition. This is made up of an EU grant of EUR 100 million, a World Bank loan of USD 500 million, an African Development Bank loan of USD 500 million, and a loan from 'Agence française de Développement' of EUR 185 million.

Co-operation with Tunisia 2011-2013		EUR million	2011	2012	2013
European Neighbourhood Policy Instrument (ENPI)					
	<i>Initial</i>	240	80	75	85
	<i>Additional contribution</i>	150	70	40	40
Total ENPI		390	150	115	125
Total Other Instruments			9.7		
Humanitarian Aid			80.5		
Total all financial instruments			240		

2. Bi-lateral European Union Support

The EU is a very significant grant donor to Tunisia, which receives the bulk of support from the international community through loans.

In 2011 the EU responded fast to the challenging of adapting its support to meet new challenges, while building on past successes. For the period 2011 to 2013, the EU had earmarked EUR 240 million for bi-lateral co-operation with Tunisia from the ENPI. This indicative amount has been **increased by EUR 150 million**. Adding to this amount the EUR 9.7 million allocated in 2011 from other EU budget lines (e.g. for elections and civil society support), the total allocation for Tunisia to help it meet new priorities and needs **reaches EUR 400 million**.

For 2011 alone, the EU doubled financial support, increasing it from the EUR 80 million foreseen to just under EUR 160 million. This is to support economic recovery, civil society and democratic transition in particular through the following programmes:

- **support for economic growth (EUR 100 million):** to support the Tunisian Government's emergency programme to revive the economy. *Total donor support to this economic recovery support programme, which supports economic reforms put in train by the government to reinforce the process of economic and political transition amounts to EUR 1 billion. This is made up of an EU grant of EUR 100 million, a World Bank loan of USD 500 million, an African Development Bank loan of USD 500 million, and a loan from 'Agence française de Développement' of EUR 185 million.*
- **support for services (EUR 20 million):** to strengthen competitiveness in four sub-areas: health, ITC, transport and logistics, services for companies and professional services.

- **programme for less favoured areas (EUR 20 million):** aimed at facilitating democratic transition by reducing social inequalities and regional discrepancies; micro-finance institutions will also be supported via a call for proposals.
- actions to support **civil society, non state actors** and the **preparation and observation of elections (EUR 9.7 million)**. These actions are being implemented.

Support is fully in line with priorities set down in the Joint Communication of 8 March 2011 "[A partnership for democracy and shared prosperity with the Southern Mediterranean](#)" and with that of 25 May 2011 "[A new response to a changing Neighbourhood](#)".

Recognising the substantial reform progress made by Tunisia since the revolution, the EU has decided that Tunisia should be the first **beneficiary of financial support from SPRING**². This new EUR 350 million umbrella programme for the Southern Neighbourhood makes available support on a "**more-for-more**" basis to partner countries showing sustained commitment to, and progress in, reforms. An initial EUR 20 million is made available in 2011. Half of this is used to increase the EU's contribution to the economic recovery support programme to EUR 100 million, while the remaining EUR 10 million is available to help Tunisia address priorities.

For 2012, focus will be on employment, justice, and civil society.

Further support has been provided from other budget lines and programmes at the Commission's disposal:

- Support to the transition to democracy and to the preparation of elections consists of a **EUR 2 million** package under the **Instrument for Stability (IstS)**.
- The **European Instrument for Democracy and Human Rights** (EIDHR), allocated **EUR 2 million** to support the electoral process (electoral observation), training political parties and supporting freedom of expression and promoting democratic values, and a further **EUR 3.2 million** for the financing of an **election observation mission**.
- **EUR 2.5 million** was made available from the **Non-State Actors** thematic programme to promote local development through civil society with a focus on job creation and income generation.
- **Humanitarian aid** has been provided to help Tunisia deal with the Libyan refugee crisis. A total of **EUR 80.5 million** was committed by the Commission. The overall EU amount of humanitarian aid to Tunisia in 2011 (including that coming from EU Member States) amounts to approximately EUR 152 million.

² "[Support for Partnership, Reforms and Inclusive Growth](#)" programme adopted by the Commission on 26 September 2011.

Bilateral EU support to Tunisia for 2011- 2013 is summarised in the table below:

Co-operation with Tunisia 2011-2013	EUR million	2011	2012	2013
		<i>European Neighbourhood Policy Instrument</i>		
<i>Initial</i>	240	80	75	85
<i>Additional contribution</i>	150	70	40	40
Total ENPI	390	150	115	125
Instrument for Stability (IFS)		2		
European Instrument for Democracy and Human Rights (EIDHR)		5.2		
Non-State Actors (NSA)		2.5		
Total Other Instruments		9.7		
Humanitarian Aid		80.5		
Total all financial instruments		240		

3. Regional EU Programmes

Tunisia is an active participant in, and beneficiary of, a range of regional initiatives. These include in particular:

- The **Neighbourhood Investment Facility (NIF)**. Tunisia has already benefited from a total of **EUR 23 million** from this programme, launched in May 2008, through grants aimed at supporting three investment projects in the fields of infrastructure and environment.
- **Twinning**. Tunisia is an enthusiastic user of the **twinning Instrument**, which supports capacity building for public sector agencies by linking them with European counterparts. In the last 12 months 20 different actions were launched in Tunisia with a total budget of **EUR 22.2 million** for work in areas including transport, decentralisation and decentralisation.
- **Erasmus Mundus** (higher education). 282 Tunisian students on all academic levels participated in mobility partnerships thanks to scholarships in 2007-10, and **Tempus** (higher education). Tunisia is currently involved in 19 projects. In the field of higher education. Following the Arab Spring, the budget for **Erasmus Mundus** has been increased by EUR 20 million in 2011 for the Neighbourhood (South and East) and that of the **Tempus** programme by EUR 11.3 million. This provides greater opportunities for Tunisian students and higher education institutions.
- **Civil Society Facility (EUR 22 million for ENPI region)**. This facility was set up following the Arab Spring and will offer greater support to local civil society organisations. The objective of this Facility is to strengthen and promote non-state actors role in reforms and democratic changes taking place in the Neighbourhood countries, through increased participation in the fulfilment of Neighbourhood Policy objectives.

- **Anna Lindh Foundation (ALF).** Based in Alexandria, Egypt, the Foundation promotes dialogue between cultures, people and organisations of the region, through opportunities to work together on projects. It is a central actor of the Euro-Mediterranean Process which operates in the (43) countries of the Euro-Mediterranean Partnership. The ALF organised a 'Tunis exchange forum' gathering representatives from the civil society in July 2011.
- **Migration and Asylum.** In all Tunisia is participating in seven on-going regional programmes with a total budget of EUR 15.3 million. The programmes are related to the following areas: capacity building for civil society on migration matters; improvement of living conditions for vulnerable migrants; migration data and research; regional protection programmes for migrants and affected communities; professionalisation of public employment service Programmes include **Euromed Migration III**. This fosters co-operation on migratory issues between the ENPI South partner countries and EU countries and among ENPI South partner countries themselves.

ANNEXES

1. Overview of ongoing EU-Tunisia bi-lateral programmes (NIP 2007-2010)

<u>2007 Support programme to the Association Agreement</u> <i>Support to Tunisian administration through twinnings for the implementation of the Association Agreement and the Action Plan.</i>	<i>EUR 30 million</i>
<u>2007 Environment and Energy Programme</u> <i>in support of consolidating a sustainable strategy in the fields of environment and energy management.</i>	<i>EUR 33 million</i>
<u>2007 Support to Tunisian Chemical Group for compliance with environmental regulation</u> <i>Interest rate subsidy to a European Investment Bank (EIB) loan meant to reduce polluting effects of the production of the Tunisian Chemical Group.</i>	<i>EUR 10 million</i>
<u>2007 Support to Budget management by programmes</u> <i>Reform in public finance management in order to introduce budget management by programmes.</i>	<i>EUR 30 million</i>
<u>2008 Support to enterprises competitiveness and to easier access to markets</u> <i>Support to Tunisian enterprises in order to step up quality and competitiveness and create better access to the European market.</i>	<i>EUR 23 million</i>
<u>2008 Support to Integration Programme</u> <i>in support of integration into the world economy and reinforcement of the competitiveness of Tunisian enterprises.</i>	<i>EUR 50 million</i>
<u>2009 Education and Employment</u> <i>Support to creating better links between employment and education and assure better quality of education and partnership</i>	<i>EUR 65 million</i>
<u>2009 Research and Innovation</u> <i>Create stronger links between research, innovation and enterprises in order to boost growth and employment.</i>	<i>EUR 12 million</i>
<u>2010 Support to public management of the water sector for rural and agricultural development</u> <i>Support programme to the investment and development plans of the Water and Agriculture Financing Agreement signed during the Task Force meeting in September 2011.</i>	<i>EUR 57 million</i>
<u>2010 Support to Integration bis</u> – response to the economic crisis <i>EUR 20 million supplement to the 2008 Programme in support of integration in order to respond to the financial and economic crisis.</i>	<i>EUR 20 million</i>

2. Overview of Tunisia participation in Euromed regional projects

Tunisia is an active participant in, and beneficiary of, a range of regional initiatives. These include in particular:

- The **Neighbourhood Investment Facility (NIF)**. Tunisia has already benefited from a total of **EUR 23 million** from this programme, launched in May 2008, through grants aimed at supporting three investment projects in the fields of infrastructure and environment.
- **Twinning**. Tunisia is an enthusiastic user of the **twinning Instrument**, which supports capacity building for public sector agencies by linking them with European counterparts. In the last 12 months 20 different actions were launched in Tunisia with a total budget of **EUR 22.2 million** for work in areas including transport, decentralisation and decentralisation.
- **Cross-Border Co-operation**. Programmes include a bilateral Sea Crossing Programme with Italy.
- **Support for Improvement in Governance and Management (SIGMA)**. Support has been provided for instance to the Prime Minister's office for the improvement of public sector services.
- **Technical Assistance Information Exchange (TAIEX)**. Tunisia is one of the 26 partner countries presently beneficiaries of this Instrument. From 2006 until day Tunisia has been beneficiary of 45 actions.
- **Erasmus Mundus (higher education)**. 282 Tunisian students on all academic levels participated in mobility partnerships thanks to scholarships in 2007-10, and **Tempus (higher education)**. Tunisia is currently involved in 19 projects. In the field of higher education, the budget for **Erasmus Mundus** has been increased by EUR 20 million in 2011 for the Southern Neighbourhood and that of the **Tempus** programme by EUR 11.3 million.
- **Migration and Asylum**. In all Tunisia is participating in seven on-going regional programmes with a total budget of EUR 15.3 million. The programmes are related to the following areas: capacity building for civil society on migration matters; improvement of living conditions for vulnerable migrants; migration data and research; regional protection programmes for migrants and affected communities; professionalisation of public employment service. Programmes include **Euromed Migration III**. This fosters co-operation on migratory issues between the ENPI South partner countries and EU countries and among ENPI South partner countries themselves.
- **Euromed Justice III**. The overall objective of the project is to foster co-operation on judicial issues between the ENPI South partner countries and the EU countries, as well as between the ENPI South partner countries themselves.
- **Euromed Police III**. This is designed to foster co-operation on police issues between the ENPI South partner countries and territories and EU countries and ENPI South partner countries and territories themselves, and to contribute to the strengthening of rule of law and human rights in these countries.
- **Invest in Med**. The project supports investment promotion and business development through the promotion of regional events for investment, the promotion

of networking, the assistance to the private sector with long-term and short term staff exchanges. 28 Tunisian business organisations have so far been involved

- **Environment.** Tunisia actively participates to the activities of the EU's regional environment and climate change initiatives, which have a budget of around EUR 30 million.
- **Energy.** Tunisia participates actively in different regional energy-related programmes, with a budget of more than EUR 20 million. These are largely focussed on improving the efficiency and sustainability of energy use, and enhance the integration and security of the Euro-Mediterranean Energy Markets.
- **Transport.** Tunisia participates in all the activities of the EU's regional transport support portfolio which presently amounts to more than EUR 30 million. All of these help implement the Regional Transport Action Plan agreed during the Euro-Mediterranean Ministerial Conference of Marrakech for the period 2007-2013.
- **Natural Disaster Management.** Tunisia participates in the EUR 5 million South Programme for the Prevention, Preparedness and Response to Natural and Man-Made Disasters.
- **Urban Development.** Tunisia participates in the **CIUDAD programme** (Co-operation in Urban Development and Dialogue), which supports collaboration between cities and local authorities within the EURO-Mediterranean area.
- **Training for journalists.** In the context of the programme **European Neighbourhood Journalism Network (ENJN)** a series of workshops were conducted to meet the potential need for training after the Arab spring.
- **Civil Society Facility (EUR 22 million for ENPI region).** The objective of this Facility is to strengthen and promote non-state actors role in reforms and democratic changes taking place in the Neighbourhood countries, through increased participation in the fulfilment of Neighbourhood Policy objectives.
- **Anna Lindh Foundation (ALF).** Based in Alexandria, Egypt, the Foundation promotes dialogue between cultures, people and organisations of the region, through opportunities to work together on projects. It is a central actor of the Euro-Mediterranean Process which operates in the (43) countries of the Euro-Mediterranean Partnership. The ALF organised a 'Tunis exchange forum' gathering representatives from the civil society in July 2011.
- **Gender – Euromed.** This programme contributes to strengthening the capacity of qualified actors in order to promote equality between men and women.
- **Euromed Heritage.** This contributes to the exchange of experiences on cultural heritage, creates networks and promotes co-operation.
- **Euromed Audiovisual III.** The programme contributes to the reinforcement of a Southern Mediterranean cinema industry through actions supporting the emergence of an audience for such films and the creation of a market for their distribution.
- **Euromed Youth.** Designed to facilitate encounters, partnerships and networks of young people within the Euro-med region, this programme is managed by Mediterranean youth authorities.
- **Euromed Information society.** This programme supports the development of the Information Society in the Mediterranean Region.

3. Overview of Actions in favour of civil society organisations

Instrument for la Stability (IfS)

EUR 2 million was mobilised through the Instrument for Stability for the support of seven projects aiming at assisting Tunisian authorities to prepare for democratic elections according to international standards and to support the development of an independent civil society and to enable citizens' associations to play an active role in the definition of the country's reform programme.

- **ERIS, EUR 800,000:** "Assistance technique pour la préparation des élections et le processus de réforme électorale."
- **AFTURD/ATFD in partnership with UN Women, EUR 300,000:** "Renforcer le droits des femmes et leur participation à la transition démocratique."
- **SNJT in partnership with Institut Panos Paris, EUR 200,000:** "Garantir l'indépendance et le professionnalisme des medias, renforcer la structure du SNJT et former les journalistes à la couverture des elections."
- **DRI, EUR 200,000:** "Promouvoir le débat, analyser et former les organisations de la société civile sur les enjeux de la transition démocratique, la réforme constitutionnelle, les élections et former les formateurs pour la mise en place d'une observation domestique des élections par des citoyens tunisiens."
- **LTDH, EUR 300,000:** "Promouvoir les droits de l'Homme et l'éducation démocratique et appuyer la LTDH dans sa restructuration au niveau national et local."
- **GIZ, EUR 100,000:** "Renforcer les capacités et la création d'organisations de la société civile tunisienne dans 6 régions défavorisées de la Tunisie."
- **FEMDH, EUR 100,000:** "Renforcer les capacités des organisations de défense des droits de l'homme et des défenseurs de droits de l'homme en Tunisie."

European Instrument for Democracy and Human Rights (EIDHR)

A call for proposals was launched in March 2011 under the European Instrument for Democracy and Human Rights with a budget of **EUR 2 million**. Ten proposals were selected for funding in the three following areas:

a) National monitoring of elections. Training and dispatching of 5,000 à 10,000 national observers:

- "Coalition d'ONG des Droits de l'Homme avec la LTDH comme Chef de File (EUR 300,000)";
- "Association Tunisienne pour l'Eveil Démocratique (EUR 267,432.12)".

b) Training of Political Parties:

- "Fondation Konrad Adenauer (EUR 300,000)".

c) Support to freedom of expression and promotion of democratic values:

- 3 proposals for support to media (radio, television and blogs, training of journalists for the covering of elections and events in the regions. (EUR 501,264.90);
- 2 proposals on democratic awareness raising and citizenship education, through modules of training, awareness raising and TV and radio spots. (EUR 249,500);

- 1 proposal on strengthening NGOs' capacities in the Western part of Tunisia with an approach to gender equality and promotion of women's participation in discussion events and decision-making at community level. (EUR 198,640);
- 1 proposal for the promotion of human rights and the organisation of a film festival on human rights. (EUR 155,000).

The complete list of the ten projects selected and its beneficiaries is available on the website of the EU Delegation to Tunisia:

http://eeas.europa.eu/delegations/tunisia/documents/more_info/liste_ieddh_juil_2011_fr.pdf

Non States Actors and Local Authorities (NSA/LA)

A call for proposals was launched in July 2011 under the thematic programme NSA/LA for a total budget of **EUR 2.5 million**. The call focuses on the promotion of local development projects with a specific attention to job creation and income generation. The selected projects will help to reinforce the capacities of civil society organisations and in particular of those working with women and young people.

The Delegation received approximately 50 concept notes that are currently being analysed in order to launch the second phase of the call with the submission of detailed proposals.



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