

NEW **TUNISIA**
NEW OPPORTUNITIES



INVEST IN TUNISIA





TUNISIA in figures 2013



Population	: 10.9 million inhabitants
Life expectancy	: 75 years
Capital	: Tunis
Official language	: Arabic
Commonly used languages	: French, English, Italian and German
Currency	: Tunisian Dinar (TND)
Exchange rate (2013)	: 1 TND = 0.463 Euro = 0.615 USD
Time	: GMT+1
Climate	: Mediterranean, 12°C in winter, 30°C in summer (on average)

Source: National Statistics Institute

GDP	: 76.569,900 TND million (at current prices)
Growth rate	: 2.6%
Income per capital	: 7,152.900 TND
Exports	: 35,287.000 TND million (at current prices)
Imports	: 42,320.000 TND million (at current prices)

Source: Ministry of Development and International Cooperation

FDI flows	: 1,815.000 TND million
New employments	: 9,715 employments

Source: FIPA-Tunisia, 2014





New TUNISIA, an attractive investment site



THE MAJOR GROUPS THAT TRUSTED TUNISIA ARE:

AEROLIA, AKZO NOBEL, ASTEEL, AUTOLIV, AVENTIS SANOFI, BAXTER, BENETTON, BG, BIC, BNP, CROWN CORK, DANONE, DRÄXLMAIER, ELECTROLUX, ESSO, FAURECIA, FRAM, GENERAL ELECTRIC, GM, GROUPE BPCE, HAIER, HEINEKEN, HENKEL, HUTCHINSON, JOHNSON CONTROLS, KASCHKE, KBE ELEKTROTECHNIK, KROMBERG & SCHUBERT, LACROIX ELECTRONICS, LATECOERE, LEAR CORPORATION, LEONI, LUCENT TECHNOLOGIES, MICROSOFT, MIROGLIO, NESTLE, ORANGE, PFIZER, PHILIPS, PHOENIX, RIEKER, SAFRAN, SCANIA, SEWON, SIEMENS, SIOEN, SOCIETE GENERALE, SOMFY, ST MICROELECTRONICS, STREAM, SUMITOMO, TELEPERFORMANCE, THOMSON MULTIMEDIA, TOTAL, TOYOTA TSUSHO, UNILEVER, VALEO, VAN DE VELDE, VAN LAACK, VOLVO, YAMAICHI ELECTRONICS, YAZAKI, YURA CORPORATION, ZODIAC, 3 SUISSES ...

A CONFIRMED ECONOMIC COMPETITIVENESS

The yearly report "Doing Business 2014" ranks Tunisia 51st out of 189 countries and ahead of North African countries.

Ease of doing business ranking

Economies	Rank
Germany	21
France	38
TUNISIA	51
Spain	52
Italy	65
Turkey	69
Romania	73
Morocco	87
Egypt	128
Algeria	153

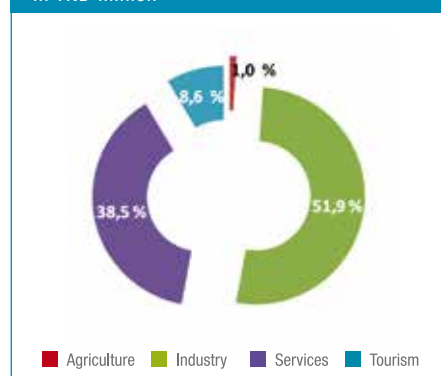
Source: Doing Business Report 2014, Understanding Regulations for Small and Medium-Size Enterprises, World Bank

FDI ATTRACTION

Foreign investment is not new in Tunisia; the first European companies started settling in the country since the early 70^s.

Since then, 3,162 foreign companies are established in Tunisia providing more than 330,000 jobs. They found an environment that is similar to that of many southern European countries in addition to attractive benefits.

FDI distribution by sector in 2013 (excluding energy) In TND million



Source: FIPA –Tunisia, 2014



New TUNISIA, open to the outside



Tunisia is a founding member of the World Trade Organization since 1995.

■ A GEOSTRATEGIC POSITION IN THE MEDITERRANEAN

At just an hour flight to Europe and less than three hours flight from Middle East cities, Tunisia is the preferred destination for those who choose to access a market of 800 million consumers.

With 1,300 km of coastline, Tunisia is a country naturally and historically open to the outside. Exports amounted to more than 46% of its GDP.

■ AN ADVANCED PARTNER STATUS WITH THE EUROPEAN UNION

The European Union is the largest trade partner of the country.

After the free trade association agreement with the European Union signed in 1995, Tunisia accessed in November 2012 to the Advanced Partner Status. This status offers trade advantages, reinforces the economic agreements with the European Union, and gives hence priority to Tunisian exports to the European markets.

Tunisia signed 52 agreements on double taxation and 54 bilateral agreements to promote and protect investments.

■ A REGIONAL AND INTERNATIONAL INTEGRATION

Tunisia signed several bilateral and multilateral trade agreements contributing hence to reinforce its position and membership in its regional and international environment, such as:

- a bilateral agreement establishing a free trade zone with Turkey;
- an agreement establishing a free trade zone with EFTA countries since 2004;
- Agadir Free Trade Agreement between Jordan, Egypt, Morocco and Tunisia signed in 2004; and bilateral agreements establishing free trade zones with Libya, Egypt, Morocco, Jordan and Iraq.

Tunisia is also a member of ICSID and recently joined, in May 2012, the OECD Declaration and Decisions on International Investment and Multinational Enterprises.

■ A REGIONAL HUB

Tunisia is a privileged site for investors wishing to operate in neighboring markets such as Libya and Algeria.

Libya represents today the second trade partner of Tunisia after the EU.



New TUNISIA, performing networks



■ A SIGNIFICANTLY IMPROVING DEDICATED INFRASTRUCTURE

Tunisia has 9 international airports covering the entire territory.

The largest airport is Tunis-Carthage.

A hundred foreign airlines ensure more than 2,000 weekly flights from Tunisia to Europe.

The maritime infrastructure is made up of seven commercial ports and an oil terminal.

The road network is made up of 20,000 km of paved roads and 360 km of highways across the country. The railway network is 2,167 km long and covers the whole country.

■ INCREASINGLY SPECIALIZED INDUSTRIAL ZONES

Tunisia has:

- 10 operational competitiveness clusters or technological parks distributed across the regions (Ariana, Borj Cedria, Sidi Thabet, Sousse, Sfax, Monastir, Bizerte, Gafsa, Gabes and Medenine) and two clusters are in progress as well as 15 cyberparks specializing in communication technologies;
- two operational parks dedicated to economic activities with high quality services: the Bizerte Park which is located in the city's port (60 km from Tunis airport) and that of Zarzis which is located at half an hour from the Jerba airport;

- a park dedicated to aeronautics at El Mghira (suburb of Tunis);
- a hundred industrial zones distributed across the country.

■ A PERFORMING TELECOMMUNICATION NETWORK

All types of networks are available in Tunisia, which allows foreign companies to establish communication links with virtually all parts of the world at low costs.

The telecommunications network of Tunisia is considered among the most advanced networks in the Mediterranean basin, with high speed multifunction switches that ensure at the same time telephone traffic, Internet and multimedia applications.





New TUNISIA, a pool of talents



■ A PERFORMING EDUCATION SYSTEM

Education in Tunisia is free and accessible to all. 99% of young Tunisians are schooled. The Tunisian government spends more than 5% of its budget on education.

More than 337,000 students (62.3% girls) were enrolled in 198 higher education institutions which are distributed throughout the Tunisian territory.

More than 1,000 vocational training centers (public and private) provide training to 140,000 students and trainees in hundreds of specialties covering all economic sectors.

In Tunisia, the salary of junior engineer is about 600 € and that of a junior higher technician is about 350 €.

The Minimum Interprofessional Guaranteed Wage "SMIG" is of about 130 €.



■ A POOL OF YOUNG GRADUATES WITH HIGH POTENTIAL

Over 70,000 new graduates each year join the labor market with an exceptionally high multilingualism.

35% of graduates specialize in fields of engineering, computer science, communications and other technical fields. More than 6,000 higher education graduates are engineers.

Availability of scientists and engineers in the labour market

1: low availability, 7: high availability

Rank	Country	Value
22	TUNISIA	4.8
24	France	4.8
29	Italy	4.7
39	Morocco	4.5
53	Turkey	4.4
56	Egypt	4.4

Source: the Global Competitiveness Report, 2013-2014, WEF



"We trust our teams from bottom to top of the hierarchy. They work independently, with a lot of commitment. This is the result of social dialogue, incentives to progress, the possibility to make ideas and talents emerge."

Mr. Gaby LOPEZ,
Director of ZODIAC EQUIPEMENTS TUNISIA,
March 2013

■ SKILLS IN R&D

Many international companies already have centers of expertise in Tunisia: ST MICROELECTRONICS, ACTIA, ALCATEL, LEONI, KROMBERG & SCHUBERT, SAGEM, SIEMENS and ZODIAC EQUIPEMENTS TUNISIA... employing hundreds of Tunisian engineers and managers.



New TUNISIA, a favorable business climate



■ MANY INVESTMENT INCENTIVES

Tunisian legislation on investment offers:

- multiple tax incentives including:
 - 10 years tax exemption on profits for agricultural projects
 - tax exemption for ten or five years, for projects located in areas of regional development, and according to the priority level of the area
 - tax rate reduced to 10% on profits arising from exports.
- investment premiums for industrial projects in areas of regional development and for tourism and agricultural projects
- subsidy to employer's social contributions and of infrastructure expenses in areas of regional development
- subsidy to vocational training up to 50% of initial training costs and up to 25% of continuous training costs
- subsidies to investment for environment protection, technology and R&D promotion, regional or agricultural development...

■ A FAVORABLE INVESTMENT REGULATORY FRAMEWORK

Tunisian legislation guarantees:

- freedom of investment in most sectors
- simple settlement procedures
- facilitated import and export (totally exporting companies are considered as special free zones)
- simplified imports and exports
- protection of intellectual property
- flexibility in recruitment procedures
- current convertibility of the Tunisian dinar...



New TUNISIA, a deeply rooted **modernity**

■ LEGENDARY TUNISIAN PACIFISM AND HOSPITALITY

Tunisia is a pacifist country that has never known wars since the Punic Wars. Initiator of the Arab Spring, the Tunisian people led the first revolution of the 21st century “the Jasmine Revolution of January 14th, 2011” in a peaceful manner and which remains exemplary and unique in the world in many respects.

Tunisians are the direct heirs of several successive civilizations: Berbers, Phoenicians, Romans, Byzantines, Arabs, Turkish, French. They have shaped their personalities and transmitted across generations, not only noble values such as hospitality, tolerance and happiness, but also the spirit of creativity and initiative, determination to succeed and above all, adaptability.

■ A PIONEERING SOCIETY

While perfectly combining modernity and tradition, Tunisia has always been pioneering in its choice of society.

This is the first Arab country to:

- abolish slavery in 1846;
- draft a constitution in 1861;
- guarantee women's rights through the enactment in 1956 of the Personal Status Code;
- give women the right to vote in 1957.

■ A PLEASANT LIVING ENVIRONMENT

In addition to the mild climate and the variety of landscapes, Tunisia has all the necessary facilities and structures so that foreign investors live comfortably and feel at home:

- modern residential neighborhoods with luxury homes at reasonable cost;
- many malls and superstores offering the most varied products and where all brands are represented;
- foreign schools (French, Canadian, British, Italian and American) in addition to a large Tunisian public and private educational infrastructure;
- high level medical services with a network of modern and specialized clinics offering a variety of treatments and health care to an increasing number of foreign patients;
- a variety of sports with a developed sports infrastructure;
- a precious archaeological heritage;
- many international festivals;
- an important tourist infrastructure.





New TUNISIA, a promising future

Tunisia remains a preferred destination for foreign investors with greater opportunities.

The new Tunisian context provides them with a new environment thanks to:

- **the adoption of a new constitution**, born of a consensus between different political trends and civil society, with a document that reflects progressive provisions that are unique in the Arab world, such as equality between citizens whether men or women, freedom of conscience or the sharing of the executive power;
- **building democratic institutions** based on pluralism, equality, freedom, and participation of all segments of civil society in political life in addition to strengthening the management of public affairs in line with consolidating decentralization of decision making, eliminating arbitrary practices as well as consolidating the principles of right conduct, transparency and equitable distribution of wealth among all social classes and regions of the country;
- **the start of major projects** focusing on infrastructure and sustainable development as well as productive industries and human development, in an environment favoring direct investment and public-private partnership;
- **opening new sectors to foreign investment** such as finance, renewable energies, health or even culture...

**“Tunisia:
a source of
inspiration for
the world.”**

Mr. Jim Yong KIM,
President of the World Bank,
January 2013

**“Tunisia’s
example can be
a model to other
peoples seeking
reforms.”**

Mr. Ban KI-MOON,
Secretary-General of the UN,
January 2014





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