



Overall performance

Tunisia has implemented processes that encourage the creation of businesses, promoting competition and investment. Despite having a reasonably stable financial sector, the impact of the COVID-19 pandemic may present a challenge to obtaining finance for infrastructure investments. To encourage investment in infrastructure projects and provide security for investors, Tunisia could improve the liquidity of its financial market and boost GDP growth to secure funding for future projects.

Drivers	Rank (/16)	Rank change (2017-20)	Score (/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	30	↑ 1	59	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Regulatory frameworks	58	↓ 7	53	Green	Green	Green	Light Blue	Light Blue
Permits	39	↑ 1	71	Blue	Blue	Blue	Blue	Light Blue
Planning	43	↓ 3	71	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Procurement	57	↓ 37	63	Light Green	Light Green	Light Green	Light Green	Light Blue
Activity	39	↓ 3	35	Green	Green	Light Blue	Light Blue	Light Blue
Funding capacity	65	↓ 15	20	Orange	Light Blue	Light Blue	Light Blue	Light Blue
Financial markets	40	↓ 2	32	Yellow	Yellow	Light Blue	Light Blue	Light Blue

Tunisia at a glance



\$3,287
GDP per capita
(USD, 2019)



11.8 million
Population
(2019)



3.7% of GDP
Infrastructure investment
(2019 estimate)



1.4% of GDP
Infrastructure gap
(2019 estimate)



62.7
Infrastructure quality
(0-100, 100 is best, 2019)



—
Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



94.2/100

Cost to start a business

According to the World Bank, the cost to start a business in Tunisia is 2.9% of income per capita, the second lowest for Lower Middle Income Countries. A review of processes resulted in a reduction of fees to start a business, easing the entry of new firms.



80.1/100

Time required to start a business

According to the World Bank, the time required to start a business in Tunisia is nine days, which is less than Lower Middle Income Countries average of 20.4 days. Shorter times to set up businesses can persuade businesses to set up in a country, including new infrastructure entities.



74.7/100

Financial stability

Tunisia's financial stability is satisfactory, however it is the lowest ranked among Lower Middle Income Countries. A stable financial system facilitates the smooth flow of funds between infrastructure and investors, improving capital supply for projects.

Opportunities to grow



No

Market sounding and/or assessment

Tunisia currently lacks a market sounding process for infrastructure projects. Adding such a process could allow the government to better determine if there is interest from investors and lenders to provide commercial financing for projects.



2/100

Stocks traded

Tunisia traded stocks worth approximately 2.2% of GDP in 2019, scoring it below the Lower Middle Income Countries average of 15.5%. As this indicator measures the liquidity of equities, it is important to infrastructure investors to know they can exit investments at appropriate points.



20.1/100

Long term GDP growth trend

Tunisia's long-term GDP growth is 2.1%, the lowest value compared to other Lower Middle Income Countries where the average is 4.9%. Combined with the uncertain impact of the COVID-19 pandemic, this low growth trend may hamper Tunisia's ability to borrow and build more infrastructure.

For guidance on how to improve these metrics, please see the [Tunisia Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	38.7	Population (million, 2019)	11.8	Unemployment rate (2019)	15.5%
GDP per capita (\$US, 2019)	3,287	Urbanisation ratio (2018)	69.0%	Inflation rate (2019)	6.6%
GDP growth rate (annual, 2019)	1.5%	Gross Government Debt (% of GDP, 2019)	74.0%	Digital Adoption Index (0-1 best, 2016)	0.56
GDP per capita growth rate (annual, 2019)	-3.9%	Sovereign risk rating (2019)	31	Gini coefficient (0-100 worst, 2015)	32.8

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	45.5 ↓	Cost to start a business	94.2 ↑
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	51 ↓	Dealing with construction permits	57.8 -
Recovery rate	51.3 ↓	Product market regulation, network sectors	54.2 [^] -	Quality of land administration	45 ↑
Rule of law	50.8 ↑	Regulatory (including competition) quality	41.8 ↑	Registering property	68.8 ↑
Shareholder governance	43.3 ↑	Strength of insolvency framework	53.1 -	Time required to start a business	80.1 ↑
Political stability and absence of violence	35 ↑	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes -	Average procurement duration – transaction RFP	60.4 [^] ↑	Infrastructure investment	48.9 ↑
Published infrastructure plan?	Yes -	Degree of transparency in public procurement	25 ↓	Private infrastructure investment	53.4 [^] ↓
Preparation of PPPs	42 -	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	28.3 [^] ↓
Economic analysis assessment?	Yes -	Procurement of PPPs	59 -	Value of closed infrastructure deals with foreign equity sponsorship	8.9 ↑
Market sounding and/or assessment?	No -	PPP contract management	71 -		
Environmental impact analysis?	Yes -				
FUNDING CAPACITY		FINANCIAL MARKETS		Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPII, Oxford Economics, Trading Economics, and Deloitte.	
GDP per capita	4.2 ↓	Domestic credit to private sector	32.7 ↓		
Gross government debt	41.7 ↓	Financing through local equity market	46.9 ↑		
Long term GDP growth trend	20.1 ↓	Stocks traded	2 [^] ↑		
Summary credit rating	31 ↓	Financial depth	41.2 ↑		
		Financial stability	74.7 ↓		

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are generally the metrics with the lowest weighted score out of 100.

[^]Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.