

EUROMED INVEST



Agency for the Promotion of Industry and Innovation

**New Tunisia
New opportunities**

Invest in Tunisia

Torino / Italy – November 13th, 2014
Mr. Jelalia Bassem
Agency for the Promotion of Industry and Innovation
"API" and coordinator EEN Tunisia



Project funded by the
EUROPEAN UNION



EUROMED INVEST



**Business Climate
in Tunisia**

Strategic Location in the Euro-Mediterranean region

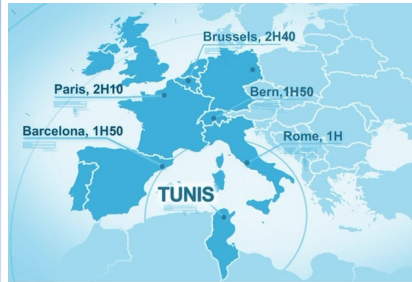


Tunisia is located at the junction of the Eastern and western basins of the Mediterranean, just where the Straits of Sicily separate it by 140 Kilometers from Europe.

This geographic position that made Tunisia a crossroads of civilizations throughout history, makes it today a platform for investment as well as for production and trade.

Within less than three hours of flying time from European and Middle-Eastern cities, TUNISIA is the preferred destination for those who decide to enter a market of 800 million consumers .

TUNISIA's 1.300 km coastline makes the country naturally open to the outside.



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, 2°C in winter, 30°C in summer (on average) |

Source: National Statistics Institute

| | |
|------------------------------|--|
| GDP (Gross Domestic Product) | : 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



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

EUROMED INVEST

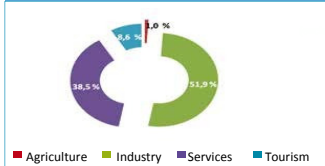
new Tunisia, an attractive investment



FDI ATTRACTION

The first European companies started settling in the country since the early 70s. 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 distributin by sector in 2013 (excluding energy) in TND million



| Sector | Number of companies | Employment |
|---------------------------------|---------------------|----------------|
| Manufacturing industries | 2.496 | 282.859 |
| Services | 438 | 32.583 |
| Agriculture | 80 | 2.539 |
| Tourism | 148 | 15.968 |
| TOTAL | 3.162 | 333.949 |

Source: FIPA -Tunisia, 2014

EUROMED INVEST

Trends related to operational foreign companies

Report on FDI in Tunisia, December 2013

| Year | Number of companies | Employment |
|------|---------------------|------------|
| 2006 | 2.803 | 273.569 |
| 2007 | 2.895 | 290.985 |
| 2008 | 2.966 | 303.142 |
| 2009 | 3.069 | 314.299 |
| 2010 | 3.135 | 324.821 |
| 2011 | 3.102 | 324.730 |
| 2012 | 3.068 | 332.617 |
| 2013 | 3.162 | 333.949 |

Breakdown of foreign companies by category of capital

| Capital | Number of companies | Employment |
|--------------------|---------------------|----------------|
| 100% foreign funds | 1.584 | 183.380 |
| Mixed capital | 1.578 | 150.569 |
| Total* | 3.162 | 333.949 |

*exclusive of the energy sector

EUROMED
INVEST

Breakdown of foreign companies by sector

Manufacturing industries

Report on FDI in Tunisia, December 2013

| Sector | Number of companies | Employment |
|-------------------------|---------------------|----------------|
| Textiles and clothing | 1.096 | 123.179 |
| Mechanical, metallurgy | 329 | 19.871 |
| Electric and electronic | 272 | 70.013 |
| Agri-business | 166 | 14.323 |
| Leather and footwear | 143 | 19.416 |
| Plastic industry | 136 | 10.273 |
| Construction materials | 81 | 7.919 |
| Chemistry and rubber | 76 | 5.249 |
| Pharmaceutical industry | 34 | 5.320 |
| Other industries | 163 | 7.296 |
| TOTAL | 2.496 | 282.859 |

*exclusive of the energy sector



EUROMED
INVEST

Breakdown of foreign companies by sector Services

Report on FDI in Tunisia, December 2013

| Sector | Number of companies | Employment |
|----------------------------|---------------------|---------------|
| Computer services | 136 | 4.758 |
| Telecommunications | 7 | 10.021 |
| Call center | 50 | 14.078 |
| Studies and consulting | 168 | 2.026 |
| Environmental technologies | 19 | 363 |
| Child and youth work | 2 | 13 |
| Vocational training | 5 | 102 |
| Transport | 5 | 576 |
| Public works | 3 | 130 |
| Other services | 43 | 516 |
| TOTAL | 438 | 32.583 |

*exclusive of the energy sector



EUROMED
INVEST

Breakdown of foreign companies by sector Agriculture

Report on FDI in Tunisia, December 2013

| Sector | Number of companies | Employment |
|-------------------------|---------------------|--------------|
| Aquaculture | 4 | 217 |
| Ficheries | 17 | 347 |
| Agricultural production | 49 | 1.655 |
| Agricultural services | 10 | 320 |
| TOTAL | 80 | 2.539 |

*exclusive of the energy sector



EUROMED
INVEST

Breakdown of foreign companies by sector Tourism

Report on FDI in Tunisia, December 2013

| Tourism | Number of companies | Employment |
|---------------|---------------------|---------------|
| Lodging | 94 | 14.965 |
| Entertainment | 36 | 921 |
| Other | 18 | 82 |
| TOTAL | 148 | 15.968 |



*exclusive of the energy sector

EUROMED
INVEST


| Countries | Number of companies | Employment |
|--|---------------------|----------------|
| EU countries of which | 2.952 | 308.685 |
| France | 1.314 | 126.175 |
| Italy | 801 | 59.848 |
| Germany | 249 | 54.827 |
| Belgium | 201 | 17.670 |
| United Kingdom | 87 | 12.415 |
| Holand | 79 | 11.191 |
| Spain | 61 | 5.707 |
| Luxemburg | 51 | 8.382 |
| Portugal | 43 | 3.052 |
| Other European countries of which | 113 | 14.130 |
| Switzerland | 93 | 12.569 |
| American countries of which | 101 | 16.371 |
| USA | 65 | 12.078 |
| Canada | 19 | 1.415 |
| Arabic countries of which | 261 | 33.768 |
| Saudi- Arabia | 38 | 6.184 |
| Koweit | 19 | 4.364 |
| United Arab Emirates | 19 | 11.603 |
| Asian countries | 52 | 7.778 |
| Turkey | 21 | 1.084 |
| Japan | 10 | 3.778 |


Breakdown of foreign companies by country

Report on FDI in Tunisia, December 2013
(exclusive of the energy sector)




EUROMED
INVEST

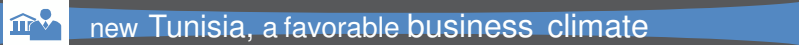



 new Tunisia, an attractive investment

■ **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, SOMFY, SOCIETE GENERALE, ST MICROELECTRONICS, STREAM,
 SUMITOMO, TELEPERFORMANCE, THOMSON MULTIMEDIA, TOTAL, TOYOTA
 TSUSHO, UNILEVER, VALEO, VAN DE VELDE, VAN LAACK, VOLVO, YAZAKI,
 YAMAICHI ELECTRONICS, YURA CORPORATION, ZODIAC, 3 SUISSSES ...






 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 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, innovation - technology and R&D promotion, regional development...




 new Tunisia, a favorable business climate

■ **A FAVORABLE INVESTMENT REGULATORY FRAMEWORK**

Tunisian legislation guarantees:

- freedom of investment in most sectors
- simple settlement procedures: service area (**one-stop desk** at **Agency for the Promotion of Industry and Innovation**) where administrative and legal formalities can be accomplished thanks to the presence of representatives of the various governmental authorities involved in setting up new businesses and legal constitution of new companies.
- facilitated import and export (totally exporting companies are considered as special **free zones**)
- simplified imports and exports
- protection of intellectual property
- flexibility in staff recruitment procedures
- current convertibility of the Tunisian dinar...



 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;
- **building democratic institutions** based on pluralism, equality, freedom, and participation of all segments of civil society in political life;
- **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





EUROMED
INVEST



**Thank you for your attention
and welcome in Tunisia**

Contacts:

**Agency for the Promotion
of Industry and Innovation**

www.tunisieindustrie.nat.tn



Agence de Promotion
de l'Industrie et de l'Innovation

Project financed by the European Union, the MedAlliance and the local authorities of Marseille - PACA



Project implemented by the MedAlliance consortium under ANIMA coordination

