

### Tunisia – a brief overview

Tunisia is the smallest country in North Africa. It is a country bordered by Algeria to the west, Libya to the southeast and the Mediterranean Sea to the north and east. Tunisia has an association agreement with the European Union and is a member of the Arab Maghreb Union, the Arab League, and the African Union. It has established close relations with France in particular, through economic cooperation, industrial modernization, and privatisation programs.

Street protests that began in Tunis in December 2010 over high unemployment, corruption, widespread poverty, and high food prices escalated in January 2011, culminating in rioting that led to hundreds of deaths. On 14 January 2011, the same day Ben Ali dismissed the government, he fled the country, and by late January 2011, a "national unity government" was formed. Elections for the new Constituent Assembly were held in late October 2011, and in December, it elected human rights activist Moncef Marzouki as interim president. The Assembly began drafting a new constitution in February 2012, and released a second working draft in December 2012.

### Economy of Tunisia

Tunisia's diverse, market-oriented economy has long been cited as a success story in Africa and the Middle East, but it faces an array of challenges during the country's ongoing political transition. Following an ill-fated experiment with socialist economic policies in the 1960s, Tunisia embarked on a successful strategy focused on bolstering exports, foreign investment, and tourism, all of which have become central to the country's economy. Key exports now include textiles and apparel, food products, petroleum products, chemicals, and phosphates, with about 80% of exports bound for Tunisia's main economic partner, the European Union. Tunisia's liberal strategy, coupled with investments in education and infrastructure, fueled decades of 4-5% annual GDP growth and improving living standards. As the economy recovers, Tunisia's government faces challenges reassuring businesses and investors, bringing budget and current account deficits under control, shoring up the country's financial system, bringing down high unemployment, and reducing economic disparities between the more developed coastal region and the impoverished interior.

### Key Industries of Tunisia

Key industries of Tunisia are petroleum, mining (particularly phosphate and iron ore), tourism, textiles, footwear, agribusiness, beverages.

### Key Agricultural Products of Tunisia

Key agri-products of Tunisia are olives, olive oil, grain, tomatoes, citrus fruit, sugar beets, dates, almonds; beef, dairy products.

### Tunisia's major trading commodities and partners

Major export commodities of Tunisia are clothing, semi-finished goods and textiles, agricultural products, mechanical goods, phosphates and chemicals, hydrocarbons, electrical equipment while its major export partners are France 26.3%, Italy 16%, Germany 9.4%, Libya 7.9%, US 4.3%. Moreover, major import commodities of Tunisia are textiles, machinery and equipment, hydrocarbons, chemicals, foodstuffs while its major import partners are France 20.2%, Italy 16.9%, Germany 7.5%, China 6.1%, Spain 5.4%.

### Economic Relations between Pakistan and Tunisia

Relations between Pakistan and Tunisia are quite cordial and friendly. The relations between the two countries are very old, traditional and religious. Pakistan supported Tunisia during its struggle for independence. Diplomatic relations between both states were established in 1957. Pakistan opened its embassy in Tunis in 1958, while Tunisia opened its embassy in Islamabad in 1980 and is supporting Pakistan in the Kashmir conflict. There is also a long tradition of cooperation and coordination that exist between the two countries in international organizations particularly the United Nations, the OIC and NAM. Pakistan supported Tunisia on the issue of its complete control on Bizerte and declared it an integral part of Tunisia. Former Pakistani President Pervez Musharraf also visited Tunisia in July 2003.

### Bilateral Trade Relations between Pakistan and Tunisia

The bilateral trade ties of the two countries show bleak picture as the trade volume is very low. In FY14, Pakistan exported goods of worth \$ 26.66Mn in contrast with the import of goods by Pakistan recorded at merely \$ 5.74Mn making the balance of trade favourable for Pakistan by about \$ 20.92Mn. This low level of trade should be enhanced and negotiations should be made on govt. level for making trade arrangement between the two countries.

### Trading Commodities between Pakistan and Tunisia

The commodities imported by Pakistan from Tunisia includes machinery, inorganic chemicals, precious metals, electrical and electronic equipments etc. while the commodities exported by Pakistan to Tunisia covers cotton, manmade staple fibres, raw hides and skins, plastics, pharmaceuticals, textile articles, tools, cutlery etc.

### Potential for enhancing bilateral trade relations between Tunisia and Pakistan

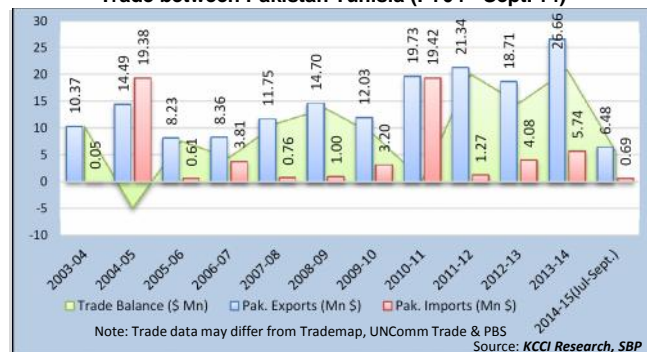
The bilateral trade relations between Pakistan and Tunisia are very limited and should be taken ahead by the govt. officials of both the countries; making bilateral cooperations and arrangement in the fields of investment and trade.

### Economic Indicators

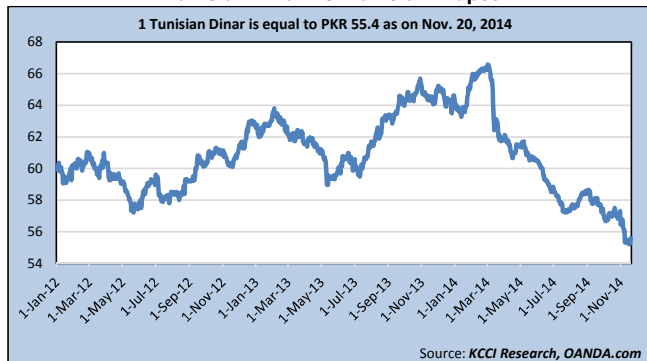
Indicators	Unit	2012	2013	Change
GDP (PPP)	\$ Bn	103.40	107.10	3.58%
GDP per Capita	\$	9,700	9,900	2.06%
GDP growth	%	-1.9	3.6	5.50%
Forex Reserves	\$ Bn	7.46	8.36	12.11%
External Debt	\$ Bn	22	25	13.70%
Exports	\$ Bn	17.88	17.02	-4.81%
Imports	\$ Bn	22.62	23.32	3.09%
Trade Balance	\$ Bn	-4.74	-6.30	-32.91%
Current Account	\$ Bn	-3.33	-3.57	-7.2%
CPI	%	3.5	5.6	2.10%
Unemployment	%	19.0	17.4	-1.60%
Discount Rate	%	-	-	NA

Sources: KCCI Research, CIA Factbook

### Trade between Pakistan Tunisia (FY04 - Sept. '14)



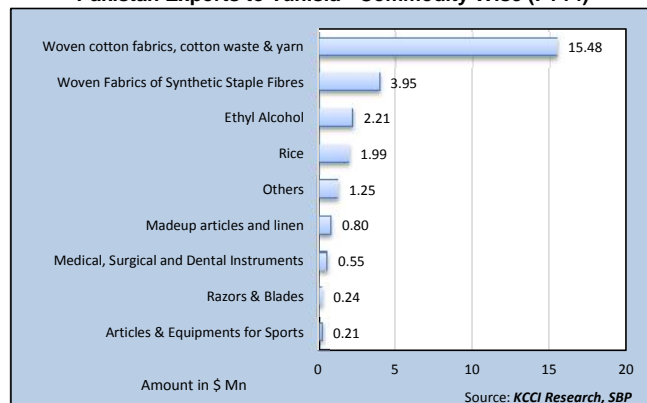
### Tunisian Dinar Vs. Pakistani Rupee



### Key Memberships

ABEDA, AfDB, AFESD, AMF, AMU, AU, BSEC (observer), CD, EBRD, FAO, G-11, G-77, IAEA, IBRD, ICAO, ICC (national committees), ICRM, IDA, IDB, IFAD, IFC, IFRCs, IHO, ILO, IMF, IMO, IMSO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), LAS, MIGA, MONUSCO, NAM, OAPCE, OAS (observer), OIC, OIF, OPCW, OSCE (partner), UN, WHO, WTO

### Pakistan Exports to Tunisia - Commodity Wise (FY14)



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