

**Regional Joint Work Programme in the MENA region**

The primary objective of this Joint Work Programme (JWP) is to strengthen the process of democratisation through inclusive city governance supported by enabling national frameworks in selected partner countries of the Mena Region. This JWP provides a vehicle for coordination and pooling of the experiences, resources and implementation capacity of the CA members active in the region. A set of principles is guiding the JWP:

1. The Joint Work Programme responds to demand from cities and countries in the region and establish a continued dialogue with partner institutions;
2. All activities undertaken under this programme explicitly seek to engage, involve and empower national, regional and local partners from the region;
3. Wherever possible, the joint work programme utilizes and builds upon the resources and existing or planned activities by Cities Alliance members and partners;
4. In order to leverage a greater impact, joint activities may not replace than add value to members and partner operations (Principle of Additionality),
5. The Joint Work Programme will be collectively managed, and administered by the Secretariats of the Cities Alliance and the Centre for Mediterranean Integration (CMI).

Against this background, any outputs and deliverables funded and produced by the JWP shall be made available to and can be used by JWP members.

**1.) Name of Activity:**

Tunisia- Urbanization Review

**2.) JWP Members and/or JWP Country Implementation Partners:**

|  |  |
| --- | --- |
| **JWP Member** | **JWP Country Implementation Partner** |
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**3.) Grant Recipient:**

The World Bank

**4.) Expected Duration:**

Six months

**5.) Geographic Scope:**

Nationwide activity

**6.) Budget Summary:**

* Amount of total budget requested from Cities Alliance funding: USD $200,000
* Co-financing amount of total budget, including local partners:
* Total project budget cost: USD $200,000

**7.) Target Audience(s):**

The target audience includes:

* ministries involved in urban planning and investments in Tunisia-and their dedicated agencies- including the Ministry of Regional Development and Planning, and the Ministry of Interior via the Municipal Development Fund *(Caisse des Prêts et de Soutien des Collectivités Locales- CPSCL)*, and the General Directorate for Municipal Development *(Direction Générale des Collectivités Locales- DGCPL)*
* Local governments, including municipalities
* CFAD (centre de Formation et d’Appui à la Décentralisation), ARRU (Agence de Rénovation et Réhabilitation Urbaine)
* multi and bilateral donors community
* Bank sector and country management units

**8.) Background**

**Tunisia is a highly urbanized country with the urbanization rate reaching 66% in 2009**. The urban population is projected to reach 70% by the year 2020. In fact, urbanization is a historic phenomenon; by 1975 50% of the country’s population already lived in cities. This urbanization is characterized by: (i) a pronounced coastal urbanization amounting to 75% of the total urban population grouped in a number of agglomerations less than 500,000 inhabitants each (with the exception of Greater Tunis), (ii) the preponderance of the agglomeration of Greater Tunis with 2.5 million inhabitants equivalent to 20% of the urban population[[1]](#footnote-1), and (iii) the relative demographic growth of the smaller cities of the central Sahel. Finally, low fertility and rural to urban migration rates have stabilized urban growth.

**Smaller cities are growing rapidly.** “Greater Tunis” is the largest urban agglomeration; five times the size of “Greater Sfax” with approximately 500,000 inhabitants and “Greater Sousse” with 300,000 inhabitants. The demographic growth of smaller cities of the eastern coast as well as the cities of the Sahel is slowly bridging the gap in terms of population rates among this hierarchy of cities. In fact, populations of these cities have been growing at about 3,5% per annum for the past ten years, compared to less than 2% for “Greater Tunis” for example. However, this demographic growth is not accompanied by an equivalent economic growth.

**Coastal cities have a major contribution to economic growth in Tunisia.** 85% of the country’s GDP is generated cities where, and 63% in the three agglomerations of Tunis, Sfax and Sousse. With the economically active population estimated at 3.3 million in 2005 (of which 26% are women), 84% are employed in the service and manufacturing sectors essentially localized in urban areas. The service sector alone makes up 60% of the country’s GDP and has grown at a sustained 9% per annum between 2001 and 2005, twice the national growth rate. Service sector jobs are predominantly concentrated in cities. Nonetheless, growth rates have not kept pace with the growth of an increasingly skilled labor force, which lead to unemployment rates soaring at 14% in 2010.

**Urban investments need better targeting and enhanced quality.** Despite considerable investments at the municipal level, which have exceeded 3 billion TN over the past thirty years, Tunisian municipalities struggle on many fronts. Heavily indebted and characterized by weak fiscal returns, 80% of their budgets are allocated to solid waste collection and maintenance of secondary roads. As such, most communes are unable to capitalize on public investments to improve other services for their beneficiaries, let alone invest in projects which generate opportunities for sustainable development and equitable growth at the local level. In this respect, while 85% of GDP is produced in coastal cities, inner regions and hinterlands remain impoverished and don’t benefit from the positive spill-over effects of this economic activity. The result is a patchwork of major cities and regions next to lagging ones, heightening perceptions of injustice and social exclusion among Tunisia citizens.

**The revolution has uncovered the severe inequalities persisting between regions despite sustained economic growth**. This contrast is illustrated by the poverty rate which in 2005 was estimated at 11.8% nationally. Poverty data have now been published for the first time, with a breakdown by region which shows that poverty varies substantially from a low of 5-7% in the Center East region and Grand Tunis to a high of 29% in the poorer Center-west region. The unemployment rate is higher in poorer regions and in 2010 reached 29% in central-western governorates as compared to 13% nationally. While health outcomes are relatively better on average than those found in other middle-income MENA countries, mortality and health conditions in underserved regions lag considerably behind those in urban areas, reflecting low access to services in rural regions. Similarly, access to basic socio-economic services (water, sanitation, electricity) is near universal in urban areas, but access to water and sanitation lags behind in underserved regions.

**There is a dire need to capitalize on the growth of urban growth poles and capture its spill-over effects:** The legacy of the pre-revolution government is a country divided by economic and social barriers. While Tunisia had made relatively sound progress at a national level on social and poverty indicators, wide disparities persist across regions—this is becoming increasingly visible as data on regionally disaggregated indicators are now being made available to the public. The challenge posed by regional disparities is at the root of the revolution and visible actions will be required by the new government to improve public services and opportunities in disadvantaged areas. In October 2011, the Ministry of Regional Development issued a "*Livre Blanc"* which highlights long standing systemic regional disparity issues and discusses the need to build the capacity of municipalities to absorb additional funds and deliver basic services.

**9.) Activity Objective(s):**

The objective of the proposed study is to develop an analytical framework that would help guide sustainable urban investment, with a particular emphasis on:

- Tunisia’s growth poles to maximize urban growth while ensuring the livability, ecological sustainability and economic competitiveness of urban areas

- on secondary cities to strengthen their role in driving local development with disadvantaged rural areas through urban policies.

**10.) Expected Outcomes:**

* Advance the policy dialogue on urban, local and regional development with relevant ministries and counterparts
* Guide the work of decision-makers for investment decisions in Tunisian cities
* Provide recommendation to local counterparts to enhance the coherence and efficiency between strategic planning and investment programs
* Serve as an input in the design of the future urban operation of the Bank

**11.) Main Activities/ Tasks and Outputs/Deliverables– for each Implementation Partner:**

Each activity and task will be implemented based on partnership arrangements as follows:

|  |  |  |
| --- | --- | --- |
| **ACTIVITIES / TASKS** | **OUTPUTS/DELIVERABLES** | **JWP MEMBER and/or JWP COUNTRY IMPLEMENTATION PARTNER** |
| Task 1:  Review the rules and laws governing decision-making about land markets, urban planning, competitive policies and infrastructure in Tunisian cities | Report 1:  A mapping of the regulatory framework of decisions governing land markets | WB/AFD |
| Task 2:  Assess regional (city-region) and local (within city) connectivity, and as classification of binding/critical investments in Tunisian cities and metropolitan areas | Report 2:  A description and analysis of connectivity among cities and identified priority investments to boost connectivity and growth | WB/AFD |
| Task 3:  Examine of the financial means as well as the organizational set-up and coordination mechanisms needed up to implement these priority investments at city level | A blueprint implementation plan to translate the generated recommendations into actions | WB/AFD |
| Task 4:  Dissemination of findings | One day workshop involving country stakeholders, donors community, and civil society | WB/AFD and national counterparts |

**13.) How could the project outputs/deliverables be used by other JWP members?**

The Urbanization Review is a country specific analytical tool. As such, its conclusions are specific to the social, economic and political context in Tunisia. However, since this is the first Urbanization Review to be conducted in the MENA region, its findings will serve as a demonstration effect for other MENA countries and JWP members, which will thus be informed about the specific uses of this analytical framework. The Bank partners, such as AFD, will be thus closely associated to the design and implementation of this review.

**14.) How do project activities consider gender issues?**

The project does not address gender issues.

**15.) Timeframe and Activity Plan Summary**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Activities** | **2012** | | | **2013** | | | | **2014** |
| **2 Q** | **3 Q** | **4 Q** | **1 Q** | **2 Q** | **3 Q** | **4Q** | **1Q** |
| **Output 1** | | | | | | | | |
| Report 1 |  |  | **X** |  |  |  |  |  |
| **Output 2** | | | | | | | | |
| Report 2 |  |  | **X** |  |  |  |  |  |
| **Output 3** | | | | | | | | |
| Blueprint action plan |  |  |  | **X** |  |  |  |  |
| **Output 4** | | | | | | | | |
| Dissemination workshop |  |  |  | **X** |  |  |  |  |

**16.) CA Funding By Activity**

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| --- | --- | --- | --- | --- | --- |
| **Project Activities and Tasks** | **Total**  **(US$)** | **Type of Expenditure** | | | |
| **Consulting Services**  **(US$)** | **Training/ Capacity Building**  **(US$)** | **Dissemination Costs**  **(US$)** | **Other**  **(US$)** |
|  |  |  |  |  |  |
| Task 1:  Review the rules and laws governing decision-making about land markets, urban planning, competitive policies and infrastructure in Tunisian cities | 60,000 | 35,000 |  |  | 15,000 (Bank staff : 8K ; travel and perdiem: 7K) |
| Task 2:  Assess regional (city-region) and local (within city) connectivity, and as classification of binding/critical investments in Tunisian cities and metropolitan areas | 60,000 | 35,000 |  |  | 15,000  (Bank staff : 8K ; travel and perdiem: 7K) |
| Task 3:  Examine of the financial means as well as the organizational set-up and coordination mechanisms needed up to implement these priority investments at city level | 60,000 | 40,000 |  |  | 20,000  (Bank staff : 13K ; travel and perdiem: 7K) |
| Task 4:  Dissemination of findings | 20,000 | 10,000 |  | 10,000 |  |
| **TOTAL – Partner CA Activity Budget** | **USD**  **$200,000** |  |  |  |  |

**17.) Co-Financing:** Not applicable

|  |  |
| --- | --- |
| **Co-financing Source** | **Amount (***US Dollars)* |
|  |  |
|  |  |
| **TOTAL** |  |

**16.) Costing assumption:**

(For Consultancy budget, specify the number of consultants, fee rate and number of days, and travel and subsistence costs. For training /workshop, the number of events. For Dissemination and other costs, detail the proposed costs).

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| --- | --- |
| **Detailed activity/task** | **Amount (***US Dollars)* |
| **Consultancy fees**  Number of Consultants: 6  Daily Rate: USD 700-800  Number of days: 100-120 | Total amount: |
| **Dissemination workshop**  Number of events: 1 | 20,000 |

1. Pour donner ces ordres de grandeur on s’appuie sur une définition plus large que le classement administratif d’un territoire « en commune » ou « municipalité »réservé aux villes en Tunisie. [↑](#footnote-ref-1)