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## Tunisia 51 Agricultural Sector Investment Project

The project's objective was to improve agricultural sector policy via policy reform, capacity building in the Ministry of Agriculture, improving public-sector investment and the implementation of numerous sub-projects in related areas, and thereby contribute to the sustainable development of this sector.

Loan Amount/Disbursed Amount: 4,421 million yen/4,377 million yen Loan Agreement: February 1996 Terms and Conditions: Interest rate, 2.7%; Repayment period, 25 years (grace period, 7 years); General untied Final Disbursement Date: June 2001 External Evaluator: Akira Maekawa (INTEM Consulting Inc.) Field Survey: July 2003



## **Evaluation Result**

The aim of the project, which was co-financed by the World Bank, was to develop Tunisia's agricultural sector, which accounts for 12% of GDP and 22% of the working population. Policy reforms, capacity building in the Ministry of Agriculture, and improvements to public-sector investment were implemented almost as planned. Sub-projects included the construction of reservoirs and local drinking water facilities and the development of water resources. The implementation period was longer than planned due to procurement issues and additional work on the storage reservoirs, but project costs were basically as planned. Policy reforms involved promoting appropriate tariffs for irrigation water and systemization of water users associations. Capacity building within the Ministry of Agriculture entailed promoting the devolution of authority to regional ministry offices and strengthening planning/investment program capacities. Efforts to improve publicsector investment involved the development of an operation and management system by promoting the participation of beneficiaries, which increased the water tariff collection rate from 73% to 97%. Supplies of drinking water were secured for approximately 65 thousand people in rural communities (114% of the planned level), and the construction of reservoirs resulted in

75.8% of the planned irrigation area being reached. Developing the agricultural sector benefited approximately 748 thousand of the nation's farm workers (population of Shimane Prefecture, Japan: 750 thousand), increased gross agricultural production from US\$ 2,164 million (1995) to US\$ 2,398 million (2001), and raised per capita productivity from US\$ 2,750 (1995-1997) to US\$ 3,168 (1999-2001). Guaranteeing supplies of domestic water is contributing to reductions in the work of drawing water and to a lower incidence of water-borne diseases. There are no problems in the technical capacity, operation and maintenance system, or financial condition of the Ministry of Agriculture - the project's executing agency.

## Third-Party Evaluator's Opinion

This project, part of a larger plan, has responded to the needs of the rural population, and assures a great deal of visibility for Japan among the Tunisian people who are enjoying the benefits despite four consecutive years of drought.

Third-Party Evaluator: Mr. Noureddine Mejdoub Obtained a doctorate in political science from University of Paris Pantheon-Sorbonne. Formerly served as Ambassador to the United Nations. Presently holds the post of Chairman, Turisia-Japan Goodwill Association, and the post of Representative, Global Fund in Tunisia. Specializes in diplomacy.

Members of a water users association



These people belong to the water users association that manages the irrigation water drawn from the reservoir in Massila.

## **Rural drinking water facilities**



Rural drinking water facilities that were constructed in the village of Menzel Amor under one of the JBIC sub-projects.