

Objective 3.3. Facilitating the renewal of social contract through improved and more equitable social services

The WBG will support the transition towards more effective, efficient and equitable social services. The pre-revolution social contract failed to protect the poorest and the most vulnerable, and to ensure equal opportunities to all Tunisians. Considerable disparities in poverty rates persist between regions, and between urban and rural areas and age groups. Inequality of opportunity is also significant, in health and education. In the short term, and in the face of the deterioration of economic and social indicators and possible subsidies reform, the WB will continue its support to the GoT in the development of better targeted, more responsive safety nets with greater coverage; enhancing the coverage and sustainability of the pension system, and will level up its policy dialogue to address inequality of opportunities in access to basic education and health services, particularly in lagging regions.

Regarding the longer term agenda, the WB will focus on developing foundations of more effective, efficient and equitable social sectors in four core areas:

- (i) a renewed targeting system built on a robust social registry and a more efficient and coherent system of safety nets, building on the recently completed reform of a national unique identifier and supporting the development of a “common social identifier” to reduce fragmentation of safety nets;
- (ii) a more productive emphasis of safety nets, setting the foundations for a renewed contract between users/beneficiaries and the state, exploring changes in investments in education, more healthy behaviors, and linkages with skills-development opportunities through a greater connection with the supply of opportunities in this area;
- (iii) a more comprehensive and financially sustainable pension system that provides old age security and enhance equity in resource utilization;
- (iv) education and health strategies and programs aiming at ensuring equal opportunities of access to quality services, developing approaches to sustain these programs and improving governance and accountability mechanisms as part of the new social contract, including the development of ECD and promotion of positive discrimination in favor of lagging regions and disadvantaged groups; and
- (v) social security financing reform, including pensions and health insurance and the design of unemployment insurance.

Finally, the WB support in this area will offer an opportunity to promote synergies between the gradual reform of the safety nets and the reduction of access gaps to quality education and health services and a gradual change of culture in the delivery of social assistance.