

Objective 1.1. Improving institutional efficiency and economic management

The WB will have a two-pronged approach:

- (i) improved performance and quality of institutions of economic management; while*
- (ii) contributing to ensure a stable fiscal and macro-economic framework.*

WBG will focus on rationalizing selected public entities by providing institutional capacity building, through training of management and staff, exchange of experiences and knowledge (including south-south participation), study tours and other capacity building interventions. In addition, the World Bank group will continue to emphasize the critical importance of scaled-up reform oversight and communication by supporting Government of Tunisia economic delivery unit in the Prime Minister's office. Ensuring macroeconomic stability in the aftermath of the recent terrorist attacks is a pre-requisite to making progress in any other area. The Government has indicated its appreciation of the support in this area provided by the Bank Group since the revolution (in coordination with the IMF, the European Union and other key donors). Against the backdrop of the weak recovery in Europe and in the context of the fiscal risks linked to increased Government spending on security, as well as economic and social development risks stemming from climate change, depletion of natural resources and regional disparities, the Bank intends to provide substantial assistance in this area, the focus of which will be adjusted throughout the CPF period to respond to evolving needs.

The four areas of focus under this sub-objective will be:

- (i) fiscal and macroeconomic risks analysis and identification of policy responses;*
- (ii) design of medium-term fiscal and macro-economic scenarios;*
- (iii) supporting the policy framework for sustainable, resilient and inclusive economic growth; and*
- (iv) ongoing dialogue with the authorities to ensure macro-economic stability.*