

25 January 2013

Steering Committee  
MENA Transition Fund

Dear Steering Committee:

*Endorsement of the Proposal of the Ministry of Investment & International Cooperation  
Establishment of the Tunisian Investment Authority*

The International Finance Corporation endorses the proposal to the MENA Transition Fund to support the institutional design and implementation framework for the Tunisian Investment Authority.

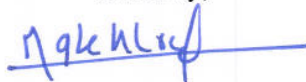
The project builds on an extensive ongoing effort to revise Tunisia's Code of Investment to reflect international investment-related principles of non-discrimination, protection and transparency; remove restrictions on investment in specific sectors in line with the public policy objectives of the country; review approval mechanisms against international good practices, and streamline investment incentives on the basis of cost-benefit analysis. Many of these reforms were foreshadowed in a review of Tunisia's investment environment by the Organization of Economic Cooperation and Development (OECD). The proposed project will anchor these reforms in a new institution that will streamline approval, policy and promotion functions that are currently distributed across a number of agencies.

We are pleased that the Ministry of Investment and International Cooperation has asked OECD and IFC to jointly support this project as Implementation Support Agencies. Through the efforts of OECD, the proposed institution will also provide the ability to convert feedback from investors into recommendations for ongoing investment climate reforms, and the ability to provide analytical support to help position Tunisia to attract investment into specific sectors.

Should it be approved, the project is an extension of the Tunisia Investment Climate Reform Program, Project 591087, approved July 18, 2012.

We thank the Steering Committee for its consideration of this proposal, and look forward to supporting implementation.

Sincerely,



Mouayed Makhoul  
Director, Middle East and North Africa  
International Finance Corporation

cc: Excellency Minister Riadh Bettaieb