



Tunisia: More companies – more jobs

Young people are supported in setting up and consolidating their businesses.

Special Initiative North Africa, Middle East
Fields of action:
Employment, Economic Stabilization



Context

In the period since the 2011 revolution, Tunisia has experienced far-reaching social and political change. To date the Government has struggled in its efforts to address the persistently high level of unemployment, particularly among young people, women and young university graduates. There are also major economic and social disparities between different regions. Whereas recent decades have seen export-oriented supply and manufacturing industries become established in coastal areas, many inland locations lack an effective economic structure.

The country's rural regions in particular, therefore, are exposed to a significant risk of conflict. Economic development and greater opportunities for employment are therefore vital for stabilising the political system and democracy. However, the regions are held back as their structures for supporting innovative business start-ups are weak. If businesses are launched at all, they are mostly in sectors where competitiveness is poor. By contrast, hardly any businesses are set up in sectors with growth potential such as information technology.

Approach

The project supports business founders and young entrepreneurs in 15 governorates of Tunisia. For example, it promotes the creation of business start-ups in inland areas: Business founders in inland areas receive individual coaching, including in niche sectors, to help improve their business plans and thus pave the way for setting up a business, arranging finance and

Project title	Initiative for Economic Stabilisation and Youth Employment (ISECO)
Commissioned by	Federal Ministry for Economic Cooperation and Development (BMZ)
Implemented by	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Regions of intervention	Economically weak regions in the south, centre and north-west of Tunisia
Political Partner	Ministry of Industry and SMEs Tunisia
National Partners	State business incubators (e.g. Centres d'Affaires), associations of entrepreneurs (e.g. Jeunes Chambre Internationale), technology and business incubators, non-governmental organisations
Gesamtlaufzeit	2015 - 2022
Finanzvolumen	10 Mill. Euro

increasing their incomes. The project focuses primarily on forward-looking industries with growth potential – for instance in information technology, the textile sector and recycling raw materials. It also supports selected civil-society, private-sector and government organisations in their efforts to expand their range of business start-up promotion services. To this end, in eight governorates the project is backing cooperation mechanisms that represent the local start-up-support ecosystems. The services are being improved and broadened and offered on a needs-driven basis.

A second project focus is the development of a range of advisory services for businesses for the post-start-up phase. The

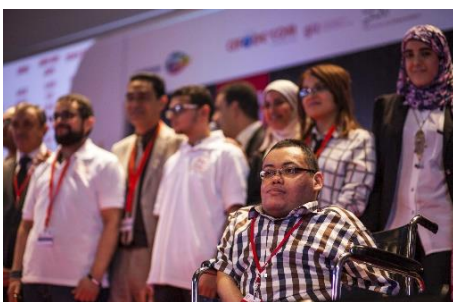


Foto links: Gewinner eines Wettbewerbs zur App-Entwicklung mit rund 26.000 Teilnehmer/innen. Die besten 200 lernen nun, wie sie mit ihren Apps Einkommen erzielen. © GIZ/Daoud Bouledroua

Foto rechts: Mithilfe von Trainings und einer Verbraucherstudie hat der Biochemiker Marwen Bejaoui sein Unternehmen in der Produktion von Gemüse und Fruchtsäften gestartet. © GIZ

CONTACT

Florian Garcia
florian.garcia@giz.de

services were tested in two pilot projects and are now being expanded in eight governorates. In future this will help young entrepreneurs to consolidate their business during the critical first few years and harness their potential for growth. Support committees in the inland regions offer the new start-up and post-start-up promotion services, involving representatives of government, civil society and the private sector joining together with support from the project. The committee members include financial actors, whose role is to facilitate businesses' access to financial resources and expertise.

The project is part of a special initiative designed to stabilise and promote development in North Africa and the Middle East run by Germany's Federal Ministry for Economic Cooperation and Development (BMZ). Through the projects implemented as part of the initiative, BMZ is helping to open up economic and social prospects for people in the region. Within this context, an additional sum of more than EUR 300 million has been earmarked for projects carried out by GIZ and other implementing organisations in the period from 2014 to 2021. The focus is on empowering young people, promoting employment, improving economic stability, fostering democracy and stabilising neighbouring countries in crisis situations. .

Results in numbers...

Since 2015 the project has supported more than 365 business founders and young entrepreneurs in economically disadvantaged regions of Tunisia in their endeavours to develop their businesses, create new jobs and generate income.

One specific example is Startup Tunisia, a new fair for entrepreneurs that was held in seven inland regions in 2015 and 2016. It was run by private-sector and government partners and was

supported by the project. A competition for the best company start-up ideas was held at the fair, with a total of 466 potential business founders taking part. They submitted their business concepts online. The jury rated them according to criteria such as the degree of innovation, the maturity of the business plan, market suitability, personal commitment and motivation before finally selecting the best project ideas. The project analysed the concepts and established what support services were required. The outcome was that more than 20 people have already put their business ideas into practice, and another 82 innovative and promising young entrepreneurs are being guided as they work towards setting up a business, for instance with advice on producing and marketing leather goods.

To date, with support from the project, 1,520 young people and other underemployed and unemployed individuals, 777 of them women, have taken up employment and are thus earning a regular income. In addition, 48 entrepreneurs are participating in a scheme providing post-start-up advice in the two pilot regions, Sfax and Kairouan.

...and Success Stories

With the tailoring, Aicha Touijir has fulfilled her dream. Since 2003 she has been working in Médenine in the south of Tunisia to set up a local production facility for women's clothing. After completing a knitting apprenticeship and gaining work experience in a studio, she supported GIZ with management consulting. So she decided to open her own tailor shop in her garage. Today there are machines there which produce dresses, shirts and much more.....



The tailor Aicha Touijir was coached by management experts with the support of the project. Now she is self-employed and has four employees. © GIZ/ Daoud Bouledroua

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Postal address of BMZ offices	BMZ Berlin Im Europahaus Stresemannstraße 94 10963 Berlin T +49 (0)30 18 535-0 F +49 (0)30 18 535-2501 BMZ Bonn Dahlmannstraße 4 53113 Bonn T +49 (0)228 99 535-0 F +49 (0)228 99 535-3500 poststelle@bmz.bund.de www.bmz.de	Dag-Hammarskjöld-Weg 1-5 65760 Eschborn T +49 61 96 79-63 39 F +49 61 96 79 80-63 39 www.giz.de Emily Cullom/Dirk Zander	
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