

AFRICAN DEVELOPMENT BANK GROUP



Signing ceremony of loan and grant agreements
between the African Development Bank and the Tunisian government:

6th Road Project loan agreement
2 sectoral studies grant agreements

Statement by

Mr. Bobby J. Pittman,

Vice President, Infrastructure, Regional Integration and Private Sector

15 November 2010, Tunis

Excellency, Mr. Minister

Ladies and Gentlemen the General Directors and Directors of the Tunisian Administration

Ladies and Gentlemen

On behalf of Mr. Donald Kaberuka, President of the African Development Bank Group, his Board of Directors, and on my own behalf, allow me to express how delighted I am to be signing the loan agreement for the 6th Road Transport Project (6^e projet routier) and two grant agreements.

Let me start by saying that the 6th Road Transport Project **constitutes the single largest investment project ever to be financed by the African Development Bank** since the start of operations in Tunisia, with an approved amount of 236 million Euros or 460 million Tunisian Dinars. As such, the Bank is happy to contribute to the implementation of such a project, which is aimed at upgrading and modernizing Tunisia's transport sector.

Although it is called the 6th Road Project, this programme represents the Bank's seventh intervention in the road transport sector in Tunisia and incorporates, for the first time, the implementation of feeder roads, totaling 760 km, of which 70% will be asphalted. These works will contribute to unlocking several of the country's isolated regions, thereby improving the living conditions of their populations.

More specifically, the 6th Road Project will undertake:

- (i) The rehabilitation of 860 km of classified roads;
- (ii) The strengthening of 690 km of classified roads;
- (iii) 12 construction works;
- (iv) The development of 760 km of feeder roads; and
- (v) The widening of 53 km of classified roads

Ladies and Gentlemen

This signing ceremony illustrates once more, the confidence and quality of the Bank's relationship with Tunisia, in particular with the Ministry of Development and International Cooperation. We will continue to strengthen this relationship and strive to achieve and exceed the expected results by ensuring that this project and these studies for which we are signing grant agreements today are swiftly and effectively implemented.

As I mentioned earlier, the African Development Bank is committed to supporting the Government's efforts in enhancing the country's economic competitiveness and increasing its productivity, in particular through infrastructure modernization, enlargement of the knowledge base and human capital development, in line with the goals of economic growth and employment creation, as stipulated by the 12th Social and Economic Development Plan.

In parallel to funding investment projects, the Bank intends to deepen the country's capacity and knowledge in order to improve its competitiveness globally. That is why our institution approved a grant under the Middle Income Countries Technical Assistance Fund for an amount of

EUR 306,000 or TND 1.3 million dedicated to funding an economic and sector study on the development of the cultural industry.

In the same vein, a water resources management information systems study will be funded by the African Water Facility (AWF) for an amount of EUR 1.973 million (TND 3.8 million). This study will aim at tackling the crucial water resource mobilization and management challenge, by devising mechanisms to optimize the integrated management of water resources. The study outcome is also meant to pave the way for subsequent water-related investment projects in Tunisia.

With these new financial contributions, the Bank Group's ongoing portfolio in Tunisia now comprises 12 projects and programmes and 11 studies and capacity-building support projects for a net amount of EUR 1.25 billion, representing close to TND 2.4 billion. This level of commitment makes Tunisia one of the Bank's largest regional member countries in terms of portfolio size.

To conclude, Mr. Minister, please allow me to express our deepest gratitude to the Tunisian Government for the excellent cooperation and partnership our institution has maintained with Tunisia for **over forty years**, and I would like to reiterate our willingness and preparedness to support Tunisia's social and economic progress during the implementation of its 12th Social and Economic Development Plan and beyond.

Thank you for your kind attention.