

Tunisia / EU Relations

The relations between Tunisia and the European Union

Apart from their historical and geographical proximity, the cultural and commercial relations between Tunisia and Europe are long-standing. The first commercial agreement between the European Economic Community (EEC) and Tunisia dates back to 1969. It was followed by a cooperation agreement in 1976. In 1995 Tunisia was the first Southern Mediterranean country to sign an Association Agreement with the EU. This agreement, implemented in March 1998, established a free-trade area, eliminating customs duties solely for industrial and manufactured goods. Consequently, the Tunisian industrial products are exported to the EU at a zero-rate customs duty (and vice versa).

It should be noted first that this agreement has planned the tariff dismantlement over 12 years (1996-2008), and second that the Tunisian industrial companies benefited from flanking and upgrading measures, under the MEDA program (1995-2006) and the European Neighborhood and Partnership Instrument (since 2008). These flanking measures included both the tangible (equipment) and the intangible (human resources training and computer software) aspects. Almost 3500 Tunisian companies profited from these measures that helped them upgrade and improve both the quality of their products and their supervision rates, in order to be able to compete with the European companies.

The 1995 Association Agreement has always been the legal framework for the different form of political, economic, social, scientific and cultural partnership. It also fits into the context of Barcelona Euro-Mediterranean partnership process that Tunisia has adhered to since 1995, and the Union for the Mediterranean (UfM), the new intergovernmental organization.

The Association Agreement regulating the bilateral relations between the EU and Tunisia has instituted the following mechanisms:

- An Association Council (generally, an annual meeting at the ministerial level);

- An Association Committee (comprising officials who are responsible for the administration of the agreement).

Besides, sub-committees and joint working groups were established in the areas affected by the agreement. Since 2011, in the aftermath of the political changes which occurred in Tunisia, the European Union has increased its assistance to the country in order to assist its democratic transition. In November 2012, Tunisia has gained the status of Privileged Partner.

These privileged relations are expected to be enhanced further. Negotiations for a future deep and comprehensive free-trade agreement (ALECA) were launched on 13 October 2015, during the visit of the European Commissioner for Trade, Cecilia Malmström.

A 20 Billion Euro trade balance in 2014

The European Union is Tunisia's first trade partner. In fact, more than half (63.4%) of Tunisia's international trade operations is with the EU.

- In 2015, 74.5% of the total Tunisian exports were to the EU, and 55.7% of its total imports were from the EU.
- France, Italy and Germany account for 78.1% of the Tunisian exports to the EU, and 58.2% of the total Tunisian exports.
- In 2015, Tunisian exports decreased by 2.5% in comparison with 2014. The imports from the European Union have slightly decreased by 0.7%.
- The approximate total amount of trade with the EU for 2015 was estimated to reach 19.5 billion Euros (almost 42.7 billion TND).
- In the first quarter of 2016, the Tunisian exports to Europe amounted to 73.9% of the total exports (Source: Tunisian Ministry of Commerce).
- Europe is also the first foreign investor in the country, with more than 3000 European companies, generating more than 315000 jobs. This foreign direct investment (FDI) represents 49% of the total FDIs (Source: National Institute of Statistics).