# **JBIC Signs ODA Loan Agreement with Tunisia**

### -- Drawing on Japanese Technology through Installation of TV Broadcasting Equipment--

- 1. Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) signed an ODA loan agreement totaling in the aggregate up to 4,075 million yen with the Government of the Republic of Tunisia to finance the National Television Broadcasting Center Project.
- 2. The project consists of the installation of modern broadcasting equipment at the new TV broadcasting center of the state-run Etablissement de la Radiodiffusion Télévision Tunisienne (ERTT) which was constructed in the capital city Tunis. The objective of the project is to increase and upgrade information dissemination to the general public of Tunisia through TV broadcasting. The proceeds of the loan will be used for the purchase of broadcasting equipment (cameras, editing equipment, etc.) and consulting services (supervision of works, assistance for operation and management, as well as assistance for interaction with Japanese broadcasting stations). Giving the advanced technology in broadcasting equipment that Japanese companies possess, such equipment will be purchased from Japanese manufacturers and Special Terms for Economic Partnership (STEP) will be applied to the project. Furthermore, the project is expected to contribute to the promotion of mutual understanding between Japan and Tunisia by providing chances for interchanges with Japanese broadcasting stations, as well as transferring know-how and experience for program production.
- 3. In Tunisia where over 90% of households own TV sets, TV programs broadcasted by the state-owned TV station are received almost throughout the country. News and educational programs thus provide a valuable source of information to the people of Tunisia. Due to the insufficient and aging broadcasting equipment, however, ERTT is unable to adequately meet the needs of TV viewers, thus prompting the government of Tunisia to designate the construction of a new TV broadcasting center as one of the key agendas in its National Development Plan. With the building already completed in September 2006, expectations are running high for the early installation of broadcasting equipment.
- 4. As the Medium-Term Strategy for Overseas Economic Cooperation Operations (FY2005~FY2007) assigns priority to alleviating information gaps as well as developing human resources in the basic education and information and telecommunications sectors as part of "infrastructure development for sustainable growth," JBIC will continue to support "economic and social infrastructure development" and "human resource development" in Tunisia through the provision of ODA loans.

(Click here for details.)

#### 1. Project Amount and Terms

Project Name	Amount (Mil. Yen)	Interest Rate (% per annum)	Repayment Period/Grace Period (Year)	Procurement
National Television Broadcasting Center Project	4,075	0.4	40/10	Japan Tied

## 2. Project Executing Agency

Etablissement de la Radiodiffusion Télévision Tunisienne (Address: 71, Avenue de la liberte, 1002, Tunis, Republic of Tunisia; Tel: 216-71-847-300 Fax: 216-71-795-732)

#### 3. Political and Economic Conditions of Tunisia

Tunisia is located in northern Africa facing the coast of the Mediterranean Sea, an interface between Europe, the Arab world and Africa. Despite the increasing uncertainty and vulnerability of the Middle East situation, such as the situation in Iraq and peacebuilding in the region, Tunisia maintains friendly ties with Western countries. In addition, Tunisia is regarded by Japan as a significant player in its foreign policy toward the Middle East and Africa, since it is a moderate Muslim country led by a pro-Japan administration, and enjoys stable economic conditions. The year 2006 marked the 50th anniversary of establishing the Japan-Tunisia diplomatic relationship, and their continued bilateral friendly ties were confirmed by visits to Japan by major cabinet members as well as the holding of commemorative ceremonies.

Moreover, Tunisia signed a partnership agreement with the EU in 1995, envisioning the establishment of a free trade zone with the EU in 2008. In its 11th five-year economic and social development plan (2007-2011), the government of Tunisia sets out the following as the immediate development agenda: enhancing economic strength and accelerating growth, strengthening global infrastructure for development, building up the knowledge-based economy, and investing in human resource development.

Tunisia has a population of around 9.9 million, with its per capita GNI standing at US\$2,890 (preliminary, 2005). The country's GDP has been on a stable and high-level growth path, registering 6.0% in 2004 and 4.2% in 2005 (preliminary).