RECENT VISIT BY TUNISIAN PRIME MINISTER BREAKS NEW GROUND IN U.S. – TUNISIA COOPERATION

In Speech to U.S. – Arab Chamber, H.E. Mehdi Jomaa Highlights Tunisia’s Progress as a “Start-Up Democracy”

The National U.S. – Arab Chamber of Commerce (NUSACC) supported the recent visit to the United States by H.E. Mehdi Jomaa, Prime Minister of the Republic of Tunisia, and a high-level delegation of ministers and Tunisian business leaders. This groundbreaking visit, the first of its kind in the long history of U.S. – Tunisia relations, helped to establish a new framework for bilateral cooperation at many different levels: political, economic, cultural, educational, and in security cooperation.

The National U.S. – Arab Chamber of Commerce hosted a dinner for Prime Minister Jomaa, his delegation, and 250 U.S. companies. “NUSACC was privileged to organize this high-level event, designed to provide American firms with a better understanding of business opportunities in Tunisia,” stated David Hamod, President & CEO of the Chamber. “We are entering a new era in U.S. – Tunisia commercial relations, and there will be a greater emphasis than ever on the private sector driving economic growth and creating productive new jobs in both

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of our nations. Our Chamber welcomes an opportunity to play a key role in that process.”

The Prime Minister’s delegation, the highest level Tunisian entourage in memory, included the following dignitaries:

Prime Minister, H.E. Mehdi Jomaa
Minister of Foreign Affairs, H.E. Mongi Hamdi
Minister of the Economy and Finance, H.E. Hakim Ben Hammouda
Minister of Higher Education, Scientific Research & Technology, & ICT, H.E. Taoufik Jelassi
Minister of National Security, H.E. Ridha Sfar
Governor of the Central Bank, H.E. Chedly Ayari
Deputy Minister of International Development and Cooperation, H.E. Noureddine Zekri
Diplomatic Counselor to the Prime Minister, H.E. Hatem Atallah

In addition, the delegation included more than 20 companies representing the Tunisian American Chamber of Commerce (T'ACC), based in Tunis. The delegation was led by H.E. Amel Bouchamaoui Hammami, President of T'ACC, who invited some of her members to share Tunisian “success stories” with U.S. companies.

**Tunisia as a “Start-Up Democracy”**

Prime Minister Jomaa, who has a background in the private sector, offered remarks at the NUSACC dinner that focused on Tunisia’s business opportunities, as well as that nation’s transition to democracy.

“I don’t like to speak of Tunisia as an Arab Spring country,” stated the Prime Minister, “but as a start-up democracy.” Tunisia is an “open land for investors,” he suggested, with “fundamental reasons to invest, including a new atmosphere and commercial climate.”

Despite the challenges of Tunisia’s revolution, the Prime Minister noted, investment has continued unabated. “Some of the companies took advantage of this period to enlarge their investment in Tunisia,” he said, “and what we need to do today is accelerate that. We need
to promote our country, and we need to create jobs that the young people who started the revolution are still expecting.”

Since Tunisia’s revolution, Prime Minister Jomaa noted, the nation has been “in a big transition” that has presented political and societal challenges. But unlike some nations affected by the Arab Spring, he suggested, Tunisia “went the wise way that Tunisians are used to dealing with troubles; we succeeded to close, or we are at the point of closing, this political transition with a wonderful new constitution.”

With this in mind, he said, “Our main aim today is to lead the country to fair, equal, and well-organized elections ... to help create the right atmosphere, the right environment, to succeed in the last page of this political transition. We aim to conclude that transition by the end of the year.”

VIPs -- including ambassadors, Tunisian ministers, and sponsors -- pose with Prime Minister Mehdi Jomaa during the NUSACC dinner in his honor.
But to do that, the Prime Minister noted, “We have to deal with real life, security . . . As a result of the trouble all around our small country, we are organizing ourselves to face that threat, and we have really succeeded so far against terrorism.” But Tunisia cannot win this war alone, he confided. “We have to work with friendly countries, such as the United States, because the threat is global and the solution should be global.”

The bottom line, said the Prime Minister, is economic growth: “In the last three years, we were focusing on politics and we forgot about the economy, but the economy did not forget about us. Now we are discovering that we have to pay a price for democracy.”

**Highlights of Heads of State Meeting**

In a meeting at the White House, President Barack Obama and Prime Minister Jomaa “reaffirmed the strategic partnership between the United States and Tunisia.” According to an official communiqué, the two leaders discussed “the historic progress made in Tunisia as its political and civil society leaders have worked together to advance Tunisia’s democratic transition and to secure a more peaceful and prosperous future for Tunisia.” The two Heads of State also emphasized their commitment to advancing shared interests in a secure, stable, and prosperous Maghreb, Africa, and Middle East and to furthering the strong friendship between the peoples of the United States and Tunisia.

Much of the discussion between the two leaders focused on Tunisia’s transition to democracy. Prime Minister Jomaa highlighted the Government of Tunisia’s intention to hold “free, fair, and transparent parliamentary and presidential elections” before the end of 2014. President Obama lauded Tunisia’s efforts to advance democracy through the adoption of a progressive constitution that protects the rights of all of its citizens. The President welcomed Tunisia’s efforts to hold elections this year, and he commended Tunisia as a model in the region and beyond.
In the area of economic cooperation, the two leaders pledged to work together to promote economic development and business opportunities in Tunisia. To respond to Tunisia’s near-term economic challenges and to support the Tunisian Prime Minister’s reform agenda, President Obama announced his intent to provide a second loan guarantee for $500 million to facilitate Tunisia’s access to international capital markets.

Tunisia is keen to sign a Free Trade Agreement (FTA) with the United States, and forward progress was made on that front. It was agreed that the next meeting of the Trade and Investment Framework Agreement (TIFA) Council will be held on June 16, 2014 in Tunis. At that meeting, the two nations plan to address such issues as market access, entrepreneurship, information and communication technology services, and intellectual property. Additional ideas for building a more robust bilateral trade and investment relationship will be welcomed.

Later this year, Tunisia will host the 2014 U.S. - Maghreb Entrepreneurship Conference, which will highlight the importance of the private sector in stimulating economic growth and creating meaningful jobs. (NUSACC will provide more information on this meeting soon.)

In the area of security cooperation, the two leaders committed to advancing bilateral efforts for security and defense cooperation, counterterrorism programs, and security assistance. With this in mind, the Joint Military Commission will be held in Tunis next month.
One of the most important “deliverables” coming out of the Prime Minister’s visit was the U.S. Government’s decision to lift a Travel Warning against Tunisia that had been in place since September 15, 2012. The warning came into effect immediately after extremists attacked the U.S. Embassy on September 14, 2012. After assessing the current situation in Tunisia, the U.S. Department of State determined that circumstances did not merit extending the Travel Warning for Tunisia.

President Obama and Prime Minister Jomaa closed the White House session with a focus on the new U.S. - Tunisia Strategic Dialogue, which recently held its inaugural meeting in Washington, DC. The next meeting of the Dialogue will take place in 2015 in Tunis.

Commercial Relations: Moving in the Right Direction

A recent editorial in The Wall Street Journal – a bellwether for the U.S. business community – was typical of American media coverage offering plaudits to Tunisia for its patience and perseverance. The Journal said, “Tunisia’s parliament erupted in hard-earned celebration last week after adopting a model constitution and marking a democratic milestone for the birthplace of the Arab Spring. The otherwise bleak regional Outlook makes this achievement even more remarkable.” The Journal went on to say, “Tunisians have made their country a good Arab model, and Washington ought to do what it can to nurture and reward this example of democratic progress in the Middle East.”

In his remarks to the National U.S. - Arab Chamber of Commerce, Prime Minister Jomaa highlighted the role that Tunisia is positioning itself to play as a gateway to Africa, which boasts some of the fastest growing economies in the world. In addition to Tunisia’s strategic location in North Africa, some of the commercial advantages offered by Tunisia include:

- Tunisia has free trade agreements in place with Europe and Arab regional trading partners.

H.E. M'Hamed Ezzine Chelaifa, Tunisian Ambassador to the U.S. “Prime Minister Mehdi Jomaa’s visit comes at a time when Tunisia has taken milestone steps on its transition toward democracy. It is a moment full of promise, but also one fraught with challenges, mainly on the economic front.”
• Tunisia’s infrastructure is expanding. There are now more than 100 industrial zones in that nation, and more than 1,400 flights serve the European market from Tunisia on a weekly basis.

• Tunisia’s workforce is one of the best in the region, with more than 65,000 college graduates entering the market every year.

• Foreign Direct Investment is on the rise, and more than 75 percent of the 3,300 joint ventures in Tunisia export their entire production every year.

Tunisia’s trade with the United States is on the upswing. U.S. exports of merchandise to Tunisia jumped 37.62 percent in 2013, according to the U.S. Bureau of the Census, growing to $817.26 million. The Top Three categories of exports included petroleum & coal products, transportation equipment, and agricultural products, and America’s Top Five exporting States to Tunisia included Louisiana, Texas, Georgia, Ohio, and Wyoming.

Ambassadors: The Last Word

The National U.S. – Arab Chamber of Commerce was honored that the U.S. Ambassador to Tunisia and the Tunisian Ambassador to the United States were both able to attend NUSACC’s welcome dinner for Prime Minister Jomaa.

In his remarks, the Hon. Jake Walles, U.S. Ambassador to Tunisia, congratulated Tunisia’s Prime Minister on his vision of Tunisia as a start-up democracy. “I think it’s important that Washington, starting with the group that’s here tonight, meet with the Prime Minister to understand his vision of a new Tunisia,” said Ambassador Walles. “A Tunisia that is modern, prosperous, and democratic . . . is in the interest of the Tunisian people. This vision is also very much in America’s interest as well.”

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H.E. M’Hamed Ezzine Chelaifa, Tunisia’s Ambassador to the United States, noted, “Prime Minister Mehdi Jomaa’s visit comes at a time when Tunisia has taken milestone steps on its transition toward democracy. It is a moment full of promise, but also one fraught with challenges, mainly on the economic front.”

The United States, “as a long-standing friend and strong supporter of Tunisia’s democratic experience,” remains steadfast, suggested Ambassador Chelaifa. “President Obama has, during his meeting with Mr. Jomaa, reiterated his willingness to help Tunisia’s march toward democracy through financial and security assistance programs.”

Ambassador Chelaifa concluded, “Meetings with the U.S. business community offered an opportunity to raise awareness about the full potential that Tunisia could offer and about real business prospects in a new environment governed by transparency and the rule of law. The National U.S. – Arab Chamber of Commerce was instrumental in achieving this goal, and we greatly value NUSACC’s generous and committed support.”