

UNITED STATES OF AMERICA  
AID MISSION TO TUNISIA

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PROJECT COMPLETION REPORT

- I. PROJECT TITLE: Banque Nationale de Tunisie (BNT) Revolving Loan Fund
- II. PROJECT NO: 664-014
- III. DATE PROJECT INITIATED: August 1959
- IV. PROJECT TERMINATION DATE: December 1981
- V. FUNDING ~~RESOURCES~~ SOURCES:

1. U.S. Funds - Net Obligations (\$000 U.S.)

	<del>XXXXXX</del>	Dollar Equivalents <del>XXXXXXXXXX</del>
Total - From FY <u>1959</u>		
TO FY <u>1965</u>	<u>                    </u>	<u>                    </u>
<del>XXXXXXXXXXXXXXXXXXXX</del>		
<del>XXXXXXXXXXXX</del> Counterpart Funds	1,050,000.000	\$2,500,000 x
<del>XXXXXXXXXXXX</del> Title I (104f) Funds	2,672,912.990	\$5,903,080 x
<del>XXXXXXXXXXXXXXXXXXXX</del>		
<del>XXXXXX</del>		
TOTAL	<u>3,722,912.990</u>	<u>\$8,403,080</u>

2. Cooperating Country Resources

Total. <del>XXXXXXXXXXXXXXXXXXXX</del>	<u>3,722,912.990</u>	<u>\$8,403,080</u>
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x Per Project Agreement as revised.

VI. PROJECT OBJECTIVES:

During the early period of Tunisia's independence, when large numbers of the French population returned to Europe, much of the capital available for investment was, in large measure, in flight or hiding. At that time the only banking institutions that existed were branches of European banks dealing primarily in commercial credit, and their operations were curtailed. It was virtually impossible to obtain credit for expansion of the BNT (Banque Nationale de Tunisie). This problem persisted and was very acute in the field of agriculture.

In order to alleviate the situation, USAID entered into a project with the Tunisian Government for the establishment of a Special Agricultural Revolving Loan Fund called Fonds Special Agricole (FSA) to be administered by the then newly organized Tunisian bank, the Banque Nationale Agricole (BNA). The Fund was to be utilized by the BNA to make agricultural loans to farmers in Tunisia with the objective of increasing agriculture production.

The following activities/sectors were agreed to for funding by the Special Fund on a medium and long term credit basis:

- Procurement of farm equipment
- Construction and improvement of farm buildings
- Purchase and fattening of livestock
- Land improvement activities such as small hydraulic projects, land levelling etc....
- Irrigation and soil conservation projects
- Tree planting programs
- Poultry and fishing

VII. PROJECT RESULTS:

Since the organization of the Fonds Spécial Agricole (FSA), some 4,500 projects for a total amount of 5,791,574 Dinars (\$12,000,000) have been financed by the BNT. Loans have been used for purchase of agricultural equipment, improving farm buildings, livestock improvement, well drilling operations, irrigation activities and other agricultural investment purposes. The average size of the projects financed has been approximately 5,000 Dinars with loans ranging from 200 Dinars to 20,000 Dinars.

The USAID has also assisted the BNT in the organization of its lending operations by providing its assistance from time to time as in the case of the services provided by a Finance Management Advisor who assisted in resolving various financing problems connected with agricultural credit (Project 664-170 completed in 1967).

VIII. EVALUATION OF PROJECT:

This project was designed to make available funds for credit in agriculture at a time where Tunisia's financing ability was almost nonexistent. Many farmers took advantage of this fund and their production improved as a result. The management of the FSA by the Bank has considerably improved in spite of the difficulties encountered at the beginning of the program. In sum, the FSA has reached its goal of helping Tunisian agriculture at a very critical period.

PROC:MAhassai:7/14/82

Clearances: CONT:WFSchrider (draft) *WFS*  
                  PROG:MAHassairi (draft) *MAH*  
                  CONT:SBChouikha (info)  
                  F&A:SMahjoub (draft) *SM*  
                  PROG:FJKerber (draft) *FJK*  
                  RLA:SCarlson (info)  
                  GOT/BNT:AZaiem (substance) *AZ*

USAID/TUNISIA

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