



TUNISIA: ECONOMIC GROWTH

FISCAL REFORM FOR A STRONG TUNISIA (FIRST)

The 2011 revolution was a powerful expression of Tunisians' desire to have their voice heard in the economic and political life of their country. Following the 2011 Revolution, the Tunisian government embarked on a series of efforts to improve the quality of governance, advance administrative reforms, fight corruption, increase social inclusion, and reduce regional disparities. USAID Tunisia supports these efforts through economic and governance assistance programs to promote both economic participation and democratic consolidation.

Fiscal Reform for a Strong Tunisia (FIRST) assists the Ministry of Finance to rationalize tax policy, modernize tax administration, and undertake other fiscal reforms to secure a sound fiscal foundation for economic stability and long-term growth. The project aims to help the Tunisian government improve revenue collection, reduce taxpayer compliance costs, improve the budgeting and expenditure process, and enhance public accountability.

- Implementing Partner: Chemonics International, Inc.
- Duration: 2017-2020
- USAID Investment: \$17.3 million

PROJECT OBJECTIVES

- Improved efficiency, transparency and cost of compliance of tax administration.
- Enhanced capacity to develop and manage tax policy.

- Enhanced capacity to address other fiscal reform priorities as they emerge.
- Improved communications, engagement and consultation on priority reforms.

KEY ACTIVITIES

- Assessing Tunisia’s tax administration through the Tax Administration Diagnostic Assessment Tool (TADAT), which is a global tool used to objectively assess the strengths and weaknesses of a tax administration system’s functions, processes and institutions.
- Collaborating with the tax administration in development and implementation of a comprehensive compliance strategy to improve fiscal civic responsibility.
- Promoting the current e-Filing system for wider use and therefore reducing the costs and burdens of taxpayer compliance. This activity includes the development and promotion of an e-Filing mobile application, training of tax preparers and accountants on e-Filing, promoting multichannel media and communications campaign on e-Filing, and facilitating access and log on credentials for e-Filing users.
- Implementing a Universal Exchange Platform solution for real-time access to data essential for improving taxpayer compliance and fostering efficiency in tax administration.
- Building capacity within the Ministry of Finance (MoF) Fiscal Analysis Unit to enable the Ministry to better understand current and projected fiscal trends, develop proposals for policy change, evaluate the estimated impacts of policy changes, and assess the effectiveness of tax policies in achieving their intended results. These duties directly support the broader range of MoF responsibilities including the economic and financial policy components of medium-term economic and budget planning, overall revenue and expenditure policy, debt management and other economic policies.
- Assisting the MoF in utilizing cost effective tools to facilitate two-way communication with the public on tax and broader fiscal issues. This activity includes promoting taxpayer services, increasing public awareness of fiscal reforms, enhancing the MoF image and perception, and improving the MoF’s internal and external communications.

These activities will make Tunisia’s tax administration more effective, transparent, fair and inclusive, ultimately facilitating economic growth, increased public participation and improved public services.

CONTACTS

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