

Annual Competitiveness Survey on the business climate and competitiveness 2019

Main results

September 2020





The Tunisian Institute of Competitiveness and Quantitative Studies has conducted, since 2000, a qualitative survey on the business climate and the competitiveness of companies.

Purpose of the survey

Evaluate the business climate in order to identify the main constraints faced by companies in their activities

Appreciate the actions and strategies they have undertaken to maintain and even to improve their competitiveness in a more and more competitive environment

Collect the expectations of business leaders in terms of activity, employment and investment



Period

From November 18th, 2019 to January 3rd, 2020



Targeted sample

1200 private companies, spread over the Tunisian territory, operating in industry and services and employing six or more employees



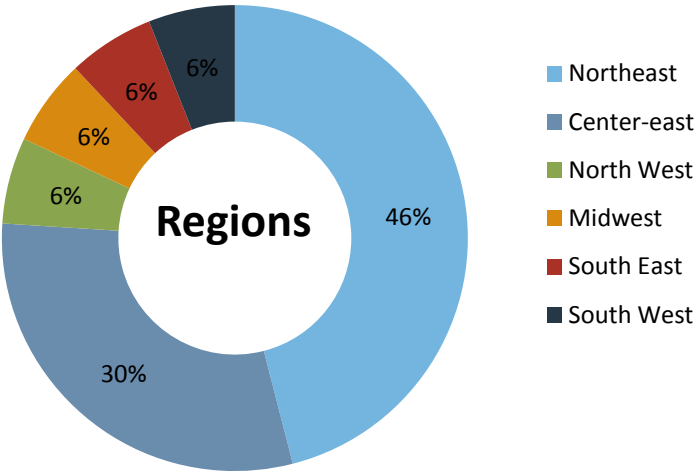
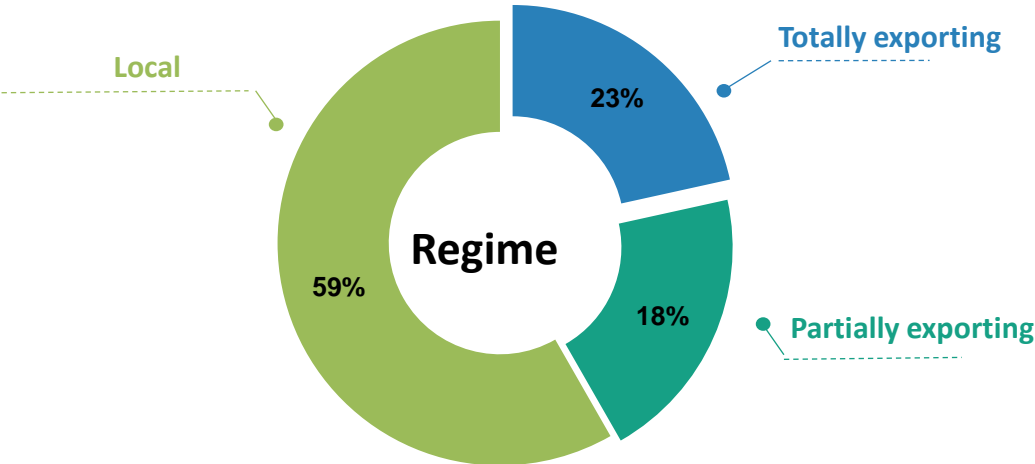
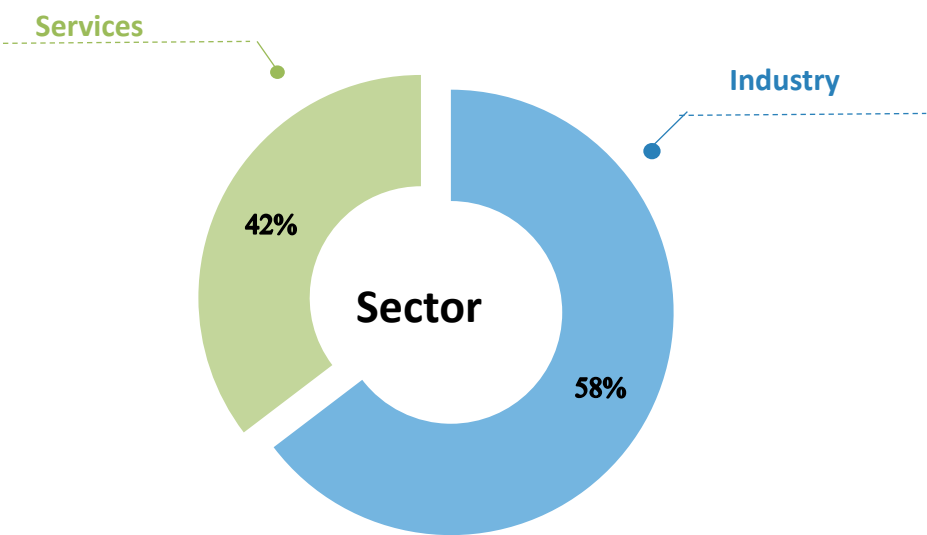
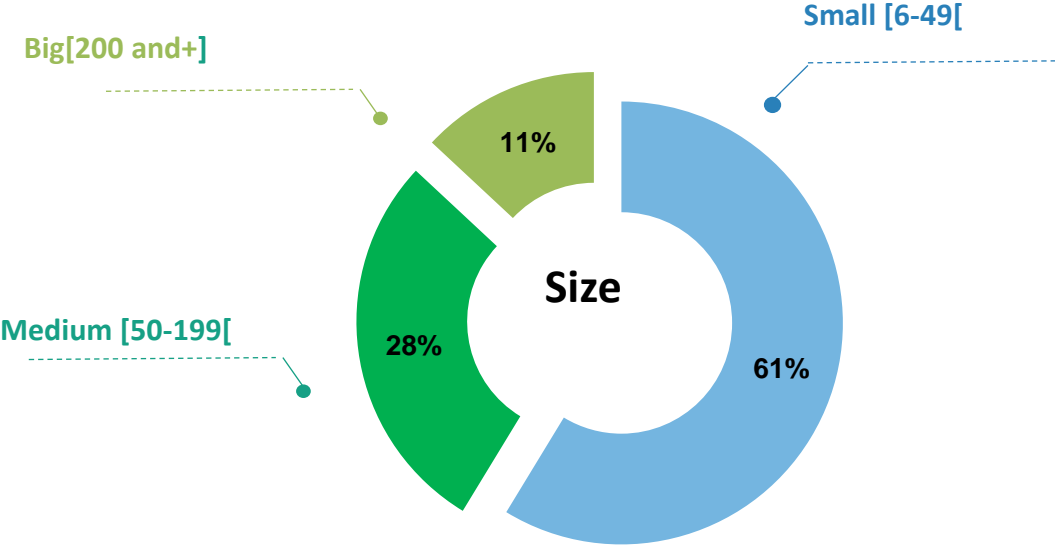
Response rate

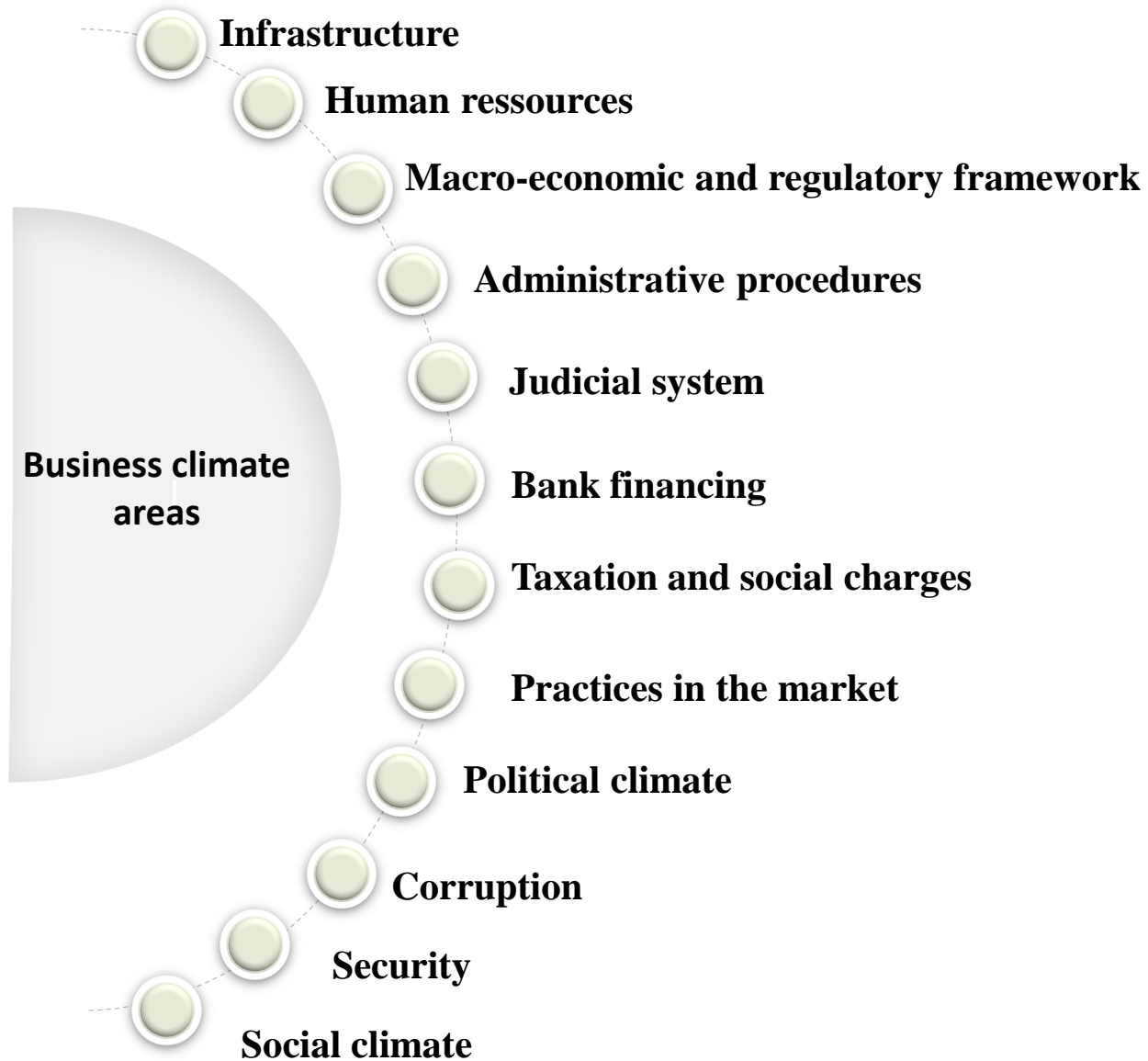
1077 companies, representing a response rate of **90%**



Collection method

Direct interview





A synthetic business climate perception indicator (IPCA) has been developed since 2007.

The IPCA varies from 0 to 100: the closer it gets to 100, the more favorable the business climate is.

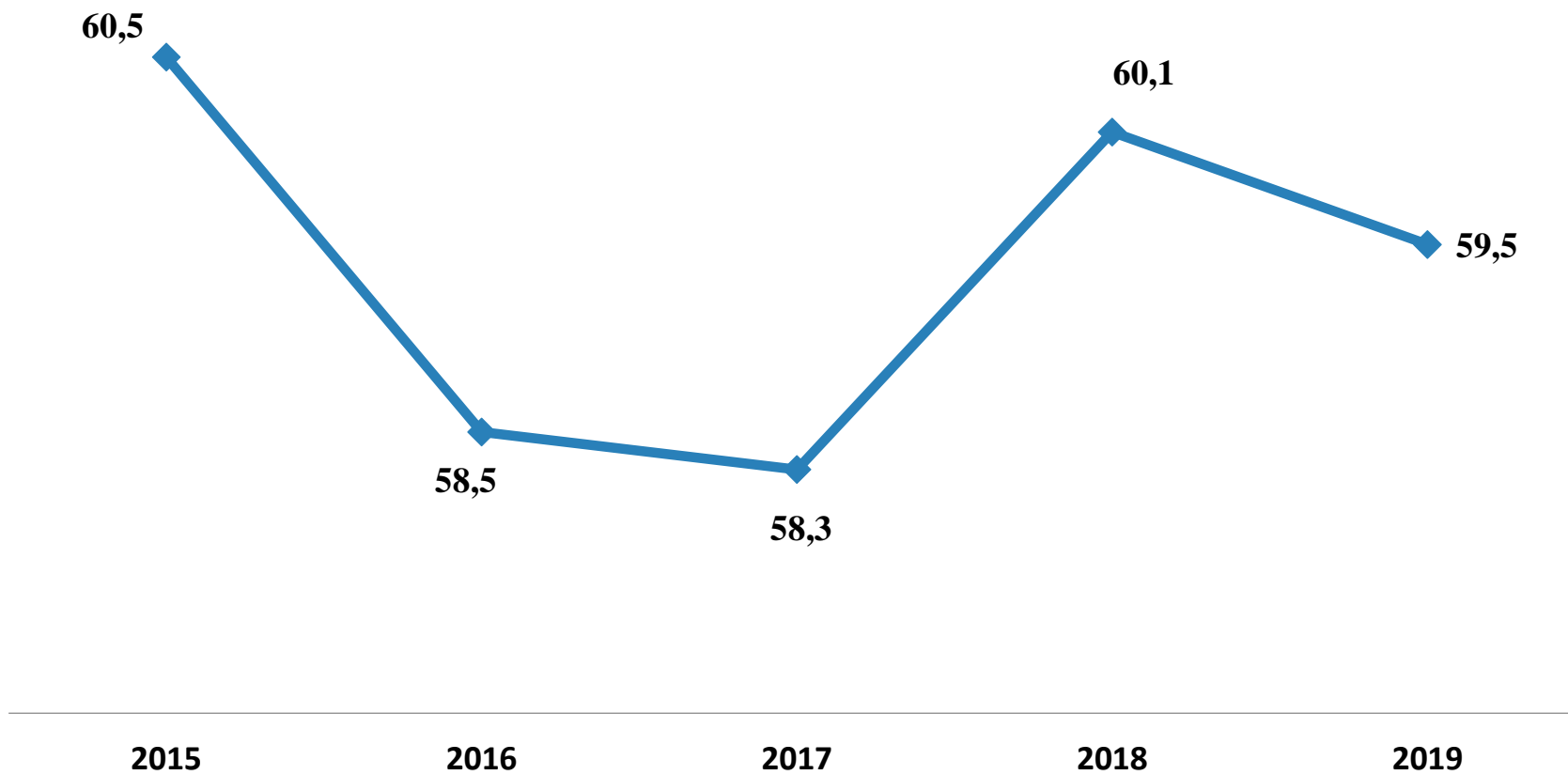
Monitoring the evolution of the IPCA over time allows us to see whether or not there is an improvement in the perception of the business environment.

What perceptions do entrepreneurs have on the business climate in Tunisia?

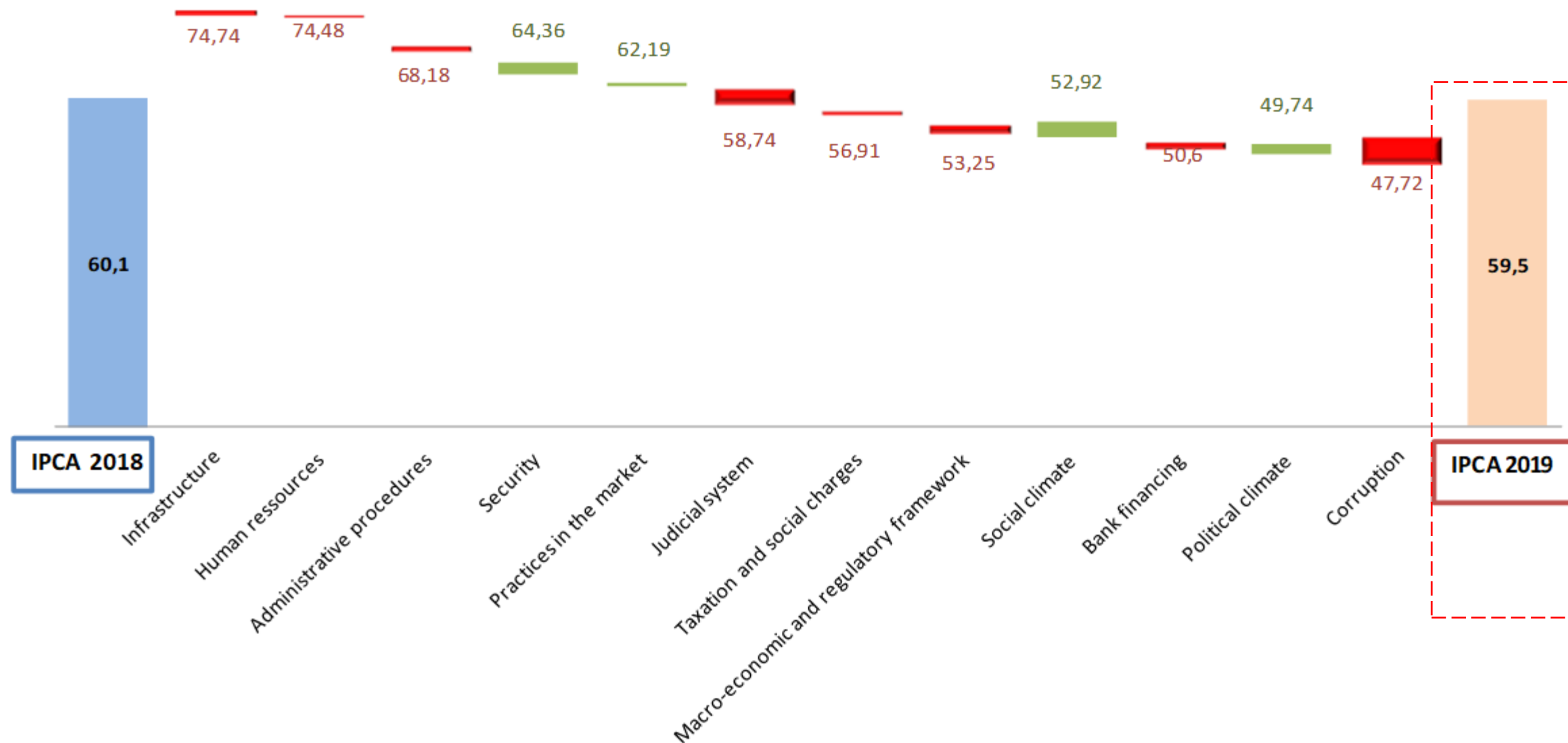




Evolution of the IPCA



Evolution of the IPCA and its partial indicators

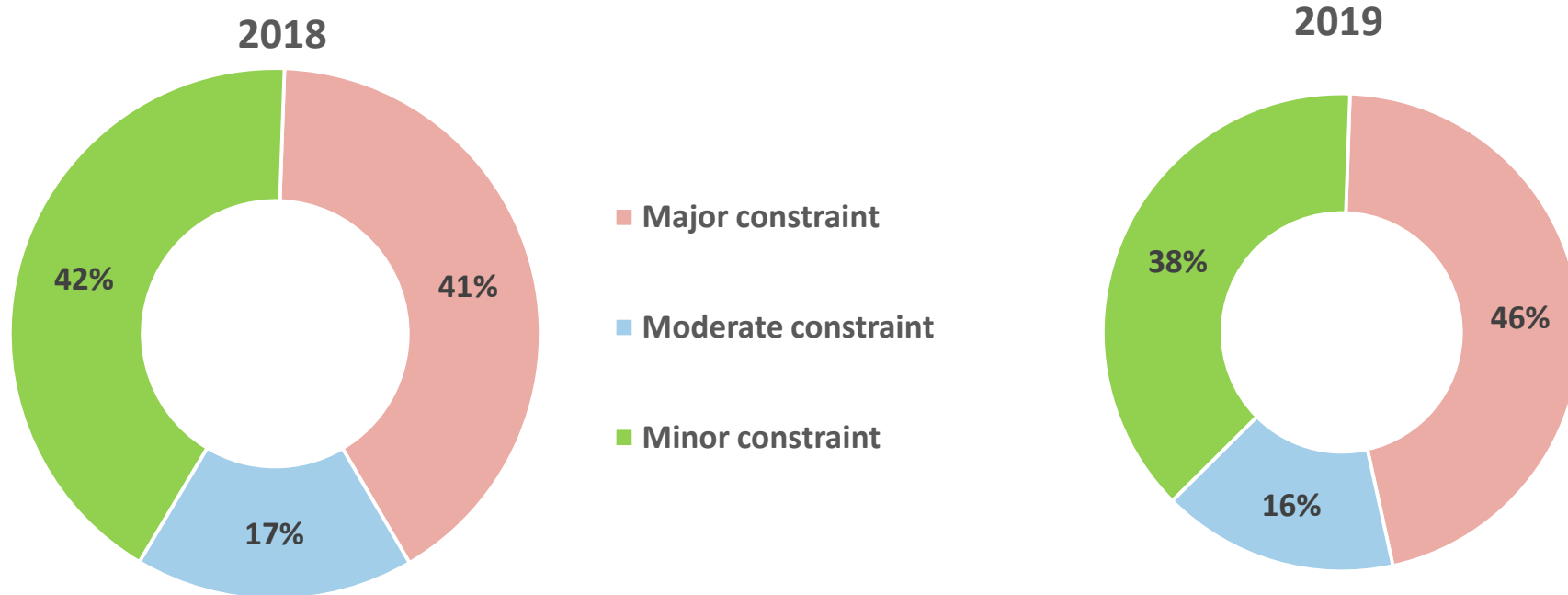




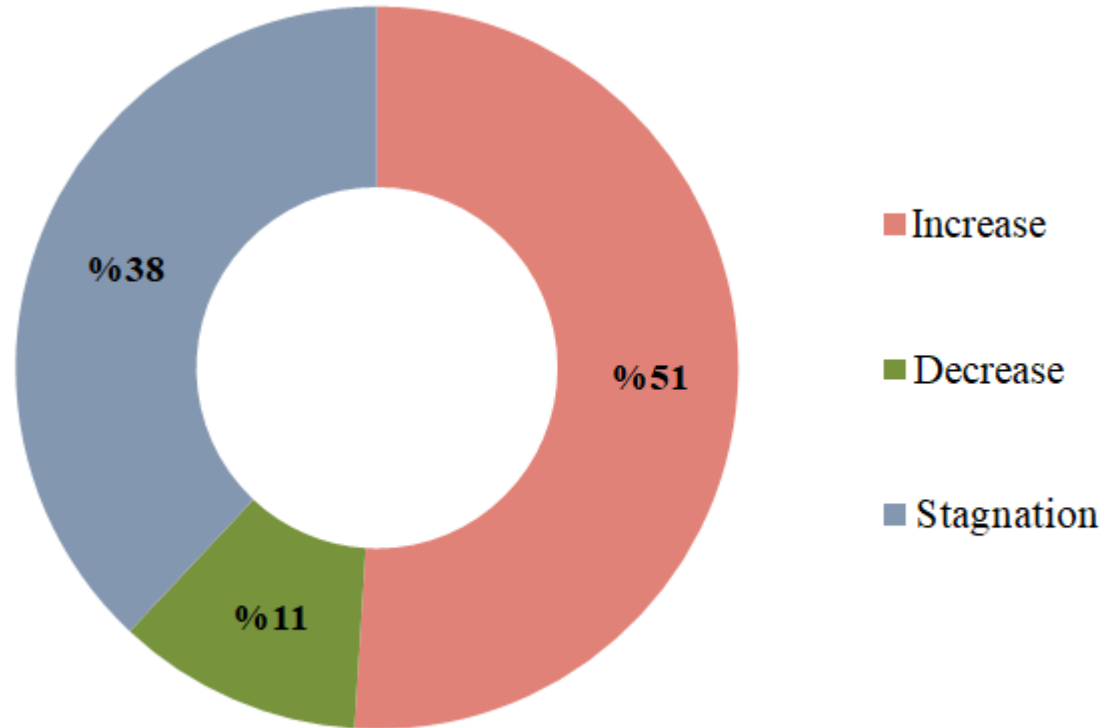
Corruption: the main
constraint in the
business climate



Companies considering corruption as a constraint

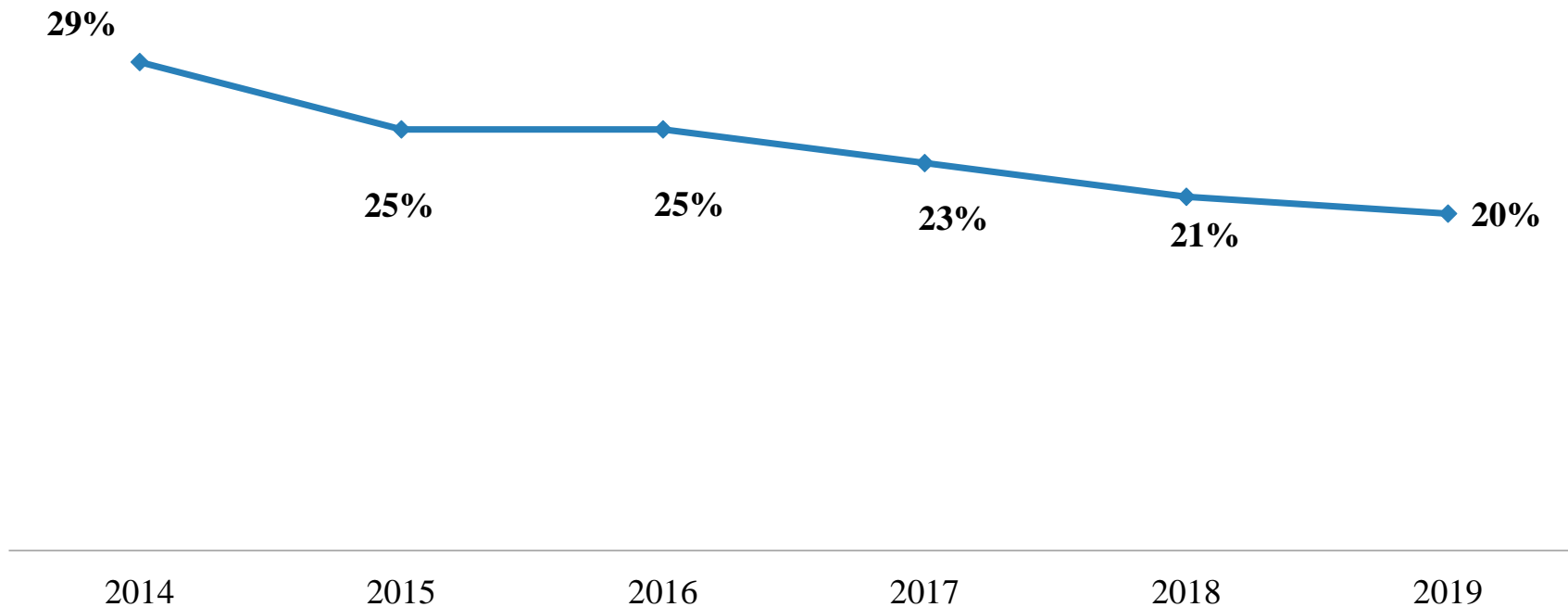


Evolution of corruption between 2019 and 2018 according to the perception of business leaders



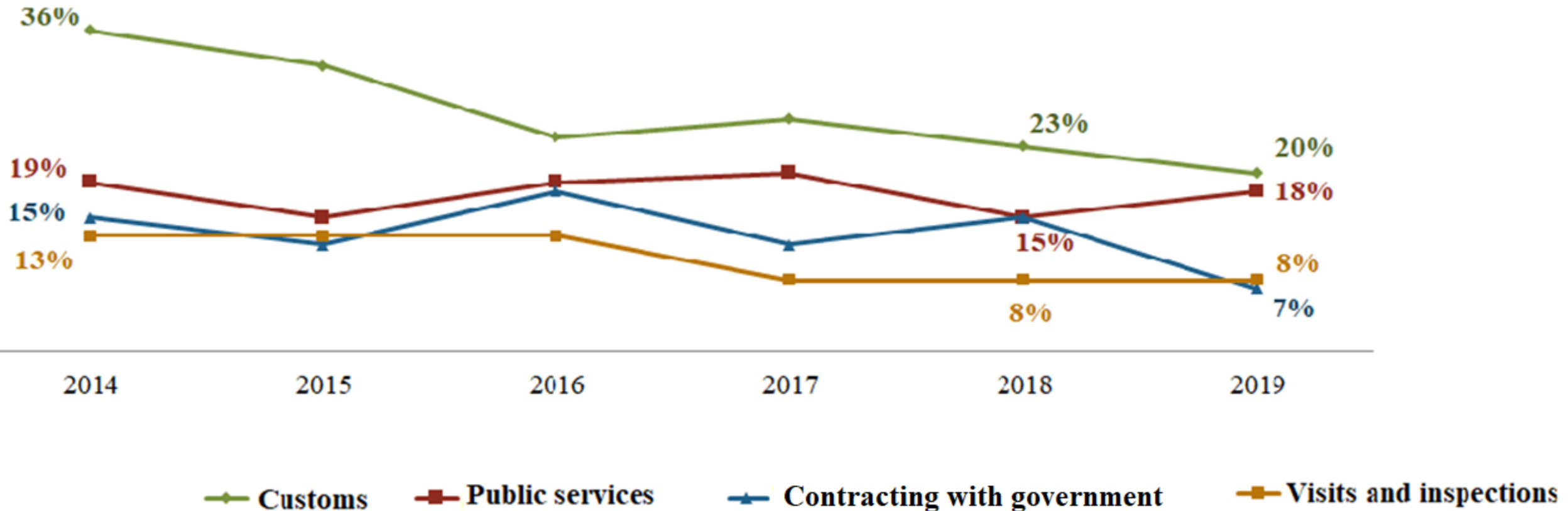


Companies solicited to give bribes or gifts during their transactions with different public structures



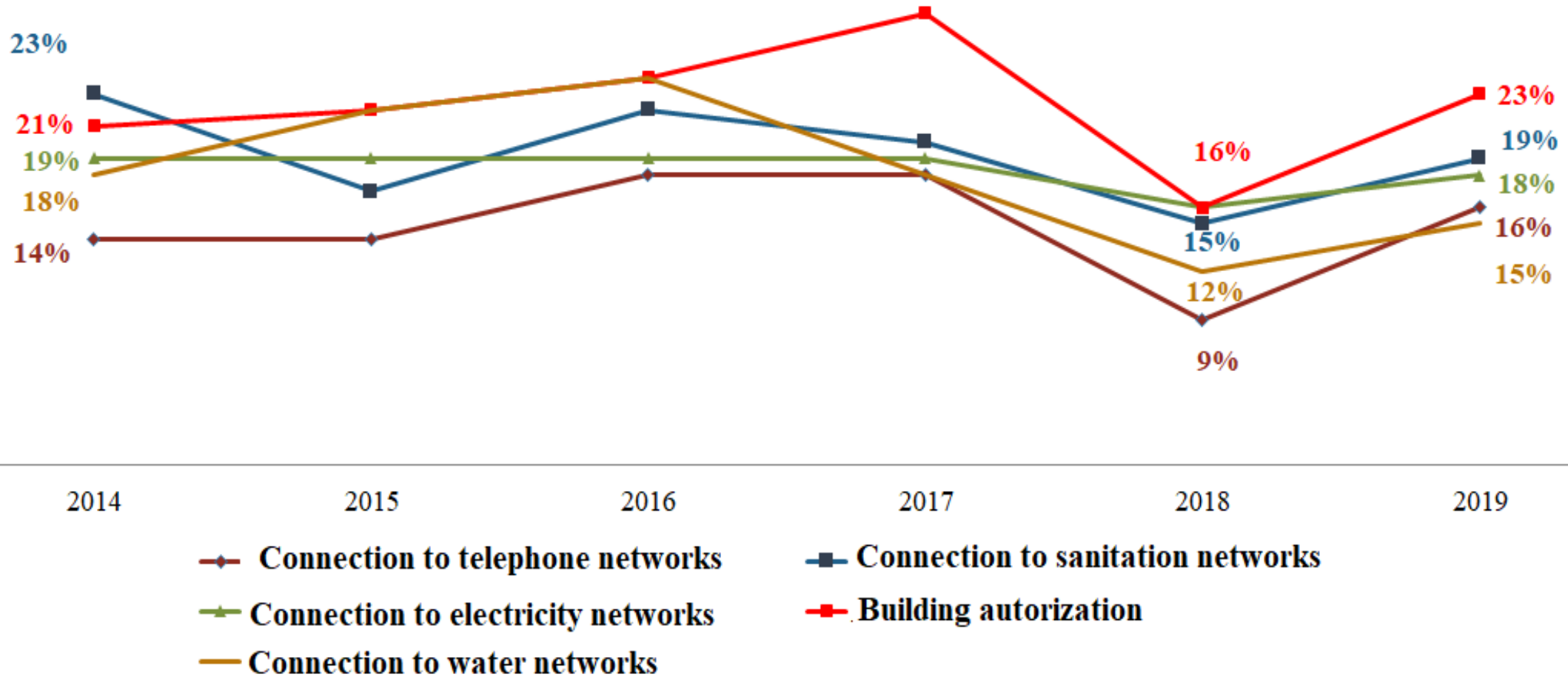


Companies solicited to give bribes or gifts during their transactions with different public structures



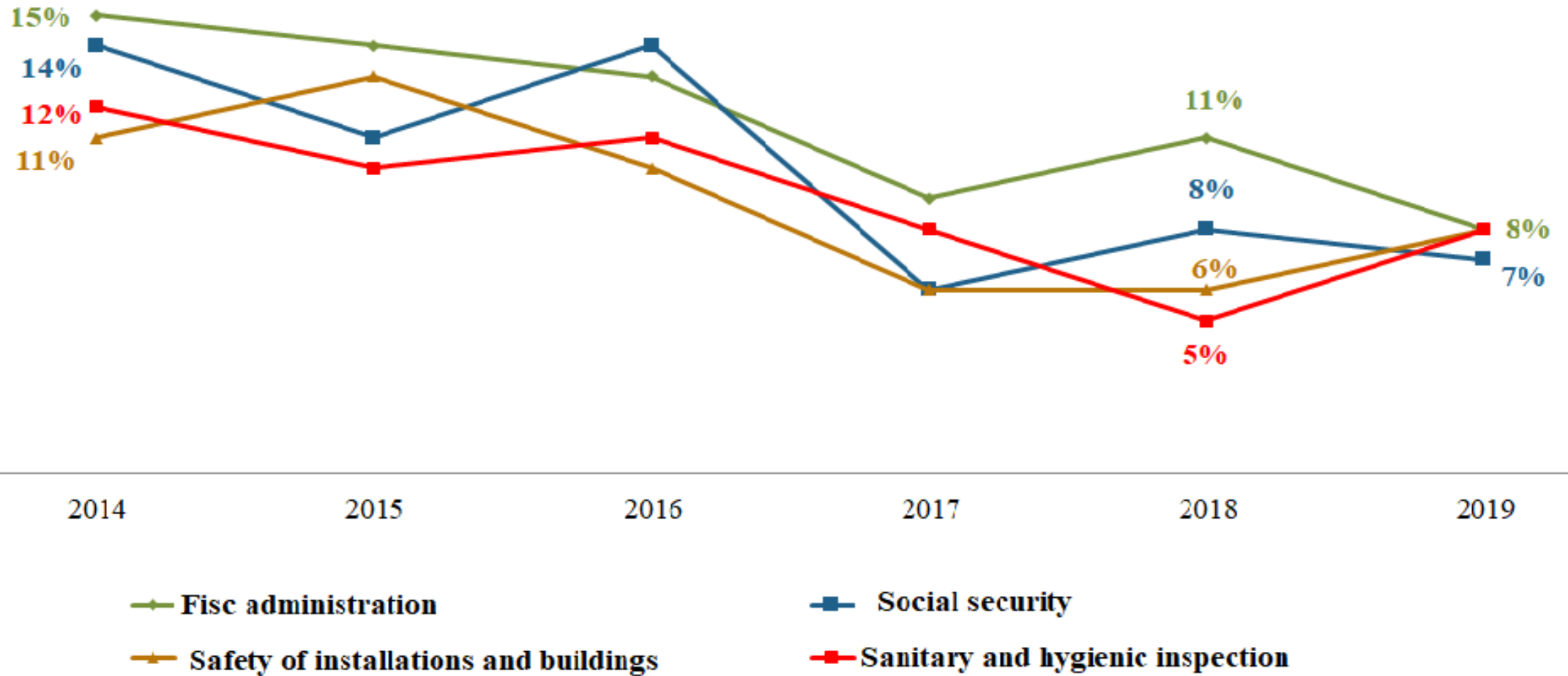


Companies forced to pay bribes in order to obtain a public service





Companies forced to pay bribes during monitoring and inspection visits

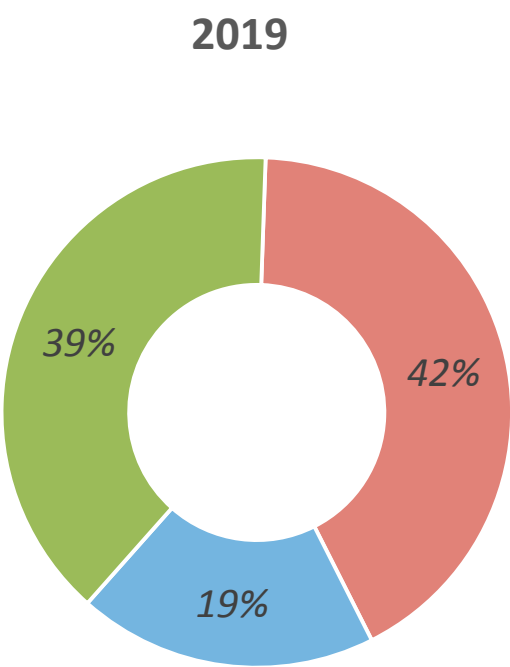
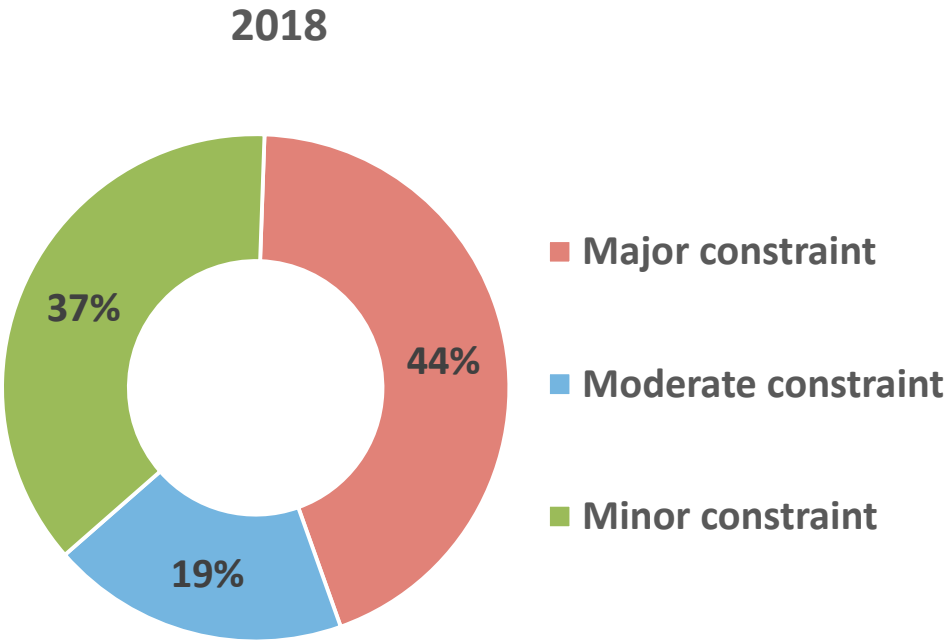




Political climate



Companies considering the political climate as a constraint



◆ Among the companies that did not invest in 2019, 26% explained it by the political climate instability



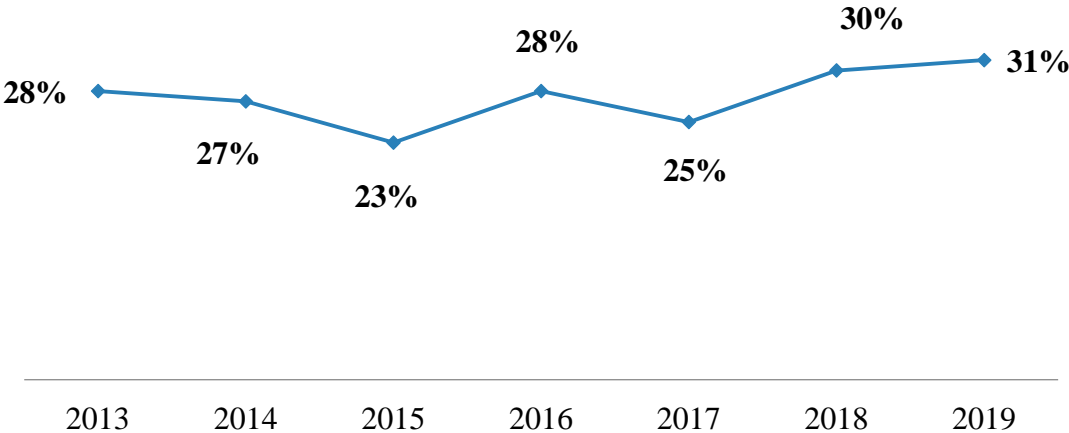


Bank financing

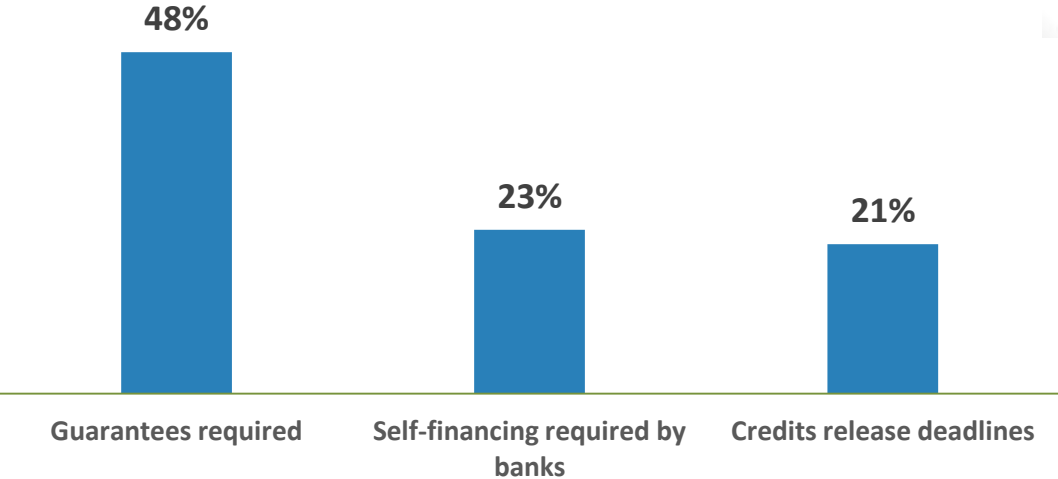
Bank financing



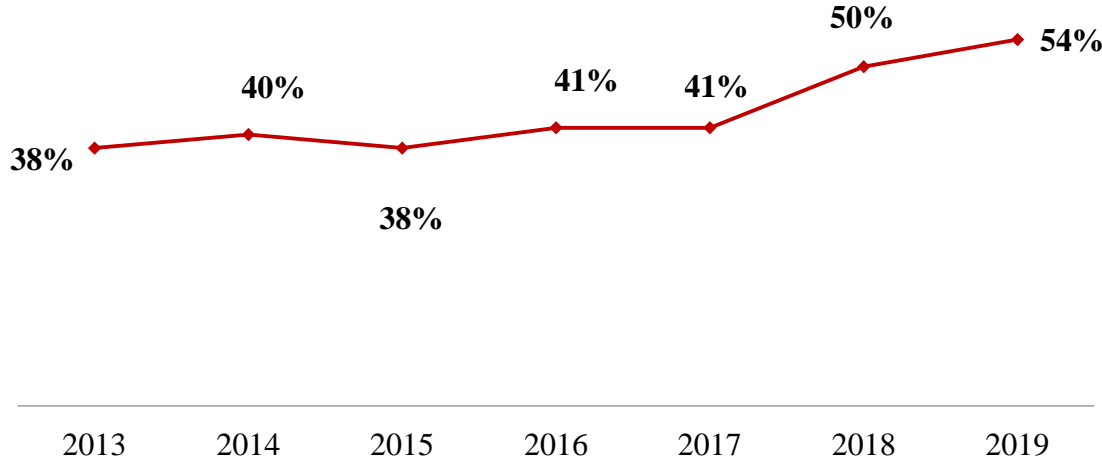
Companies considering access to bank financing as a major constraint



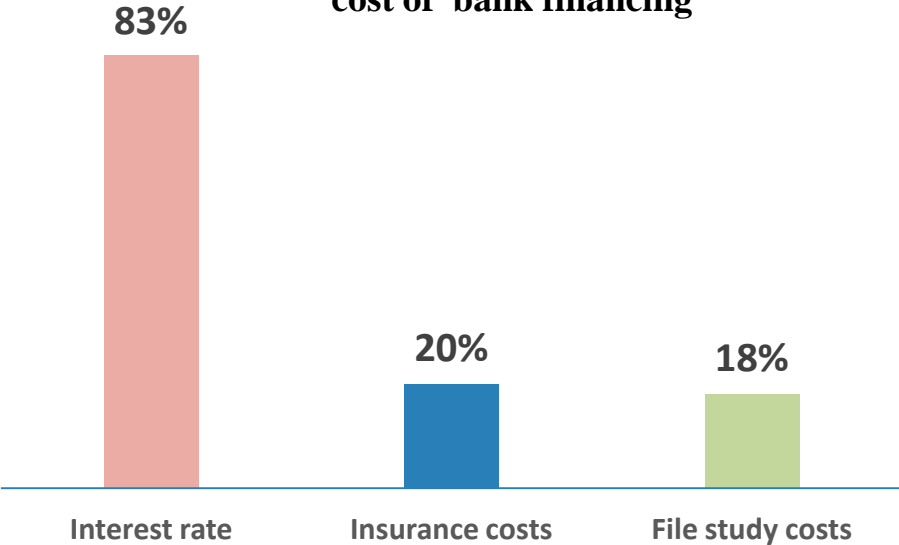
Main constraints faced by business leader in access to bank financing



Companies considering the cost of bank financing as a major constraint



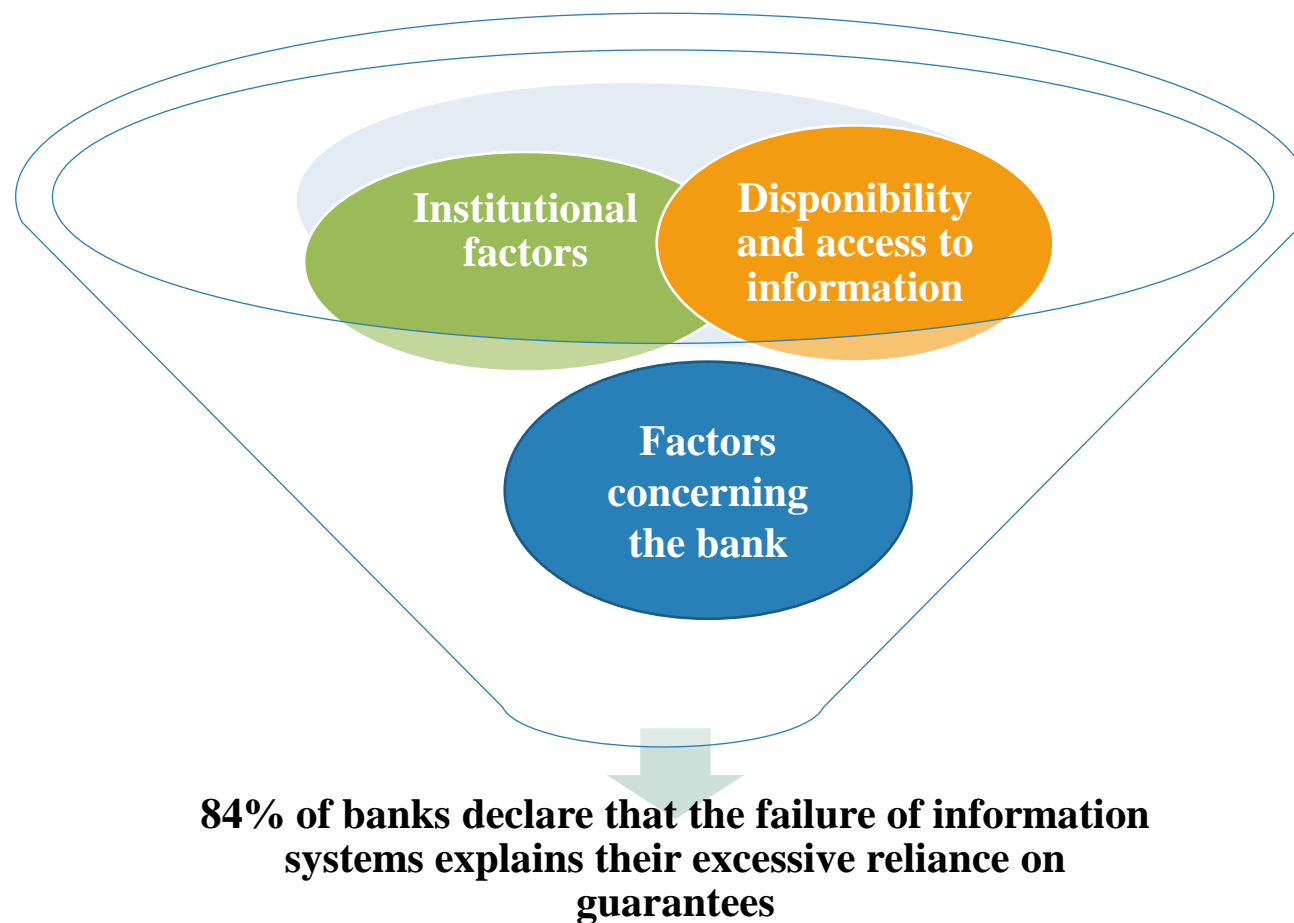
Main constraints faced by business leader related to the cost of bank financing



Can we improve the
bank financing
constraint?



Several factors are affecting banks



Tunisia's ranking in Doing Business 2020
In « Obtaining credits » (104th place)

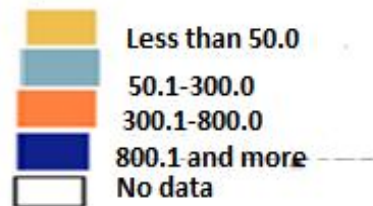
Indexes	DB 2020 ranking	MENA	Best world performance
Strength of legal rights index (0-12)	3.0	3.1	12 (5 economies)
Depth of credit information index (0-8)	7.0	5.3	8 (53 economies)
Credit bureau coverage (% adults)	0	16.3	100 (14 economies)
Credit registry coverage (% of adults)	36.4	15.8	100 (2 economies)

➤ 83% of surveyed banks affirm that the lack of private credit bureaus is a constraint in acces to credit

There is a strong correlation between countries without private credit bureaus and those with difficult and limited access to credit



Bank credit per 1000 adults



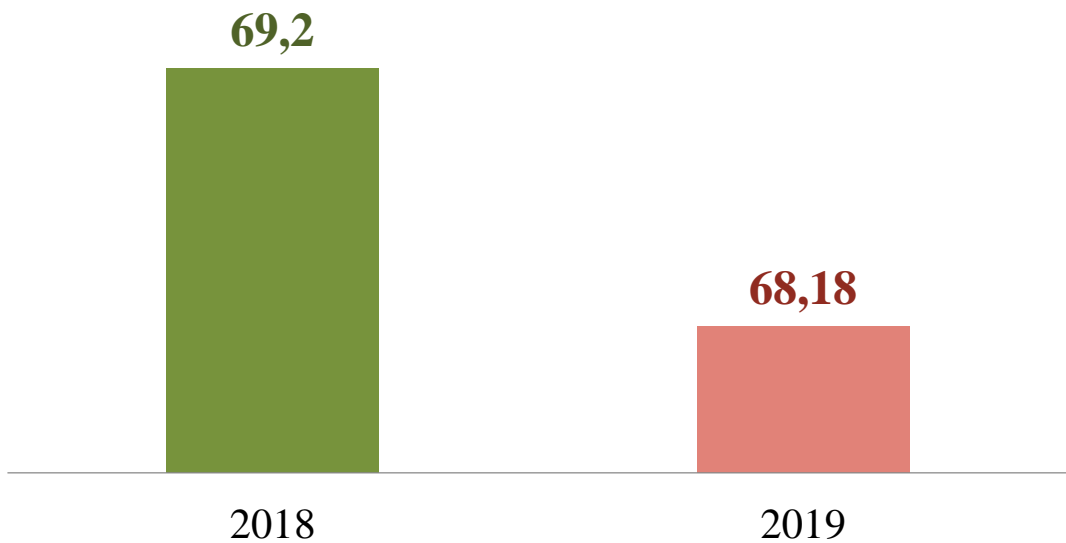
Source: Financial access database



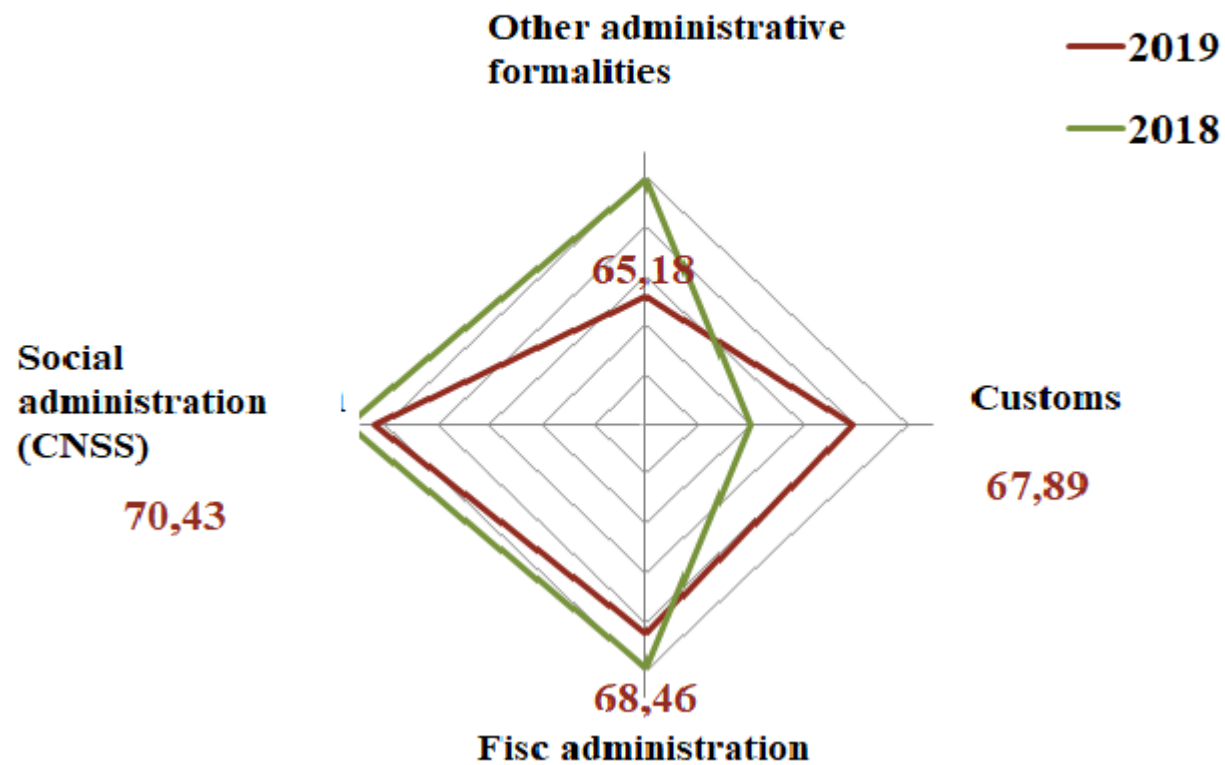
Administrative
procedures: a heavy
task for business
leaders

Evolution of the administrative procedures partial indicator and its components

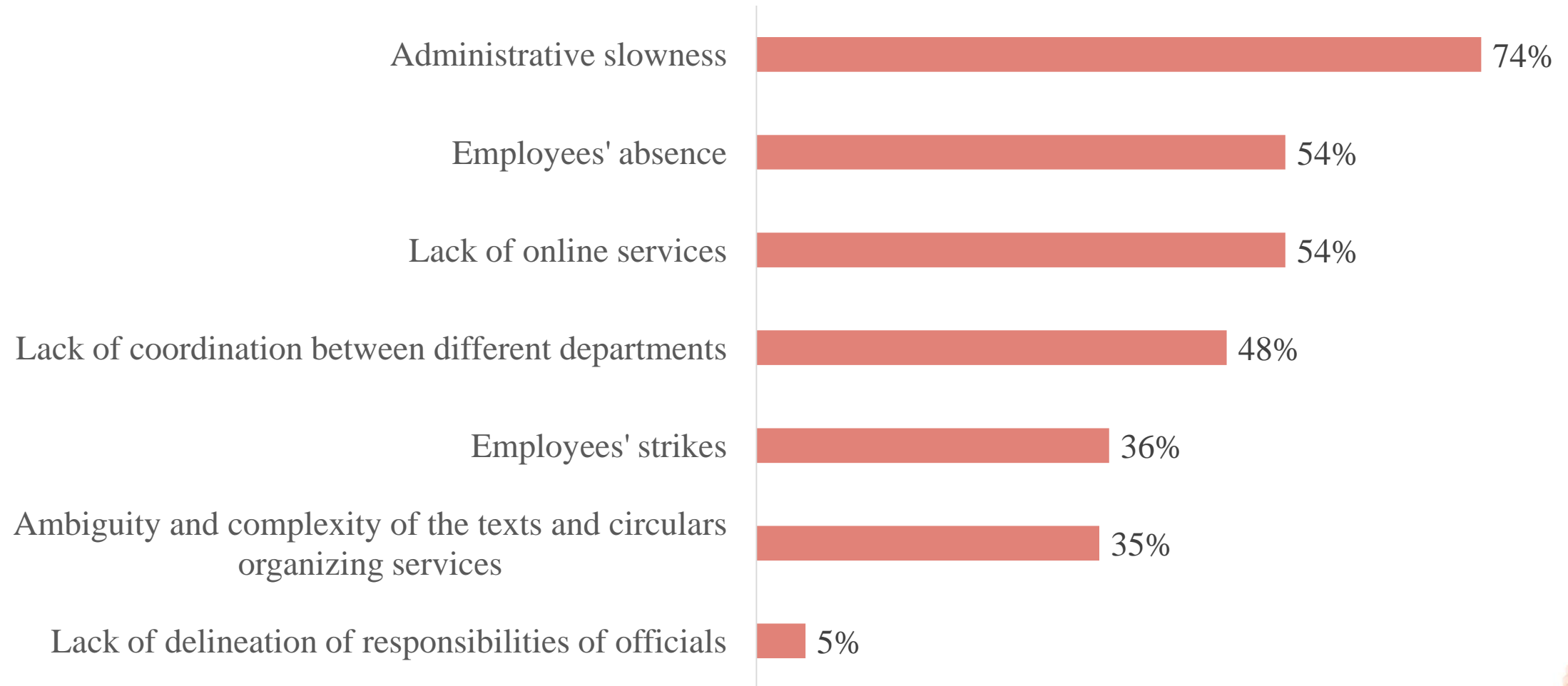
Partial perception indicator of administrative procedures



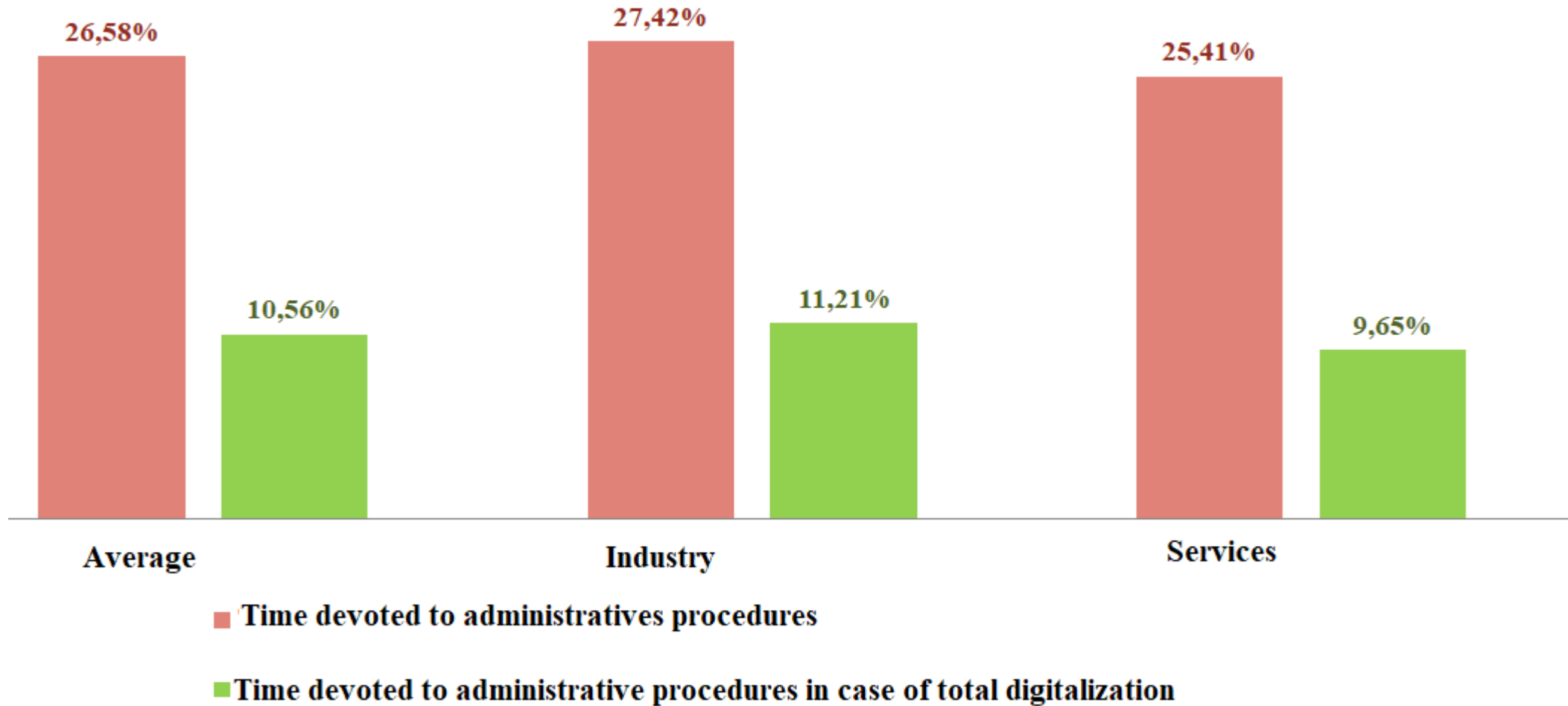
Components of the partial indicator « Administrative procedures »



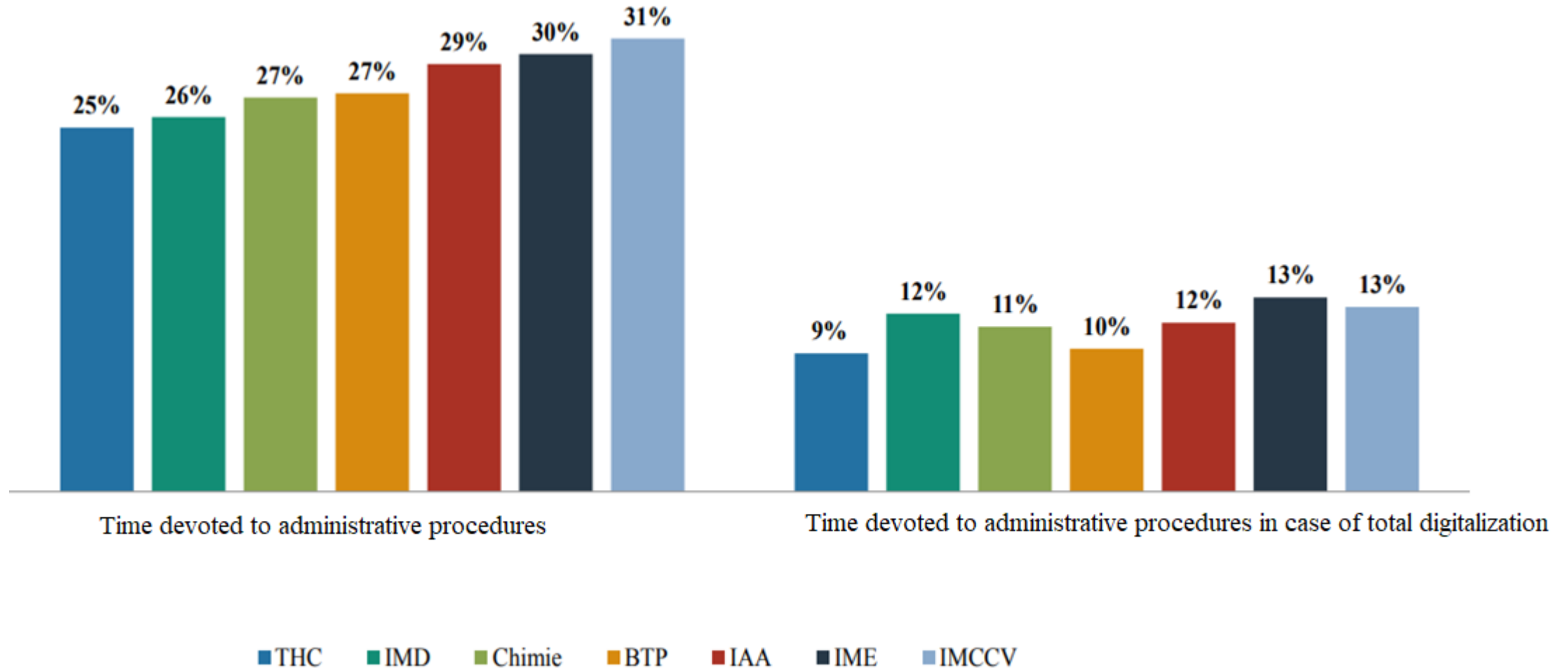
What kind of hassles have you encountered in your dealings with the administration?



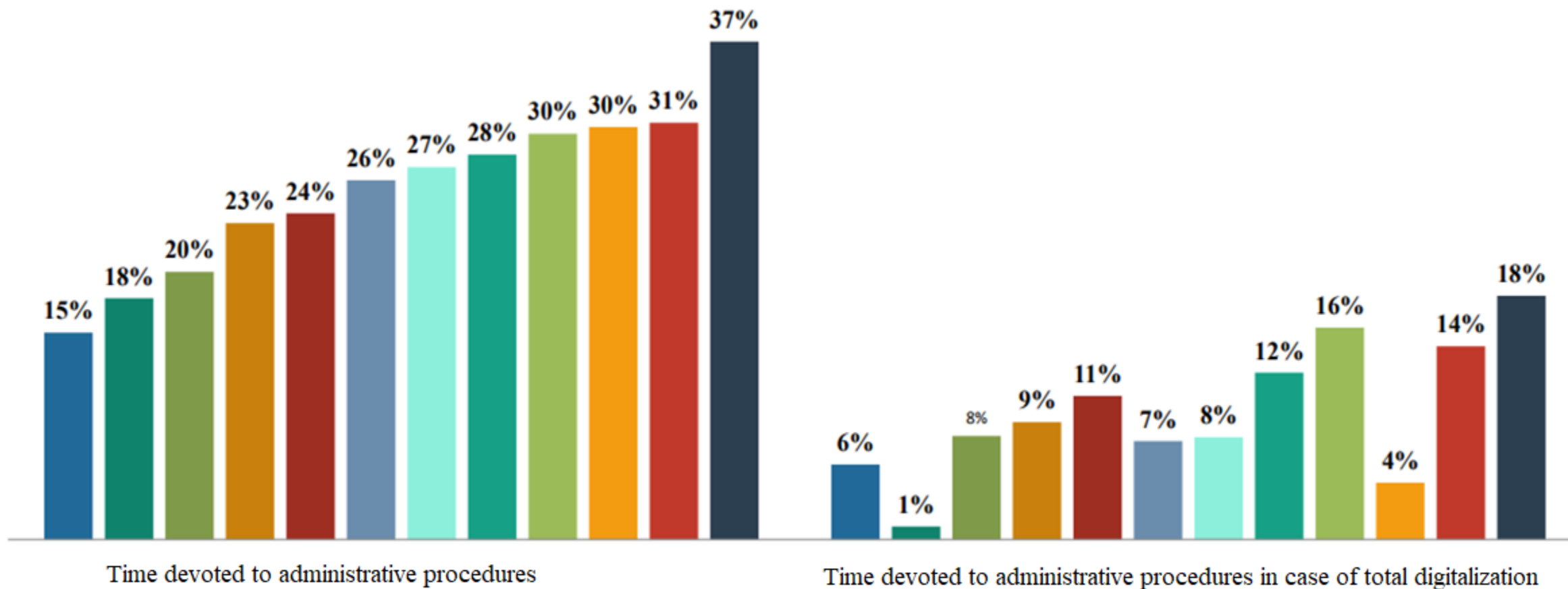
Percentage of working hours devoted to administrative procedures related to the activity of the company



**Percentage of working hours devoted to administrative procedures related
to the activity of the company
(Industry)**



Percentage of working hours devoted to administrative procedures related to the activity of the company (Services)

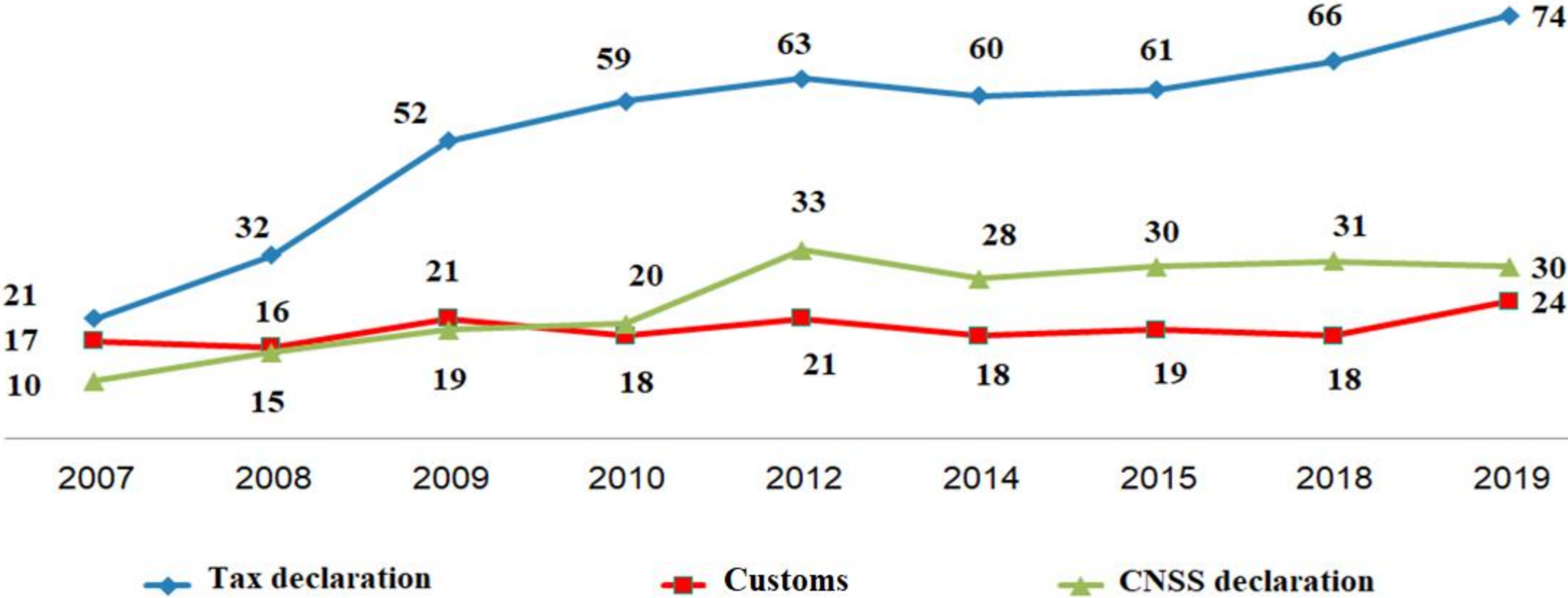


■ Telecom ■ Architecture ■ Advertising ■ Trade ■ Tourism ■ Engineering consulting ■ Health ■ Transport ■ Banks ■ Leasing ■ Computing ■ Insurance



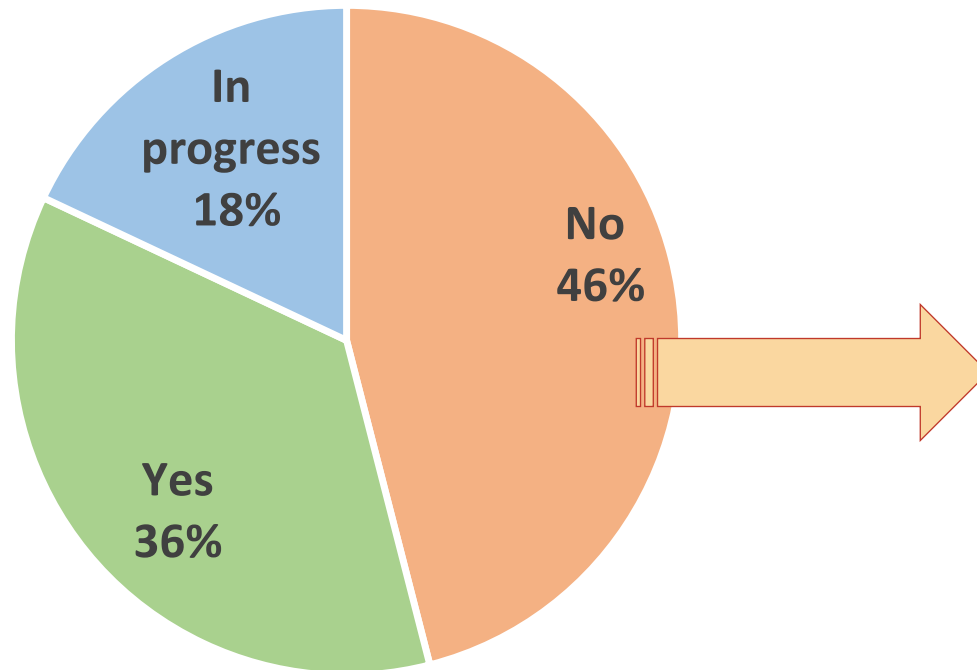
Are companies taking advantage
of administrative digitization and
are they adhering to a digital
transition strategy?

Companies having used online administrative services (in%)

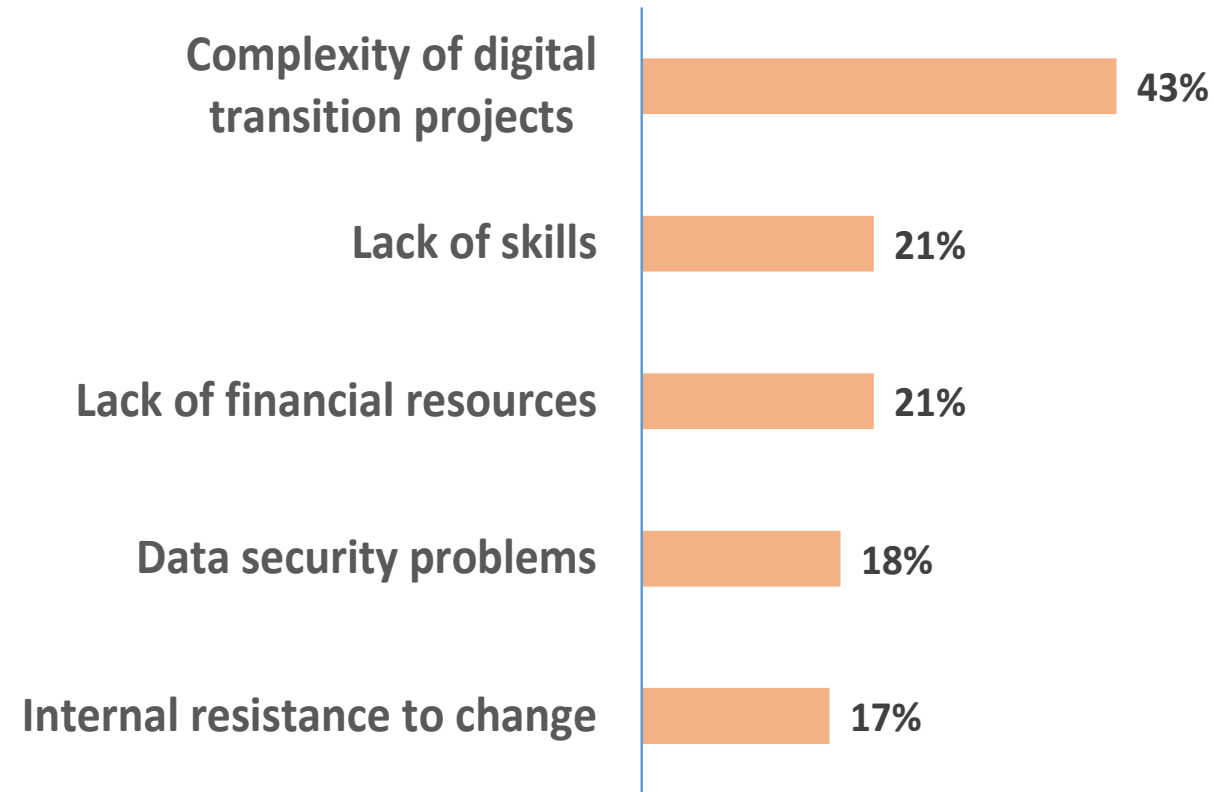


Surveyed companies are increasingly adhering to online administration and more particularly to the services offered for the declaration of taxes

Companies having implemented a digital transition strategy



What are the main obstacles to the digital transition of your company?

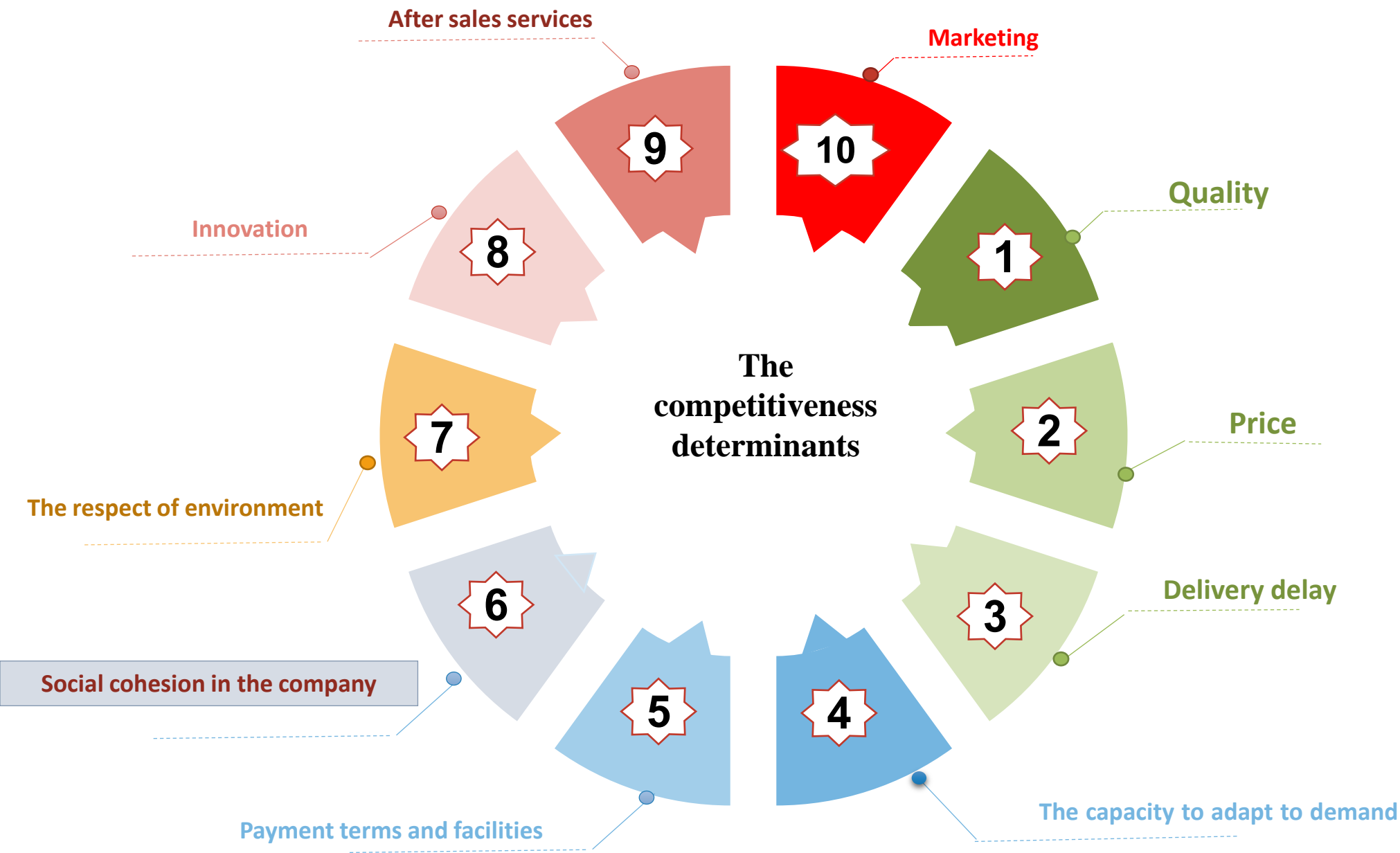


• *Digitalization of sales and distribution networks, development of the company's presence on social media, digitalization of the customer experience, artificial intelligence, big data,...etc.*

What are the competitiveness determinants in a such environment ?



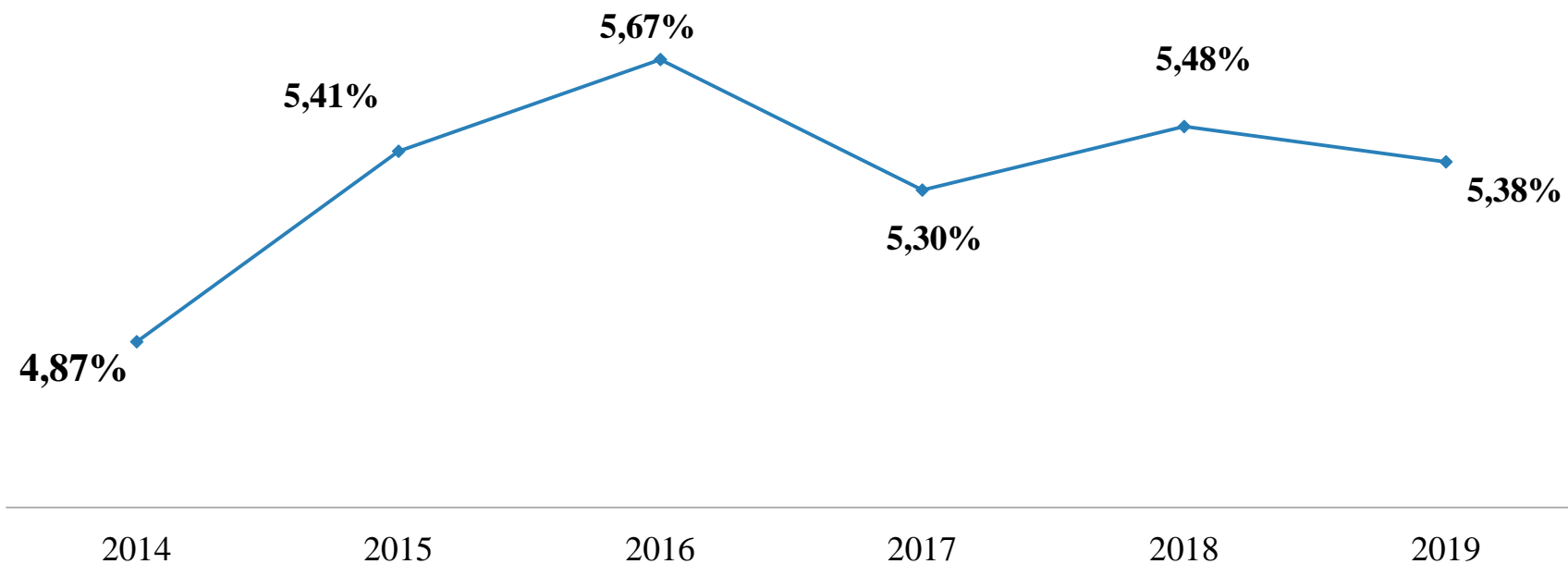
The competitiveness determinants



Absenteeism



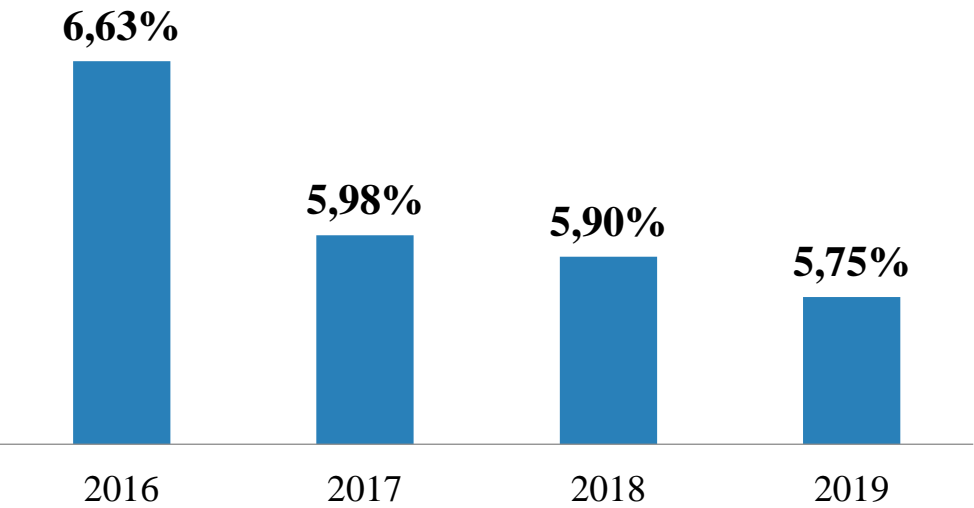
Evolution of the absenteeism rate in companies



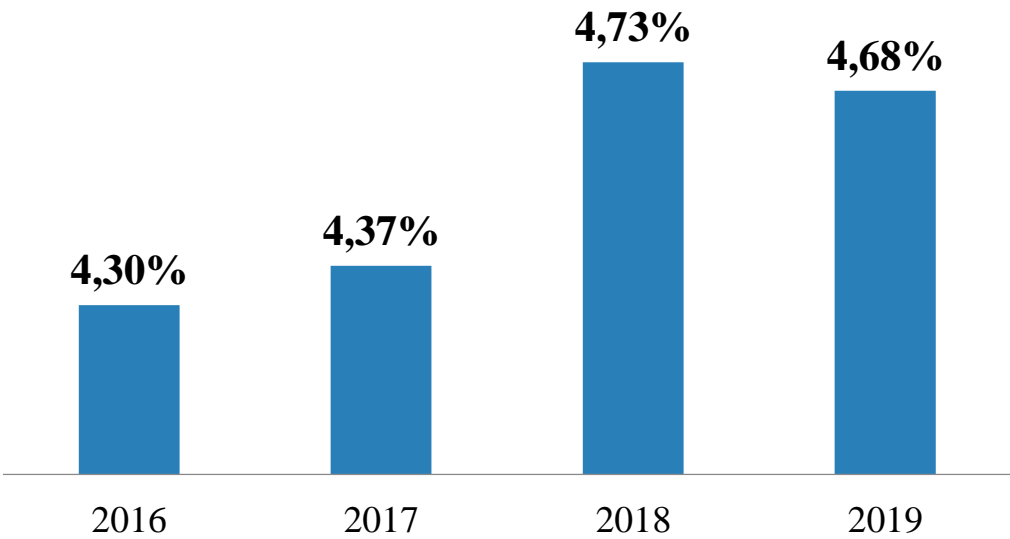
Absenteeism Phenomenon: Comparison 2016-2019

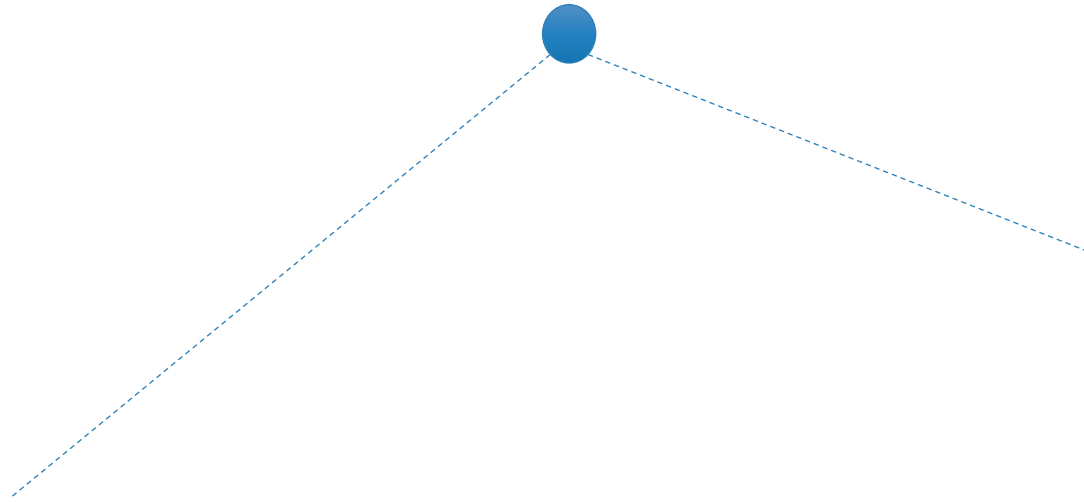
Absenteeism by sector

Industry



Services





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