

Export agricultural technology and equipment to tunisia

[Business](#)



Part I. Introduction: general characteristics of Tunisia Tunisia is the Arabic country situated in the northern part of Africa. It borders on Algeria in the west and the southwest, in the southeast the state borders on Libya. From the North and the East its territory is surrounded by the Mediterranean Sea.

According to the data of the Central Intelligence Agency (2012), Tunisia occupies an area of 163, 610 sq km, making it the ninety-third largest country in the world. Due to its unique configuration elongated and pointed by a wedge downwards, the territory of Tunisia reminds a wing of a bird. Tunisia has a population of 10, 732, 900 (CIA, 2012). Majority of population is Arabs (98%). In addition, the country is populated by Europeans (1%), Jewish and other ethnic groups (1%).

The official language is Arabic. The state religion is mainly Islam (95% of the population). Tunisia is a constitutional republic. The political system of the state consists of an executive branch, legislative branch, and judiciary. An executive branch is represented by a President, who is the head of the state, and Prime Minister. Due to information of the U.

S. Department of State (2011), a long period of time a position of the President was possessed by President Zine El Abidine Ben Ali. However, in 2011 in result of his abdication former Speaker of the Parliament Fouad Mebazaa took a position of the President. By the way, in December 2011 the National Constituent Assembly of Tunisia chose Moncef Marzouki as the President by more than 153 voters (Tunisian News Agency, 2011). The head of Tunisian government is the Prime Minister appointed by the President.

A current Prime Minister is Hamadi Jebali. Legislative power is carried out by the Chamber of Deputies (unicameral parliament), chosen for 5-year term and the Chamber of Advisors, whose members are elected for 6-year term. The Chamber of Deputies is elected by public opinion and the Chamber of Advisors by government executives, municipal representatives, special institutions, and trade organizations (Chaudhuri, 2010). Nowadays Tunisia's constituent assembly accounts a wide range of political parties. For the longest time the main party was the Democratic Constitutional Rally. However, after the revolution in 2011 it broke up.

Different approaches and ideas were supported by political leaders of various parties: the Renaissance, Democratic Forum for Labor and Liberties, Tunisian Workers' Communist Party, Democratic Socialist Movement, and so on. The leading position was taken by Congress Party for the Republic or CPR on the political arena. It was created by current President. The success of this party promoted the ideas of Moncef Marzouki and to some extent facilitated him to become the President. Since 1881 Tunisia was the French protectorate and actually it was considered as the French colony. As a result of long influence of legal culture of France, Tunisia often practices the French legislation.

Therefore the mixed legal system involves the French civil code.

Nevertheless, the Tunisian civil law also carries out the Islamic law as it is the Arabic state. In Tunisia the main sources are legislative and other regulations. Their hierarchy includes the Constitution, fundamental laws, usual laws of the Parliament, decrees of the President and the Prime

minister, bylaws of other authorities. The corresponding acts offered by the President, are so-called ' decrees-laws'.

The economy of Tunisia is in process of development. Recently, it was under strong control of the government. Nowadays it illustrates almost liberalistic approaches in its evaluation. The government regulates economic processes. However, business activity of the states is to some extent oriented on industrial European states, especially on France and Italy. The economic development of the state is well characterized by such an indicator as gross national income (GNI).

This indicator reflects total earnings of residents of definite state. According to the UN data (2008), the GNI equals to 47, 401, 000, 000. 0 Tunisian dinars. Tunisian dinars (TND) per US dollar mean 1. 397 (CIA, 2011). So, GNI of Tunisia approximately equals 339305654974, 95 US dollars.

GNI per capita demonstrates purchasing power parity (PPP). Due to data of the World Bank (2012), GNI per capita increases every year. In 2010 it was 9, 060. In comparison with other states, Tunisia shows stable results. Tunisia is an agricultural and industrial country.

The first point that influences its economy is especially agriculture. The second most important position of the share of national income is tourism, and the third position responds to light industry. The agriculture is of Tunisia engaged almost a quarter of employable population. Two thirds of Tunisian lands have favorable conditions for development of agriculture. The country can be divided into five agricultural regions: generous mountain valleys in

the north, where people grow wheat; north-eastern region of the country is specialized in the production of citrus fruits and grapes; northern part of the central region, known for its olives; central area - the center of sheep breeding. The important element of Tunisia`s economy is the growing of fruits.

Tunisians cultivates oranges, figs, date, grapes, and olives for export. Tunisia is one of the largest exporters of olive oil. It provides approximately 80% almost all countries of the European Union. The volume of manufactures agricultural products does not cover the needs of the Tunisian population. Therefore, country is obliged to import wheat and other food crops. The main Tunisia`s importer of wheat is Canada.

The most important raw material of Tunisia is oil. The first significant oil field was discovered in nearly Al Borma at southern border with Algeria. Later, oil fields were founded in Ashtart. According to the information of the Central Intelligence Agency (2012), Tunisia takes the fifty-fourth place in production of oil in barrels per day. Due to U.

S. Energy Information Administration (2012), Tunisia became an exporter of crude oil to the USA. Moreover, Tunisia exports oil to countries the Western Europe. Tunisia has also such natural resources as phosphates, natural gas, iron ore, lead and zinc. The producing of Tunisia`s natural resources is invested by such a company as British Gas. Just this company has a right to mine the gas in the area of Miskar field, which provides almost 80% of population by gas.

Economic integration is an objective the development of deep, stable relationships and division of labor between the national economies, creation of international economic systems within the state. Tunisia has well developed relations with other states and is a member of dominant international economic organization. It is a member of International Monetary Fund, International Labor Organization, International Confederation of Free Trade Unions, World Trade Organization, International Bank for Reconstruction and Development, International Fund for Agricultural Development, International Confederation of Free Trade Unions, Economic Commission for Africa, Black Sea Economic Cooperation, Arab Monetary Fund, Arab Fund for Economic and Social Development, African Development Bank, Bank for Economic Development in Africa, and so on. The membership of Tunisia in these international organization means that country has beneficial conditions for trade, and to some extent, it feels support that facilitates economic development of the state. The main currency of Tunisia is Tunisian dinars (TND).

According to the CIA data, it is equal to 1. 397 per US dollar. This currency is mainly practiced just in Tunisia. The Tunisian law prohibits to take its national currency out the state (U. S. Commercial Service & U.

S. Department of State, 22010). Therefore, it can not be freely exchanged in other states. Part II. Analysis of Tunisian advantages in production The effectiveness of any national economy depends not only on its own results and internal activities, but also it depends on its participation in international economic relations.

Activity of the country in the world economic relations can be evaluated through such indicators as export and import. And country is able to reach success in order applying of comparative advantages and absolute advantages. The theory of absolute advantages was proposed by Adam Smith. According to this theory, the country has ability to produce some products more effectively than other states. The theory of comparative advantages was founded by David Ricardo, who states that individual or country must produces these products, which has the highest comparative advantage, benefit, even if there are no absolute advantages. These theories can be applied in international trade.

For instance, Tunisia has rich funds of gas and has comfortable position to transfer these resources through Mediterranean Sea to countries of the Southern and Western Europe, which feel a need in gas. Also Tunisia is one of the largest producers of olive, whereas the Eastern Europe does not grow olives. Therefore, it is advantageous to export Tunisian olives to the states of Eastern Europe. Tunisia feels a deficit in such resources as salt. The richest country that produces salt is Ukraine. Obviously, it would be profitable for Tunisia to import salt through Black Sea and Mediterranean Sea.

The recent events in Tunisia in 2011 remind us not peaceful country. Moreover, any developed state must be provided by weapon to guarantee its stability, to defend its territory and to keep peace. Tunisia does not produce arms at a high level. The largest producer of weapon is the United States of America. Therefore, it can importer for Tunisia. Generally, the country must

export these goods and services that are produced effectively on its territory and country has favorable conditions to manufacture them.

Part III. Conclusion: main arguments proving the strong factors of the Tunisian Republic for agricultural export. Tunisia is one of the most developed countries in Africa. It is an agricultural state, which has rich resources of citruses, olives, and grape. Some regions of the state cultivate also wheat.

Moreover, country is rich in mineral resources that are in deficit in other states. The geographical position of the country facilitates trade with other countries. The political system of country is well divided into three branches: executive, legislative, and judiciary branch. Such system is practiced in well developed countries. The citizens are protected by law, which carries out futures and base of the European states. The economic processes are regulated also by law, legal rules and acts.

The Tunisian Republic is a diplomatic leader. It takes a part in majority of economic organizations in Europe, on the African continent. Also Tunisia supports relations with the United States. Such position facilitates trade processes with the states and supports economic stability of the state. The analysis of Export agricultural technology and equipment to Tunisia was considered with the help of Central Intelligence Agency It provides information with the facts, statistics, and main elements, which characterizes the state. The websites of the U.

S. Department of State and the World Bank illustrates the current economic indicators that help to analyze economy of the state. The grateful resource of research was Tunisian website of the Foreign Investment Agency “ FIPA-TUNISIA”. It carries out general characteristic of the state.