OECD ECONOMIC SURVEYS

CHINA

ISSN 0376-6438, e-ISSN 1609-7513 March 2022

Consulta en línea desde Intranet

Foreword	3
Executive summary	9
1 Key Policy Insights	15
COVID-19 has hit the economy hard but the recovery is well underway	15
Drastic measures appear to have put a break to the spread of SARS-COVID-2	16
Trade trends and policies amid the recovery	21
Monetary policy is supportive	27
Financial stability has been strengthened, though risks remain	31
Fiscal stimulus is supporting the economy	37
Ensuring sustainable and inclusive growth in the long run	42
Revamping the social security system for greater inclusiveness and sustainability	44
More taxes and greater profits from SOEs could boost public revenues	46
Growth should be more productivity-driven to be sustainable	50
Reigniting the energy transition to achieve climate change goals	55
The public health emergency reporting and prevention system are in need of improvement	57
Creating a moderately prosperous society	60
The rule of law needs to be improved	63
Policy recommendations	64
References	66
2 Reaping efficiency gains through product market reforms	68
Reducing the burden on businesses	71
Levelling the playing field between SOEs and private firms	74
SOEs are important players and command most of corporate debt	75
More competition in network industries	80
Removing remaining price controls where competition has developed	85
Less discrimination and more opportunities for the private sector	87
Gradually more welcoming environment for foreign firms, but much more to do	89
Innovation and digitalisation for a sustainable recovery	94
Barriers to digital trade	95
Business sector in the leader seat of digitalisation	96
E-government to jumpstart	97
Industry support not just for survival but upgrading	99
Leapfrogging in emerging fields	102 103
Policy recommendations References	103
I/CICICIUCS	100

OECD ECONOMIC SURVEYS

TUNISIA

ISSN 0376-6438, e-ISSN 1609-7513 April 2022

Consulta en línea desde Intranet

Foreword	3
Executive summary	10
1 Key policy insights	15
To be fast and sustainable, the post-pandemic recovery should be built on sound reforms	16
A quick policy reaction has helped mitigate the social and economic impacts of the pandemic	18
The pandemic hit most sectors and inflation rose again	21
Stumbling imports and resilient remittances reduced the current account deficit.	24
Recent labour market developments have been unfavourable	25
The recovery will gain some momentum in 2022, but risks loom large	25
The COVID-19 crisis has exacerbated macro-financial vulnerabilities	26
Foreign debt is growing	26
Banks face a challenging environment	28
Monetary authorities' pursuit of macroeconomic stability is hampered by structural fault lines	30
Reigniting income convergence and reducing macro-economic imbalances requires rebooting	
structural reforms	32
A fragile fiscal situation requires interventions on spending, revenues and State-owned	
enterprises	37
Government spending is dominated by current expenditures, leaving little space for financing	-
social policies	40
The public sector wage bill is one of the highest in the world	41
State-owned enterprises play a dominating role in the economy	43 47
Better protecting the neediest The tax system is in need of reforms	49
The financial situation of the public pension system is poor	51
A friendlier and fairer business climate could sustain investment	52
Fostering the international integration of the domestic economy is key	55
Financial development would contribute to accelerating investment	62
Raising business integrity is a long-standing challenge	64
Reversing environmental degradation calls for lower carbon emissions	67
Future economic growth needs to be decoupled from CO ₂ emissions	67
Renewable energy can be further promoted in tandem with market liberalisation	69
Improving solid waste management is of the utmost urgency to fight air and sea pollution	69
Key policy insights recommendations	70
References	72
	_
2 Improving skills and employment opportunities in Tunisia	78
The different dimensions of labour market mismatch in Tunisia	79
Creating more and better jobs to reduce unemployment	84

Job creation has been concentrated in low-productivity activities	84
Improving the business environment to raise productivity and create better job opportunities	89
Reducing skill mismatch and improving labour supply	100
Raising the quality of basic education	102
Improving the quality and attractiveness of initial vocational education and training	108
Strengthening tertiary education	115
Improving continuing vocational education and training policies	121
Improving labour market policies and the matching of labour demand and supply	125
Enhancing the effectiveness of active labour market policies	125
Adjusting labour taxation and regulations to raise formal job creation and productivity	128
References	135