

in implementing a Development Action Plan of key actions and policy reforms necessary for effective use of selected investments. Sub-sectors include: (i) irrigation and water-use efficiency; (ii) natural resource management; (iii) animal health and production; and (iv) land consolidation. Policy reforms consist of expanding the legal basis for Government interventions in rainfed areas. Finally, to achieve greater efficiency of public investment, the Government's planning and implementation capacity would be strengthened.

Ln.3671-80-TUN Private Investment Credit Project: US\$120 Million Loan of February 14, 1994. Effective Dates: 6/14/94 through 6/06/95 for various lines of credit. Closing Date December 31, 1999: Implementing Agencies: Ministère de la Coopération Internationale et de l'Investissement Extérieur and nine financial institutions (FIs): ATB, BDET, BIAT, BTEI, CFCT, STUSID, TL, UBCI, UTL. The project is designed to finance the needs of new and existing private enterprises by channeling funds through eligible FIs, including two financial leasing companies. The project includes (a) direct lines of credit to nine FIs meeting minimum eligibility criteria to be on-lent for viable private investments; (b) a loan to the Republic of Tunisia: (i) to be passed as subsidiary loans to all FIs meeting minimum eligibility requirements; (ii) to refinance two PPFs put in place on behalf of STB, a large commercial bank, to install a new accounting system. The Central Bank of Tunisia will be the executing agency for the loan to the Republic of Tunisia. The funds are being committed over a three-year period, 1994-1996. As of September 1995, about half of the total loan amounts, or US \$60 Million, had been committed and disbursements are well ahead of schedule.

Ln. 3691-TUN Northwest Mountainous Areas Development Project: US\$27.5 million loan of February 23, 1994: Effective Date: August 23, 1994: Closing Date: June 30, 2000: Implementing Agency: Office de Développement Sylvo-Pastoral du Nord-Ouest (ODESYPARNO). The Project addresses the important problems of rural poverty and natural resource degradation. It would support development of a participatory approach to watershed rehabilitation in about 50 micro-catchments in the Governorates of Beja, El Kef, Siliana, Jendouba and Bizerte over a six-year period. The Project would also provide such basic infrastructure as feeder roads, potable water, health centers and schools. The Project would strengthen the planning, coordination, and implementation capacity of the executing agency and village groups. The Project would provide for demand-driven, short-term applied research to address key development constraints in the region. The micro-enterprise development component would promote,