



# INTEGRATED NDC X SDG INSIGHTS

## TUNISIA

This initiative explores the NDC - SDG impact and leverages data, systems and finance analysis to pinpoint policy accelerators tailored to national context and sustainable development vision.



# OBJECTIVES

This initiative explores the NDC-SDG connections by leveraging data, systems and finance analysis to pinpoint policy accelerators tailored to national context and a sustainable development vision.

## A ROBUST CASE FOR NDC 3.0



Backed by national data and AI-driven tools, to pinpoint where key investments through NDCs can drive progress across national development priorities.

## ALIGN POLICY PATHWAYS



Build coherence and common ground to help decision-makers maximize positive outcomes across climate and development goals.

## ACT WITH CONFIDENCE



Tailored recommendations on integrated policy approaches, investment strategies, and finance opportunities to implement national strategies that align climate actions with development goals.

# HOW TO READ THIS REPORT

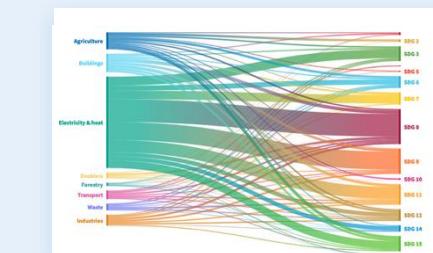
1

**NDC x SDG Moment:** human progress within planetary boundaries is the next development frontier. This section provides a snapshot of key climate and human development data.



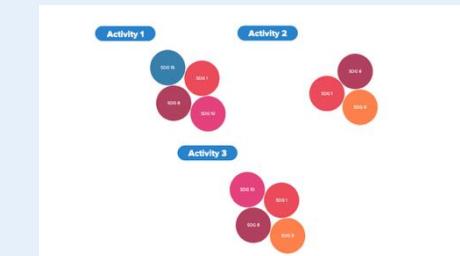
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**NDC x SDG Alignment:** maps climate commitments and national development priorities using custom machine learning tool that draws from an SDG vocabulary of 100k terms.



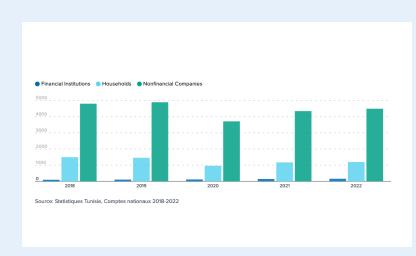
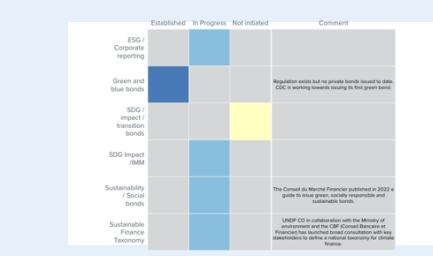
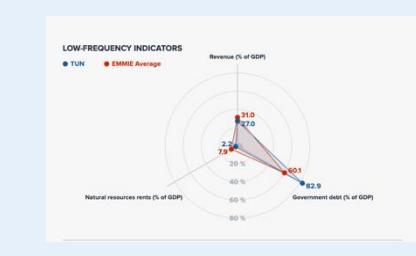
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**NDC x SDG Interlinkages:** identifies national-level actions through enhanced NDCs that accelerate SDG achievement and advances a robust development case.



4

**Finance & Stimulus:** charts fiscal constraints and stimulus opportunities to ensure climate and development policy choices can be advanced with greatest impact.



# NDC X SDG Moment

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- 04 Finance & Stimulus



# NDc X SDG MOMENT:

As part of their mitigation measures, Tunisia has set a target of reducing emissions by

**18.9 MtCO<sub>2</sub>e  
(37.9%)**

Human activities are causing significant climate change with severe environmental and socio-economic consequences. Integrating climate action for emissions reduction and enhanced resilience into development strategies can advance human development and provide multiple co-benefits.

Tunisia is in the high human development category (105 out of 193 countries and territories) and the country's IMF Adapted ND-GAIN Index indicates vulnerability to climate disruptions and challenges in leveraging investments to adaptation actions.

With a projected emissions score of 20.1/100 in 2050, Tunisia may need additional investments in achieving carbon neutrality. Tunisia' projected Biodiversity Intactness Index indicates a relatively low impact on biodiversity in 2050.

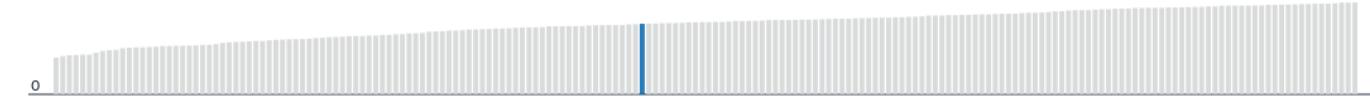
Tunisia's national aspirations are articulated in "Vision Tunisie 2035", which is a strategic vision for sustainable and inclusive growth. This vision is realized through the National Development Plan (NDP) 2023–2025, which focuses on economic resilience, social inclusion, and environmental sustainability. The NDP aligns with international frameworks, including the United Nations Sustainable Development Cooperation Framework (2021–2025), ensuring coherence with global development goals. However, Tunisia's 2021 national voluntary report highlights challenges to SDG progress due to changing political priorities and the COVID-19 pandemic, particularly affecting economic and social sectors.

Despite these setbacks, Tunisia's updated NDC aims to reduce carbon intensity by 45% by 2030 compared to 2010 levels, with major emission reductions expected from the energy sector. As of 2023, the results of the national inventory of GHG emissions showed a 10% reduction in emissions compared with 2010. Climate change adaptation (SDG 13) faces challenges from drought and reduced rainfall, complicating efforts to enhance resilience. The 2035 energy strategy aims for carbon neutrality by 2050, prioritizing energy accessibility and renewable programs, crucial for achieving SDG 7 on affordable clean energy.

## Human Development

Human Development Index (2023)

**0.746**



## Climate Impact and Adaptation

INFORM Climate Change Risk Index

● Historical (2022) ● RCP 4.5 SSP 1 (2050) ● RCP 8.5 SSP 3 (2050)



IMF-Adapted ND-GAIN (2021)

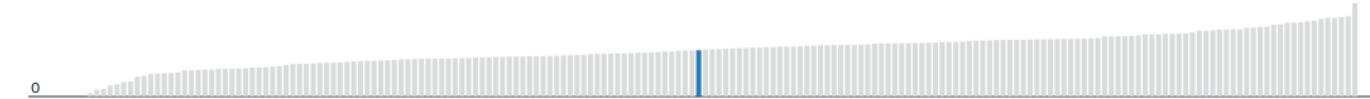
**0.51**



## Mitigation

Greenhouse gas (GHG) growth rate adjusted by emissions intensity

**39.22**



Projected GHG Emissions in 2050

**20.1**



## Biodiversity

Biodiversity Intactness Index

● Historical (2014) ● RCP 2.6 SSP 1 (2050) ● RCP 7.0 SSP 3 (2050)



Sources European Commission 2023 (INFORM Climate Change Risk Index), IMF 2022 (IMF-Adapted ND-GAIN Index); Environmental Performance Index 2024 (GHG growth rate adjusted by emissions intensity & Projected Emissions in 2050); Helen Phillips; Adriana De Palma; Ricardo E Gonzalez; Sara Contu et al. 2021 (Biodiversity Intactness Index).

# NDC X SDG Alignment

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# NDC x SDG Alignment

## Goal Level

These visuals are generated by analyzing the NDCs and National Development Plans **through the SDG framework at goal level**. This analysis shows the most prominent SDGs in each of the two national strategies on climate and development. This approach helps to **identify areas of common action and potential synergies across national climate and development priorities**.

### NATIONALLY DETERMINED CONTRIBUTION



Note: Based on Updated Nationally Determined Contribution (2021)

### NATIONAL DEVELOPMENT PLAN(S)



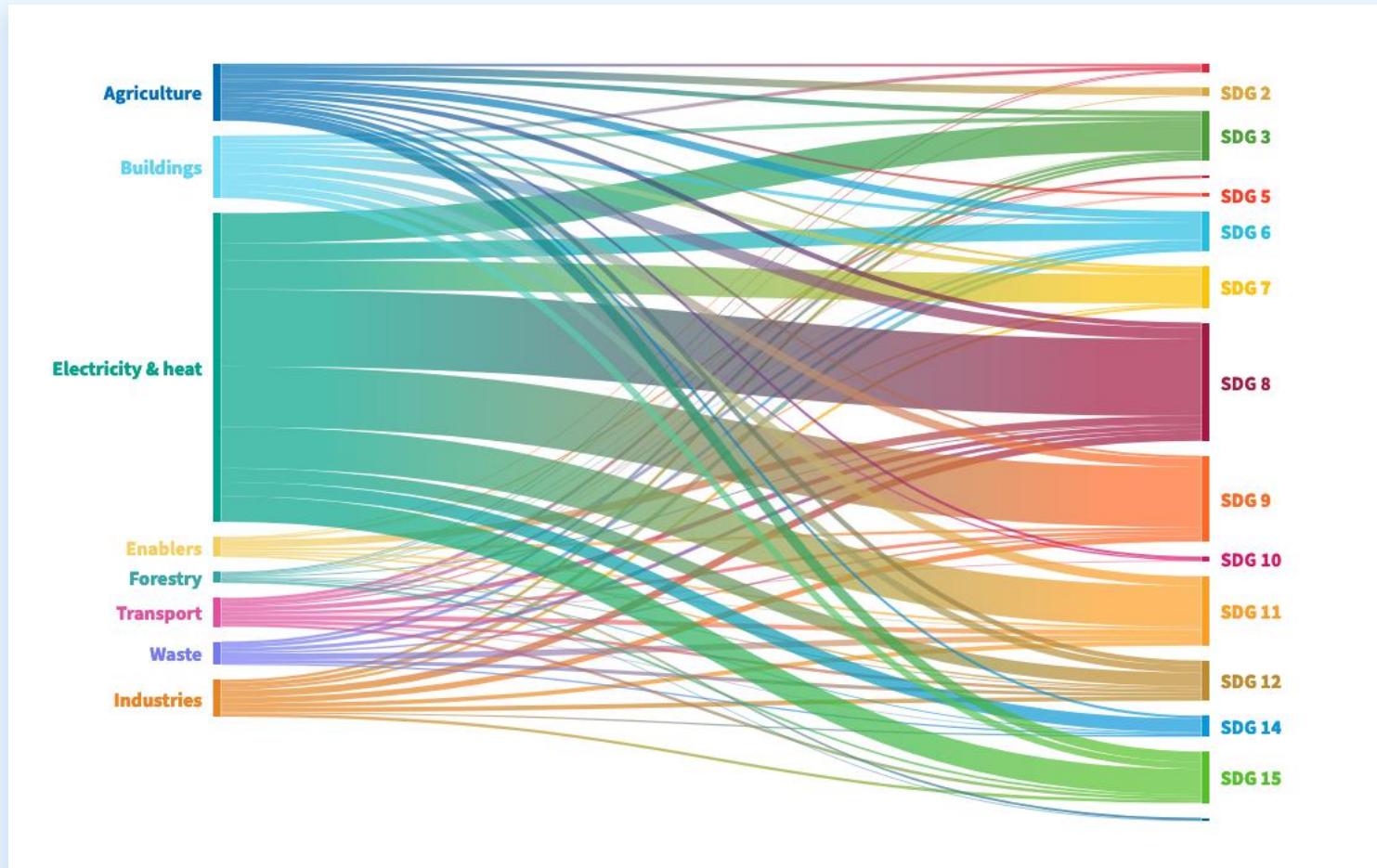
Note: Based on: Development Plan 2023-2025 (2023)

# NDC X SDG ALIGNMENT

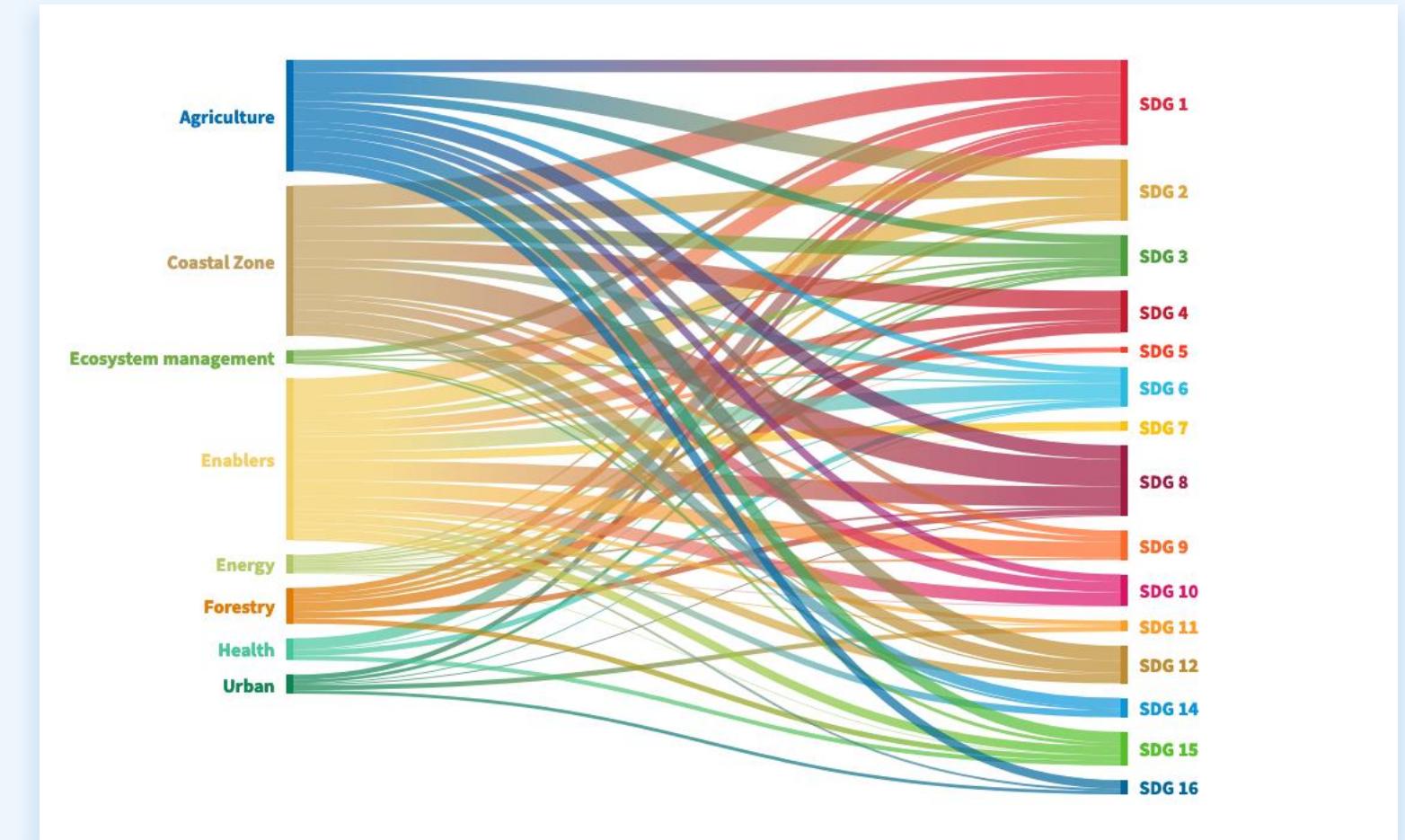
## Target Level

These visuals are generated by analyzing NDC actions through a custom-built AI tool, and categorized using the SCAN tool to surface relevant SDG synergies at the target level. This methodology provides a target level alignment of climate actions (mitigation and adaptation) with impact the SDGs for Tunisia.

### MITIGATION NDCs



### ADAPTATION NDCs



# NDC X SDG ALIGNMENT

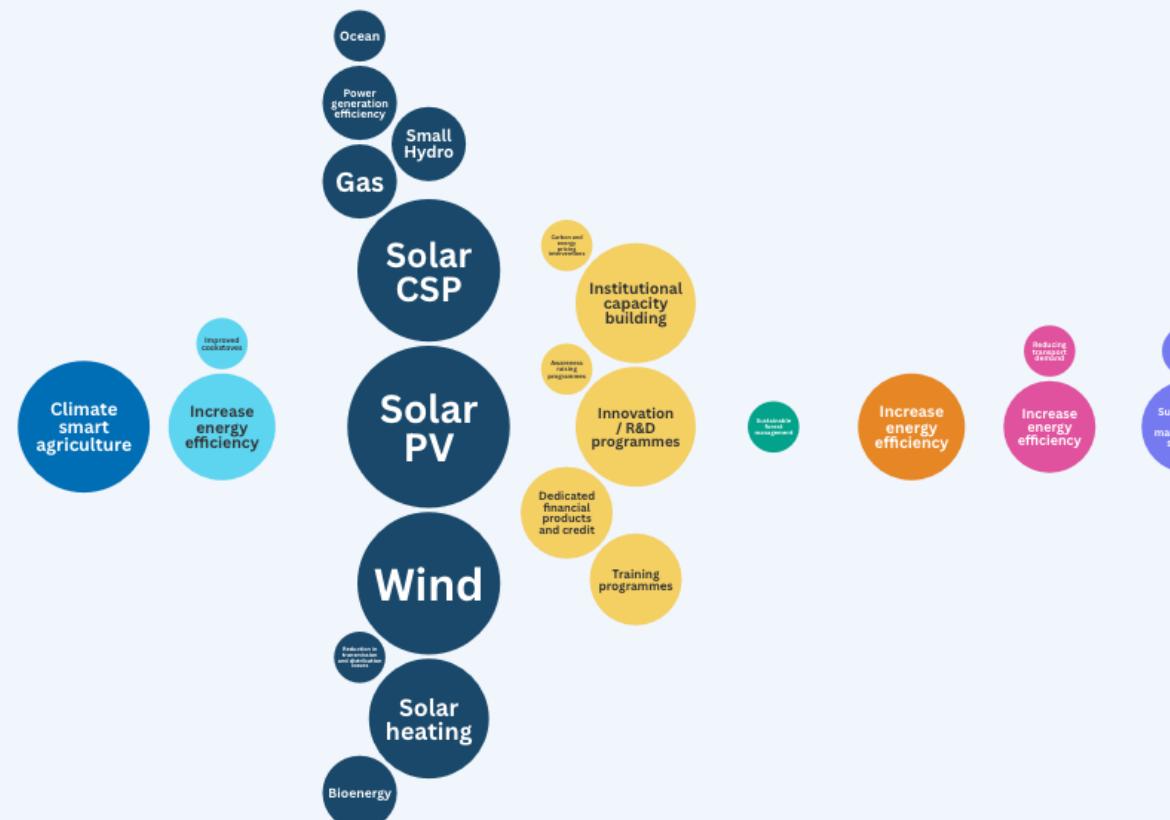
## Action Level

This visual unpacks the NDC categories into the specific actions committed in Tunisia. The size of the bubbles reflects the number of NDC actions identified under each category, to identify NDC x SDG accelerators with precision.

### Tunisia's NDC includes actions in these sectors:

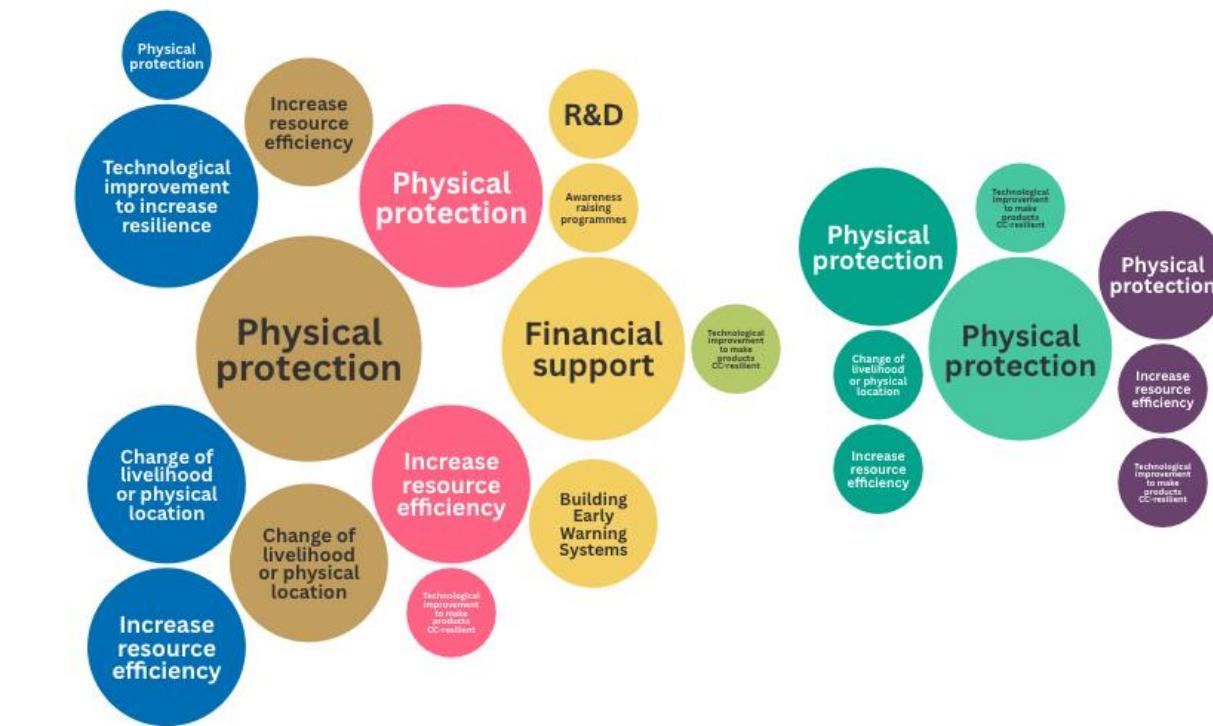
#### Mitigation

■ Agriculture ■ Buildings ■ Electricity & heat ■ Enablers ■ Forestry ■ Industries ■ Transport ■ Waste →



#### Adaptation

■ Agriculture ■ Coastal Zone ■ Ecosystem management ■ Enablers ■ Energy ■ Forestry ■ Health ■ Urban →



For explanation of the groupings please visit [https://....](https://...)

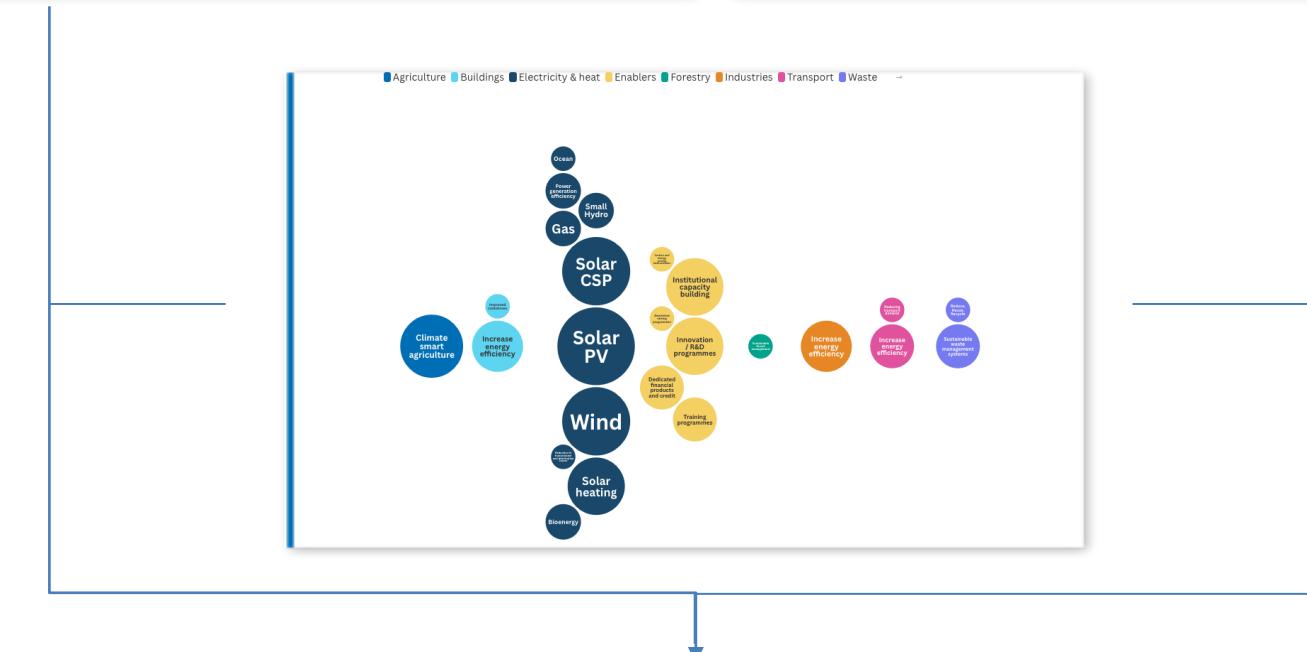
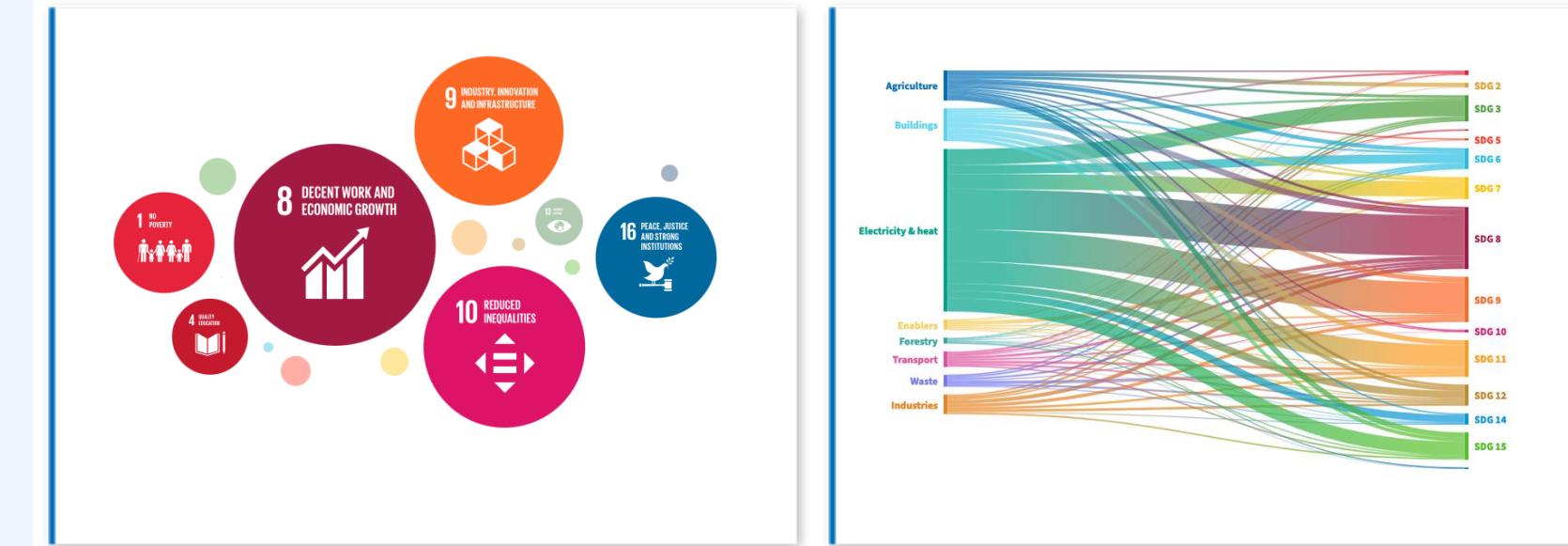
# NDC x SDG INTERLINKAGES

## Overview

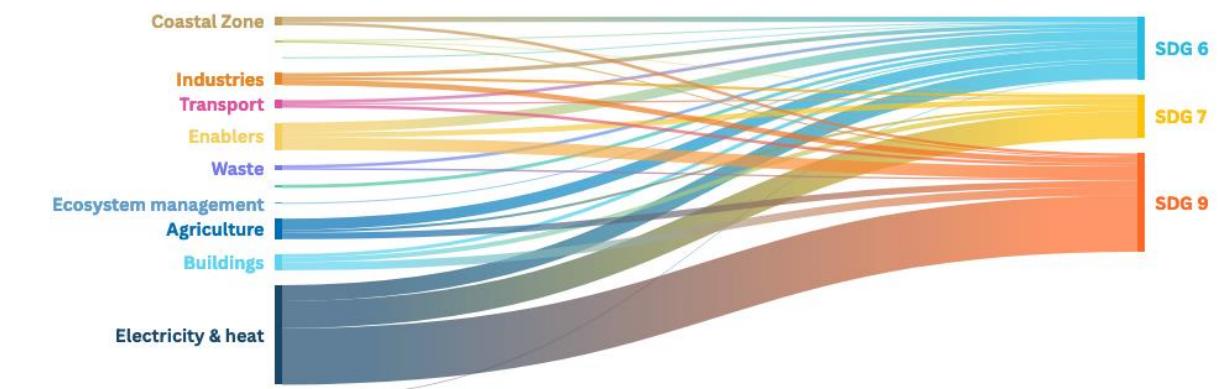
NDC-SDG interlinkages reveal how climate actions can impact SDG progress. Understanding these interactions can help Tunisia to achieve the 2030 Agenda while fulfilling its climate ambitions and navigating trade-offs.

Building from the NDC actions and SDG priorities, the following integrated SDG pathways are identified as critical to achieve Tunisia development outcomes:

- **SDG Target 9.4** – Upgrade all industries and infrastructures for sustainability
- **SDG Target 9.b** – Support domestic technology development and industrial diversification
- **SDG Target 7.2** – Increase global percentage of renewable energy
- **SDG Target 6.3** - Improve water quality, wastewater treatment and safe reuse



## ACCELERATION PATHWAYS



# NDC X SDG Interlinkages

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# INTERLINKAGES

## SDG 9.4

### Upgrade all industries and infrastructures for sustainability

Tunisia's NDC focuses on protecting coastal infrastructure and farms from rising sea levels and emphasizes resilience as a key component of transport policy, integrating it into infrastructure design and maintenance. The country seeks to enhance its renewable energy production, improve energy efficiency, and control emissions across sectors, including waste management, agriculture, and land use. Tunisia is also preparing for Article 6 mechanisms by exploring carbon pricing instruments, such as carbon taxation on energy products and crediting systems for the electricity and cement sectors, aiming to foster a transition towards a low-carbon economy.

Reforms in the cement sector, a key target for sustainability, aim to reduce its carbon footprint by increasing resource efficiency and adopting innovative technologies. These efforts not only reduce environmental impact but also enhance competitiveness. Additionally, waste management improvements, like composting and RDF use, contribute to a circular economy by turning waste into resources, which supports sustainable practices in both waste management and industrial processes. Such innovations are essential for upgrading industrial processes and reducing Tunisia's overall carbon emissions.

#### Priority NDC Activities

##### Activity 1

Protect coastal infrastructure and farms

##### Activity 2

Reform processes for cement industry and access to carbon markets

##### Activity 3

Transform waste to refuse-derived fuel for cement industry

#### NDC SYNERGIES WITH THE PRIORITY SDGS

##### Activity 1



##### Activity 2



##### Activity 3



# INTERLINKAGES

## SDG 9.b

Support domestic technology development and industrial diversification

Tunisia's NDC aligns with SDG target 9.b by enhancing domestic technology development, research, and innovation through technical assistance in sectoral mitigation programs, capacity building, and technology transfer. These efforts focus on selecting optimal energy technologies, developing mechanisms for mitigation such as soil restoration and carbon capture, and engaging in international research partnerships. These initiatives strengthen Tunisia's industrial capacities, promote emissions reduction, and contribute to sustainable economic growth. The country also emphasizes the need to develop infrastructure for emerging technologies like energy efficiency, electric vehicles, green hydrogen, and storage solutions, requiring partnerships and investments, including with Algeria, to scale projects and foster economic diversification.

Achieving SDG 9.b will have downstream benefits for Tunisia's industrial sectors by fostering innovation, enhancing competitiveness, and attracting investment. This achievement will also support progress in SDG 7 through improved energy efficiency, contribute to SDG 15 with better ecosystem management and soil restoration, and positively impact SDG 13 by enhancing resilience to climate change. Strengthened capacities in research and technology development will enable Tunisia to integrate sustainable technologies and promote inclusive, sustainable growth.

Tunisia's economy has indeed demonstrated inclusivity in employment fulfilling aspirations related to SDG 8 by providing opportunities across various sectors. The country's shift towards the market sector and industrialization contributes to achievement of SDG 9.b through efforts to upgrade its industrial base, making it more sustainable with increased resource –use efficiency, vital research and greater adoption of clean and environmentally clean technologies.

## Priority NDC Activities

### Activity 1

Build capacity and provide technical assistance to sectoral mitigation programmes

## NDC SYNERGIES WITH THE PRIORITY SDGS

### Activity 1



# INTERLINKAGES

## SDG 7.2

Increase global percentage of renewable energy.

Tunisia has significant potential for renewable energy, especially solar and wind power. The current energy strategy is to achieve a capacity of 4850 MW in 2030 and 8350 MW in 2035, which amounts to a Contribution from renewable energies:

- 18% share of renewables in the primary energy mix by 2035
- 50% share of renewables in the electricity generation mix by 2035

In fact, diversification of the primary energy mix and substitution by renewable energies is an important factor in security of energy supply. Implementing the strategy will focus on the electricity sector and will play a fundamental role both in improving security of supply and in decarbonising the energy sector, by reducing the use of hydrocarbons and increasing the use of renewable energies. This not only helps in achieving SDG 7 but also contributes to reducing greenhouse gas emissions. (link with SDG 13)

In addition, the Tunisian government estimates that the implementation of the 2035 Energy Strategy would create 70 000 additional jobs. The trickle-down effects would then primarily affect positively SDG 8 as well SDGs 1, 9 and 10.

## Priority NDC Activities

### Activity 1

450 MW for concentrated solar power (CSP)

### Activity 2

1,610 MW for solar PV

### Activity 3

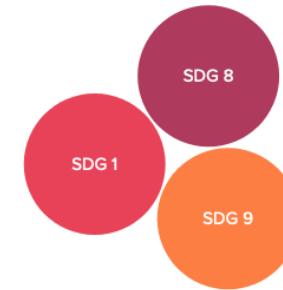
Triple solar water heater distribution

### Activity 4

1,755 MW for wind power

## NDC SYNERGIES WITH THE PRIORITY SDGS

### Activity 1



### Activity 2



### Activity 3



### Activity 4



# INTERLINKAGES

## SDG 6.3

### Improve water quality, wastewater treatment and safe reuse

Tunisia's NDC aligns with SDG target 6.3 by prioritizing improved water quality through strategic adaptation measures and capacity building. This includes adapting irrigated crops in central regions to enhance water efficiency, reduce agricultural runoff, and boost food security through more productive farming.

Furthermore the NDC aims to strengthening the health system to combat water-borne diseases which will ensure safer water access and improve public health, which contributes to increasing safe reuse in the country. This can also be achieved through advancing projects to transfer and reuse treated wastewater, contributing to sustainable water management and promoting water recycling in urban centers. These efforts align with the country's "Water 2050" strategy, which aims to ensure universal access to safe drinking water by stabilizing consumption, renovating networks, optimizing water transfers, and investing in desalination technologies. By investing in water infrastructure and efficient water systems, Tunisia is building resilience to climate impacts, reducing energy costs, and supporting sustainable industries.

SDG 6 (Clean Water and Sanitation) is interconnected with many other SDGs because access to water and sanitation underpins a wide range of development outcomes, from health to education, gender equality, and economic growth. As a matter of fact, access to clean water and sanitation is essential to lifting communities out of poverty and improving hygiene, health, and education, which contributes to economic growth and a more resilient, inclusive society. As such, achieving SDG 6 is essential for the realization of other global goals, and the synergies between them highlight the need for integrated and holistic approaches to sustainable development.

Synergies with other SDGs: 1,2, 3,4,5 ,7,9, 11,13,14,15

## Priority NDC Activities

### Activity 1

Improve the quantitative and qualitative management of conventional water resources in the face of climate change impacts

### Activity 2

Maxify the use of non-conventional water resources to face the scarcity of the resource under the effect of climate change

### Activity 3

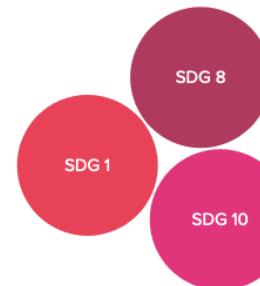
Strengthen the technical, scientific, and institutional capacities of water stakeholders to adapt to climate change

## NDC SYNERGIES WITH THE PRIORITY SDGS

### Activity 1



### Activity 2



### Activity 3



# Finance & Stimulus

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# FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP as well as the natural resource share of total revenue. The financial indicator graphs show external debt servicing relative to revenue as well as the sovereign credit rating.

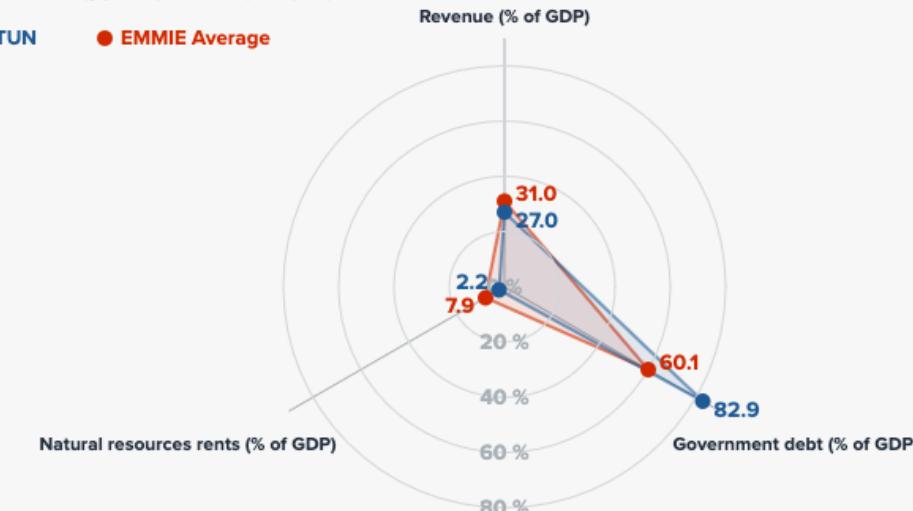
Tunisia's gross government debt is expected at 82.9% of GDP in 2025, which is 22.8 percentage points (pp) above the 60.1% for the group of emerging market and middle-income economies (EMMIE), and the country is battling a debt crisis since 2022. With revenue expected at 27% of GDP this year, Tunisia collects 4 percentage points (pp) less than the average EMMIE country with 31%. Natural resources account for 4.6% of the country's revenue.

Tunisia's external debt servicing this year is expected to be as high as 26.3% of revenue and thus double the EMMIE average of 12.3%. The country's credit rating is in the 'default' category and the country has lost access to international financial markets, with issued bonds trading at deep discounts.

Tunisia is using an Integrated National Financing Framework to address key fiscal and financial constraints and build a more sustainable financial architecture at the national level. Priority reforms have been identified in the areas of tax policies, rationalization of public spending (including energy subsidies), foreign investments (including FDI) and private sector investments (including public-private partnerships), business environment, as well as the area of innovative financing, including green finance, sustainable bonds and impact monitoring and measurement.

## LOW-FREQUENCY INDICATORS

● TUN ● EMMIE Average



## FINANCIAL INDICATORS

● TUN ● EMMIE Average

Total external debt servicing (% of revenue)



Credit rating



**Notes:** External debt covers public and publicly guaranteed debt. The credit rating shows the numerical average of S&P's and Moody's ratings, expressed in S&P's scale in brackets. The EMMIE average of resource revenue (% of revenue) includes the 96 economies that reported data for that indicator.

**Sources:** WDI (natural resources rents, data from 2021). UNU-WIDER GRD (resource revenue, data from 2020). IMF WEO April 2025 (debt and revenue, forecasts for 2025). IDS (external debt, data from 2024). Credit ratings based on S&P and Moody's (as of 23 May 2024).

# PUBLIC FINANCE

## Financing needs

**NDC:** Estimated 19,3 billion USD total by 2030

- 14,3 billion USD for mitigation
- 4,3 billion USD for adaptation
- 0,7 billion USD for capacity building actions

## Financing strategy

Tunisia has sectoral action and investment plans for mitigation and adaptation investments under Stratégie Tunisie 2050 and the NDC. These plans will be updated as part of NDC 3.0 and the major objectives the government has committed to:

- Reduce carbon intensity by 45% by 2030.
- Achieve 30% renewable energy in electricity production by 2030.
- Aim for carbon neutrality by 2050 as outlined in LT-LEDS.
- Enhance governance and innovation for climate adaptation.
- Integrate climate action into fiscal policies.
- Strengthen climate resilience across sectors.
- Promote sustainable and inclusive economic models.
- Ensure sustainable development and efficient natural resource use.

## Expenditures & budgets

Tunisia does not currently have a comprehensive system to track financial flows related to climate change support; however, ongoing discussions with the Ministry of Finance aim to integrate climate change into public policies and the state budget.

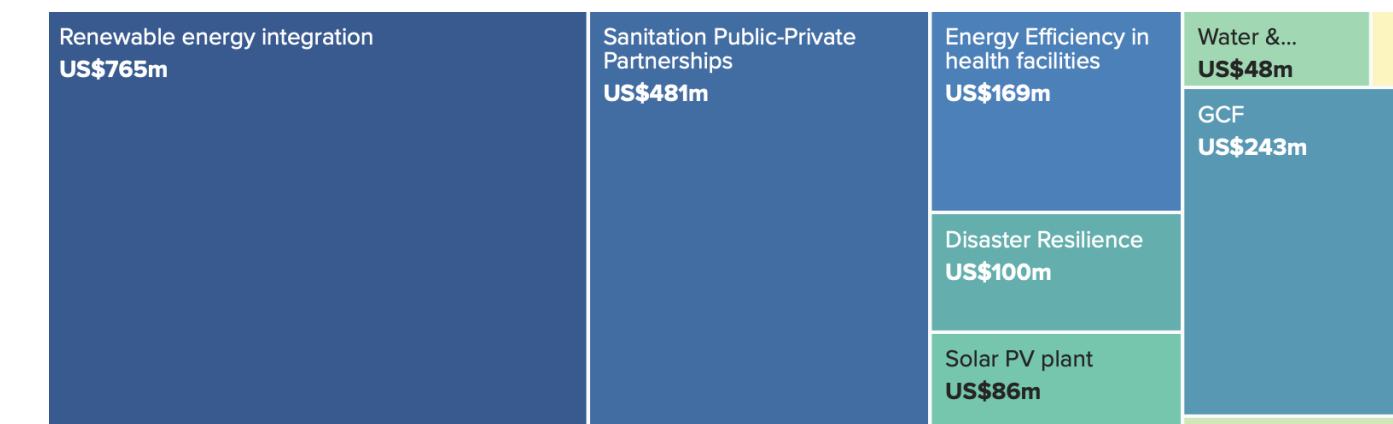
As part of the 2024 Biennial Transparency Report (BTR), partial tracking data show that Tunisia received around US\$ 177 million for mitigation and adaptation—48% for mitigation, 43% for adaptation, and 9% for mixed activities. While the BTR monitors some financial flows for NDC implementation, no official centralised system exists. Collaboration with the Ministry of the Environment aims to enhance tracking and tracing of climate finance.

## Debt instruments

- The Conseil du Marché Financier published a guide to issuing green, socially responsible, and sustainable bonds in 2022.
- The CDC to prepare a framework for issuing and monitoring green bonds and to identify a portfolio of sustainable green projects. Mitigation comes first with 53% of the amounts committed, followed by “Mixed” with 26% and Adaptation with 21%.
- 76% of the committed amounts are loans, and 24% are grants.
- Tunisia is investing over US\$ 15 million in climate resilience for its coastline through a debt-for-climate swap, supported by German funding.

## International climate finance

Over of US\$1.867 billion for climate change efforts during 2021-2023 (investment financing, technology transfer, capacity building) including:



# PRIVATE FINANCE & ECONOMY

## Policy & Regulatory Measures:

	Established	In Progress	Not initiated	Comment
ESG / Corporate reporting				
Green and blue bonds				Regulation exists but no private bonds issued to date. CDC is working towards issuing its first green bond.
SDG / impact / transition bonds				
SDG Impact /IMM				
Sustainability / Social bonds				The Conseil du Marché Financier published in 2022 a guide to issue green, socially responsible and sustainable bonds.
Sustainable Finance Taxonomy				UNDP CO in collaboration with the Ministry of environment and the CBF (Conseil Bancaire et Financier) has launched broad consultation with key stakeholders to define a national taxonomy for climate finance.

## Innovative Instruments:

Tunisia's strategies and laws, such as the Green Economy Strategy, Startup Act, and Crowdfunding Law, foster SDG and climate financing by promoting innovation, green transitions, and sustainable investments, supported by financial regulations and incentives.

UIB, in collaboration with AFD, provides "Green Loans" to support energy efficiency and renewable energy projects, with funding of up to 2 million euros.

BNB Paribas, with AFD, offers the 15-million-euro SUNREF credit line to help Tunisian businesses invest in energy efficiency, waste recovery, and pollution reduction.

## International Investment:

In 2022, FDI flows represented 1.5% of GDP.

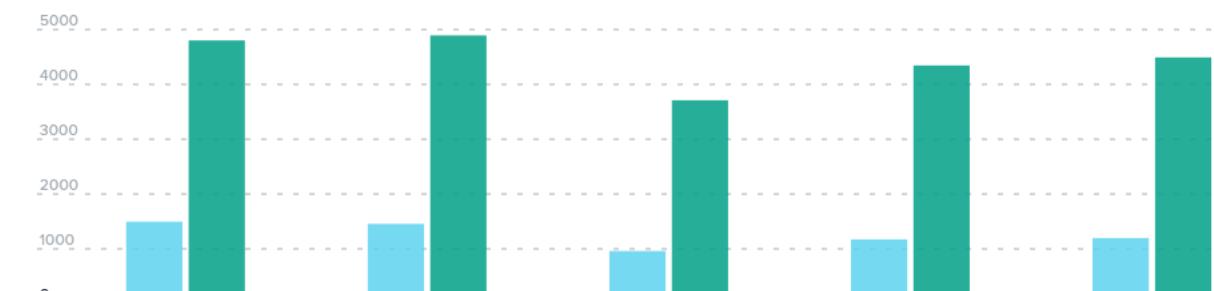
The Tunisia-Italy Electricity Integration project relies on PPPs for its completion and investment – up to US\$ 147,1 million - and has received support from international donors like the World Bank.

## Domestic Investment:

Private investment in companies, businesses, and housing has improved in recent years (except 2020), suggesting progress in Tunisia's business environment.

### GROSS FIXED CAPITAL FORMATION BY INSTITUTIONAL SECTOR (in USD)

● Financial Institutions   ● Households   ● Nonfinancial Companies



Source: Statistiques Tunisie, Comptes nationaux 2018-2022

## SDG Investor Map

11 Investment Opportunity Areas (IOAs) that contribute to the government's NDC priorities and meet SDG needs. The priority IOAs span **4 climate-relevant sectors** in Tunisia:



# METHODOLOGY



## NDC X SDG MOMENT

### Methodology

This section provides a snapshot of key climate and human development data.

### Data Sources

European Commission 2023 (INFORM Climate Change Risk Index), IMF 2022 (IMF-Adapted ND-GAIN Index); Environmental Performance Index 2024 (GHG growth rate adjusted by emissions intensity & Projected Emissions in 2050); Helen Phillips; Adriana De Palma; Ricardo E Gonzalez; Sara Contu *et al.* 2021 (Biodiversity Intactness Index).



## ALIGNMENT & INTERLINKAGES

### Methodology

NDC activities from Tunisia's NDC submission are extracted. These are mapped with Mitigation or Adaptation Actions defined by SCAN-Tool initiative, which finds interlinkages between these Actions and the SDGs. Accordingly, synergies and trade-offs between NDC activities and the SDGs are identified.

### Data Source

NDC activities data are from NDC-SDG Connections ([Connecting climate action to the Sustainable Development Goals | NDC-SDG Connections \(idos-research.de\)](#)); Mitigation or Adaptation Actions are defined by SCAN-Tool ([Scan tool - Ambition To Action](#)).



## FINANCE & STIMULUS

### Methodology

Provides an overview of the financing options for NDC implementation.

### Data Source

World Development Indicators (2024), IMF WEO (Oct 2024), IDS (2024), UNU-WIDER (2021), DFA 2022 (Draft)