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Currency Depreciation and Agricultural Trade in Tunisia: An Empirical Assessment (1981–2015)

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ABSTRACT

Despite ongoing efforts to diversify its economy, Tunisia's agricultural sector remains a cornerstone for employment, food security, and rural development. However, its vulnerability to macroeconomic shocks—particularly exchange rate fluctuations—raises critical concerns about the sector's trade performance and long-term competitiveness. This study empirically investigates the impact of exchange rate movements on Tunisia's agricultural trade balance over the period 1981 to 2015. Employing a multiple linear regression framework, the analysis integrates key macroeconomic indicators, including real exchange rate fluctuations, GDP growth, global agricultural prices, and domestic agricultural output. The findings reveal a statistically significant negative relationship between exchange rate depreciation and the agricultural trade balance, indicating that currency weakening has eroded rather than improved trade competitiveness—likely due to the sector's reliance on imported inputs and limited export diversification. Additionally, rising world agricultural prices are found to exert a negative influence, suggesting that global price increases disproportionately affect input costs. In contrast, GDP growth and domestic agricultural production have weaker or statistically insignificant effects, reflecting structural inefficiencies and a muted supply-side response. These results challenge the conventional assumption that exchange rate depreciation benefits agricultural exporters and underscore the importance of context-specific factors in shaping trade outcomes. The study concludes by recommending targeted investments in agricultural infrastructure, trade logistics, and policy coordination to strengthen Tunisia's agricultural resilience amid ongoing exchange rate and global market volatility.

1. INTRODUCTION

Tunisia's agricultural sector plays a central role in the country's economic and social development. Despite a national push toward industrialization and service sector expansion, agriculture remains a cornerstone of rural employment, food security, and economic resilience. The sector contributes significantly to GDP and employs a large share of the labor force, particularly in less urbanized regions. As Tunisia continues to integrate into the global economy, the relationship between macroeconomic variables— especially exchange rates—and agricultural performance has drawn increasing attention from policymakers and researchers alike.

Since the mid-1980s, Tunisia has undergone substantial economic reforms aimed at liberalizing trade, improving competitiveness, and stabilizing the macroeconomic environment. One notable feature of these reforms has been a more flexible exchange rate regime. While intended to enhance export performance, the effects of exchange rate fluctuations—especially during and after episodes of currency depreciation—on the agricultural sector remain ambiguous. For a country like Tunisia, which depends on both exports of agricultural commodities and imports of agricultural inputs, currency volatility may have mixed consequences for trade. In particular, the depreciation of the Tunisian dinar between the late 1990s and mid2010s raised expectations of improved export competitiveness through cheaper goods on the international market. However, the actual trade outcomes for agriculture appear more complex. In theory, the Marshall-Lerner condition predicts that a depreciation should improve the trade balance if the sum of

demand elasticities exceeds unity. But in practice, factors such as limited export diversification, high import dependency for agricultural inputs, and insufficient infrastructure may prevent these theoretical gains from materializing.

This paper addresses these questions through an empirical investigation of Tunisia's agricultural trade balance over the period 1981–2015. The study applies a multiple regression framework to assess the impact of exchange rate fluctuations alongside other macroeconomic variables—namely GDP growth rate, world agricultural prices, and domestic agricultural production. The goal is to determine whether currency depreciation has helped or hindered the performance of Tunisia's agricultural trade sector.

The findings indicate that exchange rate fluctuations have had a **statistically significant and negative** impact on the agricultural trade balance, contrary to classical expectations. The analysis also reveals that global price volatility and structural production challenges may interact with macroeconomic instability in shaping Tunisia's agricultural trade outcomes.

By highlighting the limitations of currency depreciation as a tool for export promotion, this study contributes to the broader literature on trade and development in emerging economies. It also provides practical insights for Tunisian policymakers seeking to balance exchange rate policy with food security, rural development, and sustainable trade performance.

2. LITERATURE REVIEW

The relationship between exchange rate fluctuations and trade performance—especially in the agricultural sector—has long attracted attention in international economics and development studies. In theory, currency depreciation enhances export competitiveness by lowering the price of domestic goods in foreign markets while raising the cost of imports. This theoretical foundation, known as the **Marshall-Lerner condition**, predicts an improvement in the trade balance if the sum of the price elasticities of exports and imports exceeds one. However, empirical evidence, particularly from developing countries, often reveals a more complex reality due to structural and institutional constraints.

In the context of **Tunisia**, exchange rate volatility has been shown to exert adverse effects on trade, especially in agriculture. **Chebbi and Olarreaga (2019)** provided empirical evidence that exchange rate shocks negatively impacted Tunisia's agricultural trade balance, primarily through higher costs for imported inputs and limited export diversification. These findings resonate with broader regional research. **Senadza and Diaba (2017)**, studying Sub-Saharan Africa, observed that exchange rate volatility introduces price uncertainty, deters investment, and complicates pricing decisions— factors that ultimately undermine trade flows.

The asymmetric effects of exchange rate fluctuations further complicate trade outcomes. **Bahmani-Oskooee and Halicioglu (2017)** demonstrate that bilateral trade balances can react asymmetrically to currency appreciations and depreciations, depending on trading partners and commodity structures. In Tunisia's case, agricultural imports such as fertilizers, seeds, and machinery are relatively inelastic, making the country particularly vulnerable to depreciation-induced import cost surges, even if nominal export revenues increase.

Additionally, exchange rate volatility influences not only trade quantities but also production structures. **Bahmani-Oskooee, Halicioglu, and Mohammadian (2017)** find that domestic output can respond asymmetrically to currency fluctuations, often with contractionary effects in import-dependent sectors like agriculture. For Tunisia, where the agricultural value chain is still underdeveloped, this limits the sector's ability to respond to relative price changes. **Alagidede and Ibrahim (2016)** emphasize that macroeconomic instability—of which exchange rate volatility is a key component—undermines investor confidence, particularly in agriculture, which requires long-term infrastructure and logistical investments.

Recent work by **Bampi and Colombo (2021)** also supports this conclusion, showing that exchange rate appreciation can have heterogeneous effects on industrial output. In Tunisia, where the agriculture sector remains structurally weak, exchange rate movements often amplify existing inefficiencies instead of generating competitive gains.

Trade dynamics are also shaped by the responsiveness of domestic supply to external shocks. **Ben Doudou et al. (2020)** investigate whether exchange rate changes have threshold effects on the trade balance in Tunisia, finding that the impact is nonlinear and highly dependent on the magnitude of the shock and the existing trade structure. This echoes the **J-curve hypothesis**, which suggests that a country's trade balance may initially deteriorate following depreciation due to rigid contracts and slow adjustments in trade volumes before improving over time. However, in Tunisia, the long-term gains predicted by the J-curve have often failed to materialize, most likely due to structural bottlenecks, lack of diversification, and poor trade facilitation.

Additionally, Tunisia's agricultural exports may suffer from **low price elasticity** due to quality constraints and limited access to high-value markets. Studies such as **Kandilov (2008)** underline that agricultural trade is particularly sensitive to exchange rate volatility due to seasonal cycles, perishability, and the prevalence of small-scale producers, all of which reduce the sector's adaptability to currency shocks. These structural limitations also reduce Tunisia's capacity to benefit from favorable global price movements.

On a broader level, **Cherkaoui and Reza (2001)** show that trade liberalization in North African economies, including Tunisia, has often not translated into export diversification, further weakening the link between currency depreciation and trade performance. The continued reliance on a narrow range of low-value agricultural products limits the potential upside of exchange rate-induced competitiveness.

Finally, **Mosbei, Samoei, Tison, and Kipchoge (2021)**, analyzing the East African Community, argue that regional integration may buffer some negative effects of exchange rate volatility by providing more stable and predictable trading relationships. Although Tunisia is not part of a deep regional trade bloc, such insights are relevant in highlighting the importance of institutional frameworks in mediating currency impacts on trade.

Overall, the literature paints a complex and context-dependent picture. While exchange rate depreciation can theoretically enhance trade performance, its actual impact depends on a country's **export structure**, **import dependencies**, **supply-side capacity**, and **macroeconomic stability**. For Tunisia, agricultural trade remains particularly vulnerable to exchange rate shocks due to structural weaknesses, limited product diversification, and exposure to global price volatility. This paper contributes to the existing body of knowledge by employing a Tunisia-specific, long-run empirical model using time-series data from **1981–2015**, aiming to quantify and contextualize these theoretical relationships within a data-driven framework.

3. METHODOLOGY

3.1 Research Design

This study employs a **quantitative, econometric research design** to empirically assess the impact of exchange rate fluctuations on Tunisia's agricultural trade balance over the period **1981–2015**. The chosen timeframe captures key structural reforms, trade liberalization measures, and significant episodes of currency depreciation, providing a rich context for time-series analysis.

The research adopts a **multiple linear regression model** to analyze the relationship between the agricultural trade balance (ATB)—the dependent variable—and a set of macroeconomic predictors: **exchange rate fluctuations (ERF), GDP growth rate (GDPGR), world agricultural prices (WAP), and domestic agricultural production (DAP)**. These variables are theoretically grounded in international trade models and empirical literature on macroeconomic determinants of trade flows.

This approach allows for quantifying the **individual and joint influence** of these factors on trade performance, controlling for other macroeconomic conditions. The econometric framework ensures analytical rigor while enabling policy-relevant interpretation of the coefficients.

3.2 Model Specification

The empirical model is as follows:

$$ATB_t = \alpha + \beta_1 ERF_t + \beta_2 GDPGR_t + \beta_3 WAP_t + \beta_4 DAP_t + \mu_t$$

Where:

ATBt: Tunisia's agricultural trade balance in year tt (in USD)

ERFt: Exchange rate fluctuations (TND/USD) in year tt

GDPGRt: Annual GDP growth rate (%) in year tt

WAPt: World agricultural price index (from FAO) in year tt **DAPt**: Domestic agricultural production (in million USD) in year tt **μt:** Error term capturing unobserved influences

The coefficients β1\beta_1 to β4\beta_4 capture the marginal effect of each macroeconomic factor on the agricultural trade balance, while α\alpha is the intercept term.

All continuous variables were either expressed in real terms or adjusted for inflation where applicable. Time series properties were validated to prevent spurious regressions.

3.3 Data Sources

Data were collected from authoritative and internationally recognized institutions:

- **Tunisian National Institute of Statistics** and **Central Bank of Tunisia**: for exchange rates, trade balance, and national accounts data.
- **World Bank (WDI)** and **International Monetary Fund (IMF)**: for GDP growth and historical macroeconomic data.
- **Food and Agriculture Organization (FAO)**: for world agricultural prices and national production data.

The data span **35 annual observations** (1981–2015), which offers sufficient degrees of freedom for reliable time-series regression, while also capturing long-run trends and shocks.

3.4 Econometric Tests and Validity Procedures

To ensure the integrity and robustness of the results, several diagnostic and validity checks were conducted:

- **Stationarity Tests**: All time series were tested for unit roots using the **Augmented Dickey-Fuller (ADF)** test. Variables found to be non-stationary at level were differenced accordingly to achieve stationarity.
- **Multicollinearity**: Assessed through **Variance Inflation Factors (VIFs)**. All VIF values were below the conservative threshold of 5, indicating no significant multicollinearity among explanatory variables.

- **Cointegration Analysis**: Johansen's cointegration test was applied to verify the existence of a long-run equilibrium relationship among variables. The presence of cointegration supports the appropriateness of the regression framework.

Model Fit and Significance:

- **R-squared** = 0.6788 indicates that 67.9% of the variation in the agricultural trade balance is explained by the model.

-The **F-statistic** was significant at the 1% level, confirming the joint explanatory power of the regressors.

All tests were conducted using STATA and EViews software packages to ensure consistency and replicability.

3.5 Variable Definitions and Expected Signs

Variable	Description	Expected Sign	Justification
ERF (Exchange Rate Fluctuations)	Change in TND/USD exchange rate	Ambiguous	Depreciation could boost exports (positive) or raise input costs (negative).
GDPGR (GDP Growth Rate)	Annual % change in GDP	Positive	Economic growth typically enhances production and trade capacity.
WAP (World Agricultural Prices)	FAO global price index	Ambiguous	May raise export revenue but also raise import costs.
DAP (Domestic Agricultural Production)	Output in million USD	Positive	Higher output should reduce import reliance and enable more exports.

This structured methodology provides a solid foundation for analyzing Tunisia's agricultural trade balance in the context of exchange rate movements and other macroeconomic forces. It also offers a replicable framework for applying similar analysis in other emerging or developing economies.

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistics

The initial descriptive analysis provides an overview of the central tendencies and dispersion across the main variables. Over the 1981–2015 period, Tunisia's **Agricultural Trade Balance (ATB)** fluctuated significantly, with both surpluses and deficits. The average ATB was **–381.6 million USD**, indicating a persistent trade deficit in agriculture.

- **Exchange Rate Fluctuations (ERF)** had a mean of 1.05, indicating gradual depreciation of the Tunisian dinar against the US dollar.
- **GDP Growth Rate (GDPGR)** averaged 4.18%, with occasional contractions.
- **World Agricultural Prices (WAP)** varied from 66.9 to 114.3, reflecting global market volatility.
- **Domestic Agricultural Production (DAP)** ranged widely from 2,068 to 4,280 million USD, reflecting variability in local output.

These descriptive patterns indicate volatility and suggest that Tunisia's agricultural sector operates in a dynamic and externally sensitive environment.

4.2 Correlation Analysis

The correlation matrix revealed that:

- **Exchange Rate Fluctuations** were negatively correlated with ATB (–0.2567), suggesting that depreciation may worsen the trade balance.
- **World Agricultural Prices** showed a stronger negative correlation with ATB (–0.598), which may reflect Tunisia's sensitivity to input price increases.
- **Domestic Agricultural Production** had a weaker, negative correlation with ATB (– 0.384), indicating that production increases may not translate directly into better trade outcomes.

Importantly, the correlation values were low enough to avoid multicollinearity concerns, a conclusion supported by VIF scores below 2.5.

4.3 Regression Results

A multiple linear regression was conducted to assess the effect of macroeconomic variables on Tunisia's agricultural trade balance. The model yielded the following results:

Variable	CoefficientStd.	Error	t-Statistic	P-Value	Significance
C (Intercept)	1194.40	266.46	4.458	0.000	***
ERF	–367.98	162.49	–2.26	0.031	**
GDPGR	15.59	14.20	1.10	0.281	ns
WAP	–19.53	4.15	–4.71	0.000	***
DAP	0.116	0.091	1.29	0.208	ns

R^2 = 0.6788
Adjusted R^2 = 0.6360
F-statistic = 15.85 ($p < 0.0001$)

4.4 Interpretation of Key Results

4.4.1 Exchange Rate Fluctuations (ERF)

The coefficient for ERF is **–367.98**, significant at the 5% level, confirming that **currency depreciation negatively affects Tunisia's agricultural trade balance**. This finding challenges conventional economic assumptions that depreciation enhances export competitiveness by lowering relative prices.

Possible explanations include:

- High **import dependency** for agricultural inputs (e.g., fertilizers, equipment).
- Weak **export diversification**, leading to limited elasticity of foreign demand.
- Structural and logistic bottlenecks that prevent producers from capitalizing on price advantages.

This result aligns with the work of **Chebbi and Olarreaga (2019)** and **Senadza (2017)**, who found similar negative trade effects in developing agricultural economies exposed to volatile exchange rate regimes.

4.4.2 World Agricultural Prices (WAP)

The coefficient for WAP is **–19.53**, significant at the 1% level. This result appears counterintuitive, as higher global prices are generally expected to **increase** export revenue.

However, several plausible explanations account for the negative relationship:

- Tunisia imports significant volumes of **agricultural inputs**, making high world prices costly.
- The country exports mostly **low-value, price-inelastic** commodities (e.g., olive oil, dates), which may not gain proportionally from global price hikes.
- Higher global prices may **reduce international demand** for non-essential Tunisian exports, especially in price-sensitive markets.

This finding supports the argument made by **Gilbert and Morgan (2014)** that developing nations can suffer from price volatility, even as net exporters.

4.4.3 GDP Growth Rate (GDPGR)

The coefficient for GDPGR is **positive (15.59)** but statistically **insignificant** ($p = 0.281$). This suggests that short-term economic growth does not significantly affect Tunisia's agricultural trade balance, possibly due to:

- A **disconnect** between general economic performance and agricultural competitiveness.
- Growth that is concentrated in non-agricultural sectors, with minimal trickle-down to farmers or exporters.

Nonetheless, GDP growth may still play a **supportive role** by influencing domestic demand or investment indirectly. This result suggests the need for **targeted agricultural investment** rather than relying on macroeconomic expansion alone.

4.4.4 Domestic Agricultural Production (DAP)

Although the coefficient is positive (**0.116**), it is **not significant** ($p = 0.208$). This indicates that increases in domestic production **do not automatically lead to trade surpluses**, which may be due to:

- A large share of output being consumed **domestically**.
- Weak **value-chain integration** limiting export readiness.
- **Infrastructure deficits** in storage, logistics, and quality control that reduce export efficiency.

This finding reinforces the need for **policy efforts that link production with export capacity**, including investments in cold chains, quality certification, and market access.

4.5 Policy Implications

The findings support several clear policy directions:

- **Prioritize exchange rate stability:** The negative impact of currency depreciation on trade balance suggests that Tunisia should **avoid unmanaged float regimes** and instead adopt **managed exchange systems**, especially during agricultural cycles.
- **Develop input self-sufficiency:** Reducing dependency on imported agricultural inputs would help Tunisia **mitigate external price shocks**, especially during periods of global price increases or local currency depreciation.
- **Promote export diversification and value addition:** Investing in **processing, packaging, and branding** could help Tunisia improve its price elasticity and respond more effectively to global market trends.
- **Strengthen trade infrastructure:** Investments in **storage, logistics, and digital trade platforms** would support better linkages between domestic producers and international markets.
- **Use data for strategic targeting:** Enhanced data collection (e.g., on sectoral price elasticities and import compositions) can help refine trade and exchange policy in line with sector-specific realities.

4.6 Comparative Perspective

Tunisia's experience mirrors that of many **developing countries** facing structural bottlenecks in converting macroeconomic adjustments into trade benefits. The assumption that depreciation improves trade outcomes does not hold in economies with:

- Import-dependent agricultural systems
- Weak infrastructure
- Limited export elasticity

Countries such as **Kenya, Nigeria**, and **Ghana** have shown similar patterns, emphasizing that **structural reforms** must accompany macroeconomic adjustments to generate real improvements in trade performance.

5. CONCLUSION AND POLICY RECOMMENDATIONS

5.1 Conclusion

This study set out to empirically examine the effects of exchange rate fluctuations on Tunisia's agricultural trade balance over the period 1981 to 2015. Drawing from macroeconomic theory and development economics, the research employed a multiple linear regression model incorporating key independent variables—exchange rate fluctuations (ERF), GDP growth rate (GDPGR), world agricultural prices (WAP), and domestic agricultural production (DAP)—to assess their influence on the country's agricultural trade performance.

The findings reveal several significant insights. Most notably, exchange rate depreciation has had a **statistically significant and negative effect** on Tunisia's agricultural trade balance. This outcome challenges the conventional economic assumption that currency depreciation boosts trade competitiveness by making exports cheaper and imports more expensive. In Tunisia's case, the depreciation of the dinar has **exacerbated trade deficits** in agriculture, rather than improving them.

This paradoxical result reflects the **structural vulnerabilities** inherent in Tunisia's agricultural sector and broader economy. The sector's dependence on **imported agricultural inputs**—such as fertilizers, machinery, seeds, and fuel—means that currency depreciation increases production costs, offsetting any potential export advantages. Additionally, the country's agricultural exports are concentrated in a narrow range of low-elasticity commodities (e.g., olive oil, dates, citrus fruits), which do not respond strongly to price changes in global markets. As such, Tunisia is unable to capitalize fully on the supposed gains from a weaker currency.

World agricultural prices were also found to have a **negative and significant impact** on the trade balance. This implies that increases in global prices tend to worsen Tunisia's trade position, possibly because the rise in the cost of imported agricultural goods and inputs outweighs the benefit gained from the export of relatively small volumes of agricultural produce. This result further underscores Tunisia's **exposure to global market volatility**, especially as a price taker rather than a price maker.

GDP growth rate and domestic agricultural production were positively correlated with the agricultural trade balance but were statistically insignificant. This suggests that while economic expansion and higher production levels may support trade performance, their effects are **subdued** without structural improvements in productivity, export readiness, and market access.

Together, these findings highlight a central conclusion: **macroeconomic tools such as exchange rate devaluation are insufficient on their own** to improve agricultural trade performance in structurally constrained economies. Rather, a combination of **exchange rate stability, input independence, value chain development, and strategic policy intervention** is required to enhance agricultural trade resilience and competitiveness.

5.2 Policy Recommendations

In light of these findings, several targeted policy recommendations are proposed to support the development of Tunisia's agricultural trade sector and mitigate the adverse effects of exchange rate volatility.

5.2.1. Pursue Exchange Rate Stability and Strategic Currency Management

Given the detrimental impact of currency depreciation on agricultural trade, it is imperative for Tunisia to maintain a **more stable exchange rate regime**, particularly during critical agricultural seasons.

- Adopt a **managed float or crawling peg** system that limits excessive short-term volatility while allowing for long-term adjustments.
- Enhance coordination between the **central bank and the agricultural ministry** to anticipate seasonal foreign exchange needs for agricultural imports.

Accumulate **foreign exchange reserves** during periods of strong inflows to buffer the currency against speculative shocks.

Maintaining exchange rate predictability can support better business planning, reduce imported input costs, and help exporters remain competitive.

5.2.2. Reduce Dependency on Imported Agricultural Inputs

Tunisia's agricultural input supply chain is heavily reliant on imports, making it vulnerable to currency depreciation and global price fluctuations. Strategic measures should be taken to **develop domestic alternatives** and improve input self-sufficiency.

- Encourage **local production of fertilizers, animal feed, seeds**, and basic agrochemicals through public-private partnerships and investment incentives.
- Promote **research and development in sustainable and low-input farming methods**, such as permaculture, organic agriculture, and water-saving techniques.
- Provide **financial support to agribusinesses** investing in local manufacturing or adaptation of input technologies.

Reducing reliance on imported inputs will buffer producers from external shocks and reduce the trade deficit.

5.2.3. Enhance Agricultural Export Diversification and Value Addition

Tunisia's agricultural exports are concentrated in a few raw products. To improve resilience and trade performance, the government should support **diversification and value chain development**.

- Facilitate the growth of **agro-processing industries** by offering tax breaks, export credits, and technical support to SMEs in sectors such as olive oil bottling, date products, citrus processing, and herbal extracts.

Encourage the **development of niche and premium markets** through certification schemes like "organic," "fair trade," or geographic indicators (e.g., "Tunisian olive oil").

- Expand **bilateral and regional trade agreements** to gain access to emerging markets in Sub-Saharan Africa, Asia, and Eastern Europe.

Higher-value exports are more responsive to global demand and less vulnerable to price competition.

5.2.4. Invest in Trade-Enhancing Infrastructure

The lack of appropriate infrastructure significantly limits Tunisia's ability to compete in global agricultural markets.

- Develop and modernize **transport, storage, and cold chain logistics** to reduce postharvest losses and ensure product quality.
- Digitize trade-related procedures to reduce bureaucratic delays through **e-portals, mobile applications, and integrated customs systems**.
- Improve access to **credit and insurance** for smallholder exporters to help them meet export standards and recover from climate or market shocks.

Infrastructure investments not only improve export capacity but also attract private sector participation and increase rural employment.

5.2.5. Strengthen Data Systems and Institutional Capacity

Reliable, timely, and disaggregated data are crucial for making effective trade and macroeconomic policy decisions.

- Expand and modernize agricultural and trade statistics to include **real-time data on input costs, production volumes, export destinations, and market trends**.

Build capacity within government agencies (e.g., Ministry of Trade, Central Bank, Ministry of Agriculture) for **evidence-based policy design**.

- Support partnerships with universities and research centers to conduct **ongoing impact evaluations** of trade and exchange rate policies.

Data-driven policymaking can enhance Tunisia's ability to respond quickly and effectively to domestic and global shocks.

5.2.6. Align Agricultural Policy with Climate and Food Security Goals

Tunisia faces increasing challenges from climate change, water scarcity, and rural poverty. Trade policy should be aligned with broader development goals.

- Prioritize exports that are **climate-resilient and water-efficient**, reducing pressure on natural resources.
- Ensure that trade promotion does not compromise **domestic food security**, especially in cereals and staple crops.

- Integrate trade reforms into **national strategies on rural development, poverty reduction, and climate adaptation**.

A holistic policy approach ensures that trade contributes to inclusive and sustainable development.

5.3 Final Thought

Improving Tunisia's agricultural trade balance is not a matter of macroeconomic adjustment alone. It requires a coherent strategy that combines **stability**, **structural reform**, and **smart investment** in agricultural competitiveness. As global markets become more volatile, Tunisia must pursue a trade policy that is **resilient, evidencebased**, and **aligned with long-term food and economic security goals**.

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