**The World Bank**
Digital Transformation for User-Centric Public Services (P168425)

# Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 05-Nov-2018 | Report No: PIDC25873

## BASIC INFORMATION

### A. Basic Project Data

| Country | Project ID | Parent Project ID (if any) | Project Name |
|---|---|---|---|
| Tunisia | P168425 | | Digital Transformation for User-Centric Public Services (P168425) |
| Region | Estimated Appraisal Date | Estimated Board Date | Practice Area (Lead) |
| MIDDLE EAST AND NORTH AFRICA | Apr 16, 2019 | Jun 04, 2019 | Governance |
| Financing Instrument | Borrower(s) | Implementing Agency | |
| Investment Project Financing | Ministry of Development Investment and International Cooperation | Ministry of Technology Information and Communication | |

**Proposed Development Objective(s)**

Improve the access to* and the quality of** priority services*** for citizens and business in Tunisia both nationwide and in targeted lagging regions****.

* "Access" will be measured based on standard measures of service coverage; and will also include measurement of an aspect of service delivery "inclusion" by disaggregating access by focal population (women, youth) and focal geographical areas.
** "Quality" will be unpacked along the following dimensions: (i) delivery performance indicators (for example, efficiency measures (for example, time and/or cost and/or targeting); (ii) user satisfaction; and, (iii) gains in accountability (for example, reduced corruption).
*** Priority services/activities (as described below) were selected based on a participatory problem-driven approach and based on key criteria: (i) relevance of the service/activity for addressing fiscal/socio-economic reform priorities and digital transformation; (ii) impact and relevance for the users (as measured by impact figures, user priority life events and current problems of access/quality in the service area); and, (iii) the need for financing (i.e. lacking current financing/donor support); (iv) the feasibility and degree of readiness of the service.
**** Targeted region(s) to be identified in preparation but is most likely to focus on the least served lagging regions of the south/interior.

## PROJECT FINANCING DATA (US$, Millions)

### SUMMARY

| | |
|---|---|
| **Total Project Cost** | 110.01 |
| **Total Financing** | 110.00 |

| | |
|---|---|
| **of which IBRD/IDA** | 100.00 |
| **Financing Gap** | 0.01 |

**DETAILS**

**World Bank Group Financing**

| | |
|---|---|
| International Bank for Reconstruction and Development (IBRD) | 100.00 |
| **Non-World Bank Group Financing** | |
| Counterpart Funding | 10.00 |
| National Government | 10.00 |

| | |
|---|---|
| Environmental and Social Risk Classification | Concept Review Decision |
| Moderate | Track II-The review did authorize the preparation to continue |

Other Decision (as needed)

## B. Introduction and Context

Country Context

**Tunisia is at a crossroads: impressive progress has been made in its political transition to an open and democratic system of governance, but the unmet economic and social demands of citizens have left the broken social contract unrepaired.** Since 2011, economic growth has been relatively sluggish; macro and fiscal conditions have worsened, regional disparities have widened; access to services remain unevenly distributed (especially in the lagging interior); and various indicators on accountability, corruption and citizen trust have declined. Overall, the post-revolution transition remains fragile and incomplete, with limited progress on fostering socio-economic inclusion and implementing critical reforms, threatening the success and longevity of the largely peaceful transition.

Sectoral and Institutional Context

**Dissatisfaction with the state and public service delivery is a critical component of this broken social contract.** There is substantial evidence that the Tunisian state and public sector are binding constraints to the resolution of key development problems and to the formation of a new social contract. Since the Revolution, public sector performance, efficiency and effectiveness have significantly declined: between 2011 and 2018 Tunisia's international ranking on the performance of its bureaucracy decreased from 70/100 to 45/100 (WGI, 2018); its 'quality of institutions' ranking has declined from 23rd to 80th place (Global Competitiveness Report, 2018); and, due to massive social recruitments following the Revolution, it has one of the highest Wage Bill to GDP ratios in relation to comparator countries (14% in 2018) and in 2017 the public wage bill represented a massive 79% of the State's operating expenditure (excluding subsidies) and 52% of public expenditure (excluding debt burden).  These problems cascade into poor outcomes at the level of service delivery.

Diagnostics and user surveys point to worrying trends:

    (i)      weak and uneven access to priority services, especially in the lagging regions and for certain segments of the population such as women and the youth; and,

    (ii)     poor quality of service delivery manifested in: slow, inefficient and complex procedures; high costs for administration and users; multiple access points requiring users to invest significant time and travel to access services; weak accountability and high incidence of corruption; and, weak user orientation and with the resultant poor user satisfaction.

**Amongst these services, social protection, human-capital enhancement and selected administrative services are key priorities.** With a high frequency of users and a high degree of state/user interfacing, these services have been identified as priorities by the Government of Tunisia (GoT) and service users**.** The GoT has made progress in addressing some of the above-mentioned problems, but this urgently needs to be deepened, accelerated and scaled up.

Relationship to CPF

**The proposed operation is fully aligned with GoT Strategies and the World Bank's Country Partnership Framework (2016-2020). In the CPF, it will** support: pillar 1 – strengthening economic and fiscal management and improving the business environment – through improved fiscal efficiency and public-sector performance; pillar 2 on reducing regional disparities by increasing access to underserved regions; pillar 3, promoting increased social inclusion, by targeting under-served groups (specifically women and youth), including through critical social services to the most vulnerable and citizen engagement; and, the cross-cutting area of governance by supporting the State's transformation towards a more responsive and user-centric state.

## C. Proposed Development Objective(s)

**The Proposed Development Objective is as follows**: Improve the access to* and the quality of** priority services*** for citizens and business in Tunisia both nationwide and in targeted lagging regions****.

* "Access" will be measured based on standard measures of service coverage; and will also include measurement of an aspect of service delivery "inclusion" by disaggregating access by focal population (women, youth) and focal geographical areas.
** "Quality" will be unpacked along the following dimensions: (i) delivery performance indicators (for example, efficiency measures (for example, time and/or cost and/or targeting); (ii) user satisfaction; and, (iii) gains in accountability (for example, reduced corruption).
*** Priority services/activities (as described below) were selected based on a participatory problem-driven approach and based on key criteria: (i) relevance of the service/activity for addressing fiscal/socio-economic reform priorities and digital transformation; (ii) impact and relevance for the users (as measured by impact figures, user priority life events and current problems of access/quality in the service area); and, (iii) the need for financing (i.e. lacking current financing/donor support); (iv) the feasibility and degree of readiness of the service.
**** Targeted region(s) to be identified in preparation but is most likely to focus on the least served lagging regions of the south/interior.

Key Results

**The key results indicators are**:
- Indicator 1: Reduced time required for users to obtain selected services
- Indicator 2: Increased access of users to selected services (disaggregated by gender and low-income)
    - Number of users accessing selected services
    - Number of users accessing citizen service centres in priority regions.
- Indicator 3: Increased user satisfaction with the quality of selected services (disaggregated by gender and youth)

## D. Concept Description

**The proposed operation will provide public sector and technological innovations to increase service access and transform selected services into a more user-centric and responsive approach – focusing on priority services related to social protection, human capital and administrative services.** The project will strengthen the digital capability of a more modern government, with two key elements: (i) using technology for more efficient, transparent, responsive service delivery; and, (ii) building aspects of government as a data platform, to facilitate the emergence of innovation, to generalize disruptive technologies and provide foundations for the digital economy.  International and Tunisian experience suggest a high potential for this to address the problems mentioned above. Over the medium term, the operation will *contribute* to three main higher-level results: (i) strengthened digital government capabilities and efficiencies; (ii) enhanced socio-economic inclusion (including improving selected human capital-related services); and, (iii) improved administrative services.

**The operation is, as such, divided into four components:**

**Component 1: Strengthening Digital Capabilities for Service Delivery Transformation**

**This will provide investments in critical digital capabilities to unblock the binding constraints to strengthened digital government for service delivery in Tunisia**. Subcomponents include:
- **Enabling Identification and Authentication Systems.** This will involve strengthening Sectoral ID systems, and supporting links with the National Unique ID, as well as specific investments in public key infrastructure and online authentication tools for citizens to accelerate their access to high-impact services.
- **Strengthening Platforms for Open Data Exchange and Inter-operability**. This will involve supporting better data exchange within and across sectors, thus strengthening transparency and laying the foundation for improved services.
- **Strengthened Core Institutional Capabilities for Service Delivery.** This sub-component proposes to address selected institutional constraints and provide key solutions in the priority sectors in terms of better HR staffing and improved financial management.

**Component 2: Improving Digitalisation, Efficiency and Targeting (Back End)**

**This will focus on critical back-office reforms to improve the access to, the quality, and the efficiency of the selected services.** This simplification and digitalization will also contribute to improved transparency and accountability, by increasing oversight.  Sub-components are as follows:
- **Administrative Simplification and Reengineering**.  This will involve assessing the service delivery chain in targeted services and undertaking administrative simplification and process reengineering to accelerate digital and paperless service delivery.
- **Conversion to E-Services.** This will involve converting selected services and/or service delivery processes into e-services/processes.
- **Modernisation of Decision-Making and Performance Monitoring.** This will involve the implementation of innovative methods of performance and internal accountability management – such as Big Data – underpinned by enhanced management information systems

**Component 3: Promoting User-Centred and Accountable Delivery (Front Office)**

**This component will focus on improving the user experience of accessing selected public services and will aim to directly improve users' perception of the public administration**. In strategic areas, where problems and bottlenecks are most apparent, it will bring enhancements to the user interface with public service delivery. Subcomponents include:

- **Front-line Service Access Improvement.** This will expand and improve on front-line service access delivery access points in terms of coverage and quality. It will have a focus on un- or under-served regions and will implement a combined approach of expanding physical citizen service centres (or "one stop shops") and mobile service centres, and electronic kiosks.
- **Transparency, Accountability and Citizen Inclusion.** This will bring in innovative solutions, drawing on new technologies such Chatbots, and innovative citizen feedback models; to deepen transparency, accountability and citizen engagement mechanisms to improve service access, quality and responsiveness.

**Component 4: Fostering Collaborative Leadership for Results**

**This component focuses on the project management, monitoring and evaluation, coordination and change management, which are binding constraints in the Tunisian context.** Subcomponents include:

- **Project Management and Coordination.** This will focus on building the project management skill and processes to effectively implement this cross-cutting and multi-sectoral endeavour.
- **Collaborative Leadership for Digital Transformation.** This will involve designing and implementing internal and external communication tools and stakeholder engagement to overcome possible resistance to selected activities.

| Legal Operational Policies | Triggered? |
|---|---|
| Projects on International Waterways OP 7.50 | No |
| Projects in Disputed Areas OP 7.60 | No |

Summary of Screening of Environmental and Social Risks and Impacts

The main environmental impacts/risks of the project are linked to component 1 and 3 and may include terrestrial and aquatic habitat alteration, visual impacts, hazardous materials and waste management, electric and magnetic field, emission to air, noise and Occupational Health and Safety hazards during construction and some Community Health and Safety issues during operational phase. Social risks and impacts related to the project may include, but not be limited to, those related to management of labor in project units and for contractors, to engagement of stakeholders, public consultations and participation during project design and operation including management of grievances and expectations, and land acquisition for physical infrastructure to be constructed under the project.

**Note** To view the Environmental and Social Risks and Impacts, please refer to the Concept Stage ESRS Document.

## CONTACT POINT

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## APPROVAL

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### Approved By

| Practice Manager/Manager: | | |
|---|---|---|
| Country Director: | | |