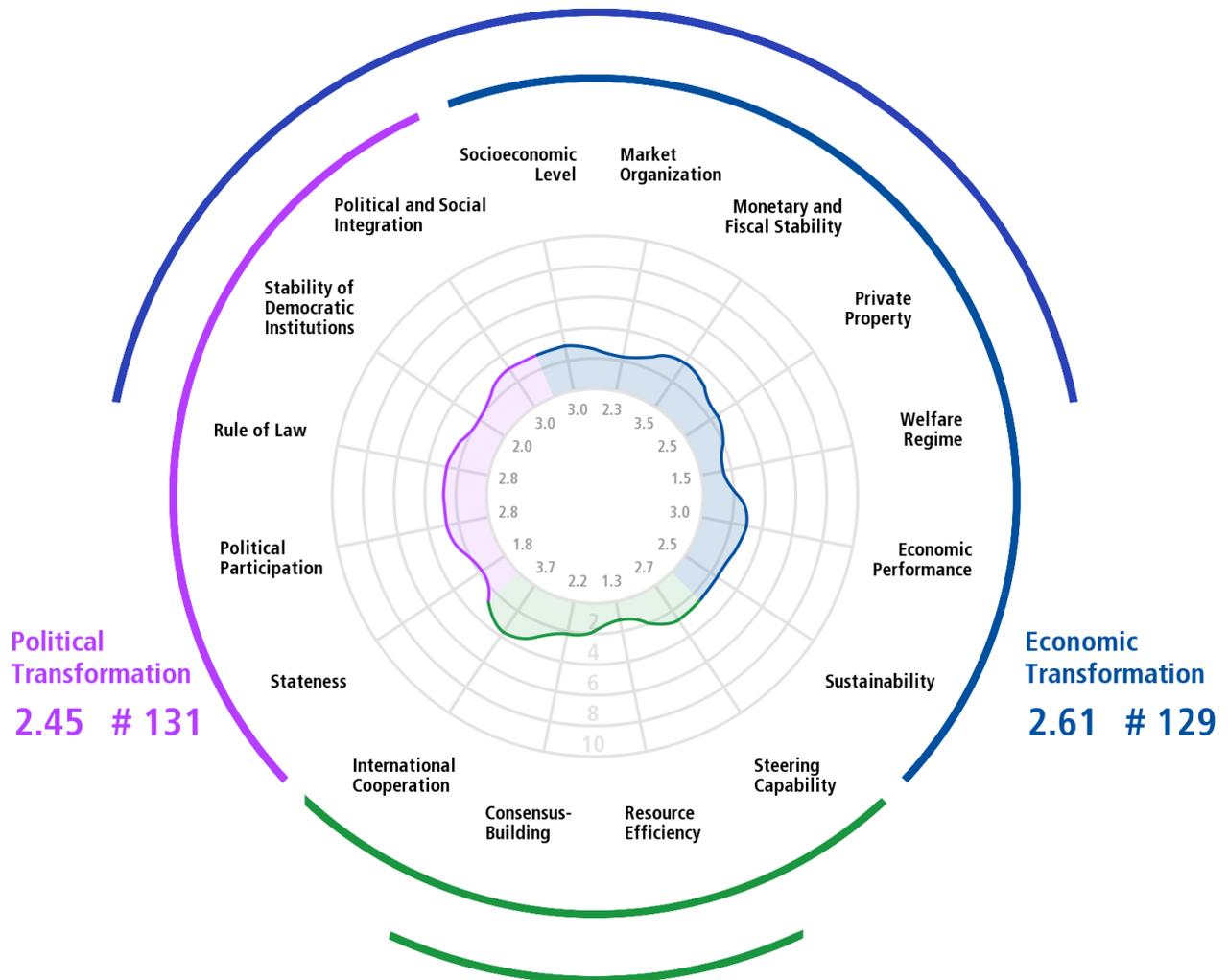


Libya

Status Index

2.53 # 130

on 1-10 scale out of 137



Governance Index

2.31 # 129

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2020**. It covers the period from February 1, 2017 to January 31, 2019. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	6.7	HDI	0.708	GDP p.c., PPP \$	20706
Pop. growth ¹	% p.a.	1.5	HDI rank of 189	110	Gini Index	-
Life expectancy	years	72.5	UN Education Index	0.607	Poverty ³	% -
Urban population	%	80.1	Gender inequality ²	0.172	Aid per capita \$	65.6

Sources (as of December 2019): The World Bank, World Development Indicators 2019 | UNDP, Human Development Report 2019. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

Libya has been affected by civil war since the 17 February Revolution in 2011, which led to the ouster of Colonel Muammar al-Qadhafi after 42 years in power. By mid-2014, political power was divided between two rival parliaments and their accompanying governments – the Tripoli-based General National Congress (GNC) and the Tobruk-based House of Representatives (HoR) and its associated government in al-Bayda. The Libyan Political Agreement (LPA), signed in December 2015, aimed to resolve this dispute, avoiding further military violence and preventing financial collapse. It suggested uniting the existing double structure by creating a nine-person Presidential Council (PC) serving as a collective “head of state,” which would preside over the Government of National Accord (GNA), based in Tripoli. This meant the dissolution of the National Salvation Government (NSG), and the House of Representatives would be upgraded to become the parliament of the whole of Libya, which is intended to endorse the Government of National Accord. The agreement also proposed establishing an advisory High Council of State, largely made up of former General National Congress members and serving the purpose of a “second chamber.”

Indeed, significant steps were taken in July 2017. On that date, rivals Prime Minister Fayez Mustafa al-Sarraj (who became president of the Presidential Council) and the Libyan National Army’s (LNA) General Khalifa Haftar agreed a cease-fire and to hold elections in 2018. Libya’s Constitution Drafting Assembly (CDA) also successfully finalized its draft for a new constitution. In May 2018, Libyan leaders met in Paris to sign a roadmap to peace, aspiring for a referendum on the constitution, and they adopted the electoral laws necessary to hold general elections. However, both the elections and the referendum were delayed until at least 2019 due to continued instability.

However, the Libyan Political Agreement has not resolved the conflict – it has instead reconfigured it. Whereas in 2015 the conflict was between two rival governments, it is now primarily between supporters and opponents of the United Nations-brokered agreement. The House of Representatives twice voted down the list of ministers, and it has instead endorsed the rival government of Abdullah al-Thinni, which operates from the eastern city of al-Bayda.

National Salvation Government leaders refuse to subordinate to the new power structures, while internal divisions within the Presidential Council intensified following the January 2017 resignation of Musa al-Koni, one of Sarraj's deputies from the south, who said the council had failed.

Thus, at the end of this report's assessment period (January 31, 2019), Libya still had two centers of power: the Presidential Council under al-Sarraj and the authorities in Tobruk and al-Bayda, under the leadership of General Khalifa Haftar, commander of the Libyan National Army (LNA) and a self-described anti-Islamist. Haftar is backed by Egypt, the United Arab Emirates and increasingly Russia.

The Islamic State (IS), which since 2014 had seized control of territory in al-Bayda, Benghazi, Sirte, al-Khums and even the capital Tripoli, was significantly weakened by late 2016. Following a seven-month battle, Government of National Accord-affiliated troops cleared Sirte as a last stronghold for IS fighters in December 2016. However, IS continues to operate in Libya, especially from "safe havens" in the country's uncontrolled south. In May 2018, IS claimed responsibility for the bombing of the High National Elections Commission (HNEC) office in Tripoli.

Libya has experienced an unprecedented process of state collapse and violent disintegration. At the end of 2018, over 1.1 million people, including internally displaced persons (IDPs), returnees, migrants, refugees, asylum-seekers and vulnerable non-displaced people were in need of humanitarian assistance. The Libyan health care system is on the brink of collapse. Libya is characterized by targeted attacks on civilians, restricted freedom of movement and high levels of gender-based violence. Migrants, refugees and asylum-seekers are under threat of being arrested and detained in detention centers. Many are at risk of forced labor, trafficking and sexual violence. Libya's economic woes are compounded by interruptions to oil production and fights to control it. Libya's output went down from 1.6 million barrels per day before 2011 to a low of 210,000 in 2014, before recovering somewhat to around 1 million in 2018. Haftar and the Libyan National Army have expanded into the south, ostensibly to protect oil fields, which has led to an escalation of violence in the hitherto relatively calm Fezzan. In response, Tebu and Tuareg tribes have formed an alliance under the Government of National Accord to halt the Libyan National Army advance.

History and Characteristics of Transformation

The ongoing civil war finds its origin in a number of challenges to nation and state formation rooted in Libya's past. Common denominators in Libya's historical narrative(s) in the twentieth century include the following: regionalism, ethnic and tribal diversity, competition over natural resources (primarily oil), and regional and international influence. Tensions among these interconnected factors have resulted in the creation of volatile coalitions of interest and prevented a successful democratic transformation from taking place.

The more recent history of Libya features four decades of turbulence, starting with the coup d'état of the Free Officers Movement under the direction of Muammar al-Qadhafi against King Idris on 1 September 1969 and ending with Qadhafi's death on 20 October 2011. The 1969 coup brought about a reorientation of Libyan nationalism – heavily influenced by resistance to colonialism – within an Arab and African context. Qadhafi's version of Libyan nationalism, however, failed to create a nation and damaged whatever beginnings of statehood there had been.

Based on the Egyptian Nasserite constitutional model, the Arab Socialist Union was established in 1971 as Libya's sole political party. It was replaced from 1975 by a vertically organized system of "direct democracy," based on elected executive people's committees responsible to legislative people's congresses at the national, regional and local levels. This system, elaborated by Qadhafi's infamous "Green Book," was grounded in resolutions passed by "the masses" ("Jamahir" in Arabic). Thus, in Libya the state was referred to as the "Jamahiriyya," or the "state of the masses" (though this was often translated as "republic").

Libya is mainly desert (only 5% of its territory is fit for cultivation), without rivers and other interconnections between regions. This geographic limitation exacerbated Qadhafi's failure to create a nation: regional identities superseded allegiance to a unified national identity. In addition, the population is composed of diverse ethnic and tribal groups. Not all Libyans are Arab, even though this was the discourse of Qadhafi's government. In Cyrenaica, the population is mostly Arab with strong cultural and societal affinities to Egypt. However, in Tripolitania, the population is a mix of Berbers, Arabs and, prior to 1967, Jews. According to Chia-Lin Pan, the people of Libya have been of nomadic Berber origin since pre-historic times, but the Arab conquests of Libya during the fifth and seventh centuries resulted in "extensive admixtures of Arab and Berber stock." Libya today contains around 140 tribes and Arab-Berbers account for 90% of the population. In Tripolitania, there are eight tribes belonging to Banu Hilal and Banu Sulayman. In Cyrenaica, there are two branches of the Banu Hilal tribe. In Fezzan, there are Tebu and Tuareg tribes, and Berbers inhabit the Nafusa Mountains in western Libya. Tebu and Tuareg tribes are currently divided between the Tobruk camp and the Tripoli camp, with clashes erupting frequently.

A third set of tensions is generated by regional and international actors. External actors are divided in their approaches to Libya. A group of mostly western countries led by the United States promotes unconditional support for the Presidential Council and the Government of National Accord, prioritizing the fight against IS and stemming flows of migrants, refugees and asylum-seekers across the Mediterranean. A second group, led by Egypt, the UAE and Russia, prioritizes the unity of the remaining army – particularly General Haftar's Libyan National Army.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

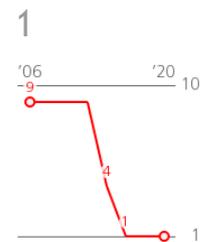
Libya has fractured into several factions with uncertain local, regional and international alliances. The historical divisions between the eastern Cyrenaica and western Tripolitania regions are far from absolute, as new divisions within each territory ebb and flow. In all areas, rivalries between (internally homogenous) Islamist and anti-Islamist coalitions exist. The southern desert areas (which largely belong to the region of Fezzan) are without any governmental control and serve as a safe hiding place for extremists and terrorists.

A second division relates to the question of legitimacy, which is contested at all levels. Ongoing battles for power and legitimacy result in violence on the ground. Since the Government of National Accord entered Tripoli in March 2016, clashes between pro-General National Congress and pro-Government of National Accord militias have persisted. However, there was a lull in militia violence in Tripoli in 2018. The al-Samoud Brigade, under the leadership of controversial strongman Salah Badi, and the 7th Infantry Kani Brigade reportedly ceased hostilities purely due to expected repercussions by the international community, including threats of being identified by the United Nations Support Mission in Libya (UNSMIL) and possible U.N. Security Council sanctions. However, others believe that the 7th Infantry Kani Brigade withdrew due to a lack of ammunition, having been denied supplies by Misrata militias. Some Misrata militias had threatened to join the battle in order to “clean Tripoli” of its corrupt militias.

On the other hand, a peace accord was agreed between the local councils of the eastern Tripoli district Souq al Juma’a and the neighboring Tajura district, which has de-escalated tensions between Government of National Accord-aligned militia, the Special Deterrence Force (RADA/SDF) and Bashir Khalfalla’s extremist 33rd Infantry Brigade.

Question
Score

Monopoly on the
use of force



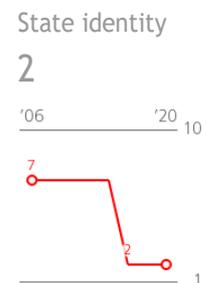
A third point of contention relates to control of oil resources, which are essential in leveraging and maintaining power and territory. According to geopolitical analyst Richard Mallinson, the conflict in Libya took a dangerous turn in autumn 2014, once control of oil became central to the battle. It severely reduced Libya's output to 380,000 barrels per day in 2015 compared with 1.6 million before the 2011 war. In September 2016, General Haftar's Libyan National Army (LNA) took control of Libya's "oil crescent" from the Government of National Accord-aligned Petroleum Facilities Guard, including its ports at Ras Lanuf, Sidra, Zuwetina and Brega.

Fighting has continued ever since, with the Benghazi Defense Brigades under Ibrahim Jadhran repeatedly trying to take back control of the harbors of Ras Lanuf and Sidra throughout 2017 and 2018. An important pipeline leading to oil terminal Sidra was set on fire in April 2018, allegedly by IS fighters.

Under the Qadhafi regime, questions of identity were not officially discussed. However, the main sources of identity were Islam and Arabism on the one hand, and local identity based on tribe, city and region on the other – but not the Libyan state. This was due to the Qadhafi regime's mechanism for political socialization through education, media and direct political discourse. Ostensibly, the regime attempted to create a system whereby all Libyans could participate in institutions regardless of gender and regional or ethnic differences.

A 2014 survey conducted by the University of Benghazi Research Center on public perceptions of the "National Dialog" showed the main factors creating a shared identity were Islam (95.2%), the Arabic language (88.8%), a shared future (83%) and geographic location (69%). The survey results showed that, in general, Libyans support the principles of political and cultural pluralism. On political parties, the survey showed that 75.3% of Libyans believed in political pluralism and 56% supported, to varying degrees, the freedom to join political parties. The current political situation casts a dark shadow on Libyans' evaluation of political parties and their attitudes toward them. The survey showed that 49% believed parties should be prohibited completely and 41% expressed the need to prohibit them in the interim period, while only 9.8% considered political parties an essential cornerstone of democracy. These findings contrast with a 2017 survey of 2,000 Libyan households conducted by the International Foundation for Electoral Systems (IFES) and USAID. The survey found that while a majority of respondents believed that the situation had become worse, a majority also indicated that they intend to participate in future elections.

The 2017 draft constitution names Arabic as the sole official language, although it does also call for the protection of the right to speak the Amazigh, Tuareg and Tebu languages. However, this policy is not clearly reflected in practice. Violations of the rights of some minority groups, such as the Amazigh, have been highly visible. Indeed, all Libyans have been affected by some level of rights restrictions, such as freedom of speech. Since 2011, two independent processes related to citizenship and



identity have been launched: state building and nation-building – with hopes attached to the “democratic process” as the main conduit through which both processes would be realized, as Middle East expert Sherine El Taraboulsi-McCarthy at the Overseas Development Institute put it. With the ongoing fighting, both processes have fallen into disarray.

The notion of a united Libya is contested by the different sides of the conflict: the Islamist camp, the anti-Islamist camp, the federalist camp that was based in the eastern part of the country (which is connected to the Cyrenaican movement) and the secessionists (i.e., branches of the Berber (Amazigh) movement that have started to call for more political representation and cultural rights, including demands that their language be an official language in the state).

Since Islam and the Arabs arrived in Libya in 642, the Islamic religion has played an important role and has penetrated the social, economic, cultural and political spheres. With the invasions of Banu Hilal and Banu Sulaym in the 11th century, a process of Arabization was launched, which consolidated the spread of Islam in the region. Later, the Ottomans ruled Libya, not as Turkish colonizers but primarily as “Muslim caliphs,” which was the source of their power and capacity to control the land.

In the 19th century, Libya became a key location in the Arab world for the development of religious reformist orders. The Sanusi order, emerging in 1843, was an Islamic revivalist movement whose purpose was to purge Islam of the impurities it had acquired during the previous centuries. The movement’s strength was based on a Bedouin tribal link, particularly in Cyrenaica and Fezzan, which gave the order its political foundations. Religion, through the Sanusi order and the tribal link, were the key sources of the monarchy’s legitimacy in 1951.

Libya’s 1951 constitution emphasized Islam as the state religion, situating it as an important element of national identity. For Qadhafi’s regime, religion was also a key mobilizing factor, although Qadhafi faced opposition from religious leaders who had thrived under the monarchy. By adopting a more conservative religious posture, including the prohibition of alcohol and adhering strictly to Islamic principles, the Qadhafi regime was able to weaken opposition.

While religion reflected the homogeneity of the Libyan population (around 95% of the population was Muslim), following the 2011 revolution, social fragmentation was reflected in the conflict between different Islamic schools that emerged among the population.

The Islamic faith is still dominant today. Libya’s 2011 interim constitutional declaration declares Islam as the state religion, and the Shura and principle source of lawmaking. However, the struggle is not between secular and religious norms – it is a fight between extremist ideologies of Islam and more mainstream ones. The rise of extremist Salafi groups in the country in general and in eastern Libya specifically,

No interference of religious dogmas

3



and their involvement in Operation Dignity led by General Haftar, has empowered them to dominate religious establishments such as “al-Awqaf” and to control more than 75% of the mosques in eastern Libya. These gains have also enabled them to influence decision-making mechanisms.

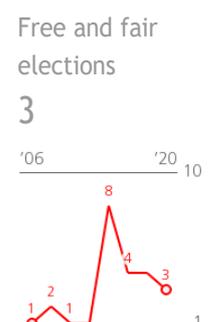
Since 2014, administrative structures have collapsed due to the establishment of two rival governments and continuing cycles of violence. The situation has intensified since the 2015 Libyan Political Agreement. The Presidential Council, the highest body of the Government of National Accord (GNA), entered Tripoli in March 2016 to take charge of the ministries and government institutions that had previously been under the control of the self-appointed National Salvation Government (NSG). In October of that year, the NSG made a comeback, taking over the offices of the High Council of State. Fighting between GNA and NSG forces continued into early 2017 but finally resulted in the withdrawal and defeat of NSG-aligned forces in May. The interim government based in al-Bayda in the east refused to recognize the cabinet proposed by the Presidential Council and continued to operate as a rival authority in eastern Libya. Despite the fragmentation of the high-level administrations, the mid-level administrations kept the country united across sectors. Two further institutions that have been stabilizing influences are the National Oil Corporation and the central bank. Different actors have assumed policing roles, including the military, government forces and armed groups in the east and west of the country.

A 2012 law on the local administrative system provided for the establishment of 120 municipal councils with some of them democratically legitimized through elections in 2014. Against a backdrop of a national level administrative system breakdown, it was hoped that these councils would act as local stabilizers. However, they largely suffered from a lack of funding, security and common political visions.

In a December 2018 Humanitarian Situation Report, UNICEF estimated that 1.1 million people, including 378,000 children and 307,000 women of reproductive age (15-49), require life-saving humanitarian assistance and protection, and have limited access to services such as schools, electricity, water and shelter.

2 | Political Participation

Following the fall of the Qadhafi regime in 2011, there have been three discrete electoral events, engendering three political institutions: the General National Congress, the Constitution Drafting Assembly (CDA) and the House of Representatives. Neither the elections nor the institutions they created have succeeded in creating stability. The General National Congress elections in 2012 were frustrated by significant security and participation issues. Of the 6,629 polling stations, 6% were unable to open normally, and minorities such as the Amazigh, Tebu and Tuareg were underrepresented and boycotted the electoral process.



The June 25, 2014 election of the House of Representatives took place in a climate of violence and uncertainty. According to the High National Election Committee (HNEC), 1,734 candidates competed for 200 seats. Candidates ran as independents rather than members of political parties. The House of Representatives' mandate, according to amendment 7 of the constitutional declaration of August 3, 2011 (passed on March 11, 2014), was to replace the General National Congress as an interim legislative authority and to issue the new constitution. Voter turnout was 18% (630,000 persons), compared to a 60% turnout (3 million persons) for the first post-Qadhafi elections in 2012. Less than half of eligible voters registered to cast their ballots.

The low turnout has compromised the legitimacy of the House of Representatives. During the elections, Derna was not included in the voting because of threats of violence, and several other polling stations did not operate. The Supreme Court, however, has annulled the process that led to the election of the House of Representatives in November 2014. In April 2016, the CDA finalized the draft constitution and submitted it to the House of Representatives in Tobruk in order to prepare for a national referendum. However, a key step in the process has not been implemented as the draft constitution was rejected by a considerable number of CDA members, who thus refused the document a convincing majority (out of 60 members, only 44 attended the final vote, with one of them voting against).

In May 2018, Libya's rival powers met in Paris, where leaders of the Government of National Accord, the Libyan National Army, the House of Representatives and the High Council of State committed to setting the constitutional basis for elections, adopting the necessary electoral laws by September 16, 2018, and holding parliamentary and presidential elections on December 10, 2018. Elections were delayed, however, and at the time of writing they were rescheduled for early 2019. Presidential candidates include Saif al-Islam Qadhafi, a son of Muammar Qadhafi, representing the Popular Front for the Liberation of Libya, and Aref Ali Nayed of Ihya Libya. Libyan National Army leader General Haftar has also expressed interest in running for president. However, this process is also hampered by violence. In May 2018, suicide bombers linked to IS attacked the High National Elections Committee in Tripoli, killing 16 people and injuring at least 20.

In November 2018, the House of Representatives passed a constitutional amendment that divides Libya into three distinct voting regions – Tripolitania, Cyrenaica and Fezzan. The draft constitution must now receive the approval of over 50% in each region and of two-thirds at the national level. The amendment also removes a legal barrier that would have prevented the referendum from taking place.

On November 29, 2018, the House of Representatives issued Law No. 6, tasking the High National Elections Committee with conducting a referendum on the draft referendum developed by the CDA in July 2017. At the time of writing, the referendum was expected to take place during the first quarter of 2019.

The Supreme Court annulled the process that led to the June 25, 2014 elections – a decision which has landed the country in a protracted crisis with the existence of two elected parliamentary bodies. The Libyan Political Agreement, which was signed under difficult circumstances in December 2015, sought a resolution to this dispute. Under the terms of the agreement, the Presidential Council would create a unity government, and the House of Representatives (the sole parliament) would approve it. This is yet to happen. Three power centers remain in rivalry: Prime Minister al-Sarraj and the internationally recognized Government of National Accord based in Tripoli; the former prime minister, Khalifa al-Ghawil, and the General National Congress, also based in Tripoli; and General Haftar of the Tobruk-based House of Representatives.

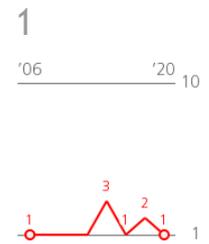
Although the Government of National Accord entered Tripoli in March 2016, it continues to lack the capacity to deliver public services and secure the country's territory.

While a 2012 law on freedom of assembly is broadly compatible with international human rights principles, armed conflict and lack of security in many areas act as a significant deterrent to peaceful assembly in practice. Nevertheless, civic and political groups continue to operate within very tense circumstances to address urgent humanitarian needs.

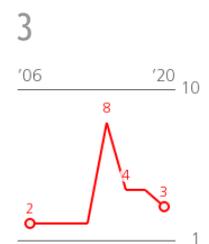
Civil society organizations in Libya, while still active, have declined in numbers in recent years due to ongoing security issues. Activists have been attacked by militias of varying political, tribal and geographical affiliations, causing many activists to flee the country. While several trade unions were established following the 2011 revolution, it is not possible for collective bargaining activities to function fully in a context characterized by a lack of basic security and poorly functioning legal system.

In the west of the country, the Special Deterrence Forces (Rada), which operate under the Government of National Accord's Ministry of the Interior, has carried out a series of arrests of people carrying out their right to association. In September 2017, an imam from the Ben Nabi Mosque in Tripoli, was arrested, accused of promoting terrorism. In November 2017, Rada raided a comic book convention in Tripoli, arresting some 20 people, including organizers and attendees. They were all released by the end of the year. However, in 2018 Sufis in Tripoli were able to celebrate Mawlid al-Nabi (the birth of the Prophet Muhammad) for the first time since 2011. In contrast, the largely Salafist Ministry of Awqaf and Islamic Affairs in Abdullah Thinni's al-Bayda-based government released a statement urging imams to condemn the Mawlid celebrations, framing them as "Beda" (heresy).

Effective power to govern



Association / assembly rights



Libya's legal framework on freedom of expression is inconsistent and contradictory. Thomas Ebbs of Lawyers for Justice in Libya has noted that Libyan authorities repeatedly use laws to repress freedom of expression that were previously repealed as being unconstitutional. The constitutional declaration of 2011, the domestic validity of international human rights treaties and several Libyan Supreme Court decisions indicate that there is a basis for freedom of expression. However, authorities have failed to amend or repeal restrictive measures and they have introduced new limits to freedom of expression.

Article 14 of the constitutional declaration protects freedoms, including “freedom of opinion for individuals and groups, freedom of scientific research, freedom of communication, liberty of the press, printing, publication and mass media.” Libya's Supreme Court has ruled that some laws passed since 2011 are unconstitutional because they undermine freedom of expression.

Regarding existing laws on freedom of expression, the General National Congress passed an amendment to the Qadhafi-era criminal code (particularly amending Article 195), but no guarantees for freedom of expression were provided. In 2012, what Human Rights Watch called a “draconian law” was passed, which “bans insults against the people of Libya or its institutions.” This law also prohibits “criticism of the country's 2011 revolution and glorification of the deposed former leader Muammar Qadhafi.”

The World Press Freedom Index ranked Libya at 162nd out of 180 countries in 2018, a modest improvement on previous years. In the east, forces associated with the Libyan National Army have targeted journalists who are said to have criticized General Haftar. In September 2017, a radio journalist from the eastern city of al-Marj was detained for almost three weeks for publicly criticizing a decision made by the Libyan National Army's military governor in eastern Libya, Abdulrazzak al-Nadouri.

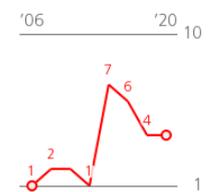
3 | Rule of Law

Without an adopted constitution, the role of the three governmental institutions remains unspecified and preliminary. Libya's separation of powers therefore lacks legal clarity. Most obviously, the House of Representative has been unable (or unwilling) to recognize the Government of National Accord formed by the Presidential Council. The House of Representatives' justification for this has been the perceived lack of legitimacy of the institutions at the local level.

The Supreme Judicial Council organizes the affairs of the judiciary. It is provided for in Law No. 4 of 2011 and it replaced the High Council of Judicial Bodies, which had previously had authority over judges' careers. However, in the absence of a permanent constitution, the exact role of the judiciary also remains unclear. As long as political decision-makers are not hesitant to use militias for their purposes, legal judgments will make hardly any difference in the country's power negotiations.

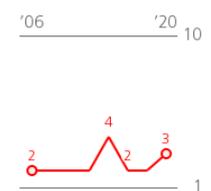
Freedom of expression

4



Separation of powers

3



Judges and lawyers face persistent threats and attacks. For example, unnamed gunmen attacked a court in Benghazi in December 2018. Courts are unable to function effectively in much of the country and informal dispute resolution mechanisms have filled this gap.

The fragility of Libya's institutional and judicial framework, ongoing political instability and continuing violence have led to impunity for officeholders who break the law. Sporadic attempts to curb abuses of office are exerted, such as a wide-ranging investigation into oil sector corruption in January 2017, which included warrants and travel bans issued against oil company officials.

Despite the ongoing insecurity that has led to the collapse of the criminal justice system in Libya, according to the former minister for justice, Salah Marghani, the judicial system remains united despite political fragmentation. The Supreme Court has been effective in issuing judgments. In February 2018, it blocked legal challenges from lower courts, paving the way for the planned referendum and elections in 2019.

The combined effects of Libya's weak institutional and judicial framework, political instability and ongoing violence have created a situation in which officeholders are able to act with impunity. There have been occasional attempts made to rein in corruption, such as the sweeping investigation of oil-sector corruption undertaken in January 2017 that involved warrants and travel bans being issued for officials within specific oil companies. Additionally, Attorney General Siddiq al-Sour has issued warrants against several government ministers suspected of involvement in corruption.

In May 2018, the Presidential Council in Tripoli announced it was beginning an investigation into corruption charges against a number of government ministers.

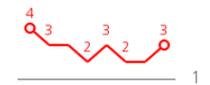
Civil rights have been significantly compromised at both the individual and collective levels. Violence has caused mass displacement across the country. The International Organization for Migration estimates that there were over 217,000 internally displaced people in Libya at the end of 2018, most originating from Benghazi, Sirte, Misrata and Ubari. In the west of the country, militias and authorities in Misrata continue to prevent 35,000 Tawerghans from returning to their homes having been internally displaced since 2011. According to the "exiled" Benghazi Municipal Council, now based in Tripoli, some 3,700 Benghazi families have been forcibly displaced since 2014. They now reside in western cities after Libyan National Army forces threatened and attacked them and burned their homes down.

Human Rights Watch reports that armed groups, some affiliated with the Government of National Accord, have continued to carry out extrajudicial killings. They have attacked civilians and their property, and abducted, tortured and made people "disappear."

Independent judiciary

3

'06 _____ '20 10



Prosecution of office abuse

3

'06 _____ '20 10



Civil rights

2

'06 _____ '20 10



Prison authorities operating under the authority of the ministries of interior, defense and justice of the two rival governments continue to hold thousands of detainees in arbitrary detention. The Tripoli-based Judicial Police report that 6,400 detainees were held in prisons it manages in 2018. Migrants and asylum-seekers, including children, continue to be at high risk of being placed in arbitrary detention. Once detained, many suffer inhumane conditions, beatings, sexual violence, forced labor, inadequate access to medical treatment, and insufficient food and water. These human rights abuses are committed in both semi-official detention centers run by militias and centers controlled by the Government of National Accord's Directorate to Counter Illegal Immigration (DCIM).

In December 2017, the U.N. Security Council issued a statement expressing concern over reports of migrants in Libya being sold into slavery. The Government of National Accord opened an investigation into the matter, although the findings are yet to be announced. The Global Slavery Index ranks Libya at 29th out of 167 countries (indicating a high prevalence of slavery).

Foreign nationals transiting through Libya on the way to Europe as asylum-seekers and migrants are subject to extortion, torture, abduction and sexual violence by criminal gangs engaged in smuggling and people trafficking. In February 2017, Libya's eastern authorities under the control of General Haftar introduced an international travel ban on women under the age of 60. Haftar's chief of staff, Abdulrazzak al-Nadouri, asserted that women working for civil society groups and those who regularly travel abroad for work are being exploited by foreign intelligence agencies. The travel ban was implemented without parliamentary approval. However, after protests against this resolution by civil society groups and activists, the travel ban was frozen and was replaced with Decree No. 7, which bans women and men between the ages of 18 and 45 from traveling without permission from the security services. The decree did not specify the procedure or the conditions under which approval might be granted. Additionally, female human rights activists have faced intimidation and violence, forcing many to retreat from political engagement.

On December 25, 2018, the chief of the general command in eastern Libya, Abdulrazzak al-Nadouri, announced that it would now be necessary to obtain approval from the security services for conferences and demonstrations, and also to host local and foreign delegations in the city of Benghazi.

4 | Stability of Democratic Institutions

The U.N.-brokered Libyan Political Agreement, agreed in 2015, was intended as an internationally recognized framework within which the various rival factions and institutions could work toward a unity government. However, the House of Representatives has still not approved the Government of National Accord or ratified the Libyan Political Agreement – essential steps for each of them to legally come into force.

Several challenges impede the performance of Libya’s democratic institutions: security threats, a lack of an institutional infrastructure, territorial political polarization and no shared vision by the politically relevant elites who are the main actors during the transition period. While positive steps have been taken, national reconciliation is yet to be achieved.

There are several trends divided across tribes and regions: secessionist, federalist, democratic, Islamist and non-Islamist. The election of the Constitutional Drafting Assembly (CDA) in 2014 provides an example of those challenges. In addition to encountering technical hurdles, it was boycotted by the Berber (Amazigh), Tuareg and Tebu communities, which undermined the legitimacy of the CDA. According to a 2014 Carter Center report on the process, this was a failure of political institutions in Libya to render themselves relevant as well as a failure to address “the concerns of the Amazigh and Tebu communities” prior to election day.

The Libyan National Conference, held from April to July 2018 upon initiative of U.N. special representative in Libya, Ghassan Salamé, with consultative meetings across the country, was the first comprehensive and inclusive attempt to have a national dialog on the country’s multiple crises. Its final report contains a detailed assessment of Libya’s situation and a proposed roadmap for overcoming the country’s deep-seated hostilities, including plans to hold presidential and parliamentary elections.

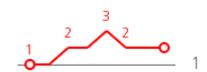
There is only commitment to Libya’s political institutions from the members of each respective “polity circle” (i.e., the system around the internationally recognized government in Tripoli and the parallel government structures in Tobruk). Beyond that, hardly any commitment to institutions exists – institutions that were established by the General National Congress have not been endorsed by House of Representatives in the eastern regions of Libya. For example, the Basic Freedoms and Human Rights Council (BFHRC), which was established by the General National Congress in 2012 with a mission to investigate human rights complaints, was never able to execute its mandate throughout the whole country due to it lacking respect outside Tripoli.

In addition, the work of the existing institutions is often disregarded and discredited even within their respective circles. After the U.N. suggested the merging of the two

Performance of democratic institutions

2

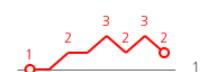
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Commitment to democratic institutions

2

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sets of legislative and executive institutions in 2016, consecutive reform initiatives were repeatedly hampered by violent attacks by militias against the newly created High Council of States and a number of ministries, including the Ministry of Foreign Affairs. In autumn 2016, the Libyan National Army replaced several elected mayors and municipal council members with military representatives in cities under its control.

Leaders from the Berber (Amazigh), Tuareg and Tebu communities decided to boycott the CDA elections as they opposed the percentage of seats reserved for them. However, members of the minority groups were elected as individuals and they managed to impact the outcome of the draft constitutional regarding the question of language.

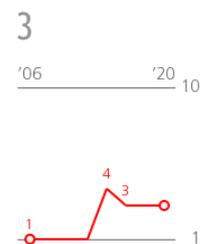
5 | Political and Social Integration

Under Qadhafi, political parties were banned. With the exception of a few political parties formed in the 1980s, Libya has no tradition regarding political parties. Following the 2011 revolution and leading up to the July 2012 General National Congress elections, many new parties emerged, with 21 of them winning seats. The National Forces Alliance (NFA), under the leadership of Mahmoud Jibril, is comprised of 58 political organizations, 236 NGOs and more than 280 independents. The NFA is considered liberal. It calls for a moderate form of Islam and a democratic state. It is against federalism and strongly supports some aspects of decentralization, especially in the areas of health care, education and transportation. The NFA won close to 50% of the vote, but this translated into only 39 of the 200 parliamentary seats. In second place was the Justice and Construction Party, affiliated with the Muslim Brotherhood, which won more than 10% of the vote, receiving 17 seats in the General National Congress. It attracted enough independents and smaller Islamist parties to hold a majority. A study by King's College London in January 2019 indicated that the Muslim Brotherhood has since lost support among Libyans.

In 2014, the political representation of the Libyan people was adversely affected by mistrust in the machinery of the political process as a result of the first election experience, which led to Islamist control of the country. Less than 45% of the Libyan population participated in the 2014 election. Political parties were banned from running in the election, so many party members ran as individuals.

In September 2017, the head of the United Nations Support Mission in Libya, Ghassan Salamé, presented the “New Action Plan for Libya in three phases” to resolve the country’s political divisions. These phases included presidential and parliamentary elections in December 2018. Many political parties prepared for these elections and some parties were newly established.

Party system



After the elections were postponed, leading figures of the February 17, 2011 revolution announced the creation of a new party called Libyan National Assembly on December 29, 2018. If it comes into existence, it will try to serve as moderate force, promoting the territorial integrity of the state.

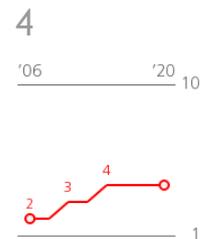
After 2011, Libya experienced a re-emergence of civil society activity, which had been suppressed for 42 years under Qadhafi's Law No. 111 of 1970. Civil society organizations (CSOs) continue to be present, focusing primarily on humanitarian aid and addressing the immediate needs of the people, although their numbers have declined since the 2014 crisis. Political divisions have affected many CSOs, who have developed affiliations to power centers in the east, south and west of the country. On the ground, CSOs are as fragmented as the political situation. While unions and alliances exist, they are limited, regionally focused and issue-specific, and they have not been able to build broad movements. Nevertheless, organizations run by Libyans outside the country, such as Lawyers for Justice in Libya (LFJL), based in London, continue to play a significant role in reaching out to CSOs in different parts of Libya and engaging them in addressing the crisis, as many Libyans have fled the country. LFJL has participated in the process for the International Criminal Court (ICC) case on Saif al-Islam al-Qadhafi. The organization is active in capacity-building and networking at the national and international levels. In 2016, LFJL and a small group of NGOs founded the Network for Monitoring and Archiving for Justice (SHIRA), which monitors human rights abuses and publishes a regular report.

According to the Commission of the Civil Society in Libya's first report (2018), 563 organizations were registered in 2016. Of those, 39% were in Tripoli, 21% in Benghazi, 5% in Misrata, 4% in Sebha, 2% in Zawya and 2% in al-Bayda. These organizations' main activities were charity work (14%), social services (12%), culture and arts (10%), and law and human rights (6%). In December 2016, there were 40,010 activists registered at the Civil Society Commission, one-fifth of which were females.

Many other organizations dealing with the issue of reconciliation and mediation at the local and national levels have been established. Some of them have created networks to bring all those working on the issue of reconciliation and stability together: Shabakat sana'a al-salam (the Peacemakers Network) is a prime example.

Libya has experienced two major elections since 2011. There was initially a high level of engagement (60% in 2012). However, voter participation declined for the House of Representatives elections (when there was an 18% turnout in 2014). A 2012 survey conducted by the University of Benghazi and Oxford University predicted this decline in enthusiasm for democratic norms. Of the 2,000 people polled in Libya, only 15% supported the implementation of a democratic system in 2013. Approximately 40% backed strong leadership and 16% stated that they were prepared to resort to violence to reach their political goals.

Interest groups



Approval of democracy



n/a

The University of Aberdeen's 2014 Arab Transformations Project similarly found that, while 32% of the 1,540 respondents supported a democratic parliamentary system, 27% supported government by Islamic law with no political parties or elections.

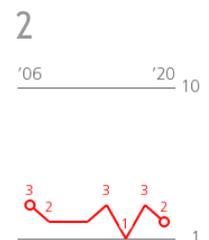
However, as the House of Representatives' mandate has expired and the Government of National Accord is still not fully recognized, municipal council elections may offer an insight into voter engagement. In May 2016, the International Republican Institute conducted a survey on municipal council election participation. They sampled 2,671 Libyans aged 18 or over across the country. 67% of respondents said they would vote in future elections, signaling a high level of interest in politics. 73% associated political legitimacy with representatives having been elected. This enthusiasm may be stifled in forthcoming local elections, however. By the end of 2018, the central committee for municipal council elections only had 30% of the budget needed for 2019 elections, meaning that 69 of the 120 local elections may not take place.

A UNSMIL report on the Libyan National Conference in 2018 found that many conference participants felt that ending the transitional phase and holding elections on a constitutional basis is the keystone to addressing the various other priorities. The report articulated a preference for rational and effective democratic governance that is not based on tribal, political or regional affiliations, but on clear and objective criteria and competence.

While self-organization and trust are visible at an individual level, this does not extend to the national level where a sharp sense of fragmentation persists. The three dominant camps are divided by geographical location, ideological leanings, political representation, militia representation, strategic alliances (local, regional and international) and funding sources. Far from homogenous monoliths, each camp is heavily textured to represent a shifting set of economic, political and ideological interests. Civic society groups exist and are engaged in attempts to bridge this fragmentation.

According to the result of the survey on National Dialog conducted by University of Benghazi Research Center in 2014, the main factors for success were seen as: the ethics of dialog (96%), inclusiveness through the representation of all segments and orientations of society (94%), and transparency (93.5%). Among the issues that Libyans believe are most worthy of discussion are: security and disarmament (98.2%), national reconciliation (97.6%), development (96.5%), the role of youth (96%), transitional justice (94%), women's rights (93.7%), local governance (91.1%), refugees and displaced persons (91.5%), and distribution of wealth (71%).

Social capital



II. Economic Transformation

6 | Level of Socioeconomic Development

Libya has the largest oil reserves in Africa. Nevertheless, the Libyan economy has experienced a major decline since 2014 due to political unrest and conflict over control of the oil fields. Power outages and water shortages have affected homes in Libya, particularly Benghazi. The ongoing instability has prevented the collection of high-quality economic statistics.

According to the World Bank, the nominal per capita income fell to less than \$4,700 in 2016 compared to almost \$13,000 in 2012. Libya's per capita income has been rising since then and reached \$5,500 in 2017. However, high inflation and weak basic service delivery have increased poverty levels and exacerbated socioeconomic exclusion. By 2017, the price of wheat and flour had increased by 500% and 350% respectively, compared to pre-crisis levels, and prices continue to be highly volatile.

Libya's economic decline has been ubiquitous, affecting everyone; however, it has most adversely affected formerly excluded groups such as youth and women (Libya has a history of social inequality, youth unemployment, and gender and regional disparities). The 2017 Gender Inequality Index rates Libya at 0.170, reflecting a relatively low level of inequality.

The 2017 Human Development Index rates Libya at 0.706 (better than 2016, but clearly lower than during the late Qadhafi years), narrowly putting the country in the high human development category, although it is ranked 108th of 189 countries.

Question
Score

Socioeconomic
barriers

3

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Economic indicators		2015	2016	2017	2018
GDP	\$ M	27842.1	26221.7	38116.0	48319.6
GDP growth	%	-8.9	-2.8	26.7	7.8
Inflation (CPI)	%	-	-	-	-
Unemployment	%	16.1	16.2	17.1	17.3

Economic indicators		2015	2016	2017	2018
Foreign direct investment	% of GDP	0.0	0.0	-	0.0
Export growth	%	9.0	-27.0	71.1	56.4
Import growth	%	-37.5	-43.9	11.6	115.6
Current account balance	\$ M	-9346.0	-4705.2	-	-
Public debt	% of GDP	-	-	-	-
External debt	\$ M	-	-	-	-
Total debt service	\$ M	-	-	-	-
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	-	-	-	-
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	-	-	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	-	-	-	-

Sources (as of December 2019): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Under the Qadhafi regime, the private sector was tightly controlled, and market-based competition was relatively rare. However, the government has been taking steps to encourage investment by foreign companies since 2011. Due to the political instability and fact that a majority of the Libyan population still works in the public sector, it will take time for market-based competition to take root.

The African Economic Outlook 2016 report argued that Libya's underdeveloped financial markets "discourage investment." According to the 2019 Index of Economic Freedom, political instability, security threats, degraded financial infrastructure and limited access to financing are significant impediments to foreign trade and investment.

Libya's informal sector was estimated at 30% of the market at the end of the Qadhafi era. According to a 2013 report by the African Development Bank, the informal

Market
organization

2

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sector dominated economic activity, a situation that has not significantly changed. While smuggling and human trafficking existed during the Qadhafi era, they have exploded since the 2011 revolution. Forced labor of men and women is now common.

According to the World Bank's 2019 Doing Business report, it takes 10 procedures and 35 days to start a business, costing 23% of average income per capita and requiring a minimum starting capital of 26.6%, ranking Libya 160 out of 190 countries in this category.

Due to the political instability and the outbreak of militia violence, it has become challenging to prevent economic monopolies from developing. Libya does not yet have a national competition authority, although a new trademarks law was introduced in 2010. According to the International Law Office, the Libyan Trademarks Office (LTMO) has sporadically resumed its operations since June 2013 and it issued its first official gazette since civil unrest broke out in 2011. This may be an indication that the 2010 law is still in effect, but how and whether the law is implemented is yet to be determined.

Since 2006, Libya has been a member of the Common Market for Eastern and Southern Africa (COMESA), which aims to promote economic integration among its 19 African member states. In 2013, COMESA began regulating mergers, although it did not set minimum monetary thresholds for notification of merger transactions.

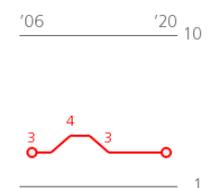
In the period following the 2011 revolution, trade freedom was high in Libya. Nevertheless, recent violence and political instability have enabled attacks on important foreign investments. The country's conflicts over Libya's most important oil terminals in the ports of Ras Lanuf, Sidra, Zuwetina and Brega throughout 2017 and 2018 have particularly impeded Libya's ability to export.

Libya also applied for World Trade Organization membership in 2004, but negotiations never started. Libya's "most favored nation" tariff rates are not available.

In January 2017, Libya lifted its self-imposed moratorium on foreign investment in its oil industry. Airports and seaports, if not completely destroyed, have come under the control of rebel groups, which means that no nationwide trade policy is followed anymore. The 2019 Index of Economic Freedom does not rank Libya due to a lack of reliable and comparable data. Libya does have a 0% average tariff rate.

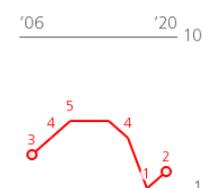
Competition policy

3



Liberalization of foreign trade

2



Libya's banking system is in crisis. It is poorly differentiated, as is its capital market. Both have been affected by the political turmoil. Under Qadhafi, Libya had around 16 banks, but these had few links to the global banking system. Today, the Central Bank of Libya (CBL) owns four of the major banks that dominate the banking sector. The Tobruk power center has established a parallel central bank, which is not recognized on international markets. In August 2018, a meeting was held between the governor of the CBL, Saddek El-Kaber, and the acting head of the al-Bayda-based CBL, Ali al-Hibri. The discussions centered on preparations for an "international technical committee" audit of the central banks prior to unification.

The Tripoli-based Libyan Audit Bureau's 2016 Annual Report said that, in relation to the banking sector, the spread of corruption "threatens the whole Libyan economy." The report highlighted several corrupt practices, such as: smuggling through the manipulation of letters of credit; phantom imports; money-laundering; manipulation of debit cards; fake deposits through the manipulation of the clearing system; misuse of cheques; and over-extending credit.

Customer banks repeatedly run into liquidity shortages and are often not able to satisfy their customers' demands. Besides, access to banks is often regulated by militia members patrolling banks' entrances.

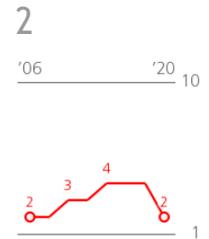
8 | Monetary and fiscal stability

Since 2014, Libya has faced a worsening monetary crisis. For Libyan households, this has principally meant a chronic shortage of Libyan dinar banknotes and a weak valuation of the currency on the black market. In major cities, people routinely wait in long lines from morning until night to draw their paychecks from the bank – often unsuccessfully. These waiting lines have occasionally descended into violence, including shootings by local militias that claim to "protect" bank branches. Militias have gained control of banks and distribute money to their men or to the public for bribes.

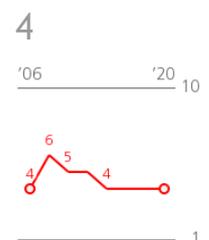
The Central Bank of Libya is responsible for issuing the Libyan currency, maintaining its stability in Libya and abroad, and regulating and supervising the foreign exchange market. The bank's policy was pegging the dinar to the U.S. dollar or to the IMF's SDR (Special Drawing Rights), which led to the dinar being overvalued internationally.

Despite political pressure, the internationally recognized Central Bank of Libya (which is headquartered in Tripoli) has attempted to maintain an independent monetary policy. However, in light of the country's overall split in 2014, the bank's deputy governor, Ali al-Hibri, broke from Tripoli and started to operate its Benghazi branch autonomously. The House of Representatives endorsed this branch, cementing the split of the central bank into two. The Benghazi branch started printing

Banking system



Monetary stability



its own dinar bills without the approval of the central bank's headquarters, amounting to around \$6.4 billion annually; with this money, it helped fund the Libyan National Army, as the International Crisis Group revealed.

Due to this split, no official inflation rates have been announced since 2013, but they were said to be above 28% in recent years. Due to the existence of two competing finance ministries and two central banks, no clear monetary policy was apparent in 2018. As the security situation and government finances deteriorated, consumer price pressures intensified. Currently, the Libyan dinar is equal to \$0.72 and inflation remains high. The consumer price index increased by 17.6% in the first four months of 2018, compared to 26.9% over the same period in 2017. The oil sector is still the main foreign exchange provider, despite a major downturn in oil exports after the heavy demolition of export infrastructure in 2017 and 2018.

Libya's political impasse continues to prevent the country from realizing its economic potential. Political divisions, interruptions to oil production and fluctuating prices have heavily affected public finances. In 2017, the country doubled its oil production and recorded record economic growth of 26.7% following four years of recession. However, during the first half of 2018, production stagnated at around 1 million barrels per day before falling to around 700,000 in June following the attacks on, and temporary control of, oil fields in the east.

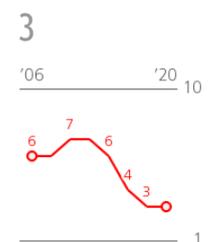
From 2014 to 2016, Libya managed to reduce its current account deficit from \$19 billion to \$4.7 billion – newer data is not available. Total reserves increased between 2016 and 2017 from \$65.9 billion to \$74.6 billion, but these are still below the record in 2012 of \$118.4 billion. Meanwhile, the budget deficit remained high at around 26% of GDP in 2018, though that is an improvement on 34.5% of GDP in 2017. This deficit is financed through cash advances from the Tripoli central bank and by issuing bonds in eastern Libya.

9 | Private Property

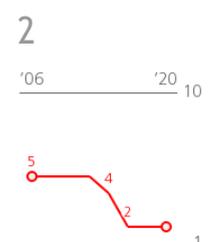
Property rights in Libya are not protected and are not clearly defined in law – well, not yet: the July 2017 draft constitution adopted by the Constitutional Drafting Assembly (CDA) includes stronger protections of the right to property in Article 30 and Article 58, but the whole constitution still awaits its approval.

Qadhafi-era redistribution policies with limited and complicated property rights have had lasting effects well into the post-2011 years, creating deep grievances, administrative chaos and economic imbalances. Property is one of the main issues associated with the national reconciliation process: the infamous Law No. 4 of 1978 allowed tenants to occupy the house they lived in, and a Qadhafi decree of 1986 banned all land ownership. Law No. 4 is estimated to have resulted in the expropriation of 56,000 to 75,000 properties, and 25,000 claims were addressed to

Fiscal stability



Property rights



the High Committee for the Compensation of Properties since the 2011 revolution. The government drafted a proposed amendment to Law No. 4 in March 2013, proposing the restitution and compensation of people affected by the unfair implementation of Law No. 4. It allowed occupiers of residential properties one year to relocate, using a loan from the government.

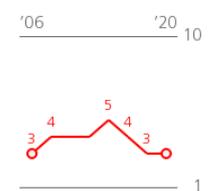
However, new problems have arisen since the war and its associated atrocities flared up after 2013, as a number of violent expropriations have taken place in many cities, including Benghazi, Derna, Tripoli and Sirte. People lost their property when being forced to flee due to the war, and their land, real estate and possessions were taken by the militias – especially in Benghazi. As a result, General Haftar issued a resolution in September 2016 banning any actions from individuals or groups to occupy the property of people who fled for political, ideological or security reasons.

In the World Bank's 2019 Governance Indicators, Libya was ranked 187 out of 190 countries on the subcategory "registering property," with a score of 0.0 (no reliable procedures measurable).

Although Qadhafi began to privatize some state-owned companies in 2005, Libya has little experience of privatization. The poor security situation following 2011 destroyed many enterprise assets and hampered economic activity. Much of Libya's economic activities now occur in shady and illegal areas due to the unstable security situation and also the insufficient macroeconomic conditions.

Private enterprise

3

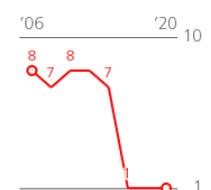


10 | Welfare Regime

Social safety nets are almost completely absent. The existence of two parallel governments has led to a political vacuum of effective leadership and governance, resulting in the collapse of public administration and service provision. Ad hoc arrangements have been largely taken over by militias and community leaders.

Social safety nets

1



Basic necessities are not fully available. The only social safety nets available are the family, community and tribe. As a result of the ongoing conflict, shortages in food, fuel, water, electricity and cash are reported throughout the country. At the end of 2018, an estimated 823,000 people, including around 243,000 children, were in need of humanitarian assistance.

The World Health Organization recorded more than 41 attacks on health workers and facilities in 2018, resulting in the death and injury of dozens of health workers and patients. Due to the continued violence across the country, 75% of Libya's health facilities are closed or only partly functioning. The World Health Organization reports that more than 71% of people with chronic diseases are facing a shortage of drugs, and one in five households report prioritizing medicines over food.

Political and ideological divisions have curtailed equality of opportunity in Libya. Access to opportunities is contingent upon the use of force, geographic location and affiliation with a political camp. While there is parity in the ratio of male-to-female enrollment in education at the primary level, the World Bank's 2018 Development Indicators suggest that girls are more disadvantaged than boys at both the secondary and tertiary levels. Although education is compulsory and free, according to 2014 World Bank data, the country's literacy rate was 89.9%, with higher literacy for men (96.1%) than for women (83.7%). This illustrates that there remains a gender gap in education even though education was provided to everyone under Qadhafi. Women account for only 24.6% of the active labor force.

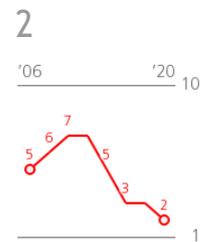
Due to the increasing role of extremist groups since 2011, women have lost many of their rights that were ensured by legislation under Qadhafi. Since 2011, there has been pressure from these groups to prevent women working in qualified jobs, for instance as judges.

In 2017, Abdulrazzak al-Nadouri, chief of staff of the Libyan National Army, issued an order banning women in the east from traveling without a male escort. This order was later amended following widespread condemnation, but it was extended to include restrictions on travel for all men and women between the ages of 18 and 45.

Since 2011, various militias have attacked religious minorities and destroyed religious sites with impunity. In July 2017, the Supreme Fatwa Committee under the General Authority for Endowments and Islamic Affairs – the al-Bayda government's religious authority – issued a decree labeling the minority Ibadi sect of Islam "infidels without dignity" and "a misguided and aberrant group."

Migrants and refugees suffer intolerable conditions throughout Libya. They are vulnerable to unlawful killings, torture, arbitrary detention and unlawful deprivation of liberty from both state and non-state actors. That is in addition to sexual assault, rape, other forms of sexual and gender-based violence, and exploitation, forced labor and slavery. Building on mounting evidence published over the previous four years, the United Nations Office of the High Commissioner for Human Rights (OHCHR) published a report in December 2018 detailing a pattern of serious human rights abuses suffered by migrants and refugees at the hands of state officials, members of armed groups, smugglers and people traffickers. Despite the presence of overwhelming evidence, Libyan authorities have been unable or unwilling to address these serious human rights abuses.

Equal opportunity



11 | Economic Performance

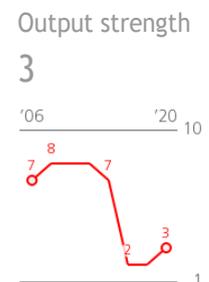
Following four years of recession, the improved political and security arrangements reached during the second half of 2017 enabled Libya to double its production of oil and produce record levels of economic growth (26.7%). The total GDP reached \$51 billion in that year, after having been only at \$29 billion in 2015 (World Bank data). However, this dynamic was not sustained in early 2018 with oil production stagnating at around 1 million barrels per day and dropping sharply to 700,000 in June 2018 following the Libyan National Army attacks on an oil field and terminals in the east of the country. By the end of 2018, oil production had recovered to around 1 million barrels per day, but El Sharara, one of Libya's most productive oil fields, was taken over in December 2018 by southern tribesmen, protesters and state guards demanding salary payments and developments funds. From late 2018, Haftar's Libyan National Army engaged in an operation in the south to expel militants and secure oil production facilities. Should Haftar succeed, he will have control of oil production in large parts of the east and south, potentially complicating U.N.-led efforts to unify the country and hold elections.

Inflation, as much as was measurable, was above 28% in 2017 and 2018, reflecting disruptions in the market, driven by supply shortages in goods and services as well as an active parallel currency exchange market. The cumulative inflation experienced over the past four years has had a lasting effect on households, whose purchasing power has dropped by almost 80%.

Despite higher oil revenues, public finances remain under pressure, largely due to the current high and rigid expenditures driven by political motives. The World Bank reported that, while budget revenues almost tripled between 2016 and 2017, they were insufficient to cover public wages (36.4% of GDP). A high budget deficit of 26.1% of GDP persisted throughout 2017, financed primarily by cash advances from the central bank in Tripoli.

Libya has experienced massive GDP per capita growth fluctuations over the past decade. In 2012, GDP growth per capita was 123%. By 2014, this had fallen to -24.1%, before it rose again to 25.1% in 2017. In terms of purchasing power parity, GDP per capita was \$19,631 in 2017 compared to \$29,031 in 2010, according to the World Bank.

Statistics on foreign direct investment are not available, but freedom to invest and the overall investment climate must be perceived as extremely repressed. However, all data from Libya must be viewed with a large degree of suspicion given the unstable circumstances and the lack of sound on-the-ground statistical offices.



12 | Sustainability

There is no formal environmental strategy and no incentives for environmentally sound consumption. The Environment General Authority was established in accordance with Resolution No. 263 for the Islamic year 1429 (2008). U.N. projects have sought to collaborate with the Environment General Authority, although the political crisis has led to these efforts being delayed or abandoned.

Article 18 of the 2017 draft constitution makes the state responsible for the protection and safety of the environment and suggests the establishment of an “Environmental Sanitation Fund.” In addition, Article 162 calls for creating a “Sustainable Development Authority” attached to the parliament.

Libya faces several environmental issues, including desertification and the lack of freshwater resources. Water pollution, linked to the combined impact of sewage, oil byproducts and industrial waste, threatens Libya’s coast. Leaked diplomatic cables from 2008 hinted at specific environmental concerns regarding Libya’s vast oil and gas industries, implying that they were spoiling land, polluting water, and mishandling toxic wastes and naturally occurring radioactive materials. Ecologically disastrous exploitation methods have certainly not improved during the current political fights and clashes.

The only visible activities regarding environmental issues, however, are conducted by civil society organizations and university research centers.

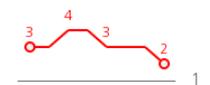
Libya’s education system faces the problems of quality and capacity to prepare graduates for local and international labor markets. Basic education covers grades one to nine. It includes primary school (grades one to six) and preparatory school (grades seven through nine). Since the 1980s, Libya’s “New Educational Structure” provided the policy framework for education, allowing students to enroll in vocational and technical centers if they performed below expectation at school. However, other reforms isolated the Libyan educational system from the world. For instance, the removal of the English language from the curriculum in the 1980s prevented Libyan graduates from having a means of communication with the outside world.

According to UNESCO, Libya’s education system has faced extensive challenges since the revolution in 2011 and is in need of significant reforms. Two new ministries (one responsible for education and another for higher education and scientific research) prepared a half-year strategy (December 2011 to June 2012) for the most urgent short-term objectives: repairing schools damaged in 2011, re-accommodating displaced children in schools in their home region, and reviewing curricula and textbooks.

Environmental policy

2

'06 '20 10



Education policy / R&D

3

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According to UNICEF, around 300,000 school-aged children are currently in need of educational assistance. Across the country, conflict has damaged some 212 schools and has fully destroyed 53 schools. 14 schools are currently being used as shelters for internally displaced persons. In addition, lack of money to pay for transportation and school fees also forces children to not attend or to drop out of school.

Since 2011, the number of universities has increased dramatically and there are currently 17. This phenomenon became more visible after 2014 due to the political division and the parallel institutions that were created in the eastern and western parts of the country, meaning there were two ministries responsible for education and two for higher education. Many of the new universities are branches of some of the well-established universities. Among these new universities that were established between 2015 and 2018 are the University of Tobruk, the University of Ijdabia, the University of Sabratha and the University of Bani Walid.

There are also over 100 technical and vocational institutions functioning to some degree. According to the British Council, roughly 90% of university-level students are enrolled in public universities that are struggling to meet the demand. Estimates indicate that the current number of government-funded students studying abroad is as high as 20,000 (in Europe, North America, Egypt and Malaysia). However, payments occur only very erratically, due to the difficult political situation in Libya.

Since 2012, the U.N. Education Index has consistently assigned a score of 0.616 to Libya.

Governance

I. Level of Difficulty

Political leadership in Libya is fragmented into alliances that are based on territorial, political and ideological interests. Forces affiliated with two rival governments continue hostilities despite movement toward reconciliation. Another complication is that the two governments – in Tripoli and in al-Bayda/Tobruk – administer and are supported by their own militias and militaries. The civilian population has resorted to arms in order to survive in these circumstances. The International Organization for Migration’s Displacement Tracking Index identified over 170,000 internally displaced persons in December 2018, following a peak of 425,000 in June 2016.

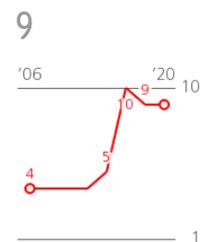
Structural constraints are also embedded in historical and geographical limitations. Libya’s institutional history has been fragmented and Qadhafi consistently sought to weaken whatever structures were in place. The brain drain has always been centripetal and the return of educated Libyans to their homeland continues to be impeded.

While civil society was heavily controlled by the state during Qadhafi’s rule, the emergence of foundations and associations was meant to support the image of Qadhafi’s regime in the Middle East and North Africa region and beyond. Non-profit organizations established by the regime readily incorporated the term “human rights” into their mission statements even as the 1996 massacre at Abu Salim prison remained unresolved. Qadhafi also started calling for Jihad to liberate the world’s oppressed people, particularly those in Palestine. The Jihad Fund was established to support the armed struggle for the liberation of Palestine.

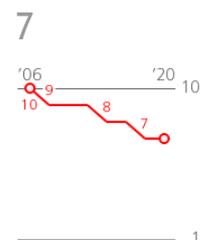
Saif al-Islam’s emergence to prominence in politics coincided with the establishment of the Gaddafi International Foundation for Charitable Associations (GIFCA). Primarily funded by the state, many other civil society organizations were born. Saif al-Islam also established a human rights organization in 2009 that spun off GIFCA called the Arab Alliance for Democracy, Development and Human Rights with a mandate that consisted of “tracking human rights abuses in the Middle East.” Saif al-Islam served as its chairman.

Following the 2011 revolution, different forms of citizen mobilization emerged, which later started developing into more structured civil society organizations. Around 250 new organizations were established in the period during and immediately

Structural
constraints



Civil society
traditions



after the revolution in the east of the country, growing to an estimated 1,900 active organizations in 2015. Of those, an estimated 90% were officially registered after the uprising. According to the 2010-2014 World Values Survey, Libya has had a greater number of members of volunteer organizations per capita than any other North African country except Egypt.

There are a variety of civil society coordinating bodies operating in Libya. The Ministry of Culture and Civil Society's Commission for Civil Society is active and registers CSOs. Several small and independent networks exist, linking organizations by location or sector.

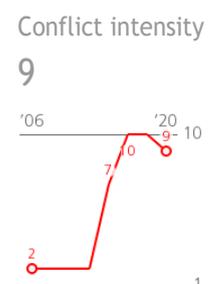
Organizations such as the Libyan Women Forum, the Libyan Women's Platform for Peace and the Citizenship Forum for Democracy and Human Development are aiming to gain momentum despite the instability. Libyan organizations outside Libya are also starting to play a visible role, such as Lawyers for Justice in Libya, which is based in London. The Red Crescent has one school in Libya and is trying to meet the needs of students whose education was disrupted because of the violence.

However, due to targeted attacks on civil society activists, many have fled and operate from abroad. A significant number of civil society organizations, such as trade unions, business councils, professional associations, faith-based groups, academia and independent media organizations, still operate in Libya.

Despite the emergence of civil society organizations following the revolution, Libyan civil society is now developing at a slower pace as many organizations have left the country or have become inactive. While this deceleration can be partly attributed to the ongoing crisis, it also points toward the evolution of a civil society sector in which the least professional or well-managed organizations are ceasing to operate.

The media has a very important role to play in raising funds and awareness, and radio stations are particularly popular. In eastern Libya, there are many radio stations, even in areas that have a population as small as 1,000 people. However, forces associated with the Libyan National Army in that part of the country have targeted journalists who are thought to have been critical of General Khalifa Haftar.

There has been a civil war in Libya since the launch of the February 17, 2011 revolution which overthrew Colonel Muammar al-Qadhafi after 42 years in power. The Libyan Political Agreement was signed in December 2015, seeking to resolve the dispute between the House of Representatives and the General National Congress. The Libyan Political Agreement created the Presidential Council, which took office in Tripoli in March 2016 and was tasked with forming the Government of National Accord and High Council of State to include ex-members of the General National Congress. The House of Representatives was intended to continue as the sole parliament and elect a unity government.



This task has not yet been completed. The Government of National Accord (GNA) has been opposed by two coalitions that did not accept the Libyan Political Agreement: on the one hand, the Tobruk-based House of Representatives, backed by the Libyan National Army (LNA), opposed the submission of the LNA to the GNA; and on the other hand, the Islamist, Tripoli-based National Salvation Government, which rejected the Libyan Political Agreement until its factual dissolution in 2016, considering it an external imposition.

Whereas in 2015 the conflict was primarily between the two rival governments of the General National Congress and the House of Representatives, it is now largely based on supporters and opponents of the Libyan Political Agreement. Additionally, inter-tribal tensions have developed into a violent crisis of subnational predominance and resources among several tribes in southern Libya including the Tuareg and Tebu tribes.

Haftar's Libyan National Army is a mixture of militias that grew out of Operation Dignity. Haftar is allied with the House of Representatives, which recognizes him as the general commander of the armed forces and the Libyan National Army as the official army. The Libyan National Army is supported by Egypt, the UAE and increasingly Russia. The Petroleum Facilities Guard (PFG) are forces in eastern Libya who currently support the Government of National Accord and are in conflict with the Libyan National Army. The military power center in western Libya is with the Misratan militias and is loosely aligned with the Government of National Accord. Internal divisions have emerged between factions who want to confront Haftar and those who want to shore up the Government of National Accord and secure Tripoli.

Islamist groups have been significantly subdued. IS controlled parts of Libya's central Mediterranean coast but lost its last stronghold, Sirte, in December 2016 to Government of National Accord-allied militias after a seven-month siege. However, IS has begun a resurgence. In May 2018, suicide bombers loyal to IS attacked the High National Elections Commission in Tripoli, killing 16 people. In September 2018, IS was also responsible for an attack near Zliten in the east. Ansar al-Sharia in Libya has dissolved after heavy fighting in the Libyan National Army offensive in Benghazi in 2017. Similarly, the Derna Mujahideen Shura Council (DMSC) dissolved in May 2018 and announced the creation of the Derna Protection Force (DPF), a moderate group under the command of anti-Haftar military officers.

Following a period of relative calm beginning in May 2017, Tripoli erupted into violence again in August 2018. Tanks and artillery were deployed in the city, killing 61 Libyans – many of whom were children – and injuring 159. Forces evicted displaced Tawerghan families from the Tariq al-Matar IDP camp, killing some of the camp's residents, destroying homes and forcing Tawerghans to flee for the second time in seven years. Migrants were either trapped in detention centers or turned out onto the streets. UNSMIL brokered a cease-fire agreement in September 2018, which

held until January 2019 when the 7th Brigade (“Kaniyat”) and a collection of factions called the Tripoli Protection Force resumed fighting.

In the summer of 2018, the Libyan National Army was engaged in fierce battles with the Derna Protection Force in the eastern city of Derna. Haftar and the Libyan National Army continued to expand in the south during 2018. In January 2019, forces loyal to Haftar took control of Libya’s largest oil field at El Sharara, after it had been taken over by armed protesters demanding salary increases and investment in the region. Haftar has multiple motivations for this southern advance. On one hand, he states that he intends to root out terrorists and militias from remote areas, as well as Chadian forces operating in the region. On the other, he intends to gain control of oil production. If Haftar can maintain control of the bulk of oil production, this places him in a stronger position for the forthcoming elections in 2019.

UNSMIL reports that Chadian government and opposition forces have been fighting in the south of Libya. Over 1,000 fighters have been involved in violence in the area, risking the south becoming a battleground and safe haven for foreign armed groups, including terrorists.

II. Governance Performance

14 | Steering Capability

Government priorities are clearly articulated but fail to be implemented. In July 2018, Prime Minister Sarraj of the Government of National Accord identified the provision of basic services (health, water and sanitation, education, and electricity), economic recovery and governance as the key priorities. In October 2014, the government in the east had announced that security and decentralization were the priorities.

Despite the existence of two similar agendas with an emphasis on security, implementation has been challenging. In 2013 and 2014, the General Planning Council, an advisory body for the government, tried to revise the 2025 vision that was initiated with support of Saif al-Islam al-Qadhafi in 2008. The project returned as a 2040 vision for Libya. Many Libyan experts contributed to this vision but, due to the political fragmentation since July 2014, neither of Libya’s governments were concerned with implementing this vision. Many Libyans also did not support the vision as it was connected to the Qadhafi era.

Several Libyan experts and research centers tried to provide some strategic plans and visions for many issues that affected the transitional period in Libya. However, these contributions were not accepted by the governments. The problem became more

Question
Score

Prioritization

3

'06 '20 10



severe after the political agreement was issued, which widened the gap between all actors in the Libyan political sphere.

Despite this, the U.N. initiated the Libyan National Conference in early summer 2018, which brought the ideas from consultative meetings across the country into a final report, including a roadmap for a better future in a united Libya. This report contains quite a few concrete proposals, but it awaits elections and the ratification of the 2017 draft constitution before more steps can be taken.

The political instability and polarization of Libya and in the country's regional and international engagement have made it very difficult to implement policies, except in rare circumstances. Municipalities provide basic services, but this depends on local conditions, which vary to a great extent. Militias and private security actors sometimes change sides and they rarely obey the government.

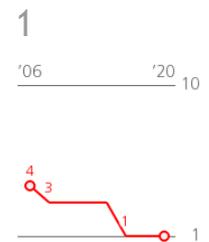
In January 2017, the deputy leader of the Presidential Council resigned saying the administration had failed to tackle urgent problems arising from years of conflict and political disarray. The Libyan Political Agreement, signed in Skhirat (Morocco) in December 2015, could only partly be realized due to the resistance of influential actors.

At the end of 2018, there were over 1 million people in need of urgent humanitarian assistance across the country. This includes almost 200,000 internally displaced persons, 200,000 returnees and 376,000 non-displaced persons.

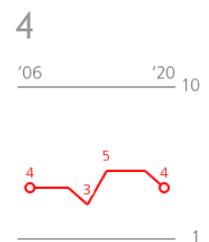
Since 2011, the authorities have engaged with other countries and have made significant efforts to learn. In particular, Libya has engaged with the European Union as well as other "Arab Spring" countries with successful experiences of political transition, such as Tunisia. Libya has not concluded an association agreement with the European Union, but the country does benefit from the European Neighborhood Policy and other EU financial instruments. In addition, it receives special funding from the EU Emergency Trust Fund for stability (reaching nearly €380 million from 2015 to 2018) to address the root causes of irregular migration and displaced persons in Africa. In 2018, the European Union hosted the International Conference for Libya in Palermo. UNSMIL continues to work in Libya, supporting the transition process and providing training. So too do a number of U.N. agencies and international NGOs.

Despite this international support, learning progress remains limited due to the presence of various militias and the prevailing logic of war in much of Libya's power distribution dynamics.

Implementation



Policy learning



15 | Resource Efficiency

Post-2011, the Libyan government intended to develop its human, financial and organizational resources by developing partnerships and links with regional and international actors, as well as attracting the investment of successful and educated Libyans who had fled the country under Qadhafi. Nevertheless, it mismanaged its financial resources by resorting to the dispensing of handouts (in a fashion similar to the Qadhafi regime) and failed to address key concerns about corruption.

Economic planning has been almost impossible because of the erratic development of GDP growth, which largely depends on the how well the production and export of oil are functioning. The existence of two governments in practice, including two central banks, has also made economic planning almost impossible.

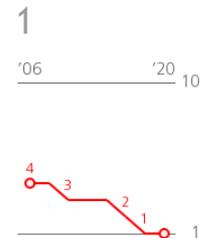
Libya has one of the highest unemployment rates in the world, which can be seen as the reason for the National Transitional Council's decision in 2011 to fund militias. This decision, however, is also one of main causes of the widespread distribution of arms and the current crisis. Instead of investing resources in disarmament, the council indirectly expanded the violence on the ground. Government funding made membership of militias an attractive and lucrative job for many disenfranchised young people. This situation has recently been compounded by the ongoing polarization and political divisions.

Since the beginning of the civil war in 2014, and the consequent political and institutional divisions, employment standards for middle and senior positions have been absent. Many of these roles have been distributed based on tribal or regional quotas rather than capacity, particularly in ministries and embassies.

In December 2016, the Tripoli-based Central Bank of Libya, the Audit Bureau, the National Oil Corporation, the Presidential Council/Government of National Accord and international mediators agreed to a “temporary financial arrangement” (or budget) of 37.56 billion Libyan dinars. This arrangement replaced the normal budget, which would have required legislature approval. Despite being rejected by the House of Representatives, who saw it as unconstitutional, the first deposit was made at the end of January 2017.

On the 2017 Resource Governance Index, Libya scored 18 out of 100 points and ranked 87 out of 89 major oil-exporting countries. This “failing score” indicates that the country has almost no framework for ensuring oil extraction benefits society – it only benefits a small elite. The score is driven largely by the lack of an enabling environment (6 out of 100 points), which measures a government's openness, transparency and regulatory quality as well as the degree and level of political stability.

Efficient use of assets



Following the 2011 revolution, developing a collective vision and policy has been a challenge for the government, for several reasons: (1) defenestrating the old regime from institutions such as the bureaucracy and education system; (2) establishing new constituencies that would solidify state- and nation-building efforts within a highly unstable security situation; (3) addressing the accumulated historical baggage of regionalism, tribalism and ethnic conflict between the Berber (Amazigh), Tebu and Tuareg, and Arab Libyans (each of which was vying for its own interests in the new Libya); and (4) an Islamist camp emerged that sought political control.

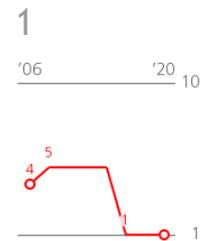
Since the 2014 crisis, two parallel governments have frustrated hopes for a coherent national policy. Conflicting objectives have often been resolved through militias on the ground and tribal pressure on the policy-making process rather than through diplomatic efforts. The final report from the 2018 Libyan National Conference for the first time bundled existing ideas from across the country into a single government strategic document.

Libya has long suffered under corruption, especially during the Qadhafi era. Since the 2011 revolution, governments have been unsuccessful in developing policies or establishing institutions that can effectively contain corruption. According to Borzou Daragahi, Libya has an anti-corruption commission which boasts 200 employees and an annual budget of \$20 million, but it is not perceived as effective and no impact has been recorded. Rampant corruption persists in many sectors, including justice, health and oil. This has intensified further because of political instability and the expansion of militias. A 2016 report from the Libyan Audit Bureau indicated that corruption and poor governance (money smuggling and illegal overseas bank transfers using manipulation of letters of credit) are widespread in Libya's banking sector and threaten the economy.

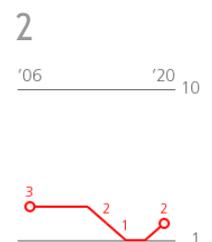
Corruption allegations since 2011 have been tied to the political divisions and are particularly linked to the oil sector and financial institutions. In 2013, Prime Minister Ali Zeidan was accused of corruption by the federalist movement, led by an ex-revolutionary commander and former head of Cyrenaica's Oil Facilities Guard, Ibrahim Jadhraan. In 2018, the National Oil Corporation (NOC) closed four oil ports held by Haftar amid allegations of corruption.

A report published by the U.N. Libya Experts Panel in 2018 highlighted the scale of corruption in Libya's banks and financial institutions, as well as their administrative inadequacies. The document reports that the Libyan Investment Authority had a total of \$67 billion in assets in 2012, but the figure had decreased to \$34 billion by 2019. The report also named both Libya's Jumhouria Bank and the Libyan Foreign Bank (LFB) as conduits for major corrupt financial activities and for providing letters of credit to militias in Tripoli and elsewhere. Additionally, the report revealed details of militias' involvement in fuel smuggling and human trafficking. The U.N. experts found that tens of millions of euros in interest payments were still being paid from earnings on Qadhafi's frozen funds held at Euroclear, a financial institution based in

Policy coordination



Anti-corruption policy



Brussels. Some of these payments were found to have made their way to accounts belonging to the Libyan Investment Authority.

There have also been attempts by civil society organizations to counter corruption. In January 2017, Libya launched a wide-ranging investigation into oil sector corruption after the 2011 revolution. The investigation has led to warrants and travel bans being issued against oil company officials. Additionally, Attorney General Siddiq al-Sour issued warrants for several government ministers suspected of involvement in corruption. However, their impact remains limited. Libyan authorities currently have neither the capacity nor the tools to investigate many allegations of corruption.

16 | Consensus-Building

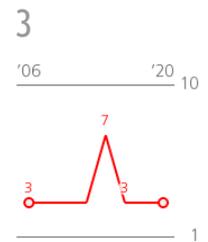
Commitment to a democratic system in Libya is not shared by all actors. Those that do endorse democracy do not necessarily endorse the same path to it. The conflict in Libya is a battle for legitimacy, with two elected bodies vying for political control, using violence and militias rather than diplomacy to achieve their goals. In the east, a rise in support for the military's role in politics threatens to undermine democratic discourse. Islamist political actors support democracy to the extent that it enables the implementation of Shariah, but not in a liberal-democratic sense. What remains of groups affiliated with IS and al-Qaeda reject the concept altogether. Overall, the democracy agenda has been eclipsed by the security agenda.

As a country that depends on oil revenues and lacks the infrastructure for democracy, and with rival governments and militias competing for control of oil resources and territory, consensus on a market economy is weak. Additionally, Libya has a history of providing handouts to its people rather than focusing on building the infrastructure needed for a diversified economy. All governments since 2011 have followed a similar paradigm.

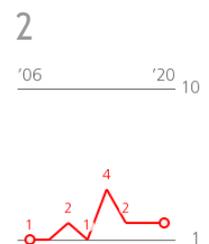
The reformist voice in Libya was audible throughout 2012, and it appeared that this would be institutionalized. As the National Transitional Council handed over power to the General National Congress, this seemed to be taking place. However, subsequent events have put successful democratization into question. The Libyan Political Agreement (LPA) has been unable to resolve political disputes on legitimacy. Conflict has shifted to pro- and anti-LPA groups, with key actors unable to find a solution. General Haftar's representative, Ali Faraj al-Qatrani, has boycotted Presidential Council meetings, arguing that the council is not inclusive, and he has made public calls for military rule under the Libyan National Army.

Some cities, such as Derna and Sirte, were controlled by the Islamic State (IS) and were not able to participate in the June 2014 elections of the House of Representative and Constituent Assembly for Drafting the Constitution. Between 2014 and 2017, IS

Consensus on goals



Anti-democratic actors



controlled some cities, replacing state institutions with its own, including Islamic courts and the Islamic police.

Since 2017, a campaign led by activists, tribal leaders and politicians from the east emerged with the aim of supporting the role of military in politics. The movement has demanded that Khalifa al-Haftar runs for president in the next scheduled elections.

Libya has been affected by civil war since the February 17, 2011 revolution that overthrew Colonel Muammar al-Qadhafi after 42 years in power. Conflict erupted in 2014 between two rival parliaments and their associated governments – the General National Congress, elected in 2012, and the House of Representatives, elected in 2014 to replace the former. Since 2016, the dynamics have shifted to conflict between Libyan Political Agreement supporters and opponents.

The Libyan Political Agreement created the Presidential Council. However, the government emanating from the council did not obtain the confidence of the House of Representatives, which prompted the Presidential Council to grant itself authorization to conduct business based on the legitimacy of the political agreement and international support.

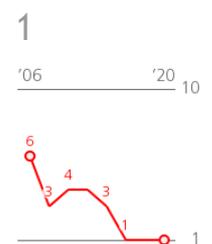
One of the main outcomes of the Libyan Political Agreement was the creation of the High Council of State as an advisory body that functions like a second chamber, which has co-authored a number of legislative decisions with the House of Representatives. This body was created in January 2016 and has 115 members.

In September 2018, the House of Representatives decided to restructure the Presidential Council in alignment with the High Council of State. Beginning in March 2018, two committees from both bodies have had a number of meetings. One of the outcomes was an agreement between the High Council of State and the House of Representatives that demands amendments to the Presidential Council and to retain only three out of nine representatives of the current council, after which the council would form the government.

In September 2017, Ghassan Salamé announced a roadmap regarding Libya, based on the acceptance of the Libyan Political Agreement and working toward the adoption of a new constitution, as well as the successful conduct of presidential and parliamentary elections, which would end the transitional period.

This roadmap was supported by the international community. International actors hosted meetings between Libyan political actors in Paris and Palermo to encourage them to work to end the transitional period by implementing the UNSMIL roadmap. However, only intermediate results have been achieved so far and much remains to be done.

Cleavage /
conflict
management



Following the 2011 revolution, political leaders tried to integrate civil society into efforts to rebuild the state and nation. This ended in 2014, when the political leadership became fragmented. The role of civil society became more prominent with the rise of citizen activism and the emergence of a number of associations in the eastern and western parts of the country. This was followed by the formulation of coalitions that networked these associations within and beyond regions. Some even ventured to call it a “civil society revolution.”

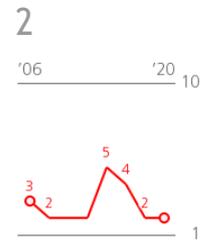
A number of organizations stood out, including the “La lil-tamdid” (“No to extension”) movement, the Citizenship Forum for Democracy and Human Development, the Libyan Women Forum, and the Forum for a Democratic Libya, which facilitated grassroots dialog on the constitution. The social and cultural role that has been played by those actors cannot be underestimated.

The emergence of a large number of civil society organizations immediately following the revolution is now developing at a much slower pace. Many organizations have become inactive or have left the country due to the unfavorable environment in which they find themselves. However, this contraction in the number of active organizations may indicate a growing professionalization of the civil space – the least effective or well-managed organizations may be ceasing operations or becoming dormant.

A number of coordinating bodies exist in Libya. At the institutional level, the Ministry of Culture and Civil Society’s Commission for Civil Society is still active and registers CSOs, although it does not have the capacity to support CSOs financially or logistically. However, the commission faced significant restrictions to its ability to operate in 2018. The head of the commission, Ali al-Obeidi, reported debts amounting to half a million dinars in 2018, leading to the commission being evicted from its offices.

A number of independent CSO networks exist, although these tend to be specific to locations and sectors, limiting their efficacy at the national level. CSOs face difficulty in working with Libyan authorities. The propagation of multiple governments and authorities following the 2014 crisis has produced a situation in which CSOs experience a “governmental dilemma,” particularly a lack of clarity on where to seek authorization for activities. Indeed, in this context civil space has become highly politicized, leading CSOs to feel it is necessary to choose sides. There is limited support available from local or national authorities. Accessing what support is available tends to depend on personal networks and relationships.

Civil society participation



In November 2018, UNSMIL released the final report on the consultative phase of the Libyan National Forum. The report, prepared by the Centre for Humanitarian Dialogue, presents the results of public consultations held throughout the country from April to July 2018. Those results are intended to form the basis of the conference scheduled to take place in April 2019.

Overall, 77 public peaceful consultation sessions were held. They covered all segments of Libyan society in more than 40 locations throughout the country, as well as meetings with expatriate groups living abroad. More than 7,000 Libyans participated in these consultative meetings either by attending in person or via digital platforms such as the Libyan National Forum website and its Facebook page, and also traditional media.

The report highlights the main points of consensus reached during the consultative meetings and shows the unity of opinion among Libyans about the main issues related to the government, security and defense as well as the direction they want for their country.

UNSMIL started to prepare for another “Libyan National Conference”, to be held in April 2019, expecting that between 150 and 200 participants will attend; however, the resurgence of violence compelled the organizers to postpone the conference indefinitely.

Most reconciliation initiatives were at the local level. The main actors of these initiatives are traditional local leaders (e.g., tribal leaders) and some local councils. Reconciliation mechanisms at the local level are normally based on customary law. Some reconciliation agreements were issued between a number of tribes and cities. One of the main initiatives was between the cities of Tawergha and Misrata, which reached an agreement in 2017.

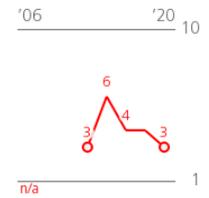
17 | International Cooperation

The international community’s activities in Libya have been fragmented due to the shortcomings of their interventions, and as a result of the power struggle and political fragmentation of the country. Political leaders are motivated to engage with initiatives and collaborations, but only if it is done in a way that enhances their own legitimacy. International actors are currently divided between support for the Government of National Accord in the west, and Haftar and the Libyan National Army in the east.

International aid workers evacuated the country in 2014, suspending development programs. Many of these operations relocated to neighboring countries such as Tunisia, but not all did. Several international NGOs are present in Libya, although few have staff located in the country on a long-term basis. All U.N. agencies have national staff. The European Union has offered Libya a package of over €126 million

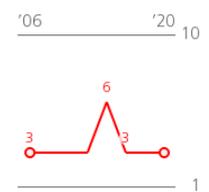
Reconciliation

3



Effective use of support

3



in bilateral support across six sectors: civil society, governance, health, youth and education, migration and protection, and support for the political process, security and mediation. Libya also receives funding under the EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa.

Following the 2011 revolution, Libyan authorities – along with the international community – made efforts to dislodge Qadhafi’s legacy, and to build new relations based on trust. However, because of the absence of institutional checks and balances, and the rise of corruption, this has not been successful. Libya’s key institutions are extremely weak, and a lack of protection for the judiciary has damaged the justice system in both the east and west of the county.

International agencies closed their missions and left the country in 2014, when there was increasing violence targeting foreigners and foreign institutions, embassies, the United Nations, the International Committee of the Red Cross (ICRC) and others. More than 100,000 foreigners living in Libya left the country. Hence, from the international community’s side, credibility and trust in their Libyan counterparts is currently at a very low level.

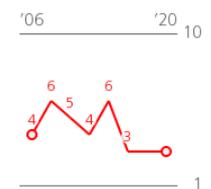
Post-2011, Libya’s attempts to connect with neighboring countries have been frustrated by the divisions within the country. Egypt and Tunisia supported the House of Representatives (HoR) in the east. Qatar and Turkey supported the General National Congress (GNC) in the west. An Algerian initiative in 2014 to overcome divisions in the political system remains unsuccessful. This split in regional cooperation has somewhat persisted the attempts to create a unified government in Libya, and Prime Minister Fayez Mustafa al-Sarraj as well as General Khalifa Haftar are still supported by different countries.

Libya’s porous borders are also still problematic. The Tunisian-Libyan border has been the scene of clashes and weapons smuggling. In March 2016, the Tunisian border was closed following an IS attack on Ben Gardane, which killed 55 people. In January 2017, violent clashes at Ben Gardane erupted between police and protesters who were demanding the free flow of vital trade with Libya. In July 2018, Libya closed the Ras Ajdir border crossing with Tunisia due to increasing attacks on Libyan travelers by locals from the Tunisian border town of Ben Gardane. Chad closed its borders with Libya in January 2017 to prevent fleeing IS fighters from crossing. Sudan closed its borders in September 2017 to prevent the smuggling of arms and drugs. Overall, existing security concerns govern Libya’s relationships with its neighbors and have hindered coherent cooperation.

However, the Government of National Accord has engaged regional actors productively. Italy reopened its embassy in Tripoli as the first Western country to do so in January 2017 (it had been closed since 2015). The same month, the Government of National Accord signed a deal with the European Union to step up efforts to

Credibility

3



Regional cooperation

5



apprehend migrants, refugees and asylum-seekers crossing the Mediterranean in Libyan waters and return them to camps in Libya that receive support from the European Union. In August 2018, Libya, Niger, Sudan and Chad agreed to create a joint operations center to patrol the border.

One example of Libya developing partnerships is the African Development Bank's 2014 decision to approve a "Country Re-engagement Note" (from 2014 to 2016), allowing the bank to reengage with Libya. It launched the Libya Africa Engagement Portfolio, which focused on human resources.

Strategic Outlook

Since the 2014 crisis, Libya's immediate challenges have continued to be security, the destabilizing influence of militias and ongoing violence fueled by the economic crisis, rivalries between the east and west of the country, and the polarized and disruptive influence of regional powers. Although violence levels are relatively low compared to the period just after 2011 and there is significant movement toward a political solution, rival governments still frustrate the potential for stabilizing the economy and revitalizing state institutions. The two governments have been unable to provide concrete improvements in the lives of Libyans.

Short-term priorities should include:

1. Avoiding a re-escalation of violence: In July 2017, the Government of National Accord and the Libyan National Army agreed to a cease-fire at a meeting in Paris. This lasted until violence erupted in Tripoli in August 2018, which was followed by a U.N.-brokered peace deal in September of that year. However, sporadic fighting continued in September when the Mitiga International Airport was attacked. By January 2019, fighting had erupted once again. Renewed violence and the mobilization of armed groups in the south is also increasing. Tebu and Tuareg tribes, at loggerheads since 2014, are forging an alliance under the Government of National Accord to stop Haftar's Libyan National Army from advancing in the south. In the east, rival militias in Benghazi agreed a temporary cease-fire in January 2019.

2. Resolving the political crisis by renegotiating the Libyan Political Agreement: Major actors on each side still profess to support the peace process, a central aim of which is the formation of a unity government. The Presidential Council should shore up its legitimacy and reconcile with the House of Representatives in the east. The Presential Council, in dialog with political leaders, should make significant changes to the composition of the government, reiterating early 2016 proposals to assign key ministries to easterners, addressing the view that the east is marginalized. The Libyan Political Agreement's external backers can create momentum toward a political solution based on the accord's broad outlines. However, the accord must be renegotiated, beginning with a security track. Once this is done, the new constitution might be adopted, and elections might be held.

3. Unification of external actors: Over the last few years, there has been a disconnect between the actions of external powers, and international aid and development policies. External powers have supported different factions over others for personal gain. This has had a disruptive effect on Libya, hampering the functioning of the central government and fostering territorial and ideological viewpoints. The political activism of Russia, Egypt and the UAE have achieved two conflicting results. On one hand, they contributed to the reinvigoration of negotiations that had stalled but, on the other, they have strengthened Haftar, bolstering his role in the future of Libya. Egypt's influence has increased in relation to Haftar, but this influence has been oriented around Egypt's economic and security priorities. Tunisia and Algeria have attempted to present a united

front. However, this has also been motivated primarily by security concerns. Saudi Arabia and Qatar have attempted to export a development approach based on a rentier economy. Although divided, European actors were able to support the political process that resulted in the Libyan Political Agreement. External actors should restore the conditions for a dialog that places local actors on an equal footing.