Libya

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This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2024. It covers the period from February 1, 2021 to January 31, 2023. 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](https://www.bti-project.org).


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Key Indicators

<table>
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<th>Indicator</th>
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<td>HDI rank of 189</td>
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Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than $3.65 a day at 2017 international prices.

Executive Summary

The situation in Libya during the assessment period was marked by one major development: a switch of loyalty by the House of Representatives (HoR) from the Government of National Unity (GNU) in Tripoli in the west, with Abdul Hamid al-Dbeibeh as the new prime minister, to the Government of National Stability (GNS) in Sirte, located in the east. Additionally, the state was unable to conduct proper elections and, partly connected to this, a renewed flare-up of country-wide violence.

In early 2021, the HoR voted in favor of installing the new interim GNU, which was elected in February 2021 by the Libyan Political Dialogue Forum (LPDF), a U.N. backed political committee installed in 2019 and meant to unite Libya’s warring factions. The GNU’s main purpose was to prepare for simultaneous presidential and parliamentary elections on December 24, 2021. However, after numerous debates about the lack of constitutional and electoral bases, leading to disputes over candidates’ eligibility, the High National Election Commission (HNEC) announced on December 22, 2021 postponement of the elections.

To address the absence of a constitutional and electoral framework, the United Nations Special Mission in Libya (UNSMIL) convened representatives from the HoR and the Presidential Council (PC) to develop legal documents for the forthcoming spring 2022 elections. Meanwhile, the GNU persisted in engaging in irresponsible spending, internal conflicts and dismissing repeated allegations of widespread corruption. In June 2022, the UNSMIL was unable to bridge the divide and establish a foundation for the elections. However, the GNU managed to consolidate the position of its controversial Prime Minister al-Dbeibeh through effective efforts to unify fragmented state institutions – particularly the two parallel central banks – and engage with other stakeholders in the eastern region, such as the Libyan Arab Armed Forces (LAAF). These efforts involved expelling mercenaries and foreign troops from the country, fostering national reconciliation, addressing economic challenges and delivering essential services to Libyan citizens.
This development pushed the other interim government, the GNS headed by Fathi Bashagha, to accelerate its efforts to enter Tripoli and take control of the capital. Al-Dbeibeh created a new security apparatus – Support for the Elections and Constitution – which eventually clashed with armed groups allying themselves with the GNS. Following deadly clashes in August 2022, the GNS failed to enter the capital and has remained in Sirte since.

In July 2022, Libya experienced mass protests across the entire country. In Tobruk, the building that housed the HoR was set ablaze. Protests in the east and west were not connected, except for the fact that young Libyans throughout the country endure the same dire living conditions. However, the organizers of protests in Tripoli, operating under the name Youth Movement 23/08 (or Harak al-Shabaab 23/08 in reference to August 23, 2020, the day of their initial protests and abbreviated as Harak), appeared to coordinate and secure various permissions to protest. The protests were met with intervention from the security apparatus, whose compromised armed groups used violence at multiple locations. Subsequently, Harak could not obtain permits to continue demonstrations on the streets.

Overall, 2022 was a difficult year for civil society and freedom of speech. Additional regulations were imposed on organizations, compounding arbitrary arrests and the kidnapping of activists and journalists.

Economically, Libya’s oil revenues recovered and potentially improved economic conditions in the country. However, without a set date for upcoming elections and without a legislative and electoral foundation in place, political impasse threatens the fragile “peace” currently in place.

History and Characteristics of Transformation

The territory known as Libya is a relatively recent historical product, signaled by the proclamation of the federal monarchy of Libya under King Idris al-Sanusi on December 24, 1951. This development was a result of an “octroyed decolonization” overseen by the United Nations through Resolution 289 of the U.N. General Assembly in November 1947, which mandated the granting of independence to Libya no later than 1952. Prior to this, Libya had not been envisioned as a unified nation. Various instances of nationhood and anti-colonial resistance had emerged since the Italian occupation in 1911, led by local liberation movements in the regions of Cyrenaica, Tripolitania and Fezzan. However, these efforts were undermined by violent military campaigns in the west and the Italian government’s decision to carry out mass deportations of supporters of the Cyrenaica resistance across the desert and intern them in concentration camps.

Independent Libya eventually emerged from a difficult compromise between diverse national aspirations and competing foreign interests. The establishment of the al-Sanusi monarchy, strongly sponsored by the United Kingdom and supported by the United States, heralded a return to precolonial, pre-modern political leadership. The monarchy’s legitimacy depended on traditional sources such as religion and tribes. Meanwhile, political parties and nationalist associations were officially banned. The monarchy, however, faced opposition from most Tripolitania notables and remained contested among Cyrenaica’s urban notables.
After the discovery of Africa’s largest reservoirs of hydrocarbons, primarily in eastern Libya, in 1959, competition over natural resources became another source of tension. In this atmosphere of heightened internal and external tensions, a coup d’état in September 1969 by the Free Officers, led by Colonel Mu‘ammar al-Qadhafi, drastically transformed Libya’s politics, economics and society. The new regime introduced a model based on Nasser’s pan-Arab nationalism, albeit with a closely intertwined interpretation of Islam and Arabism. Qadhafi began accusing any Libyan citizens who did not identify as Arabs of serving as instruments of Western interference and enemies of the Arab and socialist revolution. The Proclamation of Sabha in 1977 marked the emergence of the “society of the masses,” or “Jamahiriya.” Qadhafi’s “permanent revolution” was subsequently pursued through a hierarchical system of “direct democracy.” This system consisted of executive people’s committees that were accountable to people’s congresses at the national, regional and local levels. Additionally, Qadhafi used oil rents to distribute privileges among his support networks, primarily centered in Tripolitania’s rural and desert hinterland, along with the controlling groups in those regions. Opposition groups and territories in Tripolitania, as well as the vast majority of Cyrenaica, experienced marginalization in economic, political and social aspects. Consequently, regional identities, ethnicity and kinship-based affiliations remained influential factors that counterbalanced the regime’s pan-Arab ideology.

In the aftermath of the 2011 uprisings, protests erupted in Benghazi and quickly spread throughout the country following severe repression by state police. In response, citizens and defectors from Qadhafi’s regime joined together in Benghazi to form an opposition front, leading to the creation of the National Transitional Council (NTC) on February 27, 2011. This new opposition heavily relied on armed rebel forces and NATO’s airstrikes to achieve their goals of democratization and “liberation” of the country. For eight months, they engaged in intense battles against Qadhafi’s forces in various regions of the country. On August 28, 2011, the NTC successfully overthrew the former regime and ultimately orchestrated the killing of Qadhafi, thereby marking the beginning of the capital’s military occupation by several prominent anti-Qadhafi militias.

Fighting continued. Escalating tensions between competing political camps in Tripoli led to a renewed civil war after the June 2014 elections. Multi-layered and temporary alliances, formed on the basis of common interests toward specific local conflicts, eventually signed a peace agreement on December 17, 2015 – the Libyan Political Agreement (LPA). The LPA produced an internationally backed interim government whose authority, however, continued to be contested by the factions in the east. This culminated in Khalifa Haftar’s war on Tripoli in 2019 and 2020, a failed military campaign ending with a cease-fire and a U.N.-mediated second political agreement in Geneva in 2021, producing the Government of National Unity (GNU) in Tripoli, with Abdul Hamid al-Dbeibeh as prime minister. However, this led to a new bifurcation of executive authorities after the House of Representatives (HoR) passed a vote of trust favoring the Government of National Stability (GNS) in Sirte, with former Minister of the Interior Fathi Bashagha as prime minister. Thus, the country remains split in two, with two governments and state institutions torn between both sides.
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’s armed factions work largely for their own interests, despite being on the government’s payroll. Their influence and relationship with executive and constitutional bodies vary depending on their location. In the east, the Libyan Arab Armed Forces (LAAF) provided backing and some form of legitimacy to the HoR. At the same time, it continues to consolidate power in terms of decision-making and monopolies over regional economic projects by creating overseeing bodies, such as the Military Investment Authority. The LAAF has a formal chain of command led by General Khalifa Haftar and his companions; however, the armed forces vary in composition. The alliance of forces is strongest among those who are integrated and under direct control. According to some analyses, a significant portion of the forces are parochial and have close ties to their local leaders.

In the west, the GNU decided in July 2022 to create a new security apparatus to protect the constitution and the election. This consists of different armed groups headquartered inside Tripoli and its neighboring towns. These armed groups were rallied to support the GNU in the capital during the contestation for power after the HoR produced a parallel government in Sirte that failed to enter Tripoli or take control.

Cease-fires in Libya can be categorized as local initiatives and as the result of U.N. efforts. Localized cease-fires often occur swiftly, depending on the location and proximity to Tripoli or Benghazi/Tobruk in the east, as armed factions and councils of elders are involved but not the government. The cease-fire between the west and east of Libya is moderated by a 5+5 committee, which has military officers from both sides who are tasked not only with maintaining the cease-fire but also with discussing unification of the armed forces as part of the overall peace process. This process is ongoing.
As a result of Qadhafi’s 42-year promotion of pan-Arabism and Islamism as the basis of Libyan nationalist discourse, most citizens currently hold a fairly strong sense of national identity. According to the most recent World Values Survey (WVS, 2022) of Libya, 82.5% of respondents are “very proud” and 15.4% “quite proud” to be Libyan nationals. Of those surveyed, 80.7% would be willing to “fight for their country” in case another war broke out.

However, the decade of instability and conflict has increased the importance of regional identities, as well as those deriving from ethnicity and kin groups. Libyan transitional authorities have failed to promote an inclusive, polyphonic national imaginary. Political and community leaders based in the east have complained of political and socioeconomic marginalization and repeatedly called for greater regional autonomy. The same can be said of some majority Amazigh areas in the western part of the country, plus Tuareg and Tebu, where residents have also complained of persistent cultural marginalization and lack of constitutional recognition.

Accommodating these divergent expectations has become increasingly challenging for political authorities, resulting in their delegitimization. The 2017 constitutional draft was opposed by eastern and southern groups, as well as some Amazigh activists. A weak form of decentralization based on governorates and municipalities was suggested instead. The 2017 draft constitution named Arabic as the sole official language but called for the protection and promotion of the Amazigh, Tuareg and Tebu languages. However, practical implementation of this policy has been limited to the majority of Amazigh towns in the west of the country.

Citizenship rights are denied to cross-border groups, such as some of the Tuareg and Tebu, who permanently settled in the south of Libya in the 1980s. Nevertheless, Tuareg, Tebu and Amazigh groups are active vocal components of Libyan society. Sociopolitical movements such as the La lī-l-tamīz, Libya taja’mna (No to discrimination, Libya reunites us) movement, founded by young Tuareg activists in the city of Oubari in January 2020, demand their full inclusion. Since 2012, subsequent attempts to bureaucratize citizenship intended to “order” the mechanisms of political participation in the post-Qadhafi era have resulted in further exclusion and subalternization. This is the case with the introduction of the GNC’s “national number.” Since 2013, this has made it impossible for those whose naturalization is pending, constituting many in Tuareg and Tebu communities, to regularize their status and run for office at the local, regional and national levels.

In June 2022, the GNU issued a decree to grant Libyan nationality to children of Libyan women and non-Libyan fathers. A new decree was issued in November 2022 to grant children of Libyan women married to foreigners all the rights enjoyed by Libyan citizens, such as free medical treatment, education at home and abroad, and entry into the country without the need for a visa. Due to the political division and conflicts between political actors, this decree has not yet been implemented.
Libya is governed according to the Interim Constitutional Declaration drafted by the National Transitional Council in 2011. The Libyan legal system is a hybrid of civil laws and Islamic Shariah law, the latter of which influences personal and family status law and parts of the penal code.

All institutions currently operate according to laws issued after 2011 and laws issued during the four decades of Qadhafi’s regime. Among the conflicting group interests currently affecting the GNU in Tripoli and the GNS in Sirte, one can include those advanced by conservative religious and – at times – even fundamentalist groups. Dar al-Ifta, the religious institution responsible for issuing fatwas (legal rulings consistent with Islamic laws) in both the east and west of the country, has repeatedly tried to influence decrees and policies pertaining to political and social issues. Moreover, in Tripolitania, this institution has repeatedly entered into conflict with the Awqaf authority (responsible for Islamic endowments and affairs), which started assuming some of Dar al-Ifta’s tasks, including when it set the date for Eid al-Fitr after Ramadan in 2020.

The Awqaf authority also actively spread religious awareness in schools by launching a program aimed at combating what was defined as an “intellectual and cultural invasion.” Similar to, but in competition with, this initiative, the Dar al-Ifta mobilized to prevent the introduction of civil culture classes as part of the Libyan school curricula.

A number of recent fatwas targeted women in a way detrimental to their freedom and independence. This is especially the case for fatwas, forbidding women from traveling without a male companion (muhram).

In the east, the LAAF contains armed elements of the Madkhali Salafist movement, which have accordingly managed to repress most activities considered non-compliant with their strict interpretation of Islam (this has included obstructing the distribution of books deemed un-Islamic and the organization of events where men and women mix).

In 2020, various Sufis groups were reported to have resumed more open practices of their faith in the western part of the country than in previous years, with Sufi celebrations held in both Tripoli and Zliten. Since early 2021, some Salafist and Islamist groups have nominally aligned with the GNU and sometimes assumed law enforcement functions in the west.

Armed groups loyal to al-Qaeda in the Islamic Maghreb (AQIM) and the Islamic State group continue to operate within the country but no longer control territory.

Nevertheless, no legal provision or public authority protects converts to other religions or atheists and agnostics from threats of violence, dismissal from employment or hostility toward their families and communities.
Since 2014, and again in the aftermath of February 2022, new institutional splits and the – at best – latent civil war have heavily undermined administrative structures and capacities. In many instances, citizens are forced to resort to militias to access essential services, which have increasingly been weaponized in the internal competition for power by several opposing armed and political factions in the country. Statistics from 2020 highlight that access to safely managed sanitation reached only 21.6% of the population (while basic sanitation reached 92.1%), access to basic water was 99.9% and access to electricity 69.7%. However, it is prudent to highlight that water and electricity are weaponized resources that are occasionally cut off or damaged by different groups to pressure the government into negotiations.

Mid-level administrations attempted to keep the country united across sectors, despite high-level administration fragmentation. Law 59 of 2012 on local administration provided for the establishment of 120 municipal councils, which were recently augmented to reach the number of 160 municipalities. While municipalities suffer from a chronic lack of funding, security and a common political vision, it is hoped that they will act as local stabilizers. Therefore, since 2017, they have been considered the most reliable interlocutors for international cooperation programs. However, due to a lack of implementation of the 2012 law on municipalities, the functioning of many bureaucratic duties is often limited to Tripoli or Benghazi. Armed groups’ intimidations, moreover, continue to hinder the proper operation of government institutions.

Moreover, gross public fund mismanagement and increasing cases of corruption have led to further deterioration of education and access to water and electricity, which has consequently impeded the health sector. Schools and hospitals are often targeted. The country’s infrastructure has been negatively impacted by years of civil war.

This situation is similar in the east and west, but differences may result from the strategic location of specific municipalities, the strength of their armed factions and close connections to the government in Tripoli or, in the east, to the LAAF.

2 | Political Participation

Three electoral events have been held in post-2011 Libya: citizens have voted for the General National Congress (GNC, July 2012), the Constituent Assembly (CA, February 2014), and the House of Representatives (HoR, June 25, 2014). The last-mentioned took place in a climate of violence and uncertainty, as even the approval of the new electoral law had been highly contested. Several groups, like the Amazigh Supreme Council, called on their supporters to boycott the elections. Voter turnout was 18% (630,000 persons), compared to 60% at the GNC elections in 2012. The low turnout has compromised the HoR’s legitimacy and ultimately constituted the basis for the country’s institutional split.
After the cease-fire of October 23, 2020, the UNSMIL-sponsored Libyan Political Dialogue Forum (LPDF) established a temporary advisory committee to resolve the deadlock on the selection mechanism for the interim executive authority. The LPDF also designated a legal committee to ensure that constitutional requirements for holding elections were met. On January 19, 2021, 73% of LPDF members voted to approve the proposed selection mechanism for a new three-member Presidency Council (PC) and a prime minister. In March 2021, the HoR passed a vote of confidence for the new GNU, with Abdul Hamid al-Dbeibeh as prime minister, Mohammed Younis Ahmad al-Menfi as chair of the Presidential Council and Musa al-Koni and Abdullah al-Liafi as vice-chairs.

The government was entrusted with implementing the cease-fire and guiding the country to new elections on December 24, 2021. The HoR adopted a law to elect a president on December 24, 2021 and a separate law to elect a new parliament, paving the way for national elections. Yet, the High Council of the State, mandated to approve election laws in recent political agreements, contested the legislation, complaining of a lack of necessary consultation. Meanwhile, the Libyan High National Election Commission (HNEC), in charge of organizing the elections, complained of untenable pressures from potential candidates and the armed groups affiliated with them. This raised concerns about the neutrality of the body. In fact, the list of over 90 candidates running for the presidency – including two women – included controversial names such as Saif al-Islam Qadhafi, son of Mu'ammar Qadhafi and a wanted war criminal, General Khalifa Haftar, head of the LAAF, who has been implicated in war crimes, the speaker of the HoR, Aguila Saleh and even current Prime Minister al-Dbeibeh, whose candidacy contravened LPDF requirements explicitly forbidding GNU members from participating in the 2021 elections. This engendered criticism among the Libyan public and set the ground for another very contested round of elections.

Only two days before the expected date, al-Dbeibeh suspended the elections, initially extending the GNU’s mandate until June 2022. This led to yet another political crisis in the country, with the HoR passing a vote of confidence for a new government of national stability (GNS) under the leadership of former Minister of the Interior Fathi Bashagha in early February 2022. Bashagha’s government obtained allegiance from the Haftar-led LAAF, but al-Dbaibeh refused to give up power and repeatedly prevented Bashagha from entering the capital. As a result, the GNS established its headquarters in Sirte, while the GNU continued to operate in Tripoli, leveraging the uninterrupted recognition of the United Nations.

On a positive note, elections for local authorities resumed with the launch of the LPDF. Eight municipal council elections were conducted by the Central Committee for Municipal Council Elections (CCMCE) in and around Tripoli in December 2020, as well as in three municipalities of the Wahat eastern district in January 2021, under the auspices of the Benghazi-based Central Committee for Municipal Elections. In
June 2022, the Central Committee for Local Elections announced that it had started the electoral process for municipal council elections for 12 municipalities in the eastern, southern and western regions of the country. The results of these announced municipal elections have yet to appear.

The GNU is not democratically elected; it exists as a result of a U.N.-mediated process and derives its legitimacy from international backing. Its control over power is limited and volatile, depending highly on whether it can secure alliances with armed groups that protect its interests and presence in the capital. These armed groups indirectly influence political and peace processes by changing the political landscape through military campaigns and parallel political alliances.

The eastern GNS, appointed by the HoR in Tobruk, has little political power and serves mostly as an administrative structure. GNS and HoR positions are both supported by the LAAF, which has de facto usurped power through years of military campaigns and with the support of international and regional actors.

The right to association is guaranteed by Article 22 of the International Covenant on Civil and Political Rights (ICCPR), which Libya ratified in 1989. Civil society institutions can form and are guaranteed by Article 14 of the Interim Constitutional Declaration of 2011.

However, in 2019, the former Presidential Council of the Government of National Accord (GNA) passed Presidential Decree 256, regulating the status of NGOs in the country. This measure was added to Presidential Council Decree 1605/2018 establishing the Commission for Civil Society (CCS), which was entrusted with registering and approving civic organizations and their activities. Based in Tripoli, yet with a twin branch in Benghazi created due to the war of 2019, the CCS comprises a board of directors consisting of a president, a vice president and three members appointed by the Council of Ministers. The board appoints the commission’s executive director. This casts doubt on the independence of the commission, which has the power to inspect documents, control funding, and cancel the registration and work permits of domestic and foreign organizations.

Presidential Council Decree 286 aggravated the situation by introducing extremely hard-to-meet registration requirements and imposing stringent regulations on funding, such as the prohibition of fundraising events inside and outside Libya. NGO members wanting to participate in events must notify the CCS in advance, which means that the government can arbitrarily deny the right to assembly and protest. The civic space is increasingly under pressure and subject to intrusive monitoring practices. Activities can be targeted or interrupted by armed groups operating with complete impunity. Many civil society activists were arrested or kidnapped by armed groups for their activism, especially their work on human rights issues.
Since the failure to hold elections in December 2021, systematic repressive practices have fundamentally hampered citizens’ rights to demonstration, peaceful assembly and freedom of expression. Since 2020, the successive authorities and governments in eastern and western Libya and their affiliated armed groups have supervised kidnapping campaigns and arbitrary arrests of dozens of demonstrators in various parts of Libya, not excluding vulnerable groups, including women and migrants. The Libyan Penal Code provides severe punishments, including the death penalty, for persons found responsible for establishing “unlawful” associations. It also prohibits Libyans from joining or establishing international organizations without government permission.

While the freedom of expression in Libya is protected under the Interim Constitutional Declaration, a number of laws restrict freedom of speech and expression by introducing criminal penalties for defamation of officials, the Libyan nation, and flag and for insulting religion. The penal code stipulates the death penalty for “promoting theories or principles” that aim to overthrow the political, social or economic system.

Journalists and reporters work under duress and are targeted, kidnapped and arrested regularly. Most Libyan media outlets operate from abroad. Many are polarized and used as propaganda tools. The GNA issued a law countering cyberterrorism, which designates that armed groups should target and arrest citizens voicing dissent. The HoR also issued a cyber law that limits such freedoms further, namely, by introducing severe punishments that violate freedom of speech, including fines and imprisonment.

A number of journalists, correspondents and activists on social media were arrested in various cities, especially during the Harak demonstrations organized by activists across the country to support the election that was supposed to take place on December 24, 2021. Only in September 2021, after three years of detention, was freelance journalist Ismail Abuzreiba al-Zway released. He had been arbitrarily arrested and sentenced to 15 years in prison by a military court in Benghazi that held a secret trial about his work with a private Libyan television network, al-Nabaa, which Haftar’s LAAF accused of supporting terrorism.

The experience of Mansour Aati is another exemplary case. An activist on social media and director of the Red Crescent organization in Ajdabiya, Mansour was arrested and put in jail for 10 months by militiaman Tarek ben Zyad, linked to Saddam Haftar, the son of Khalifa Haftar. Aati was the producer of a TV series, Shat al-Hurriya, released during Ramadan in 2021, which criticized the corruption of the governments in Libya and the poor economic conditions in the country. He was released only in April 2022.

Local TV journalist Mabrouka al-Mismari was attacked by a group of assailants in February 2022 while reporting on the administration supporting the elections in the city of Benghazi.
3 | Rule of Law

All attempts to draft and vote on a new constitution have failed. Libya’s separation of powers lacks legal clarity. The Supreme Judicial Council organizes judicial affairs according to Law 4 of 2011, but the exact setup and responsibilities of the judiciary will remain unclear until a proper constitution has been enacted. Moreover, since political decision-makers have used militias to enhance their negotiation power, legal judgments hardly make any difference.

Moreover, the judiciary has been pulled into the political conflict between the GNU and HoR by interfering directly in the work of the Supreme Court, whose Constitutional Circuit Court was suspended in 2016 but reactivated in August 2022. In September 2022, the HoR’s decision to appoint a new chief to the Supreme Court created tension and was appealed. This turn of events not only threatened the unity of one of the few remaining government institutions but further jeopardized the separation of powers in the country.

Public prosecution somehow functions in the west of the country. Yet, the public prosecutor’s ability to bring cases against ministers and officials is sometimes disturbed.

The Libyan judiciary comprises various bodies with distinct functions, including the judicial body inspection department, courts, the public prosecution office, the litigation department, the public legal defense department and the law department. The formal guarantee of judicial independence dates back to the Interim Constitutional Declaration of 2011. However, since the separation of governing institutions in 2014 and due to the ever-changing security situation, the judiciary has struggled to function effectively and faces increasing threats. Prolonged conflict and political divisions have eroded the independence of domestic courts, leading citizens to often seek informal conflict resolution methods.

The Libyan court system includes a Supreme Court, appellate courts that handle appeals from the courts of first instance and first instance courts, which have jurisdiction over matters outside the purview of summary courts. Summary courts, at the lowest level, handle cases involving small disputes and minor misdemeanors.

Justices for the Supreme Court are appointed by the legislative body, while the executive government appoints the public prosecutor. Judges for different courts are nominated and appointed by the Judicial Body Inspection Department. The processes for judge training and promotion remain somewhat unclear, although independent organizations like the Higher Judicial Institute provide training and capacity-building for judges in North Africa.
The functioning of both civil and criminal courts has been hindered by pressure from armed militias, resulting in serious violations of due process. Civilian and military courts operate at reduced capacity, with judges and prosecutors in some regions facing harassment, threats, assaults, abductions and even murder. Prison authorities often have nominal control. Long-term pre-charge detentions and arbitrary detentions, particularly for migrants, are common. Prisons and detention facilities are overcrowded, with inhumane conditions, ill-treatment and a lack of specialized services for women with children. Court cases and procedures are frequently mishandled. While convicts have the right to representation and appeal, these are often ignored when individuals are detained by armed groups or held in prisons controlled by armed factions affiliated with the government.

Corruption in Libya is endemic. There are no effective mechanisms to monitor political figures and their connections to different armed groups. In 2021, a report by a U.N. panel of experts claimed that embezzlement of funds had reached unprecedented levels, especially since the appointment of Abdul Hamid al-Dbaibeh as the GNU’s prime minister. He personally and his cabinet were accused of consolidating public funds for private use, among other crimes. Al-Dbaibeh is suspected of involvement in illegal million-dollar businesses, having forged his degree from a Canadian university and bought votes for his election as prime minister with up to $500,000. The National Anti-Corruption Commission (NACC) singled out several GNU ministers and aides from various ministries for involvement in corrupt practices. Some of these cases reached the Prosecutor’s Office, and arrest warrants were issued in December 2021 and January 2022. In early January 2022, Minister of Culture Mabrouka Touki was arrested for allegedly fake renovation contracts but conditionally released after a week and not fired. Education Minister Moussa al-Megarief was arrested for suspicious schoolbook purchases. Health Minister Ali Zanati was accused of alleged embezzlement in connection with medical oxygen concentrators and COVID-19 vaccines. A court cleared him in December 2022.

Thus, while some actions were taken, corrupt officials mostly remained untouched. Observers speak of Libya’s “most corrupt government” ever. In January 2023, the NACC’s building was reportedly attacked by unknown individuals attempting to seize the files of corrupt officials. This incident highlights the dangers of reporting and collecting such information. There is no independent media in Libya. Most outlets report from abroad. But there is a TV program that specifically tackles public sector corruption.
Civil rights and equality before the law are guaranteed by the second chapter of Libya’s Interim Constitutional Declaration of 2011. These rights have been violated and undermined at both the individual and collective levels, in legislation and in practice, since 2014. Violence has resulted in serious restrictions on individual freedoms and the rights to education and health care, the right to own property, and the right to work and enjoy a reasonable standard of living. The civil war has caused mass displacement across the country, resulting in a high loss of civilian life.

The transitional governments have issued several decrees that limit the rights of individuals under the guise of counter-terrorism, such as a decree issued by the GNA in 2019 and the cybercrime law ratified by the HoR in 2021. They both enable authorities to make arrests and criminalize encryption tools. Activists, journalists and bloggers are increasingly targeted online and face harassment, detention and physical violence.

Libya’s penal code punishes same-sex relations with up to five years in prison. LGBTQ+ people face severe discrimination and harassment and have been targeted by militant groups. In 2022 and early 2023, there were numerous documented arrests of people accused of being “homosexual” and “promoting atheism.” Their arrests were made public on security forces’ social media pages, and they remain held in non-state-regulated detention centers. A converted Christian was sentenced to death in Misrata Court for alleged apostasy in September 2022.

Discrimination based on gender occurs daily in both public and private space; women live under restrictive patriarchal norms that translate into different forms of discrimination. They are not treated equally under the law and face practical restrictions on their ability to participate in the workforce. Widows and displaced women are vulnerable to economic deprivation and other abuses. Recently, the Internal Security of the GNU began restricting women’s movement by asking solo female travelers to fill out forms regarding where they are traveling. In some cases, women have been prevented from traveling without a male companion.

The situation is especially dire for migrants and refugees, who continue to be subjected to severe mistreatment by both state and non-state actors. Libya is riddled with human trafficking networks that operate regionally and internationally. If migrants and refugees are found and arrested, they are detained in facilities controlled by armed groups where severe human rights violations and crimes against humanity have been documented. There are no mechanisms or institutions in the country to address these violations.
4 | Stability of Democratic Institutions

In certain localities, the only democratically elected institutions in Libya are the municipalities. However, their work has been restricted due to a defective local governance law (Law 59 of 2012), the negative impact of years of war, persistent tensions and the effects of the country’s economic recession in 2020 during COVID-19. The Amazigh Supreme Council, which represents part of the Amazigh population of Zuwara and the Nafousa mountains, is designated through elections. Yet, this body lacks official recognition from internationally recognized state authorities.

All other institutions, whether in the east or west, are not elected and perform some administrative functions that do not reach the whole country. Since February 2022, the legitimacy of the GNU, albeit recognized by the international community, is not only contested by some citizens but actively rivaled by the existence of the GNS, which received a vote of confidence from the expired legislative body, that is, the HoR. All these political configurations undermine each other, while, at least legally, they are considered interim institutions, according to an U.N.-backed agreement, until general elections are held.

Public administration in Libya has been weakened by the nature of the authoritarian system that Qadhafi established. Since 2011, they have faced a myriad of challenges and require strong mandates and protection from prosecution and threats to function. There is great potential in certain institutions and municipalities, but a clear legal system and improved infrastructure are needed.

The government of Libya has two branches, an executive, comprising the GNU and headed by the Presidential Council, and the High Council of State (HCS) with consultative functions. These bodies were created as part of the political peace agreements of 2016 and 2020. However, UNSMIL chose the Libyan Political Dialogue Forum (LPDF), which has caused significant criticism. On January 21, 2021, formerly GNA-affiliated militias constituting the Tripoli Protection Force issued a statement officially rejecting the results of the LPDF process. One week later, the heads of several Amazigh municipalities from Zuwara and the Nafusa Mountains, along with the leaders of the Amazigh Supreme Council, declared their total rejection of the LPDF project for designating new executive authorities and announced their decision to boycott any future constitutional referendum. They declared that they would draft their own constitution instead and announced the birth of an autonomous region uniting the territories inhabited by a majority Amazigh population.

Notwithstanding these tensions, the GNU and the HCS entered power after the HoR passed a vote of confidence supporting the new government in March 2021. Although it was elected with a low turnout and amid documented irregularities in 2014, the HoR is still the country’s legislative branch. Since February 2022, the HoR no longer acknowledges the PC or the GNU as legitimate and instead recognizes the new

Performance of democratic institutions

Commitment to democratic institutions
interim GNS. Yet, it maintains some relations with the HCS. Since all these institutions have exceeded their mandate without delivering the expected results, most Libyan citizens consider them illegitimate and corrupt. For these reasons, they hold power in limited capacities that depend on their ability to retain exchangeable loyalties with armed groups that protect their presence.

Municipal councils represent a rare exception. They remained the only elected authorities whose legitimacy has not been questioned and who have continued to provide some essential services. The elected municipalities are considered legitimate and are accepted by their respective populations and the executive government.

5 | Political and Social Integration

The abrogation of Qadhafi’s prior ban on political parties with Law 29 in January 2012 led to the formation of 100 parties (at least on paper) within a few months. However, prohibiting parties that do not conform to Shariah law were still prohibited. A decade later, political parties still have either weak or nonexistent social reaches. Since the separation of power in 2014, some political parties have become polarized while others have ceased functioning. Parties’ ability to function and mobilize has been severely limited by the security situation and civil war; they are also targeted if their political positions conflict with those of those in power.

Currently dominating the political scene are the National Front, Taghyeer, Libya Development and National Action, Construction and Justice (the Muslim Brotherhood), Ya Belady (Oh My Country), the Technocrat Party and the National Force Alliance. In September 2022, these parties formed a communication network to communicate their perspectives on the upcoming elections and what is needed to end the delays. The funding of political parties is neither transparent nor clear in the law itself. Many have private donors and mobilize on a small scale within their communities (mostly in collaboration with civil society organizations).

Fathi Ben Khalifa – former president of the World Amazigh Congress – founded the Libu Party in 2017, also known as the Libya The Nation Party. Besides its headquarters in Zwarra, Libu also has branches in Tripoli and Ubari. Its declared aims are the establishment of a secular and democratic Libyan state, the affirmation of the Amazigh Libyan identity in contrast to Arabism, and recognition of Tamazight as an official language in Libya.

In the east, specifically in Benghazi, the Civil Democratic Party was formed in 2018. It aims to build a civic democratic Libyan state. Currently working mainly on the local level, the party plans to participate in the anticipated upcoming elections.
With a completely different agenda, some homonymous Qadhafi loyalist militia members founded the Popular Front for the Liberation of Libya (PFLL) on December 26, 2016. The party aims to bring Libya out of the control of what its members call “terrorist organizations,” while reframing the 2011 uprising as the result of an international conspiracy against Libya. In March 2018, Qadhafi’s son, Saif al-Islam, announced his intention to run in the upcoming general elections as a part of the PFLL.

The 2020 PolDiMed survey by the Konrad Adenauer Foundation indicated that only 22% of Libyan interviewees trusted political parties. This data contrasts Libyans’ recorded trust in CSOs (60%) and local mosques (77%).

Social groups in Libya have a wide range of interests, each with different relationships to the state, their communities and among themselves. Converging or overlapping interests depend on developments in the conflict and are therefore very fluid. Experiencing a boost after 2011, increased state repression recently caused a decline in the number of organizations. Moreover, armed groups with varying political, social and geographic affiliations have attacked civil society activists with impunity. This has led many NGO workers to flee the country or cease activism to protect themselves and their families.

In 2021 and 2022, the GNU proposed new freedom of association regulations that would require existing NGOs to re-register with the government, providing the government with the necessary tools to prevent NGOs from opening bank accounts, while obliging existing ones to require permission before accepting donations and communicating with international partners, including U.N. institutions. In response to these plans, 16 Libyan organizations and four public figures drafted and presented an alternative law to guarantee NGOs’ independence and operational freedom in October 2021.

Libyans from specific communities, such as those accused of being pro-Qadhafi, including natives of Tawergha, have faced discrimination, violence and displacement. Politically, those aligned with the Qadhafi regime have cooperated with the government and reintegrated into many of its institutions. This is the case, for instance, for the internal security and previous intelligence departments working closely with armed groups such as the Stability Force.

Women’s rights groups are divided into those with direct relationships with the state, due to shared interests and ideologies, and those who struggle to make their claims heard. The Amazigh, Tuareg and Tebu, which have political bodies to represent them, have a precarious relationship with government authorities. Nevertheless, they cooperate well together and have created opportunities for coordination. Other interest groups include the internally displaced, tribal leaders’ councils and various political blocks, which have been occasionally represented in institutional discussions, depending on the issue at hand.
The government does not provide stable mechanisms to include these different groups’ perspectives, including those of trade unions, whose collective bargaining activities are limited due to a lack of basic security and a functioning legal system. Cooperation between some interest groups is largely coordinated by CSO programs and projects for advocacy and networking purposes. There are many networks in Libya. However, they all lack the needed support to continue and are constantly undermined due to the volatile security situation in the country.

Libyans are torn between democratic ideals and their daily realities. The Arabbarometer (2021 – 2022) highlights this by indicating that six out of 10 Libyans say they “strongly agree” or “agree” with the statement that democracies are indecisive and full of problems. Similar views prevailed when it came to democracy’s effectiveness in maintaining stability. While these limitations are acknowledged, 69% still hold the opinion that democracy “is better than another system.”

These opinions are influenced by Libyans’ experiences with consecutive transitional governments that have waged war in the name of stability and democracy. Therefore, an increasing proportion of the population – especially the elderly – believe that the type of system does not matter so long as the government is able to guarantee economic prosperity, political stability and order. This is also evidenced by low opinions of trust in the main legislative body (15%), a lack of trust that is more prominent in the west of the country than in the east. According to the 2022 World Values Survey, 66.9% of respondents suggested that “all” or “most” of state authorities were corrupt, and 69.9% would “never contact” a government official; 37.4% of Libyans don’t trust the government “very much” and another 30.0% “not at all,” while 22.0% and 65.0%, respectively, expressed equivalently low trust in political parties. Nevertheless, 87.6% indicated in this survey that they found a democratic political system very or fairly good.

The latest opinion data survey launched by Diwan showed firm favor for GNU Prime Minister Abdul Hamid al-Dbaibeh over GNS leader, Fathi Bashagha. While 40% trust in the former’s government, 52% said that Bashagha’s government will not be able to unite the country and bring stability.

Trust among Libyans has been negatively impacted by years of civil war, which has damaged the social fabric between regions and cities/towns. Libya’s population is divided by geographical location, ideological leanings, political representation, militia representation, strategic alliances (local, regional, and international), and funding sources. In the 2022 World Values Survey (WVS) on Libya, 89.2% of respondents stated, “that you need to be very careful in dealing with people.” Thus, while civil society groups exist, with some even engaged in attempts to bridge this fragmentation, rebuilding trust between individuals and communities remains a major challenge.
Trust between citizens and the state is especially weak. For young people, it is nonexistent, according to the latest studies and surveys. Intra-community dynamics are different. Certain cities and towns in Libya, regardless of their location, rely on tight-knit connections based on both kinship and familial relations. Yet, this also depends on how the conflict has pushed specific cities and towns into a protective mode, in which case trust and solidarity become a matter of survival. Civic organizations and participation remain primarily voluntary. There are civic networks and some form of solidarity. But, due to a donor culture and attacks on civic space, competition among organizations and associations is prevalent.

In the 2022 WVS Libya report, 91.6% of respondents indicated they would not like to have someone “of a different race” as their neighbor, while only 23.2% mentioned “immigrants/foreign workers” as unwanted neighbors and 20.0% expressed negative opinions about “people of a different religion.”

II. Economic Transformation

6 | Level of Socioeconomic Development

Despite having the largest oil reserves on the continent, Libya suffers from a weakly diversified economy. Oil revenues represent an average of 90% of total revenues. The country’s exports have depended on this essential resource since its discovery. This poses a challenge because oil facilities are under attack and used by different armed groups to leverage negotiations with the government. Oil income could be used for economic development. However, it is instead used to fuel more wars or embezzled by the responsible authorities.

According to a 2022 U.N. study, mismanagement of public revenues has led approximately four million Libyans, or almost two-thirds of the total estimated population, to be exposed to water poverty. The war has also created a humanitarian crisis, with thousands of internally displaced persons struggling to rise above the poverty line.

The informal market and other illicit economic activities have flourished. Over the years, this has created inequalities or further entrenched them. People in the south generally live under worse economic conditions, especially women and young people from working-class backgrounds, than Libyans in other regions. Much of the country’s work, education and opportunities are concentrated in a few urban cities on the coast, primarily in Tripoli.

Due to Libya’s socialist system and drastic economic changes in the 1980s and 1990s, wealth inequality existed between those who were ruling the country under Qadhafi and the rest of the population. The war economy has since created different groups of wealthy individuals and compounded the disparities among those who have either suffered due to the conflict or have not benefited from it.
In the UNDP’s 2021 Human Development Index, Libya ranked 104th with a score of 0.718, indicating a notable improvement compared to previous years. The Gender Inequality Index highlights persistent discrimination against women in Libya, with a low score of 0.259. Since 2020, the country has experienced several waves of the COVID-19 pandemic, creating various challenges for the population. These include heightened food insecurity, exacerbated by the Russia-Ukraine war, and subsequent shortages and price hikes for essential domestic food items.

<table>
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<th>Economic indicators</th>
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<tr>
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<td>Public health spending (% of GDP)</td>
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<td>R&amp;D expenditure (% of GDP)</td>
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<tr>
<td>Military expenditure (% of GDP)</td>
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<td>-</td>
<td>-</td>
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Sources (as of December 2023): 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

Libya’s public sector employs over half of the working-age population, resulting in significant oil revenues being allocated to public wages. The private sector in Libya has experienced gradual growth, although it remains largely underdeveloped. It comprises a small number of formal private and foreign companies, as well as a significant number of primarily informal small and micro enterprises. The private sector lacks governance from the government, exhibiting corruption and a dearth of policy development. Furthermore, in a sizable (yet difficult to estimate) informal sector, affluent warlords and profiteers hinder any potential competition for their enterprises.

Investment Law No. 9 of 2010 and its executive regulation established that, similarly to Libyan investors, foreign investors have the right to enter the Libyan market and invest in it as either individuals or companies, in all forms of companies regulated by the Commercial Law (Law 23 of 2010). However, foreigners are not allowed to own properties in the country. Post-2011 governments have made attempts to encourage investment by foreign companies, but the unstable political and security conditions have primarily deterred foreign direct investment inflows. Until the October 2020 cease-fire, armed confrontations included attacks on significant foreign investments.

The country’s split in 2014 also provoked increasing tensions and divisions between critical financial and economic institutions. These conditions, combined with corruption and mismanagement, have not been resolved and strongly disincentivize private investments. On October 13, 2022, the Libyan Ministry of Economy and Commerce enacted Decree 944/2022 on the Participation of Foreigners, increasing foreign companies’ participation to 75% or more. Restrictions on ownership may occur arbitrarily.

Libya’s currency has been devalued due to the ever-growing illicit market, which prompted the dual central banks to implement a devalued exchange rate across the country.

Libya is a member of the Common Market for Eastern and Southern Africa (COMESA), a regional protocol in Africa – a legal framework – that aims to promote the regional convergence of competition. COMESA is a member of the International Competition Network (ICN), but Libya is not. However, the country is a signatory to and has ratified international conventions related to industrial activities. In 2010, Libya introduced a trademark law. Its Commercial Code provides for the establishment of a Competition Council at the Ministry of Economy – although it has not yet been established.

While there are antitrust rules in commercial practice, no laws or decrees have been established. Law 23 of 2010, which organizes all commercial activities, contains articles regarding competition, but no additional policies have been developed.
According to the International Law Office, the Libyan Trademarks Office (LTMO) has sporadically resumed operations since June 2013. This may indicate that the 2010 law is still in effect, but how and whether the law is implemented has yet to be determined, as Libya continues to score low on transparency.

According to a 2020 report by the U.N. panel of experts on Libya, a supply monopoly has been established among fuel distribution companies that could jeopardize the stability of Libya’s fuel distribution system. Additionally, smuggling of refined petroleum products continues, although at a reduced level compared to previous years.

Libya’s economy relies heavily on oil revenues. Oil is its primary export. As a result, the country imports a wide variety of commodities from regional and international markets. According to World Bank data, 70% of Libya’s goods are exported to just six countries. Similarly, imports are dependent on a limited number of markets, with 56% of products coming from six countries. These imports mainly consist of food, consumer goods and industrial technology.

Some liberalization occurred with changes to laws from 2006 to 2010. As a result of the 2011 revolution, trade freedom levels were high in Libya due to the abolition of tariffs on imported goods in 2005. Instead, the country instituted a 4% “port services tax” on handling containers.

Trade continues to be largely state-controlled and numerous state interferences persist. Applied tariffs in Libya are not high, but updated data and information on all tariffs and restrictions are lacking. No non-tariff trade barriers currently exist, except for a service fee of 5% on the value of most imports. There are various exemptions to this service fee, specifically under the Investment Law and within the oil sector. Other dues and taxes on importation are estimated at 0.5%.

The years of conflict have greatly tarnished Libya’s banking system. The country’s split has undermined monetary and fiscal policies – the two central banks issue money without coordination. Libya’s monetary system is underdeveloped but has made some progress in the past few years, especially regarding electronic monetary systems in various financial services. According to a World Bank study published in February 2020, Libya’s banking system consists of a central bank (BCL) with two branches, 19 commercial banks and four specialized banks – the Agricultural Bank, Savings and Real Estate Investment Bank, Development Bank and RIFI Bank. These banks hold 90% of the deposits and loans in the entire banking system.

The BCL also functions as a commercial bank that issues letters of credit and commits to specific state enterprises. The accumulation of the BCL’s prerogatives is considered problematic. Banks have no credit ratings, bankers are not required to exercise due diligence and transparency mechanisms are not properly applied.
The banking system appears to be making progress in capitalization. But it remains uncertain whether the numbers are accurate due to the absence of an audit. Upon examining the BCL’s banking supervision updates, it becomes clear that they assess themselves as performing poorly or very weakly when it comes to implementing an operational framework for the application of Basel 2 standards for capital adequacy, as well as adhering to international accounting and audit standards in order to achieve financial transparency and disclosure.

8 | Monetary and fiscal stability

The CBL’s “monetary policy committee” is responsible for developing a general framework for Libya’s monetary policy. The complex crises that Libya endured made the CBL work hard to ensure financial stability and maintain the financial sustainability of the state.

The split resulted in two central banks – the main bank remained as the CBL in Tripoli, under the control of the U.N.-supported GNA government. The rival central bank in Bayda, eastern Libya, is under the control of the eastern government. The split has stymied control over monetary and fiscal policy and performance of full bank supervision because both central banks print money and issue currency without coordinating and in the absence of overarching fiscal policy controls. The CBL in Tripoli remained dominant because it was the only bank authorized to receive oil revenue payments, as well as because of its policy of paying the government payroll and other expenses in the eastern part of the country.

Some progress has been made since 2021, namely unifying the exchange rates and merging divided institutions. The central bank’s exchange rate policy controls the official rate. Nevertheless, the division of the central bank into two branches operating in Tripolitania and Cyrenaica and protracted conflicts have favored a flourishing illicit market with a non-official exchange rate. Although the latest country data released by the International Monetary Fund (IMF) refers to 2013, inflation has likely continued to rise and reportedly reached 5.7% in spring 2022. This number decreased in the fall of the same year and is expected to fall a little more in early 2023.

There is no data available regarding Libya’s public debt since 2020. The split of Libya’s financial institutions in 2014 has hindered the eastern and western authorities’ ability to ensure fiscal stability. The April 2019 war worsened this already dire situation. The blockade of oil facilities in January 2020 threatened hydrocarbon revenues, which are Libya’s primary source of income. However, the creation of the GNU and improved coordination between the two central banks, in addition to increased oil exports, enabled Libya’s budget to show a surplus, as reported since 2021. In 2019, the current account balance was $4.1 billion, and the total available reserves were $79.0 billion. Furthermore, between 2020 and 2021, government consumption decreased from 56.9% to 22.8% of the country’s GDP.
9 | Private Property

Private property is not protected. The 2011 constitutional declaration states that property rights are inviolable and recognizes the right of property owners to dispose of their property without interference. This should render Law 4 of 1978 – allowing tenants to occupy the house they lived in – and Law 142 of 1970 – establishing that all unregistered or unused land belongs to the state – inapplicable.

Nevertheless, land and real estate property rights remain a problematic issue. Property violations in Libya continue today through the appropriation of properties belonging to former regime members or to other displaced people who fled because of the civil war. Indeed, no laws or policies regarding property rights have been developed or enacted since 2011. The conflicted legacy of property rights means that there are still pending court cases concerning disputed properties or lands confiscated by the state over three decades ago. In addition, there are court cases that emerged as a result of displacement situations caused by the civil war.

Private and public properties used for commercial purposes have also been damaged during the decade-long conflict and continue to suffer from neglect by consecutive administrations.

The private sector in Libya is largely unregulated. While the formation of companies and other forms of economic activity are permitted, the bureaucracy involved with establishing a business and accessibility to such processes remain limited. Political instability in the country has affected all sectors, including the private sector. Businesses in Libya suffered especially from material damage, site closure, reduced revenues, higher input costs, supply disruptions and the loss of employees, both domestic (due to displacement) and foreign. The financial infrastructure also poses an obstacle to accessing financial services. In the Libyan war economy, businesses can be captured or put out of business by elites and armed groups that dominate in different sectors. According to a recent study by the World Bank, which examined the private sector amid conflict, large amounts of wealth are generated through distortions in foreign currency, price subsidies for fuel and other essential products, smuggling and weak controls over the disbursement of public funds.
10 | Welfare Regime

Libya has extensive social protection programs established by Social Security Law 13 of 1980, which received additional recognition through the interim constitutional declaration of 2011.

Life expectancy at birth is 73 years.

According to a 2022 study by the International Policy Centre for Inclusive Growth, there have been 23 social assistance programs provided by various entities and of various sizes. Of these 23 programs, 12 are currently active, seven are inactive, three are partially active, and one has an unknown status.

The active programs include universally paid subsidies (for fuel, electricity, water, medication and sewage) and specifically target certain population groups. These groups include those receiving basic pensions services, disaster compensation, social assistance for persons in need (particularly around Ramadan and Eid al-Adha), health assistance for unaccompanied children, health grants for vulnerable persons (including IDPs), grants for children and wives/unmarried women without income and support for families of war victims (particularly martyrs, missing persons and amputees).

These programs are either organized or delivered by the Social Solidarity Fund. The Ministry of Social Affairs is the leading implementer of state-led social assistance to support vulnerable people. While obtaining more detailed information about these programs is difficult, it is evident that the largest share of the social protection budget goes toward universal subsidies rather than toward assisting the most vulnerable.

Nevertheless, since shortages in food, fuel, water, electricity and cash are frequent, especially in conflict areas, access to even the most basic services has become contingent upon political and ideological divisions, as well as the use of force and geographic location.

Since no structural crisis response is in place, most individuals who have been displaced due to the conflict have to rely on their families, kin groups or local communities as social safety nets. Poverty and disparity are increasing, with Statista data from 2021 noting that 306,000 people were living in extreme poverty. More comprehensive studies about the forms and prevalence of poverty are unfortunately lacking, but it is safe to say that unemployment, which is estimated to be as high as 20% and impacts mostly young people, individuals with physical disabilities and internally displaced persons (IDPs) is a key driver of poverty.

Libyans have close relationships with their families – elders are often looked after by their own families. However, for those who do not have familial support, care homes exist in the cities.
Libya’s Labor Code is built upon the principle of equal opportunity. According to Article 2, one of the fundamental principles of the code is the promotion of equality between men and women. Furthermore, Article 3 emphasizes that employment should be determined solely by competence and merit, without any form of discrimination. In addition, Article 21 explicitly prohibits gender-based discrimination in terms of pay for equivalent positions. The code also safeguards women’s rights by providing them with paid maternity leave, breastfeeding breaks and access to a nursery, among other entitlements.

While there is parity in the male-to-female enrollment ratio at the primary level of education, the World Bank’s 2018 Development Indicators suggest that girls were disadvantaged relative to boys at both the secondary and tertiary levels (with the respective ratios being 1.2 and 1.1). Education is compulsory and free. According to 2014 World Bank data, the overall literacy rate was 89.9%, with men having a higher literacy rate (96.1%) than women (83.7%). This illustrates a persistent gender gap in education, despite education being provided to everyone under Qadhafi. Despite the high levels of female education, women make up only about 36% of the labor force in Libya.

Moreover, even if there is no current data on female employment in private and public institutions, it is possible to affirm that the number of women holding managerial or other leading positions is low. A widespread hostile environment toward women’s presence in public spaces, as well as prevailing cultural attitudes, such as chauvinism and a lack of trust in female competence, make it difficult for women to lead or participate in decision-making processes. Women in such positions often note how challenging it is to assign tasks to their male subordinates, feeling excluded from important decision-making processes and perceiving management’s bias toward men in disputes.

Members of the Tuareg and Tebu ethnic groups are denied citizenship rights. They are also denied access to education, work and political participation. This situation is beginning to change with recent decrees, including Decree No. 322, which established a Central Committee responsible for reviewing applications for Libyan citizenship and confirming Libyan ancestry. The decree outlines specific categories for stateless individuals from minorities with temporary records and administration numbers. However, the implementation of these changes is hindered by various factors, such as bureaucracy, racism and a lengthy history of discrimination.
11 | Economic Performance

Core economic data, when available, has been extremely volatile due to the political impasse, instability and divisions that have harmed the economy. Real GDP growth, for instance, oscillated from -11.2% in 2019, -29.5% in 2020, +28.3% in 2021 to -12.8% in 2022, as recorded by the IMF. GDP per capita, meanwhile, grew by 29.8% in 2021 after sharp declines in 2020 (-24.9%) and 2019 (-12.4%). In U.S. dollars at current prices (PPP), absolute GDP per capita was $24,131 (2021), $17,851 (2020) and $23,487 (2019). Total GDP (in current U.S. dollars) reached $42.8 billion in 2021, $50.4 billion in 2020 and $69.3 billion in 2019. The current account balance was -$4.8 billion in the COVID-19 year, 2020, after a surplus of $4.8 billion in 2019 and $11.3 billion in 2018. Gross capital formation was 14.2% of GDP in 2019, while foreign direct investments have remained at 0% of GDP since 2014.

The initiative launched in December 2021 to reconcile the monetary policy of the central bank with its eastern branch did not improve the situation, and conflict between the central bank and its branch persists. The Libyan dinar was significantly devalued to bring the official and parallel market rates into compliance, but prolonged conflict still affects the banking system’s operating environment. The fiscal balance recorded a surplus of 13.8% of GDP in 2021, mainly due to the increase in hydrocarbon-related revenues. However, Libya still has a high unemployment rate of 20.7% (2022), and its economy faces multifaceted challenges, not the least of which is its lack of diversification.

12 | Sustainability

Law 7 from 1982 contains 11 chapters and 75 articles governing the protection of the environment. Article 18 of the (unadopted) 2017 draft constitution holds the state accountable for safeguarding and ensuring the safety of the environment, while also proposing the establishment of an Environmental Sanitation Fund. Furthermore, Article 162 advocates for the formation of a Sustainable Development Authority affiliated with the parliament.

All of Libya’s governments have failed to develop additional policies, while the country faces several environmental issues, including desertification and a lack of freshwater resources. Water pollution, linked to the combined impact of sewage, oil byproducts and industrial waste, including radioactive materials, threatens Libya’s coast. Ecologically disastrous exploitation methods have not improved during the current political fights and clashes. CSOs and university researchers conduct the only visible activities regarding environmental issues.

Nearly 100% of Libya’s electricity production, with an installed capacity of 6,766 GW, is generated from oil and gas. Biofuel from waste or renewable energies has a very modest share. This is despite the Renewable Energy Authority of Libya (REAOL), established in 2007, having created a renewable energy road map to take
the country to 2030. The plan aims to generate 25% of Libya’s energy supply from renewable sources by 2025 and increase this to 30% by 2030. Libyan civil society organizations have become increasingly involved in addressing the issue, with various efforts focused on raising awareness, recycling and combating desertification.

In February 2022, a new initiative led by the UCN-Med, SPA/RAC and WWF, in close collaboration with the Libyan Ministry of the Environment, began to help develop a strong network of marine protected areas.

Education in Libya is theoretically free and accessible. However, due to the violence, massive disruptions have forced schools and universities to close in certain areas where confrontations have occurred. Infrastructure has been severely damaged in various parts of the country, and armed factions have used educational buildings as strategic locations. Additionally, there are concerns that IDPs are not receiving education.

Higher education institutions are mainly located in coastal cities and do not offer scholarships or assistance to prospective students coming from other areas. Private schools and international schools are also in these regions. The curricula at all levels require further development and improvement, as they fail to adequately prepare students for the job market. Some changes have been implemented specifically to address the educational legacy of the previous regime.

In 2018, the Ministry of Education established a committee, by Resolution 1421, concerned with the affairs of displaced and migrant persons both inside and outside the country. This committee was tasked with developing appropriate solutions and measures to address the conditions of displaced people, including students, teachers and ministry employees. Additionally, the ministry reported conducting comprehensive and light maintenance on nearly 1,700 schools and education facilities in 2017. Furthermore, 116 schools underwent repairs in 2018, with an additional 20 schools receiving repairs in 2019. However, data regarding government spending on education or research and development (R&D) is currently unavailable.

During the outbreak of COVID-19, the Ministry of Education adopted several practices and applications of information technology for the 2019/20 academic year. However, due to the state of the internet infrastructure, this was not accessible to all students.

There are no recent data regarding literacy; the latest study was conducted by the World Bank in 2014, which estimated it at 89.9%. There have been reports that conflict and displacement have increased the school dropout rate, but reliable information is currently unavailable. Libya does not produce a national education monitoring report. In the U.N. Education Index, it received a score of 0.610, unchanged from 2019 to 2021.
Governance

I. Level of Difficulty

Libya, the fourth-biggest country on the African continent with the vast Sahara Desert in the south, which is difficult to secure and develop, has entrenched structural challenges that precede the conflict of 2011. Among them are a high unemployment rate, which was at 19.31% in 2010, underdeveloped infrastructure, a mismatch between the job market and education system, regional imbalances with the majority of Libyans living along the urbanized Mediterranean coast with sparsely populated desert areas in the south, as well as reduced institutional capacities after long sanctions affected most sectors. All these factors exist in a context of highly corrupt governance practices that hinder any reform.

Some of these challenges, such as the former strict hierarchical centralization under al-Qadhafi, have transformed into a regional grievance among Libya’s population and a source of competition between east and west, while the south of the country (the largest land area) remains marginalized and neglected, lacking most basic state services. Libya’s south is also a hub for human trafficking and smuggling. There is a constant influx of refugees and migrants from areas to the south in Africa who are vulnerable to exploitation and abuse.

Institutional and non-institutional actors began to face the lack of development in non-urban southern and southwestern regions in the aftermath of the July 2012 elections. However, since 2014, the reignited civil war has disrupted their efforts and added new challenges to the existing ones, including collapsed electricity grids, water cuts and damage to infrastructure. Climate change-related problems, such as desertification and droughts, add to this, with the COVID-19 pandemic adding another layer of constraint. Libya’s divided government is, to a large extent, unable to rebuild the country and mitigate future challenges due to the political impasse, the threat of relapse into conflict, corruption and gross mismanagement.

Displacement and poverty induced by the war are pronounced. The UNHCR counted 278,177 IDPs in 2020, which is a decline of 77,495 people from 2019. While the majority of the displaced have been relocated to cities and towns. Some of them are not able to return home due to the socially complex dynamics of the conflict.
According to a report released by the UNDP and UNICEF in 2013, Libyan civil society experienced a period of robust growth from 2011 to 2013. During this period, the number of civil society organizations active across five key cities grew to 1,000.

However, since 2014, the country’s civic space has come under increasing pressure, with numerous activists, journalists and politicians facing active targeting and assassination. This situation has forced CSOs to either shut down or operate underground and has undermined the visibility of their political work. Consequently, they have redirected their focus toward humanitarian relief work and service delivery, which has helped fuel a growing public awareness of the central government’s ineffectiveness.

The civil war has had a massive impact on the capabilities of Libyan civil society and resulted in many organizations halting their activities. While very few organizations have debated or worked on political and security issues, the focus on culture and society was nonetheless needed at a time when war was tearing Libya apart. The continuous attack on civic organizations and individuals encompassed many forms, including slander, which damaged public trust in civic spaces, especially political ones.

The government is moving toward making CSOs illegal and has formed a committee to plan their future re-registrations. This is in conjunction with an arrest campaign launched by the Internal Security Agency in 2022/2023 in which activists, journalists, bloggers and even content creators were jailed and prosecuted. Social trust in civil society, according to data from the Arab Barometer, is at 37% overall, but higher among younger people.

Given the poor security situation of civil society and its lack of protection, civic engagement scores low, according to a study by the Friedrich Ebert Foundation, in which respondents said they would only become involved in humanitarian or relief work.

The protracted conflict in Libya reached a turning point in the offensive of 2019. The disintegration of the former state and its inability to demobilize all the armed groups that formed to fight against Qadhafi’s forces made for continuous instability. Despite the first successful election and several transitional governments, various military campaigns occurred across the country. Over the years, armed groups continued to proliferate and increase their influence over people’s lives. They operate with impunity.

The military campaigns were often mobilized along subnational loyalties and/or alliances (cities, tribes, towns and ethnic groups), where conflicts were motivated by grievances or political mobilization for one side or another. This adds another layer of difficulty. Conflict may erupt due to internal disagreements or changes in alliances.
The civil war has killed thousands and displaced hundreds of thousands in the most populated cities of the country. Indiscriminate shelling has targeted schools, health facilities, homes, neighborhoods and public roads. While a cease-fire and a political agreement were reached in 2020/2021, it is a tense peace where competing interests and influence over armed groups could erupt in clashes. This is especially true in the western region of the country, where the landscape of armed groups differs from that in the east. In August 2022, a new government, rivaling the GNU, attempted to seize control of the capital by force. Clashes erupted in Tripoli, killing at least 17 civilians and damaging infrastructure. There have been no massive military campaigns in the past year, but small-scale clashes continue to occur sporadically.

II. Governance Performance

14 | Steering Capability

The GNU is a transitional body created by an international agreement to prepare Libya for legislative and executive elections in 2021. However, the state has promoted itself by introducing development projects to increase employment and attract the support of young people. These projects do not adhere to any strategic plans but are ad hoc, reactionary and populist in nature. This is the case for marriage and housing grants, which, according to human rights groups, have had an adverse impact on young girls as they increased the number of child marriages. The government made an amendment to this program by increasing the age of eligibility.

Elections in Libya were supposed to transition it toward postwar recovery, which requires strong, conflict-sensitive legislation to mitigate the risks of more conflict. So long as there is no end to this political deadlock, a division of power will continue to exist. For this reason, it is not possible for the state to establish long-term plans.

Libya has a Ministry of Planning, which has continued to function through its tumultuous times, working with international organizations and other ministries on plans to respond to the country’s various challenges. The ministry has concluded agreements with UNMASS, U.N. Habitat, UNDP and other international organizations that have focused on rehabilitating damaged infrastructure, de-mining and securing explosives and urban planning. Schools and hospitals have been renovated and made operational once more. The de-mining programs have been huge in the past decade. Nevertheless, these efforts were often derailed by instability and conflict conditions that were not conducive to development.
The GNU’s creation by the United Nations in 2020 heralded a public policy that is populist in nature. Prime Minister Abdul Hamid al-Dbaibeh was the first politician to make promises to address unemployment and improve the economy, on which issues he fell short. According to the World Bank, rebuilding Libya’s infrastructure would require around $200 billion in investments over the next decade. The Minister of Labor claimed that this reconstruction initiative would create job opportunities for both Libyans and foreign workers. But this goal has not been reached.

The GNU’s main task was to organize the elections of December 2021, in which it communicated its support for and allocated funding to the High National Election Commission (HNEC). However, Dbaibeh’s political decisions and alliance-building to consolidate power, as well as declaring that he intends to run for president, which fundamentally contradicted his original political agreement, have made it impossible to hold the elections.

Another of the government’s tasks is to uphold the cease-fire and work toward unifying the country’s institutions. While the cease-fire held, albeit with tensions, the government failed to allocate proper resources and provide sufficient political commitment to it.

A popular but disputed initiative by the GNU has been the “marriage allowance grant,” which provides the opportunity for young unmarried couples to receive financial assistance. It had the catastrophic indirect consequence of increasing incidences of child marriage. This initiative continues to receive popular support from the Libyan public.

For the implementation of any project to succeed, the government must overcome the enormous issue of administrative and financial corruption. So long as the drivers of the conflict, institutional division and legitimacy, continue to exist, sustainable strategies are extremely difficult to implement since the government’s authority is contested either through politics or armed conflict.

There is little evidence that the Libyan government has a monitoring and evaluation system. In fact, there are cases of re-organizing armed groups that reveal that the government has not learned from past experiences. One example is when al-Dbaibeh created a security apparatus to protect the elections in 2022. Attempts at enforcing political positions and making alliances with armed groups have backfired for the previous transitional governments.

At the state level, Libya participates in various international conferences and meetings with regional and international institutions, the latter primarily for close collaboration on existing and future projects. Libya has taken an active role in the Arab League as chair in 2022/2023. It has also signed several economic and security-related agreements with Egypt, Italy, Türkiye and Tunisia. These agreements target various sectors and have generally been more beneficial to the government than to the population.
Different executive bodies also carry out consultations with academic experts, unions and CSOs. However, this is often limited to individuals and institutions aligned with the government’s political agenda, so there is no critical discourse on approaches and outputs when it comes to policy planning and implementation.

15 | Resource Efficiency

On September 20, 2022, the Libyan Audit Bureau released its annual report, highlighting increasing corruption and waste of resources, both human and material. The national budget continues to be divided, which affects transparency and state operations. The report disclosed that the country’s central bank withheld important documents and information from the audit committees. The largest percentage of the state budget goes to payroll, which means the state employs a majority of the population that is not really integrated into the work force, despite efforts to reduce corruption in the payroll by introducing national numbers. Appointments and dismissals of public servants are made entirely based on political and personal considerations by the government leadership. There is no data on the state of debt in the country and no data regarding past budget audits or the management of public administrations.

Under Law 59 of 2014, municipalities receive some funds from the central state to facilitate some local services. However, they lack effective planning and enough funding to carry out their work. Moreover, municipalities also face the challenge of confusion in dealing with different bodies and an ineffective bureaucracy due to poorly worded legislation and a lack of administrative jurisdictions.

Libya has two cabinets and two acting prime ministers: Abdul Hamid al-Dbaibeh leads the GNU in the capital, Tripoli, and enjoys international and regional support. Since March 2022, Fathi Bashagha has been the leader of the GNS. Based in Sirte, it enjoys the support of the HoR.

There are many competing actors in the country, especially between the east and west. Their relationships change depending on whether their agreements with al-Dbaibeh, Haftar, HoR Speaker Agilah Saleh or members of the Presidential Council (PC) are disputed. Since 2021, agreements have been concluded and relinquished regarding the upcoming elections, consensus on the legal basis and the future of the current transitional bodies.

In the fall of 2022, consensus between the PC and the HoR increased, but that may change depending on political developments. In general, the various interests of those in politics are highly confrontational and sometimes even violent. The structure of governance in Libya is very centralized and bureaucratic, with networks formed around nepotism and support for the status quo.
Libya has an Audit Office organized by Law 19 of 2013. On paper, it is an independent authority that can exert oversight over finances and verify manual and electronic internal control systems, the safety of financial transactions, accounting entries and financial reports in accordance with legislation. The Libyan Audit Bureau is the highest authority for financial control and accounting in Libya.

An Administrative Control Authority also exists, which is tasked with administrative control over the country’s executive agencies. It follows up on their work to assess the extent to which they fulfill their responsibilities and perform their duties in their areas of competence, as well as their level of implementation of laws and regulations.

In 2014, the General National Congress established the National Anti-Corruption Commission (NACC), with a core mandate to follow reports published by national or regional anti-corruption agencies, receive, examine and maintain financial disclosures, and to take appropriate action, reporting instances of corruption to the legislature. However well-intentioned its activities are, the fight is a difficult one: Libya lacks transparent data on public procurement and asset declaration rules. Occasionally, information is published, but usually as a synopsis of a project and its contractor.

All these bodies function to some extent but have limited capabilities when it comes to controlling or following up on administrative procedures, such as reporting, due to the highly polarized nature of governance because any issue can be made political and its initiators threatened into silence. Reports from these entities indicate the state in Libya has no accountability for corruption and conflicts of interest or a code of conduct.

16 | Consensus-Building

Politicians interested in reform and change are in favor of those who support the status quo. Democracy at the national level is a topic of discussion restricted to those already in power who seek to stay there by taking different positions. Therefore, they are not interested in a political structure that is diverse or one where democratic values are respected and implemented. The case is different, however, for civil society organizations and some political parties. Among these, initiatives and efforts have been made over the last decade to bring the discussion of democracy to the communal level. Indeed, the success of the first elections after 2011 was largely attributed to the awareness and educational efforts implemented by civil society. After 2014, due to the security situation, democracy was discussed through arts and culture, even though war dominated the priorities of CSOs. Their campaigns and projects in support of democratization have continued until this day.

Political actors in Libya have fundamental disagreements in terms of pursuing economic benefits and power. Their interests seem to be centered around personal gain from economic developments and how these can be capitalized upon to support
political gains and remain in their positions. Development is not on the agenda of discussions between the main actors. If it is, then it is in a context of rallying public support or in response to issues that occur as part of the conflict.

Reformers in Libya, including political activists or political parties, have little leverage under the current system to advocate for democratization effectively. There is no democracy in Libya. Successive interim governments recycle themselves into different bodies through violent conflicts, which they sponsor or support either directly or indirectly. Those who oppose autocratic and corrupt practices do so through various boycotts or create their own parallel bodies or processes.

CSOs, networks, and coalitions advocating for democracy and reform have worked tirelessly to present solutions, visions and recommendations for various political and peace processes. They also support municipal elections and participate in conferences and seminars to engage the public with issues of constitutional rights, reconciliation and political participation in elections.

Political leadership in Libya, although highly polarized, has sometimes managed, partly through international and regional mediation efforts, to prevent cleavage-based conflicts from reaching a boiling point. This has, however, not always been the case. Armed conflicts and skirmishes continue to occur. In the past, the political leadership has used divisions among various social groups to fuel conflicts and to reinforce certain positions and interests.

Recent efforts by the GNU to build relationships and consensus across the country have also had the intention of reinforcing its own leadership so that it can continue to be in power even after the elections. Such was al-Dbaibeh’s intention behind his attempts to establish amicable relationships with the Amazigh by appointing a minister of Amazigh origin and making visits to Zuwara and Nafousa Mountains.

The 2019/2020 attack on Tripoli managed to further polarize Libyan CSOs, depending on their regional affiliation. This polarization is a result of different experiences of war in the three regions. The interaction of civil society with the government is limited to local governance, as the political leaders at the national level mostly spend their time and effort abroad seeking legitimacy and support among the international community rather than in their local communities in Libya.

The GNU has made some efforts to meet with CSOs, though. Yet, access to such meetings is limited to those who have connections with the political leadership or are in circles close to the government, which may also mean they are allied with those in power. Civil society actors who dissent or oppose current political authorities are usually excluded from such conversations. Decision-making in Libya is highly hierarchal and ad hoc. It is not based on sharing processes and no performance monitoring mechanisms are in place.
Attempts to reconcile parties to local conflicts and to repair and restore the Libyan social fabric have been made since 2012. The National Transitional Council (NTC) attempted to lay down the principles for transitional justice by passing Law 17 of 2012, which stipulated the creation of a fact-finding and reconciliation commission entrusted with investigating human rights violations and addressing them by instituting reparation funds for victims.

Localized mediation efforts have likewise been launched by local or elder councils, as well as important social figures in several cities, to resolve small-scale conflicts that have occurred at different stages of the country’s most recent history. In 2011, a truce was reached between some Tuareg groups and the NTC. Conflicts between some Tebu and Tuareg groups were mediated in 2014 and 2015, as well as truces between Janzour and Wershefenna (2015); Wershefana and Zawiya (2016); Zawiya, Zintan and Rujban (2015); the Ghdadhfa and Awlad Sulayman (2016); Awlad Sulayman and Tebu (2016); and Misrata and Tawargha (2018). Most of these initiatives have been supported by the international community. Yet, these experiences in crisis management mostly worked with de-escalation, exchanges of prisoners and humanitarian truces. The deep-rooted causes of the conflicts were not addressed, which made it difficult to achieve genuine reconciliation.

Moreover, Law 17/2012 only aimed at shedding light on violations committed by Qadhafi’s regime, disregarding the fact that serious human rights violations were committed by both sides during the revolution. These limitations contributed to reigniting the civil war in 2014, making the commission created in 2012 unable to work effectively.

In 2016, UNDP initiated the Toward A National Reconciliation in Libya project, designed to improve the credibility and legitimacy of local and national authorities as reliable partners for reconciliation and mediation efforts. State actors were never truly involved before the political agreement of 2020, when the Presidential Council announced that it would work on national reconciliation.

In June 2022, the GNU launched a strategy for national reconciliation amid a deep political crisis in the country, which only in January 2023 resulted in the launch of the National Reconciliation Conference project. Nevertheless, effective, transparent communications around the concrete implementation of the process and the intended means for addressing the population’s grievances against the state and members of state institutions who are perpetrators of violence have not been sufficiently addressed.
17 | International Cooperation

International presence, when it comes to developmental and humanitarian work, has grown since 2011, albeit with some disruptions during intense civil war periods. Major developmental projects and initiatives are coordinated in collaboration with the government and implemented by Libyan civil society and local governance. However, the relationship between international cooperation efforts and local actors can be characterized by two main criteria: First, the government is not on an equal footing with its partners and makes little effort to develop its own national development agenda. For instance, the Libyan government receives assistance from the United Nations, the European Union and USAID to address the symptoms of conflict, such as public finance management, rebuilding damaged infrastructure and creating governance policies in various sectors that the government either has no capacity or intention of addressing. National action plans for gender equality, peace and security and environmental concerns corresponding to Libya’s commitments to various conventions and agreements are not implemented and are often obstructed by political instability. Second, the government collaborates with the European Union and regional actors on security and migration by implementing international mechanisms such as border control, sea rescue and surveillance, which it did not take part in creating. It does not learn from these exchanges to strengthen its own security sector.

The Libyan government complies with certain international agreements but makes little to no effort to implement or ratify them. The government’s ability to fulfill its responsibilities is challenged on a regular basis due to collapsing infrastructure, violent conflict and contested politics. At the U.N. level, Libya regularly ignores deadlines on progress reports, amendments and requests to change national legal frameworks that are in direct violation of the conventions or hinder the country’s ability to implement agreements effectively. The government of Libya cannot be considered a reliable partner. It is highly unstable and may be removed by another armed conflict. However, it does fulfill some of its obligations, especially the memorandum of understanding on security, migration and economic cooperation with Italy.

Libya has a complicated past with its neighbors. After 2011, several countries in the region pursued good economic relations with Libya in view of their own economies, like Egypt and Tunisia with whom Libya has close economic and security cooperation. The Libyan government has sought to address internal and regional challenges by signing bilateral and regional security agreements with Algeria, Egypt, Tunisia and Chad, among others. In the 2014 civil war, regional actors like Egypt, the UAE and Türkiye supported opposing sides. Consequently, the eastern and western parts of the country have different relationships with regional actors depending on their affiliation.
This situation has changed since 2020. In fact, regional actors such as Egypt and the UAE changed their preferences and signed new economic agreements with the western GNU on oil, gas and economic development. In a similar vein, regional considerations changed for Türkiye, which is no longer in opposition to the UAE. Not all economic agreements have been honored or implemented, such as the memorandum of understanding between the Central Agency for Organization and Administration of the Republic of Egypt and the Libyan Ministry of Civil Service in the areas of administration, employment and civil service.

The GNU is keen to have good regional relations and is increasingly working to sign more agreements of collaboration. Libya was chair of the League of Arab States (LAS) in 2022/2023. The minister of foreign affairs has actively visited various capitals in the region, including Riyadh, Muscat and Algiers.
Strategic Outlook

Libya faces a persistent set of challenges, including a political deadlock, human rights violations, economic difficulties exacerbated by inflation and unemployment and ongoing widespread violence. These issues have hindered the country’s transition for years. One primary reason for the ongoing political impasse is the absence of a viable constitution, which should ideally be drafted by conflict-sensitive constitutional experts independent of the current political bodies. There is concern that experts from the existing political bodies may be perceived by Libyan citizens as attempting to draft a constitution that favors their own retention of power. This would likely result in widespread mistrust and suspicion, rendering the constitution largely illegitimate in the eyes of the Libyan public.

It’s important to note that holding elections alone is insufficient to achieve political stability. Libyan institutions must also formulate strategic plans for reintegrating armed groups into society, provide support and guarantees to the judiciary, and ensure that reconciliation efforts are led by Libyans and mediated through the judiciary rather than external actors.

To diversify its economy beyond dependence on oil revenue, the Libyan government must address climate challenges, enhance the legal framework for the private sector and promote accountability among all stakeholders, both nationally and internationally. Corruption, a root cause of the deteriorating conditions in both the public and private sectors, must be tackled to ensure the success of development projects. With oil production resuming and improved financial conditions, a top priority should be addressing unemployment by supporting businesses. This can be achieved through collaborative programs between the Ministry of Youth and the Ministry of Labor, as well as by reforming the educational system to align it with the current labor market needs, updating outdated curricula and repairing infrastructure damaged by conflict.

However, all political and economic progress in Libya remains contingent upon addressing the overarching threat of violence and the potential for a return to civil war. Consequently, it is crucial to simultaneously address security sector reform alongside political advancements and reconciliation processes. Reconciliation efforts should prioritize the needs of victims, including the return of displaced individuals and steps toward repatriation. Justice also plays a central role in this process. Both the Libyan government and international actors must prioritize it as a fundamental step.