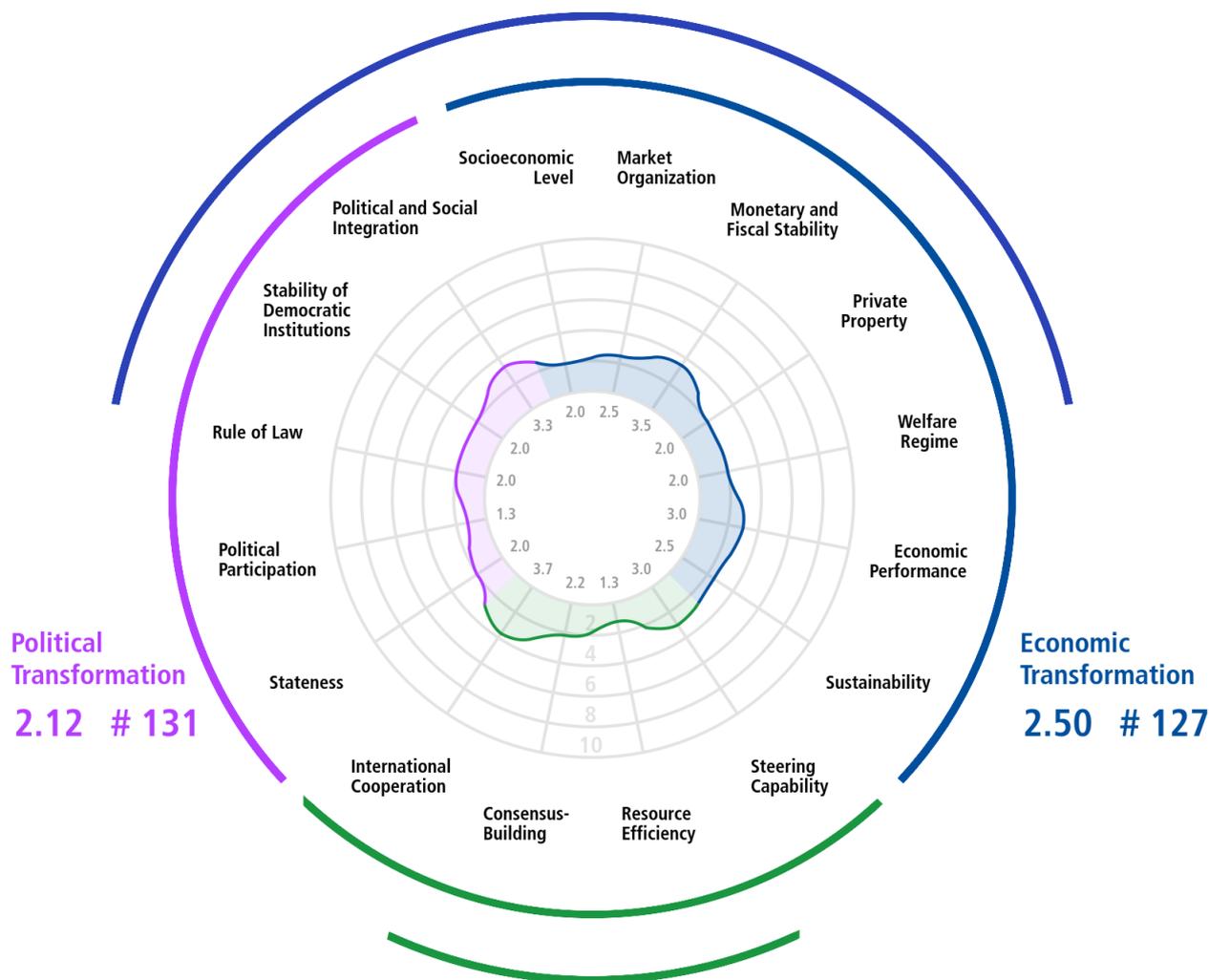


## Libya

### Status Index

**2.31 # 128**

on 1-10 scale out of 137



**Political Transformation**  
**2.12 # 131**

**Economic Transformation**  
**2.50 # 127**

### Governance Index

**2.40 # 125**

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. 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>.

Please cite as follows: Bertelsmann Stiftung, BTI 2026 Country Report – Libya. Gütersloh: Bertelsmann Stiftung, 2026.

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## Contact

Bertelsmann Stiftung  
Carl-Bertelsmann-Strasse 256  
33111 Gütersloh  
Germany

### Sabine Donner

Phone +49 5241 81 81501  
[sabine.donner@bertelsmann-stiftung.de](mailto:sabine.donner@bertelsmann-stiftung.de)

### Hauke Hartmann

Phone +49 5241 81 81389  
[hauke.hartmann@bertelsmann-stiftung.de](mailto:hauke.hartmann@bertelsmann-stiftung.de)

### Sebastian Plate

Phone +49 5241 81 81263  
[sebastian.plate@bertelsmann-stiftung.de](mailto:sebastian.plate@bertelsmann-stiftung.de)

### Sabine Steinkamp

Phone +49 5241 81 81507  
[sabine.steinkamp@bertelsmann-stiftung.de](mailto:sabine.steinkamp@bertelsmann-stiftung.de)

**Key Indicators**

Population	M	<b>7.4</b>	HDI	<b>0.721</b>	GDP p.c., PPP \$	<b>13954</b>
Pop. growth <sup>1</sup>	% p.a.	<b>1.0</b>	HDI rank of 193	<b>115</b>	Gini Index	-
Life expectancy	years	<b>69.3</b>	UN Education Index	<b>0.618</b>	Poverty <sup>3</sup>	% -
Urban population	%	<b>81.9</b>	Gender inequality <sup>2</sup>	<b>0.253</b>	Aid per capita \$	<b>49.2</b>

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. 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

Libya faces ongoing political turmoil as competing administrations in the eastern and western regions hinder the establishment of unified national bodies and effective governance. In May 2023, a vote of no confidence by the House of Representatives (HoR) removed Prime Minister Fathi Bashagha and replaced him with Osama Hamada – a move widely seen as deepening the stalemate between the two regions’ governments. In December 2024, the U.N. Special Mission in Libya (UNSMIL) unveiled an initiative to establish a technical committee for a transitional government that would unify institutions and pave the way for elections. However, the success of this effort remains uncertain because of persistent power struggles and external interference that complicate national reconciliation.

A major hurdle to stability is the increasing sway of armed factions and militias, which have substantial influence in both regions. Events in the period from 2023 to early 2025 underscored this challenge. The Tripoli-based Government of National Unity (GNU) sought to strengthen its position by involving itself in Zawia, while Interior Minister Imad Trabelsi – newly appointed in 2022 despite serious accusations of involvement in illicit trading activities – attempted in 2024 to seize control of the Ras Ajdir border crossing with Tunisia. Political and economic developments culminated in the “central bank crisis” in late August 2024, marked by the abduction of the bank’s IT director following the organization’s reunification, protests calling for the bank governor’s resignation and an armed group’s incursion into the bank. The governor’s subsequent flight from the country was perceived as a forceful bid to control the central bank. In response, the Government of National Stability (GNS) in the east halted oil production in protest. UNSMIL’s mediation resulted in a compromise on the appointment of a new governor and bank board in late September, and oil production resumed in fall 2024.

In October and November 2024, citizens struggled to withdraw funds from bank accounts because liquidity problems were exacerbated by floods in the western region. The floods further damaged already deteriorating infrastructure and worsened living conditions for many families. These

developments have raised doubts about the legitimacy and sustainability of Tripoli's status quo, both domestically and internationally. In an attempt to appease ultraconservative factions and project control amid these crises, the interior minister announced the reinstatement of the morality police to enforce "societal traditions" and curtail women's freedom of movement.

Reports continue to emerge of persistent human rights violations in Libya, including arbitrary detentions, restrictions on civil society organizations, and mistreatment of vulnerable groups such as migrants and refugees. The lack of a robust rule of law and an effective judicial system has allowed these abuses to continue unchecked, undermining the protection of fundamental human rights and dignity.

Libya is also confronting significant environmental challenges, particularly acute water scarcity. Despite the flood disasters on the eastern coast in 2023 and in the southern and western regions in 2024, Libya's overall water resources remain limited because of its arid climate and the absence of permanent rivers. The country relies heavily on aquifers, many of which are rapidly depleted by overexploitation. This situation is further aggravated by climate change, which is expected to increase temperatures and reduce rainfall in the region, potentially leading to severe water shortages in the future.

## History and Characteristics of Transformation

The territory known as Libya is a relatively recent historical product, marked by the proclamation of a federal monarchy under King Idris al-Sanusi on December 24, 1951. This resulted from an "octroyed decolonization" overseen by the United Nations through U.N. Resolution 289. In November 1947, the U.N. General Assembly mandated that Libya be provided with independence by 1952. Until then, Libya was not envisioned as a unified nation. Instances of patriotism and anti-colonial resistance emerged after the Italian occupation in 1911, led by local liberation movements in Cyrenaica, Tripolitania and Fezzan. These efforts were undermined by violent military campaigns in the western regions and by the Italian government's mass deportations of resistance supporters from Cyrenaica across the desert to 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 and premodern political leadership. The monarchy's legitimacy depended on traditional sources such as religion and tribes. However, the monarchy faced opposition from most notables in Tripolitania and remained contested among Cyrenaica's urban notables.

The 1959 discovery of Africa's largest hydrocarbon reservoirs in eastern Libya intensified competition over natural resources. In September 1969, a coup d'état by the Free Officers, led by Colonel Muammar al-Qadhafi, drastically transformed Libya's politics, economics and society. The new regime introduced a model based on Egyptian President Gamal Abdel Nasser's pan-Arab

nationalism, which was intertwined with Islam and Arabism. Qadhafi accused Libyan citizens who did not identify as Arabs of being Western instruments and enemies of the Arab and socialist revolution. The Proclamation of Sabha in 1977 marked the emergence of the “society of the masses,” or “Jamahiriyya.” Qadhafi’s “permanent revolution” was pursued through a hierarchical “direct democracy” system with executive committees accountable to people’s congresses at various levels. Qadhafi used oil rents to distribute privileges among his support networks in Tripolitania’s rural and desert hinterlands and control groups in those regions. Opposition groups and territories in Tripolitania and most of Cyrenaica experienced economic, political and social marginalization. Consequently, regional identities, ethnicity and kinship-based affiliations counterbalanced the regime’s pan-Arab ideology.

In the aftermath of the 2011 uprisings, protests erupted in Benghazi and spread throughout Libya after severe repression by state police. Citizens and defectors from Qadhafi’s regime joined forces in Benghazi to form an opposition front, leading to the creation of the National Transitional Council (NTC) on February 27, 2011. This opposition relied on armed rebel forces and NATO airstrikes to achieve democratization and the “liberation” of the country. For eight months, they battled Qadhafi’s forces across various regions. On August 28, 2011, the NTC overthrew the former regime and orchestrated Qadhafi’s killing, marking the beginning of the capital’s military occupation by prominent anti-Qadhafi militias.

Fighting continued. Escalating tensions between competing political camps in Tripoli led to a renewed civil war after the June 2014 election. Multilayered and temporary alliances, formed on the basis of common interests regarding specific local conflicts, eventually signed the Libyan Political Agreement (LPA) on December 17, 2015. The LPA produced an internationally backed interim government; however, its authority continued to be contested by factions in the east. This culminated in General Khalifa Haftar’s war on Tripoli in 2019/20, a failed military campaign that ended with a cease-fire. A U.N.-mediated second political agreement in Geneva in 2021 produced 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 authority after the House of Representatives (HoR) passed a vote of trust in 2022 favoring the Government of National Stability (GNS) in Sirte with former Minister of the Interior Fathi Bashagh as prime minister. Ever since, the country has remained split into two, with two governments and state institutions torn between them.

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 continue to operate largely in pursuit of their own interests, despite being on the government's payroll. Their influence and relationship with executive or constitutional bodies vary depending on location. In the east, the Libyan Arab Armed Forces (LAAF) has provided support and legitimacy to the House of Representatives (HoR). At the same time, it continues to consolidate power over decision-making and has established monopolies over regional economic projects by creating oversight bodies such as the Military Investment Authority, which has controlled construction and development in Benghazi and Derna. The LAAF consists of multiple factions that act in unison at different points in fighting the Islamic State (IS) group under the command of General Khalifa Haftar. Haftar's relationship with the HoR and the Government of National Stability (GNS) is one of patronage and loyalty, which has created a parallel system in the east.

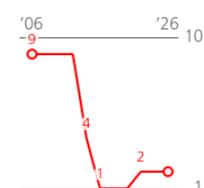
In Tripoli, the Government of National Unity (GNU) and Presidential Council have similar relationships with the armed groups in the city, but no single entity has consolidated power, resulting in ever-changing constellations. Since the division of power and the return to civil war, Tripoli has been divided into seven areas controlled by armed groups. This number has decreased as these groups have fought for strategic positions and greater control over governance and resources. During the period from 2022 to 2024, two armed groups were dismantled, and their members were absorbed into the winning factions. The RADA Special Deterrence Forces (SDF) and Stability Support Apparatus (SSA) now have the largest influence over the city and government.

Transitional governments in Tripoli have also invested in training cadets for the Libyan Army, alongside the efforts of the 5+5 Libyan Joint Military Commission, which was established in 2020. The commission includes five members from the Tripoli-based GNU and five from Khalifa Haftar's forces. It was initially established to oversee cease-fire agreements, but has also held discussions on unifying the armed forces. However, its work has been hampered by political divisions, according to a statement issued following its meeting in August 2024.

Question  
Score

Monopoly on the  
use of force

2



The complex political landscape in Libya has significantly hindered the development of a cohesive national identity and a stable governance structure. The legacy of Qadhafi's personalized rule, which lasted for decades, has left deep-rooted divisions within Libyan society. These divisions, coupled with ongoing migration challenges and civil unrest, have made it difficult for various groups to find common ground on fundamental issues of citizenship and state legitimacy. The Government of National Unity (GNU), established as a transitional authority, has struggled to fulfill its primary objective of organizing elections, further exacerbating issues such as constitution building, reconciliation and recognition of rights.

Indigenous groups, such as the Amazigh, Tebu and Tuareg, are often deprived of citizenship rights, which in turn means these communities are denied access to education, formal work and political participation. This is changing with recent decrees, such as Decree No. 322 of 2021, which established a Central Committee charged with reviewing applications for Libyan citizenship and verifying the authenticity of Libyan ancestry for people falling into a set of categories outlined in the decree, including stateless minority-population individuals who have temporary records and administration numbers. However, implementation has remained ineffective because of numerous factors, such as bureaucracy, racism and a long legacy of discrimination.

Indigenous groups have thus organized numerous forms of political representation over the years and have engaged in or boycotted processes such as the constitutional drafting committee. They continue to struggle for recognition and protection of their cultural rights, in particular the protection of language and heritage. The Amazigh in the west of the country have de facto been teaching Tamazight and have declared it an official language at the municipal level. In the south, the Tuareg and Tebu struggle in their conflicts with LAAF.

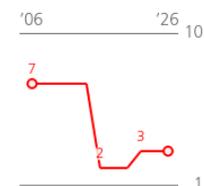
The Government of National Stability (GNS), the House of Representatives (HoR) and the LAAF in the east continue to perpetuate pan-Arabist identity claims. They do not recognize any diversity in Libyan societies. The GNU in Tripoli has a tense but more accepting relationship with the Amazigh; however, its lack of support and of effective policy changes could mean that it is paying lip service to avoid confrontation on the issue, and that it too remains pan-Arabist in its approach.

Libya follows the Maliki school of Sunni Islam, which influences its laws and regulations. Libya's temporary constitution designates Islam as the state religion and stipulates that Shariah will serve as the primary foundation for all legislation. Nevertheless, Article 1 provides that "[t]he state shall guarantee for non-Muslims the freedom to practice their religious rituals." There are no other laws governing religious organizations.

Dar al-Ifta, the religious institution responsible for issuing fatwas (legal rulings consistent with Islamic law) in both the east and west of the country, has repeatedly sought to influence decrees and policies relating to political and social issues. In 2023,

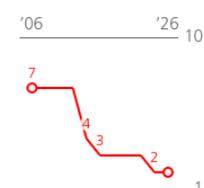
### State identity

3



### No interference of religious dogmas

2

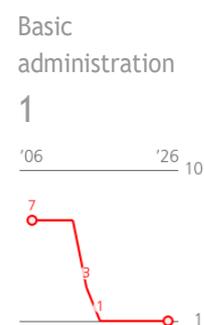


authorities in Tripoli continued their campaign of arrests, interrogations, detentions and forced confessions targeting individuals accused of religious conversion and proselytization. Rival government actors in both the eastern and western parts of the country have enforced religiously justified restrictions on expression both on- and offline that does not align with government-endorsed interpretations of Islam.

In 2024, the Government of National Unity (GNU) attempted to solidify its position in the capital by seeking an alliance with Dar al-Ifta, which launched a campaign regarding the Ibadī sect (a branch of Islam practiced by the Amazigh) and influenced a decree issued by the Presidential Council in July 2024 that set up the morality police. The decree establishes an independent legal and financial agency with far-reaching prerogatives for surveillance, social and police control. Control over the morality police was assigned to the Rapid Support Force (RSF), which carries out most law enforcement functions (courts and prisons) in the territories under its control. This is not the first attempt by Dar al-Ifta to establish a force loyal to it; in 2023, it tried to establish “Guardians of Virtue” with functions similar to the morality police but with limited jurisdiction.

According to the latest data from the World Bank, 99.9% of Libyans have access to basic water sources and 92.1% have access to basic sanitation. Yet only 23.8% have access to safely managed sanitation. Access to water remains tied to the “Great Man-Made River,” a network of pipes that supplies fresh water across Libya from the fossil Nubian Sandstone Aquifer System. Urban areas have round-the-clock access to electricity, but hours vary in rural or remote areas; according to World Bank statistics, 70% of Libyans are counted as connected to power networks.

The civil war has severely undermined administrative structures and capacities. In many instances, citizens are still forced to rely on militia intermediaries to access essential services, a practice increasingly weaponized in the internal competition for power between armed and political factions in the country. The Government of National Unity (GNU) has commissioned numerous projects to develop new electricity grids, which have improved access in urban areas. However, the situation remains difficult outside the capital. In the east, numerous construction projects have been undertaken to improve civilian infrastructure. However, they have drawn heavy criticism due to the practice of displacing civilians from their homes during demolition phases without proper compensation or planning.



## 2 | Political Participation

Libya's electoral law has continued to evolve since 2011, and the legal framework has been influenced by the interim 2011 constitutional declaration. Subsequent laws and amendments have shaped the electoral processes, including laws governing the election of the General Congress, the House of Representatives and the Constitutional Drafting Assembly. These laws outline the eligibility criteria for candidates, the voter registration process and the procedures for conducting elections. Administrative System Law No. 59/2012 governs elections and the composition of municipalities, but has been heavily criticized for its lack of clarity and detail regarding the powers and functions of municipal councils. In 2023, the House of Representatives issued Presidential Election Law No. 28/2023 and Parliamentary Election Law No. 27/2023. These remain a point of contention between the eastern and western authorities.

The Government of National Unity (GNU) lacks democratic legitimacy, having been established through a U.N.-mediated process and deriving its authority from international and regional support and accords. Despite taking power in 2021, it has yet to fulfill its mandate to hold elections. This has been largely due to the lack of a constitutional and electoral framework, a lack of public trust in all political bodies, and a lack of security, since there is no guarantee that electoral violence will not erupt again given that the impunity of armed groups has not been addressed.

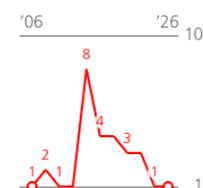
In the eastern region, the Government of National Stability (GNS) is appointed by the Tobruk-based House of Representatives (HoR). The GNS has limited political influence and primarily functions as an administrative body. Both the GNS and the HoR received backing from the Libyan Arab Armed Forces (LAAF), which effectively seized control through prolonged military campaigns with assistance from international and regional actors.

Municipal elections began in 58 municipalities in late 2024, with plans to extend to the remaining areas by 2025. The polls encompass all three Libyan regions. The elections have yet to take place in many parts of the country where the High National Commission for Elections cites extremely low voter registration and engagement rates.

An evaluation of Libyan government websites found accessibility shortcomings, most notably the absence of text alternatives for nontextual elements. This suggests Libyan citizens may struggle to access vital information about elections and political representatives online.

Free and fair elections

1



The absence of democratically elected officials, with the exception of local councils, has left a governance vacuum across Libya. Those elected municipal bodies face severe limitations due to fragmented territorial control, the sway of regional power brokers and a weak legal framework. Law 59/2012 was supposed to give municipalities greater autonomy in managing local affairs, but stipulations regarding budgetary constraints – along with the ongoing political instability – have hampered effective implementation.

The nation's political framework is characterized by rival centers of authority and tactical partnerships at the grassroots level that frequently override the authority of central government bodies. These shifting alliances often exercise veto power as a means of enforcing specific decisions or pressuring the government in Tripoli. This dynamic poses considerable obstacles to the establishment of a unified and functional democratic system of governance in post-revolution Libya.

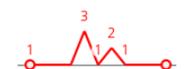
In early March 2023, the Law Department of the High Judicial Council issued a legal opinion deeming all civic organizations registered after 2011 to be invalid, except those registered under Qadhafi's Law 19/2001. This effectively curtailed independent civic groups and personal freedom. Shortly thereafter – on March 13, 2023 – the Government of National Unity (GNU) took action. The director of the Department of Foreign Affairs and International Cooperation within the prime minister's office issued Circular No. 5803, directing Libya's Civil Society Commission to cancel the licenses of all non-governmental organizations (NGOs) established since 2011. However, civil society organizations (CSOs) successfully challenged and overturned this government decree. CSOs brought a case before the South Benghazi Court, arguing that such decisions contradicted the interim constitutional declaration on freedom of association. On July 18, 2022, the South Benghazi Court ruled. After all parties were informed, the ruling became binding on August 18. It suspended Decree 286/2019, issued by the Presidential Council of the Government of National Unity, regulating the operation of the Civil Society Commission, pending adjudication of the merits of the issue by the competent court. The judgment effectively bars the executive authority from intervening in the operation of civic associations and CSOs and guarantees their independence, pursuant to Article 15 of the 2011 constitutional declaration.

Although various civic groups may register, they face significant constraints from regulations that restrict their freedom to operate. In the eastern region, CSOs may form, provided they do not challenge the existing political order and confine their activities to humanitarian and development sectors. In the western region, counter-terrorism laws issued between 2016 and 2018 and subsequent regulatory lists issued by the civil society commission in Tripoli severely limit the work of CSOs, which must submit documentation on all activities and disclose their sources of funding for approval by the commission.

Effective power to govern

1

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Association / assembly rights

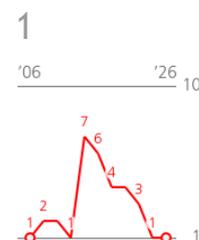
2

'06 '26 10



Although freedom of expression is safeguarded by the 2011 interim constitutional declaration, it remains highly restricted in Libya. Journalists and independent media face threats, including forced disappearances and unlawful detentions. The ongoing civil conflict has driven numerous media outlets to relocate abroad. The proliferation of misinformation has led to a loss of credibility for many of these outlets, which now receive funding from various factions. In 2023, amid a widespread crackdown, numerous journalists, bloggers and content creators were either summoned for questioning by internal security forces in Tripoli or arrested. Meanwhile, in eastern Libya, whistleblowers and political commentators have been assassinated.

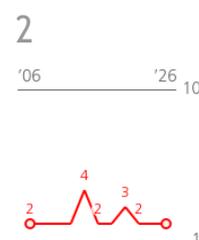
#### Freedom of expression



### 3 | Rule of Law

Libya's separation of powers remains fragmented and contested due to the ongoing political instability and regional divisions. The country lacks a unified, functional government structure with a clear delineation between the executive, legislative and judicial branches. Instead, power is dispersed among rival administrations, armed factions and regional power brokers. A clear example is the existence of parallel governments – the Government of National Unity (GNU) in Tripoli and the Government of National Stability (GNS) in eastern Libya – which demonstrates the lack of a unified executive branch. Each claims legitimacy and control over state institutions.

#### Separation of powers



In the east, the Libyan Arab Armed Forces (LAAF) wield significant influence over political bodies such as the House of Representatives (HoR). In Tripoli, armed groups continue to shape governance despite being nominally under state control. The judiciary faces interference both from political actors and religious institutions such as Dar al-Ifta. This complex landscape of competing power centers and overlapping authorities undermines efforts to establish effective checks and balances or a coherent system of governance based on the principle of the separation of powers.

The absence of a unified constitution and nationally recognized, elected leadership further complicates attempts to delineate and balance governmental powers in post-revolution Libya. The Constitutional Drafting Assembly produced a draft in 2018 but has yet to reach the consensus required by its mandate to put it to a referendum. The Amazigh boycotted the constitutional process and were later joined by the Tuareg and Tebu. Over the years, numerous civic groups and political parties have criticized the draft for lacking fundamental principles needed to deal with the complexities of a postwar Libya; instead, it grants much power to the president and religious endowments.

The Libyan legal system comprises various entities with distinct roles: the judicial inspection body, courts, public prosecutors, litigation attorneys, public legal defenders and law departments. Although the 2011 interim constitutional declaration nominally ensured judicial autonomy, the division of governing bodies in 2014 and ongoing security challenges have severely impaired the judiciary's function and put it under increasing pressure. Prolonged conflict and political fragmentation have undermined domestic courts' impartiality, frequently leading citizens to rely instead on informal dispute resolution methods.

Libya's court hierarchy is structured as follows: The Supreme Court sits at the apex, followed by appeals courts that review decisions from courts of first instance. First-instance courts hear appeals from summary courts and have original jurisdiction over matters beyond the summary courts' purview. Summary courts occupy the lowest tier, handling minor disputes and misdemeanors.

Libya's legislative body appoints Supreme Court judges, while the executive branch selects the public prosecutor. The Judicial Body Inspection Department nominates and appoints judges to other courts. The process for judicial training and advancement remains unclear, although independent organizations such as the Higher Judicial Institute provide training and capacity-building for North African judges.

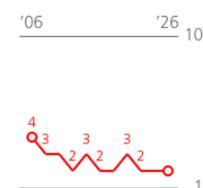
Armed militias have hindered civil and criminal court proceedings, resulting in significant due process violations. Civilian and military courts operate with limited capacity, and in certain regions, judicial personnel face harassment, threats, violence, abductions and even murder. Prison management is often nominally controlled by one of the two governments. Extended pre-charge detentions and other forms of arbitrary imprisonment are common, particularly for migrants. Correctional facilities are overcrowded and characterized by inhumane conditions, mistreatment and a lack of specialized services for women with children. Court cases and procedures are frequently mishandled, and while convicts theoretically have the right to representation and appeal, these rights are disregarded if an individual is held by an armed group or in a prison controlled by a government-affiliated armed faction.

Corruption is pervasive in Libya, with no effective system in place to oversee political figures and their ties to armed factions. Misappropriation of funds and misuse of public positions for personal gain are rampant. This widespread corruption has undermined the credibility of the political framework and diminished public confidence in government institutions. In the absence of stringent anti-corruption measures and proper accountability, Libya's political and economic structure remains susceptible to exploitation and strife.

The catastrophic flood in Derna in September 2023, which claimed thousands of lives, revealed extensive corruption and government unpreparedness. It came to light that the western government had diverted funds intended to repair the dams that collapsed during the storm. In the east, the municipal council, along with the House

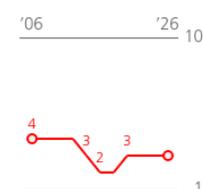
Independent  
judiciary

2



Prosecution of  
office abuse

3



of Representatives officials, had allocated the equivalent of millions of dollars to Derna's reconstruction following the defeat of the Islamic State (IS) group, yet none of the planned projects materialized.

The prosecutor's office released a list of more than 200 politicians and local officials under scrutiny for embezzlement and misuse of public funds related to the Derna disaster. However, the investigation notably excluded high-ranking individuals with significant influence in Tripoli or Tobruk.

Rights and public freedoms are protected by Article 7 of the 2011 Interim Constitutional Declaration. Libya is also a signatory to seven core international human rights treaties, although not to all of their optional protocols. However, Libyan penal and civil laws contradict Article 7 and the international treaties.

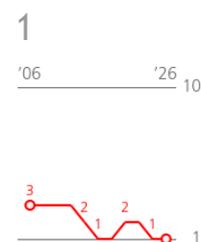
The human rights landscape in Libya remains complex and multidimensional, largely because of ongoing political turmoil and armed conflicts. Several key factors contribute to this intricate situation, creating a challenging environment for safeguarding and advancing civil liberties. Primarily, the country's fractured governance structure significantly hinders the effective protection of rights. The absence of a cohesive central authority has resulted in inconsistent laws and policy implementation, leaving many citizens vulnerable to rights violations. This fragmentation impedes the formulation and execution of comprehensive human rights initiatives.

Moreover, opportunities for political engagement remain limited. Numerous Libyans encounter obstacles when attempting to participate in the political process, including restricted access to information, intimidation tactics and a dearth of transparent electoral mechanisms. These limitations undermine the principles of democratic governance and citizen representation.

In addition, a weak rule of law and compromised judicial independence have exacerbated the human rights situation. The justice system faces numerous challenges including insufficient resources, political interference and inconsistent application of laws. This undermines citizens' access to fair trials and makes it difficult to obtain effective legal recourse for rights violations. There have been numerous documented instances of human rights abuses, including arbitrary detentions, torture and extrajudicial killings. These violations often occur with impunity, further eroding public confidence in state institutions and perpetuating a cycle of violence and retaliation.

Systemic discrimination against women and linguistic minorities remains pervasive. Women encounter discrimination both within legal structures and in practice, particularly with regard to marriage, divorce, inheritance and employment; in their ability to pass their nationality to their children; and with regard to holding political office. Female politicians, activists and local council members have been subjected

Civil rights



to gender-specific threats and insults, both on- and offline. Beginning in April 2023, the Internal Security Agency (ISA) in Tripoli mandated that women traveling alone must fill out a form explaining why they are traveling abroad without a male “guardian,” as Amnesty International reported. Gender-based violence is particularly difficult for women to report or seek protection from due to cultural taboos and stigmas. Survivors have documented rape in detention centers, both of women and men.

Similarly, ethnic and religious minorities often experience marginalization and exclusion from the social, economic and political spheres. In 2024, Dar al-Ifta carried out a campaign attacking the Ibadi sect among the indigenous Imazighen that practices the Ibadism branch of Islam.

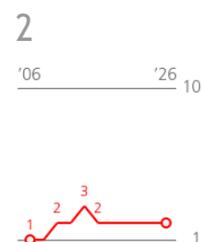
Lastly, insufficient administrative capacity hampers the effective implementation of policies and programs intended to protect civil rights. Many government institutions lack the necessary resources, expertise and infrastructure to fulfill their mandates, leaving significant gaps in service delivery and rights protection.

#### 4 | Stability of Democratic Institutions

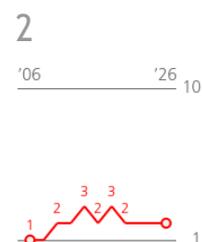
The country lacks a cohesive, operational government framework with a clear separation of powers, which is crucial for a strong democratic system. Power is scattered among competing administrations, armed groups and regional influencers, resulting in a fragmented political environment that hinders the establishment of effective democratic rule. The absence of legitimate nationwide elections has created a governance gap, and the Government of National Unity (GNU) lacks democratic authority. This predicament has persisted for years; numerous attempts to organize elections have been delayed or have failed because of security issues and political disputes. The absence of a democratically chosen national government has significantly impeded the country’s capacity to tackle urgent matters and implement necessary reforms. Although local elections have begun in some areas and offer a ray of hope for community representation, democratic representation at the national level remains out of reach. Failure to conduct nationwide elections has prolonged the power struggle between various factions and impeded the formation of a truly representative government capable of addressing the needs and aspirations of all Libyans.

The deadlock between the western and eastern authorities in the country continues unabated. Although conflicting interests occasionally lead to disputes, fundamental divisions at the national level remain unresolved. This ongoing impasse underscores the depth of existing disagreements and highlights the difficulty of finding common ground between the two regions. The lack of headway in addressing these differences indicates that underlying issues such as the distribution of power, the allocation of resources or the reconciliation of ideological disparities have yet to be tackled.

Performance of democratic institutions



Commitment to democratic institutions



## 5 | Political and Social Integration

Libya's political party system remains fragmented and underdeveloped due to complex, interrelated factors that have hindered its growth and effectiveness. Political parties were banned under Qadhafi's authoritarian rule for more than four decades until 2012, resulting in a severe lack of established party structures, traditions and political experience among the population. This prolonged suppression created a significant void in the country's political landscape, leaving Libyans with limited understanding of multiparty democracy and how it functions.

Ongoing conflict and instability since the 2011 revolution have severely limited parties' ability to function, mobilize support and participate in elections. Persistent security challenges and frequent outbreaks of violence have created an environment in which political activities are often dangerous and restricted. This has impeded parties' efforts to engage with citizens, conduct campaigns and build grassroots support. The country remains divided between rival governments in the east and west, complicating the formation of national parties and fostering regional fragmentation. This division has led to the emergence of localized political entities that often prioritize regional interests over national concerns, further weakening the prospects for a unified party system.

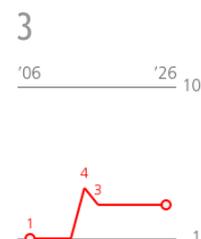
Many parties lack clear ideologies or policy platforms and are instead based on personalities or regional and tribal affiliations. The absence of well-defined political philosophies and concrete policy proposals has made it difficult for voters to distinguish among parties and make informed decisions. It has also contributed to the creation of a political landscape dominated by personal loyalties and patronage networks rather than by substantive debate on national issues.

A lack of transparency in party funding and operations raises concerns about potential corruption and foreign influence. The opaque nature of party finances has eroded public trust in these institutions and fueled suspicions about their true motives and allegiances.

Security concerns and the targeting of political activists have hindered party activities in many areas, creating a climate of fear and self-censorship. This hostile environment has discouraged many qualified individuals from participating in party politics and has limited the parties' ability to operate freely across the country.

Some of the more prominent parties and coalitions that emerged in this challenging context include the National Forces Alliance, a coalition that advocates for a civil state and market-oriented economic reforms, though its influence waned after its initial success in the 2012 elections; the Justice and Construction Party, which is linked to the Muslim Brotherhood and promotes a moderate Islamist agenda, but has faced opposition from various actors and groups over the years and split in 2022

Party system



following the Tunisian elections; the National Front Party, which seeks to balance traditional values with modernization but has struggled to differentiate itself from other moderate factions; and the Homeland Party, a nationalist party that emphasizes Libyan sovereignty and resistance to foreign interference, though its appeal has been limited by the country's fragmentation.

However, these parties have limited organizational capacity and popular support, often failing to extend their reach beyond specific regions or social groups. Their weakness is compounded by many Libyans' distrust of formal party politics, which they associate with division and instability rather than effective governance.

The absence of a unified government, constitution and electoral framework has prevented the development of a stable multiparty system. This lack of institutional foundations has created a political vacuum filled by armed factions, informal power networks and local strongmen who wield significant influence outside the formal political process.

In Libya, diverse social groups display a broad spectrum of interests and maintain varying relationships with the state, their communities and others. The convergence or overlap of these interests has depended heavily on the evolution of the ongoing conflict, making the situation fluid. Recent developments have led to stricter state controls on NGOs, resulting in a decline in their numbers. Civil society activists continue to face attacks from armed factions with political, social and geographical affiliations. Consequently, many NGO workers have fled the country or ceased their activism in order to safeguard themselves and their families.

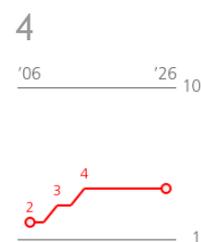
Although trade unions, which were formerly prohibited, began operating after 2011, collective bargaining has remained limited due to the absence of basic security and a functioning legal system.

Certain Libyan communities perceived as pro-Qadhafi, including Tawergha natives, have experienced discrimination, violence and displacement. Politically, individuals aligned with the Qadhafi regime have collaborated with the government and reintegrated into many of its current institutions. This has been evident, for instance, with the former members of internal security and intelligence departments that today work closely with armed groups such as the Rapid Support Force.

Migrant workers, those seeking asylum and displaced persons continue to face harsh treatment, including confinement in deplorable conditions by governmental bodies and other armed factions, as well as gross human rights violations.

Organizations advocating for women's rights are split between those aligned with the state – due to mutual interests and ideologies – and those struggling to have their differing views acknowledged. Regardless of their stance toward the government, women do not receive equal treatment under the law and encounter practical obstacles to workforce participation. Widows and displaced women are particularly susceptible

Interest groups



to financial hardships and other forms of abuse. In a recent development, the presidential council issued a decree in July 2024 that established a morality police, which the interior minister later cited in a speech addressing issues such as enforcing the hijab even for female minors, monitoring women's movements and policing personal choices that do not adhere to "Libyan values."

Libyan law imposes penalties of up to five years in prison for same-sex relationships. Consequently, LGBTQ+ individuals face extreme discrimination and harassment, and have been targeted by militant groups. Late 2023 and early 2024 saw a mass arrest campaign focusing on people suspected of being LGBTQ+, with sentences ranging from one to five years.

The Amazigh, Tuareg and Tebu communities, which are represented by political entities, maintain uncertain relations with government authorities. Even so, they collaborate effectively and create opportunities for coordination. Other interest groups, including internally displaced persons, tribal leaders' councils and various political factions, have occasionally been represented in institutional discussions, depending primarily on the issue at hand. However, the government continues to lack stable mechanisms for incorporating the perspectives of these diverse groups.

Collaboration among certain interest groups is largely facilitated by civil society organizations' advocacy and networking programs and projects. Although numerous networks exist in Libya, they lack sustained support and are constantly undermined by the country's volatile security situation.

According to the Libya Country Report by the Arab Barometer, published in 2022, levels of acceptance of state institutions were generally low in Libya at that time. The House of Representatives was perceived as the least trusted, but the High Council of State performed only marginally better. The Government of National Unity (GNU) drew comparatively high levels of approval. The report stated that "Libyans are growing frustrated at the incompetence of the political class and its failure to resolve the country's ongoing crises" and attested to a growing belief among Libyans "that democratic regimes are weak economically, inefficient, and incapable of stabilizing the country." Acceptance levels of municipal councils and the judiciary were considerably higher, however, with 42% of respondents reporting "a great deal" or "quite a lot" of trust in the former and 55% having such positive impressions of the latter.

The quarterly Libyan and Social Omnibus survey, conducted in January 2024 by diwan, highlighted contrasting public views on several issues, including government responses. The sample is too small to draw any concrete patterns or information about the Libyan population more broadly.

Approval of  
democracy

n/a

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n/a

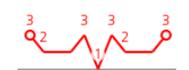
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The concept of social capital and the level of trust among Libyan citizens have been significantly affected by the country's ongoing political instability and fragmentation. Years of conflict and weak governance and the absence of unified national institutions have eroded social cohesion. Citizens often rely on informal networks based on family, tribal or regional affiliations rather than formal state structures. This has led to a fragmented society in which trust is largely confined to these smaller social units. As a result, many Libyans are skeptical of formal political processes and struggle to build broader social connections beyond their immediate communities. This low level of generalized trust poses significant challenges for national reconciliation efforts and the development of a cohesive civil society in Libya. However, when a flood disaster struck numerous coastal areas in eastern Libya in September 2023, localized and regional responses by civil society and civilians were tremendously strong.

Social capital

3

'06 \_\_\_\_\_ '26 10



## II. Economic Transformation

### 6 | Level of Socioeconomic Development

Libya's score on the 2022 Human Development Index was 0.746, placing the country in the "high" human development category and ranking it 92nd among 193 countries and territories. Its score on the Gender Inequality Index was 0.266 in 2022, lower than in 2021.

While Libya's ongoing war economy has created newly wealthy groups, it has compounded the difficulties of those adversely affected by or excluded from the conflict's benefits. Recent data from the World Food Programme indicate that armed conflict and political unrest have affected more than 3 million people across Libya. About 2.44 million people require protection and other forms of humanitarian aid, with women and children making up 55% of this group. An estimated 435,000 people have been forced to leave their homes, while another 1.75 million non-displaced Libyans, primarily in urban areas, also need humanitarian assistance.

Women have been especially affected, and comprise a disproportionate share of those requiring humanitarian aid. Female-headed households may face increased economic hardship and vulnerability, as evidenced among displaced families and those experiencing climate-induced disasters.

According to UNDP's 2023 Multidimensional Poverty Index, 37.1% of Libyans were living in multidimensional poverty in that year, a higher rate than in (resource-poor) Tunisia or Jordan. Libya's unemployment rate fell to 18.74%, reflecting the

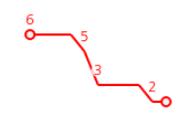
Question

Score

Socioeconomic  
barriers

2

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Government of National Unity's (GNU) strategy of creating public sector employment opportunities. However, the proliferation of informal markets and illicit economic activities has exacerbated or created inequalities over time.

The National Institution for Human Rights in Libya (NIHRL) reported that Libya's poverty rate rose to 40% in 2023. The NIHRL statement cited a study by the Bureau of Statistics and Census, which examined average monthly household and individual expenses. Additionally, the Center for Social Studies projected that Libya's poverty rate for 2023 would increase to 40%, based on the initial findings of the Comprehensive Survey of Household Income and Expenditure (2022 – 2023).

Southern Libya, in particular, faces difficult economic conditions that also affect women and working-class youth. Geography plays a significant role in this regard, with most work, education and other opportunities concentrated in a few urban coastal centers, primarily Tripoli, leaving other regions and historically disadvantaged communities, such as the Tebu and Tuareg, more vulnerable. This unequal allocation of resources and development has produced considerable socioeconomic disparities across various parts of Libya. The concentration of economic activity in specific areas not only limits competition but also fuels social unrest and migration pressures.

Economic indicators		2021	2022	2023	2024
GDP	\$ M	35218.0	43246.3	45096.5	<b>46636.3</b>
GDP growth	%	28.3	-8.3	10.2	<b>-0.6</b>
Inflation (CPI)	%	2.9	4.5	2.4	<b>2.1</b>
Unemployment	%	19.6	19.3	18.8	<b>18.6</b>
Foreign direct investment	% of GDP	1.7	1.6	1.8	-
Export growth	%	126.1	-19.9	7.1	<b>-6.9</b>
Import growth	%	46.6	-13.9	-16.5	<b>-3.0</b>
Current account balance	\$ M	5675.3	9607.4	1864.6	-
Public debt	% of GDP	-	-	-	-
External debt	\$ M	-	-	-	-
Total debt service	\$ M	-	-	-	-

Economic indicators		2021	2022	2023	2024
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	34.6	30.8	35.3	<b>36.7</b>
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	4.5	3.1	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	-	-	-	-

Sources (as of December 2025): 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

The consolidation of authority among a select few and the absence of robust competition policies have hindered entrepreneurship and innovation. Libya's market organization is a mix of formal and informal systems, compounded by illicit markets. Protracted conflict and political stalemate have weakened the legitimate economy, enabling illicit markets for fuel, human smuggling and subsidized goods to thrive and overshadow legitimate alternatives.

Prices in Libya are regulated by the Ministry of Economy, but this does not extend to all goods. Some products and services are not subject to administrative pricing, and others adhere to it only partially. Government decrees establish the rules of the pricing system and specify which goods are covered. These measures are often reactive, implemented during crises to ensure that standards and prices are maintained.

The oil and gas sector plays a dominant role in Libya's economy and is the primary energy source for power generation. This reliance on fossil fuels has hindered efforts to meet rising energy demand and has consequences for national income and carbon dioxide emissions. Libya's oil sector is largely publicly owned, with a few private companies operating under the umbrella of the National Oil Corporation. Despite its status as a petroleum-based economy, Libya has faced significant obstacles in meeting its growing energy needs, underscoring the need to diversify into sustainable energy alternatives.

Market organization

2

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Reports from the U.N. Panel of Experts on Libya continue to indicate that a supply monopoly has emerged among fuel distribution companies, potentially threatening the stability of Libya's fuel distribution system. Furthermore, smuggling of refined petroleum products via sea and land routes persists, albeit at lower levels than in previous years.

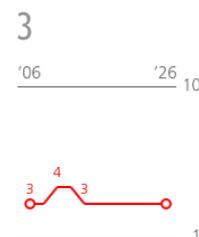
Libya participates in the Common Market for Eastern and Southern Africa (COMESA), an African regional protocol that serves as a legal framework aimed at fostering regional competition convergence. Although COMESA is affiliated with the International Competition Network (ICN), Libya is not. Nevertheless, the country has signed and ratified international agreements on industrial activities. In 2010, Libya introduced legislation concerning trademarks, and the Commercial Code provided for the establishment of a Competition Council within the Ministry of Economy. However, this body has yet to be formed. Although antitrust practices exist in commercial operations, no formal laws or policies have been enacted. Law No. 23 of 2010, which governs all commercial activities, includes articles on competition; however, no policies have been developed based on these provisions. In consequence, there is no dedicated competition regulatory body or comprehensive antitrust framework.

The International Law Office reported that the Libyan Trademarks Office (LTMO) has intermittently resumed operations since June 2013. This suggests that the 2010 law may still be in effect, but the extent and manner of its implementation remain uncertain as Libya continues to rank poorly in terms of transparency.

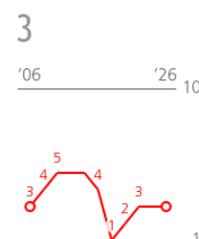
Libya's oil-dependent economic structure has made the country highly vulnerable to external market fluctuations. The International Monetary Fund's recent report underscores the urgent need for economic diversification to achieve sustainable and equitable growth. This overreliance on a single commodity exposes Libya to global energy market volatility, which could lead to economic instability and hinder long-term development prospects. The lack of economic diversification also limits job opportunities outside the oil sector, contributing to high levels of unemployment and social discontent.

The foreign trade sector in Libya faces numerous challenges due to the absence of a stable government and recurring conflicts. The monopolization of import and export activities by groups with close ties to government authorities has fostered a system of cronyism and rent-seeking behavior, undermining fair competition and economic efficiency. This lack of transparency and equitable access to trade opportunities has perpetuated power imbalances within the country, exacerbating economic disparities and social tension. In line with its WTO accession process, Libya has implemented numerous trade liberalization reforms, such as reducing the number of state import monopolies, limiting the number of import bans, abolishing licenses for most goods and reducing subsidies. The simple average most-favored nation tariff rate in Libya was 4.5% in 2023, which is relatively low and indicates that there is no protection for the domestic industrial sector.

#### Competition policy



#### Liberalization of foreign trade



The Libyan banking sector is primarily composed of commercial banks, with 16 institutions operating in the country. The sector is dominated by state-owned banks, which control most assets and deposits. Private banks have a limited presence. Years of conflict have damaged banking infrastructure; many banks struggle with liquidity issues, large shares of non-performing loans and outdated technology, making it difficult to meet cash-withdrawal demands. Long lines and withdrawal limits have undermined public confidence in banks and promoted an informal, cash-based economy.

The Central Bank of Libya (CBL) reunified in 2024, but a crisis sparked by efforts to change its governor heightened tensions between rival factions in the east and west of the country, complicating monetary policy and regulations. Despite reform efforts, such as developing fiscal, monetary and trade policies in consultation with IMF standards, as well as measures to enhance transparency and improve local and international economic indicators, the banking system still lacks overall transparency and effective supervision. Limited access to credit hinders private sector growth.

## 8 | Monetary and fiscal stability

Libya's CPI inflation rate was 2.4% in 2023. The Libyan dinar (LYD) is pegged to the IMF's Special Drawing Rights (SDR) basket, which includes the U.S. dollar, euro, Chinese renminbi, Japanese yen and British pound sterling. As of January 2025, the official exchange rate was LYD 4.88 to \$1, while informally, \$1 traded from LYD 7.8 to LYD 10.

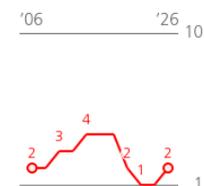
The CBL serves as the nation's monetary authority, tasked with formulating monetary policy as stipulated in the Banking Law. A "monetary policy committee" was established by Decision No. 32 of 2005, issued by the CBL governor, and is tasked with creating a comprehensive monetary policy framework. Amid Libya's complex crises, the CBL has worked to ensure financial stability and maintain the state's fiscal sustainability.

Several factors affect Libya's monetary stability. A wide gap between the official and informal exchange rates for the Libyan dinar has created arbitrage opportunities, fostering corruption and economic imbalances. This dual-rate system has also hindered international trade and investment. Currency devaluation, supply chain disruptions and monetary expansion have contributed to persistently high rates of inflation, diminishing Libyan citizens' purchasing power and savings. Not least, ongoing conflict and oil production disruptions have depleted Libya's foreign currency reserves, hampering the central bank's ability to defend the currency and finance crucial imports.

In August 2024, the CBL faced a crisis involving the forced departure of its governor, the kidnapping of its IT director following the central bank's reunification, and demonstrations calling for the governor's resignation. An armed group also stormed

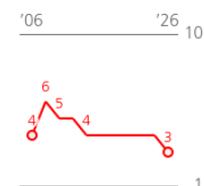
### Banking system

2



### Monetary stability

3



the bank, making similar demands. The governor's flight from the country was perceived as a forceful attempt to seize control of the CBL. In response, the GNS in the eastern region announced the closure of oil fields. UNSMIL subsequently mediated between the two governments, resulting in a compromise on a new governor and the bank board in late September 2024.

The absence of a unified government has led to poor fiscal discipline, with rival administrations operating separate budgets and accumulating deficits. This has increased reliance on monetary financing, further destabilizing the currency. Nevertheless, a World Bank study published in 2024 expected fiscal and external-balance surpluses respectively to grow to 1.7% and 4.1% of GDP that year, despite a decline in oil revenues. This improvement was attributed to reductions in public and capital expenditures as well as decreased imports. The GNU claims to have made efforts to streamline spending and optimize resource allocation, which it maintains have contributed to these positive figures, and blames spending by the parallel government for contrary trends.

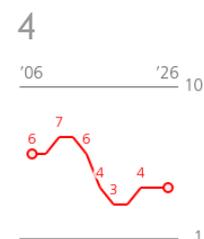
The country faces a significant challenge in terms of diversifying its economy and reducing its reliance on hydrocarbons over the medium term. This dependence on a single sector exposes Libya to volatile global market conditions and limits its potential for sustainable long-term growth. Low oil prices pose a dual threat to the economy, diminishing government revenue while also increasing the fiscal burden by raising subsidy costs. This paradoxical situation highlights the complex interplay between global oil markets and domestic economic policies. The GNU's ability to navigate these challenges is crucial to maintaining economic stability and fostering growth. The GNU's final accounts reported a nearly balanced budget with a minimal fiscal deficit of 0.1% of GDP in 2023, which marked a slight improvement in the overall fiscal position from 2022.

## 9 | Private Property

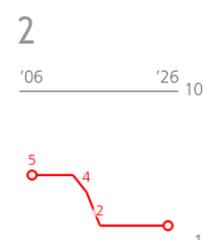
Protection of private property remains inadequate. The 2011 constitution declared that property rights are inviolable and recognizes the right of property owners to dispose of their property without interference. This superseded Law 4 of 1978 and Law 142 of 1970, which allowed tenants to occupy their residences and established unregistered or unused land as state property.

Land and real estate ownership continue to be contentious issues. Property infringements persist in Libya, especially through the appropriation of assets belonging to former regime members or displaced individuals. No new legislation or policies addressing property rights have been implemented since 2011. The complex history of property rights has led to ongoing legal disputes concerning properties or land confiscated by the state over the past three decades. Furthermore, the civil war has led to additional court cases related to displacement.

Fiscal stability



Property rights

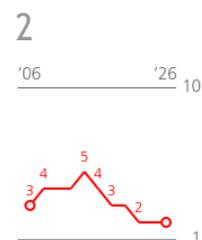


In September 2023, devastating floods ravaged the city of Derna and smaller towns in the Jebel al-Akhdar (Green Mountain) area. Most of the damage was to residential and agricultural property. Reports on adequate compensation for the damage and losses show a mixed picture, with some in urban localities reportedly receiving compensation, while farmers and private business owners claim the amounts provided have been insufficient to revive their businesses.

Private and public commercial properties alike have sustained damage during the country’s prolonged conflicts, and both have been neglected by successive governments. Libya’s private sector operates with minimal regulation, allowing for a wide variety of economic activities, but bureaucratic hurdles to starting a business remain complex and difficult to navigate. Political instability has affected all sectors, including private businesses, which have faced physical damage, closures, decreased revenue, increased expenses, supply chain interruptions, and the loss of local workers (due to displacement) and foreign workers. The financial infrastructure provides limited access to financial services. In Libya’s war-torn economy, powerful elites and armed groups can seize or dismantle businesses across sectors. A recent World Bank study on the private sector during conflict found that significant wealth is generated through distortions in foreign currency trading mechanisms, subsidies for fuel and other essential goods, smuggling, and weak oversight of the distribution of public funds.

The impact of flooding in 2023/24 on private enterprises has been substantial, resulting in various compensation-related challenges, including inadequate insurance coverage, protracted recovery times and limited government assessment activities. Many business owners in eastern Libya have said the costs associated with rebuilding and upgrading flood-damaged properties may exceed available compensation, straining business finances.

Private enterprise

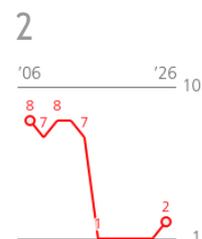


### 10 | Welfare Regime

Libya has extensive social protection programs established by Social Security Law No. 13 of 1980 and further supported by the interim constitutional declaration of 2011. Overall, life expectancy at birth is 72 years.

There are 23 social assistance programs. Seven are subsidies provided by entities of various sizes; most of these remain operational. Twelve programs are active; these include the social assistance benefit; a wife and child grant; a grant for people with disabilities; emergency assistance; a zakat fund; benefits for families of martyrs, missing persons and amputees; social assistance benefits; university grants; health insurance benefits; and unemployment benefits. Seven are inactive, divided between health and postgraduate benefits. Three are partially active, and one housing benefit has an unknown status as of 2022. These programs are organized or delivered by the Social Solidarity Fund, while the Ministry of Social Affairs is the leading implementer of state-led social assistance to support vulnerable people.

Social safety nets



There is a lack of information on the scope, status and coverage of these social protection programs. Information is also lacking on the eligibility criteria, registration processes and information management systems currently used by these programs. In addition, non-Libyans appear to be largely excluded from the legal and policy frameworks. However, program financing indicates that the largest share of the social protection budget goes toward universal subsidies rather than to transfers to the most vulnerable. Libya's social insurance system covers eight of the nine categories set out in ILO Convention No. 102 (all except unemployment insurance). Taxation and investment funds are underdeveloped.

A 2021 mapping of social protection policies found that the wives and children grant covered approximately 87% of the population, the basic pension 5% and IDP programs 4%. The health sector in Libya has been among the sectors most deeply affected by conflict and climate disasters; it is also riddled with corruption, with dilapidated and underfunded facilities. However, private hospitals and clinics do exist.

During periods of active armed conflict, there have been shortages of essential resources such as food, fuel, water, electricity and currency. Consequently, access to basic services has depended on relationships with political and ideological factions, the use of force, and geographic location.

People with disabilities are covered under a social protection program but are not integrated into the workforce, nor are they considered when planning or implementing projects that seek to boost employment. Libyans have close family relationships, and elders are often cared for by their children or other relatives. However, care homes exist in cities for those who do not have such care.

The World Food Programme (WFP) has collaborated with the Libyan government, local NGOs and international organizations to combat poverty and food insecurity, aligning with the United Nations' Sustainable Development Cooperation Framework. The organization's strategic plan (2023 – 2025) focuses on providing emergency food assistance and supporting Libya's most vulnerable communities.

The World Health Organization (WHO) and the Red Crescent are working to strengthen and repair the Libyan health care system by supplying medical resources and training health sector professionals. This initiative has primarily targeted Derna and other flood-affected areas in eastern Libya, where many people were displaced and required medical and humanitarian aid following the 2023 floods. In 2023, UNICEF partnered with the Ministry of Health to ensure access to primary health care, nutrition and medical support. Post-flood efforts included nutrition screening for 5,461 children and management of malnutrition.

Labor legislation in Libya is based on the principle of equal opportunity. Article 2 of the Libyan Labor Code establishes equality between men and women as a foundational principle. Article 3 states that employment is to be based on competence and merit, without discrimination. Article 21 prohibits gender-based discrimination in pay for equivalent jobs. The code also grants women paid maternity leave, time for breastfeeding and other rights such as access to a nursery. Gross enrollment ratios are 106% at the level of primary education, 97.5% at the secondary level and 61.6% at the tertiary level, with female-to-male enrollment ratios of 1.0, 1.2 and 1.1 at the three levels, respectively. Women made up 35.9% of Libya's total labor force as of 2023.

The educational infrastructure in Libya faces significant challenges, with approximately 160,000 children and 5,600 teachers in urgent need of support related to access to or the quality of education due to the decade of conflict and persisting macroeconomic issues. Damaged schools, a lack of facility upkeep, delayed supplies and power outages have contributed to these challenges. In Libya, children – including children of Libyan women married to foreigners, refugees, asylum-seekers and migrants – face significant challenges in obtaining birth registration, residence permits and other civil documentation, as highlighted by the UNHCR.

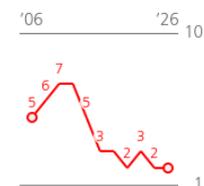
There are no current studies that correlate school dropouts by adolescent girls with increased child marriage rates in Libya, but numerous reports have highlighted these issues, linking them to displacement, the prevailing lack of security and social norms of prioritizing males' education.

Moreover, even without updated data on female employment in private and public institutions, it is reasonable to conclude that the number of women in managerial or leadership positions is relatively low. A widespread environment of hostility toward women's presence in public spaces along with prevalent cultural attitudes toward women such as chauvinism and a lack of trust in women's competence make it difficult for women to take leadership positions or participate in decision-making processes. Women in such positions often report difficulties in assigning tasks to male subordinates, exclusion from important decision-making processes and consistent experiences of management siding always with men in disputes.

Because many members of the Tuareg and Tebu ethnic groups lack citizenship, they often face discrimination with regard to accessing education or work, as well as in political participation. Recent legal changes, most prominently Decree No. 322 of 2021, are intended to improve the situation, but have yielded only limited progress so far.

## Equal opportunity

2



## 11 | Economic Performance

Libya has faced considerable hurdles in its economic progress due to the prolonged political turmoil and factionalism that have beset the nation for years. While some analysts are optimistic, key economic indicators offer a nuanced picture of the country's fiscal health. A thorough analysis of these indicators reveals both promising signs and persistent challenges.

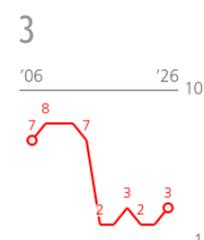
GDP per capita was \$19,641 in 2023, representing a 2.8% contraction compared with the year before. However, this is significantly lower than in 2013, when it reached \$22,280 (on a purchasing power parity basis). Volatility in the oil sector, which constitutes a significant portion of the nation's GDP, has a cascading effect on other industries and the country's overall economic performance.

The reduction in the inflation rate to 2.4% in 2023 was a potentially favorable development, signaling improved price stability in the economy. If this lower inflation rate persists, it could bolster economic recovery by preserving purchasing power, stimulating consumer spending and fostering a more predictable environment for business operations and investments. The service sector, which includes petroleum services, attracts the largest amount of foreign direct investment (FDI) in Libya, followed by manufacturing and tourism. Inward positions held by OECD member countries in Libya amounted to \$1.5 billion in 2018 and rose to \$4.2 billion in 2022. Among OECD members, the Netherlands was the largest investor in Libya, followed by Germany.

The decrease in the unemployment rate to 18.7% represents another improvement, suggesting job creation or increased labor market engagement. However, this figure remains disconcertingly high compared with global standards, highlighting persistent structural issues in the economy.

The informal and illicit economy – including smuggling networks and illegal markets – has expanded, increasing economic inequalities and opportunities for exploitation. Access to basic services, economic opportunities and humanitarian aid is uneven across the country, with conflict-affected and marginalized areas often facing greater deprivation. The ongoing conflict has created newly wealthy groups that have benefited from the war economy, while exacerbating difficulties for those adversely affected or excluded from conflict-related economic opportunities.

Output strength



## 12 | Sustainability

Although Libya endorsed the United Nations Framework Convention on Climate Change in 2015 and confirmed its commitment to the Paris Climate Accord in 2021, it has yet to submit essential documents such as a nationally determined contribution, national adaptation plans or national communications. The country established a Renewable Energy Strategic Plan (2013 – 2025), developed by the Renewable Energy Authority of Libya (REAOL), which was aimed at incorporating local renewable energy sources into the national energy system and boosting their share in the overall energy mix. However, based on the website associated with the plan, tangible outcomes to date remain unclear.

According to a 2022 EU action document addressing support for Libya’s climate change strategy and environmental protection efforts, the country still had no national action plan; existing laws address pollution but not climate vulnerability. Unfortunately, the devastating floods in Derna were framed only as an issue of corruption, not climate change.

Libya faces significant water scarcity challenges because of its dry climate and rapidly growing population. To meet agricultural and urban water needs, the nation has primarily relied on extracting non-renewable fossil groundwater, particularly through the “Great Man-Made River” project. This approach, which focuses on increasing supply, has proved unsustainable, resulting in overuse and depletion of water resources. There is growing awareness of the need for water policy reforms, including demand management strategies, legal and institutional enhancements, and the development of alternative water sources.

Curiously, despite its abundant solar resources, Libya has been slow to embrace renewable energy technologies. The country continues to depend heavily on fossil fuels for energy production, and residential buildings consume about 36% of this energy. Nevertheless, interest in solar photovoltaic (PV) energy is growing as a way to meet energy demands and decrease carbon emissions. The government is beginning to recognize the opportunities and potential of solar PV applications in Libya.

Numerous civil society efforts and initiatives seek to address the climate crisis; however, without structural changes and the development of actionable plans, Libya’s climate vulnerabilities will continue to intensify.

Environmental  
policy

2

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Libya's education system is theoretically free and accessible. However, access remains a major challenge. Most higher education institutions are in coastal cities (where some private and international schools are also located) and do not offer scholarships or relocation assistance to prospective students from other areas. Curricula at all levels need further development and improvement, as they do not prepare students for the job market. Some changes have been made to address the educational legacy of the previous regime.

The Government of National Unity (GNU), in partnership with UNESCO, made a commitment to expand the school meals project to cover all schools by the end of the 2024 – 2025 school year. In 2024, the Ministry of Education began phase two of the “Schools of the Future” project. Information about actual achievements, however, remains insufficient.

The Libyan education system has faced massive disruptions since 2014. The country's score on the U.N. Education Index stood at 0.610 in 2021, 2022 and 2023, considerably lower than in 2012, when it was 0.671. Schools and universities are forced to close in certain areas in which violent confrontations occur. Infrastructure has been severely damaged in parts of the country, and armed factions have in some cases used educational buildings as strategic locations.

The conflict has also triggered concerns regarding educational provisions for displaced people. In 2018, the Ministry of Education established a committee to address the affairs of displaced and migrant people inside and outside the country. The committee was tasked with developing solutions and measures to address the conditions of displaced people such as students, teachers and ministry employees.

No recent data on literacy are available. The most recent overall estimate for the country, produced by the World Bank in 2014, was 89.9%. There have been reports on how conflict and displacement have affected dropout rates, but no reliable information exists. Libya lacks a national educational monitoring report.

Education policy /  
R&D

3



## Governance

### I. Level of Difficulty

Governance in Libya is hindered by numerous structural impediments deeply entrenched in the country's historical, political and societal framework. These multifaceted challenges create a complex network of barriers that impede the establishment of robust and efficient national governance.

Qadhafi's prolonged autocratic rule left state institutions underdeveloped, making it difficult to establish a functional bureaucracy and provide public services. The centralization of power under his regime hindered the growth of autonomous institutions or a professional civil service. Inadequate infrastructure, disparities between the education system and the job market's demands, and diminished institutional capacity following extended sanctions have affected most sectors.

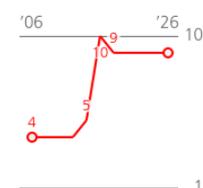
Libya's system of governance has been in flux since the 2011 uprising and subsequent civil war, with various armed factions and external actors persistently vying for control. The country has been split between rival administrations in the east and west, each backed by different international powers. This fragmentation has severely hampered efforts to establish a unified government and rebuild state institutions.

The scarcity of experienced bureaucrats and technocrats hampers effective policy implementation and the management of public resources. Years of conflict and instability have led to a brain drain, depriving Libya of crucial expertise in the field of public administration. This shortage of skilled personnel complicates the design and execution of complex policies as well as the efficient management of state resources. Deeply rooted corruption and clientelism make it difficult to operate on the basis of meritocracy and an effective resource allocation, thereby obstructing good governance practices.

Climate-induced disasters have exacerbated this situation, highlighting the increasing vulnerability of the population. Storm Daniel, which struck the eastern coast in September 2023, as well as the floods in the southern and western regions in 2024 all exemplified this growing threat. The southern region is particularly vulnerable, as it is less developed and has fewer financial and material resources to invest in preparedness and response.

Structural constraints

9



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Libyan civil society re-emerged after 2011. In response to events in the country, organizations initially formed to provide humanitarian relief. According to a roster report released by UNDP and UNICEF in 2013, nearly 1,000 civil society organizations (CSOs) were active in Libya's five main cities. This suggests that Libya had an active and vibrant civil society at least for the brief period between 2011 and 2013.

Since 2014, civic space has been shrinking, with attacks being made on activists, journalists and politicians. The space for CSOs has narrowed considerably, and many activists, journalists and politicians have been targeted and assassinated. This has driven CSOs to shut down or go underground; as a result, work on political issues has become less visible. The focus has shifted toward humanitarianism, relief work and service delivery, which has heightened perceptions of the failures of central government.

The civil war severely affected the capabilities of Libyan civil society and, to a certain extent, led many organizations to suspend their activities. Although very few organizations debated or worked on political and security issues, their focus on cultural and societal affairs was nonetheless needed at a time when war was tearing Libya apart. Ongoing attacks on civic organizations and individuals took many forms, including slander, and severely damaged public trust in civic spaces, especially political ones. According to data from the Arab Barometer, about 37% of the population said they trusted civil society in 2022, with higher levels found among younger people. Given the poor security situation for civil society and the lack of protection, levels of civic engagement are low, according to a study published by the Friedrich Ebert Foundation in 2023. In this study, many respondents said they would get involved only if the focus was on humanitarian or relief work.

The crackdown on the country's civic space continued through 2024, according to a report published by Amnesty International. Civil society organizations and activists are increasingly operating underground or outside the country.

Libya continues to face intense conflict as various groups compete for dominance and control of the nation's resources. The ongoing struggle is fueled by the failure to establish a robust and inclusive political framework, as well as widespread corruption, favoritism and a lack of economic diversity.

Events in 2023/24 underscored the persistence of conflict. The western region of Libya has seen ongoing armed confrontations, exposing the instability of local power structures. The government has sought to diminish the influence of armed factions controlling oil facilities in Zawia, a key location in the country's petroleum industry. These actions highlight the continuing struggle of the central authority to gain control over crucial economic assets. In spring and summer 2024, the GNU, specifically newly appointed – and controversial – Interior Minister Imad Trabelsi, also attempted to seize control of the Ras Ajdir border crossing with Tunisia, in a territory that is

#### Civil society traditions

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#### Conflict intensity

9



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largely under the control of Amazigh forces but has featured increasing Ministry of Interior influence since 2016. The move was perceived as another attempt by the GNU-affiliated Zintani forces to take control of the border, something that has been attempted numerous times over the years.

While the eastern region of Libya has seen less intense conflict than the west, reports of skirmishes between Libyan Arab Armed Forces (LAAF) commanders indicate internal rifts within this influential military group. In September and October 2023, the LAAF imposed media restrictions in Benghazi, raising concerns about information freedom and potential human rights abuses. The LAAF has also faced allegations that it has eliminated political opponents, suggesting a tightening grip on areas under its control.

## II. Governance Performance

### 14 | Steering Capability

The Government of National Unity (GNU) was established in 2021 as a temporary governing body, created through an international agreement, with the primary goal of preparing the country for legislative and executive elections. These elections were intended as a crucial step toward a postwar recovery that would necessitate robust, conflict-sensitive legislation to reduce the risk of a relapse into further conflict. However, persistent political deadlock has perpetuated the division of power and hindered the state's ability to formulate and implement long-term plans. In December 2024, the United Nations Special Mission in Libya (UNSMIL) announced the formation of a technical committee to establish another transitional government to unify the two current governments and plan an election.

Libya's Ministry of Planning has continued to collaborate with international organizations and other ministries to address various challenges. The ministry has established partnerships with organizations such as the United Nations Mine Action Service (UNMAS), U.N. Habitat and UNDP, focusing on critical topics such as infrastructure rehabilitation, demining and explosive security programs, and urban planning. These efforts have yielded positive results, including the renovation and reopening of schools and hospitals, along with significant progress in demining programs over the past decade. Nevertheless, the ongoing conditions of instability and conflict have frequently impeded these development initiatives, creating an environment that is not conducive to sustained progress or long-term planning.

Question  
Score

Prioritization

3

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GNU has pursued a populist agenda with mixed results. Prime Minister Abdul Hamid al-Dbeibeh's administration launched ambitious initiatives such as "Ihiya Libya" ("Revival of Libya") to rebuild infrastructure and address unemployment. These projects aimed to revitalize the country's economy and improve the living conditions of Libyan citizens. However, many of these projects remain unfinished because of various challenges, including financial constraints, political instability and logistical difficulties.

The government's promises to improve the economy have fallen short of expectations. Despite initial optimism, GNU has struggled to implement effective economic reforms and attract foreign investment. The country's heavy reliance on oil exports continues to make it vulnerable to global market fluctuations, and efforts to diversify its economy have been limited. The management of other vital natural resources, such as water and arable land, has been poor. The lack of sustainable water management practices and inadequate investment in agricultural infrastructure have hindered the development of these sectors, which could contribute to economic diversification and food security.

GNU's efforts to organize elections in 2021 were hampered by Prime Minister al-Dbeibeh's political maneuvering and by his controversial decision to run for office, which violated the terms of the original political agreement. This decision not only undermined the credibility of the electoral process but also exacerbated existing tensions between rival factions. The postponement of the elections has further eroded public trust in the government's ability to lead democratic transitions.

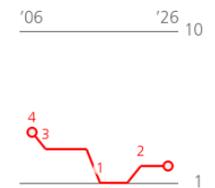
While the GNU has maintained the 2020 cease-fire, its efforts to consolidate power through security measures have proved challenging. The government faces significant obstacles in integrating rival armed groups and establishing a unified national security system. The presence of foreign mercenaries and the influence of external actors continue to complicate efforts to stabilize the country's security situation.

Despite some popular initiatives, GNU faces significant obstacles in implementing sustainable strategies due to ongoing institutional divisions, contested legitimacy, and widespread administrative and financial corruption. The lack of a unified governance structure and the persistence of parallel institutions in eastern and western Libya continue to undermine government authority and effectiveness.

These underlying drivers of the conflict continue to hinder progress and make it difficult for the government to address Libya's pressing challenges effectively. Ongoing power struggles between rival factions, the influence of regional and international actors, and the legacy of years of conflict have created a complex political landscape that resists easy solutions.

## Implementation

### 2



Furthermore, GNU's efforts to address long-standing issues such as inadequate public services, crumbling infrastructure and high unemployment rates have been hampered by bureaucratic inefficiencies and a lack of institutional capacity. The government's ability to deliver tangible improvements in the daily lives of Libyan citizens remains limited, contributing to growing public frustration and disillusionment.

The Libyan government appears to lack an effective monitoring and evaluation system, as shown by the limited available data. Recent actions, such as restructuring armed groups, indicate a failure to learn from previous experiences. The Libyan government's websites exhibit significant usability and accessibility problems, indicating limited learning from best practices in e-governance. Although there are isolated instances of successful policy learning and implementation in Libya, the overall picture suggests a government that struggles to learn from and apply policy lessons across sectors consistently.

On the international stage, Libya participates in conferences and meetings with regional and global institutions to promote cooperation on current and future initiatives. Libya has also entered into several agreements with countries such as Egypt, Italy, Türkiye and Tunisia focusing on economic cooperation and security. Although these agreements target various sectors within Libya, they have generally proven more advantageous to the government than to the general population, as implementation often focuses on defense contracts and security agreements.

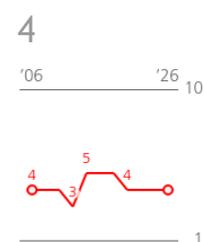
Various executive bodies in Libya consult academic experts, trade unions and CSOs. However, these consultations are often limited to individuals and institutions closely aligned with the government's political agenda. As a result, critical discourse on policy approaches and outcomes is scarce during the planning and implementation phases. This selective engagement hinders the development of comprehensive, inclusive policies that address the diverse needs of the Libyan population.

## 15 | Resource Efficiency

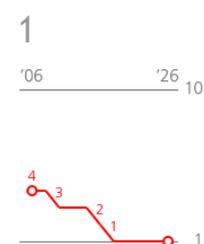
The government's ability to use assets effectively is severely hampered by ongoing political turmoil, division and conflict. Competition between administrations in the eastern and western regions means that governance is not unified, leading to a lack of coherent national policies and asset management strategies. This, in turn, leads to inefficiency and potential misuse of resources.

The oil and gas sector, which forms the backbone of the economy, has been poorly managed. Production interruptions, illicit fuel trading and monopolistic practices by fuel distributors threaten stability. Frequent shutdowns of oil fields and export terminals because of security issues or political disputes have caused substantial revenue losses. Insufficient investment in infrastructure maintenance and modernization has impeded the sector's productivity and long-term viability.

### Policy learning



### Efficient use of assets



Human capital is not being used efficiently, a fact reflected in high unemployment rates, an ongoing brain drain, and a mismatch between the education system and labor market demands. The persistent conditions of conflict have led to a significant exodus of skilled professionals, depriving the country of valuable expertise. Moreover, the education system has not been reformed adequately to align with the evolving needs of the job market, resulting in skill gaps and reduced productivity.

Corruption, a lack of transparency and weak institutions decrease efficiency with regard to the allocation and use of public resources and assets. The absence of effective oversight mechanisms and accountability systems has created opportunities for the misappropriation of funds and nepotism in public sector appointments. This has eroded public trust and undermined the government's ability to implement reforms and development projects effectively.

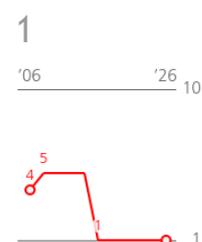
The inefficient use of assets can extend to a country's failure to take advantage of its geographic position. Libya's strategic location on the Mediterranean coast and its proximity both to Europe and sub-Saharan Africa present opportunities to develop transportation and logistics hubs. However, these potential assets remain underutilized because of inadequate infrastructure and regulatory frameworks.

The management of state-owned enterprises (SOEs) has been characterized by inefficiencies, overstaffing and a lack of transparency. Many SOEs operate at a loss and require substantial government subsidies, draining resources that could alternatively be allocated to more productive sectors. The absence of clear corporate governance structures and performance-monitoring systems has contributed to inefficiencies in the use of state assets.

The current state of policy coordination in Libya reflects the many ongoing challenges. A lack of legitimate nationwide elections has created a substantial governance gap. The Government of National Unity (GNU), which is now in power in Tripoli, lacks democratic authority and has struggled to establish legitimacy nationwide. The absence of a democratically elected government undermines policy credibility and makes it difficult to build broad support for national initiatives. The persistent deadlock between authorities in the western and eastern regions remains unabated, with fundamental divisions at the national level still unresolved. This east-west split hampers policy coordination and perpetuates a cycle of mistrust and competition, further fragmenting the political landscape. The inability to bridge these divisions has led to the development of parallel institutions and competing claims of legitimacy, making it nearly impossible to implement cohesive national policies.

Regional and local coordination efforts in Libya exist, and municipalities and local councils may attempt to address immediate needs, but they struggle to align their efforts with broader regional or national objectives. In certain instances, as with the response to the Derna floods in 2023, the governments in the east and west have briefly managed to coordinate efforts. However, survivors and CSOs described the efforts following the floods as being very poor.

#### Policy coordination



Libya's public procurement systems and asset declaration regulations lack transparency. When information is released, it is typically limited to brief project summaries and contractor details.

Law No. 19 of 2013 established an Audit Office in Libya as an ostensibly autonomous body responsible for financial oversight. This entity is tasked with examining both manual and electronic internal control systems, and with ensuring the integrity of financial transactions, accounting records and reports in accordance with legislation. The Libyan Audit Bureau is the country's supreme financial and accounting authority.

The General National Congress established the National Anti-Corruption Commission (NACC) in 2014. Its primary tasks are to monitor reports from anti-corruption agencies, manage financial disclosures and refer corruption cases to the legislature. An Administrative Control Authority also monitors executive agencies. However, in 2023 this latter entity was divided, with allegations that the Tripoli offices were closely affiliated with and influenced by internal security factions.

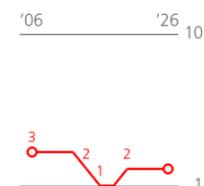
These organizations perform their assigned functions to some extent, but have limited capacity to regulate administrative procedures or follow up on them. In 2024, armed groups attempted to curtail the Audit Bureau's work. Reports from these various authorities suggest that the Libyan state lacks accountability regarding corruption, conflicts of interest and ethical conduct.

## 16 | Consensus-Building

In Libya, advocates of democratic reform face considerable hurdles because they lack effective means to influence the existing political framework. The absence of genuine democratic structures has produced a recurring pattern in which interim administrations maintain their authority due to violent conflict, supporting it either directly or indirectly. This self-perpetuating cycle has hindered substantial progress toward democratic transformation. Consequently, opposition to authoritarian and corrupt practices has taken alternative forms of resistance, such as boycotts or the creation of parallel institutions and procedures. While these actions demonstrate dissent, they have yet to produce significant changes in the overall political landscape. Notwithstanding these challenges, civil society groups, networks and alliances in Libya are dedicated to advancing democracy and reform. These organizations actively participate in formulating and proposing solutions, visions and recommendations for various political and peace initiatives. Their efforts also include support for local elections, a grassroots approach to fostering democratic practices at the community level. In addition, these groups have played a crucial role in organizing conferences and seminars to engage the public in discussions of constitutional matters and other vital aspects of democratic governance. Although these endeavors have helped sustain dialogue on the topics of democratization and reform, they continue to face significant opposition from entrenched power structures that benefit from maintaining the current state of affairs.

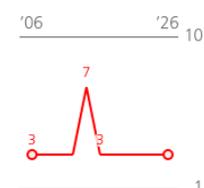
Anti-corruption policy

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Consensus on goals

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There is limited agreement on the concept of a market economy. This situation is further complicated by the presence of temporary governing bodies. These interim administrations, which often maintain their authority through conflict and disunity, lack the credibility and long-term perspective that would be necessary to implement enduring economic strategies. Continuous changes in leadership have hindered the development of a stable market economy, because each successive administration tends to introduce its own economic agenda, resulting in inconsistent policies and economic uncertainty. There are various projects aimed at developing a market economy, some of which have been well received by the government. However, fundamental challenges pose considerable hurdles on Libya's path toward establishing a robust, widely endorsed economic framework.

In Libya's current political climate, reformers face considerable obstacles to marginalizing or integrating anti-democratic elements, largely because the reform supporters have limited leverage. Proponents of democratic change lack effective mechanisms to influence the existing political framework, hindering their ability to sideline anti-democratic forces.

Libya's history of autocratic rule has left a weak foundation for democratic governance. Establishing a democratic ethos requires sustained efforts in areas such as public education, political engagement and the embrace of diversity. The lack of such groundwork enables anti-democratic actors to retain their grip on power.

This situation is further complicated by foreign intervention in Libya's domestic affairs. Various external actors support different Libyan factions, often prioritizing their strategic interests over the country's democratic progress. External interference can deepen existing rifts and undermine efforts to forge national unity.

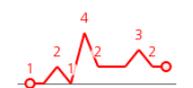
The political landscape in Libya remains highly polarized, with various factions vying for control and influence. Despite this fragmentation, there have been notable successes in preventing large-scale conflicts rooted in societal cleavages. These achievements can be attributed in part to ongoing mediation efforts and the involvement of international and regional stakeholders. Yet the situation remains precarious, as evidenced by continued armed conflicts and skirmishes that periodically erupt across the country.

The 2024 events in Zawia and Ras Ajdir serve as a stark reminder of Libya's fragile political stability. The military campaign by the Government of National Unity (GNU) against armed groups in Zawia demonstrated the ongoing challenges of maintaining control across regions. In addition, the interior minister's attempt to transfer control of the Ras Ajdir border crossing to Zintani forces allied with him highlights the complex web of alliances and power struggles that continue to shape Libya's political landscape. These incidents underscore persistent tensions and the potential for renewed conflict.

Anti-democratic actors

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Cleavage / conflict management

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The aftermath of a catastrophic flood in 2023 further exposed the fragility of the political landscape. On September 17 and 18, 2023, protests erupted as citizens voiced their dissatisfaction with the government’s handling of the crisis. However, these demonstrations were swiftly quashed, and protest organizers were detained, illustrating the authorities’ limited tolerance for public dissent and their difficulty in effectively addressing citizens’ grievances. In Tripoli, the Internal Security Agency forcibly suppresses unauthorized protests and often denies permits.

The Government of National Unity (GNU) stifles dissenting voices and independent organizations within civil society that challenge its policies or actions. This suppression extends to media outlets, non-governmental organizations and grassroots movements. The government’s strategy involves marginalizing and silencing critics while empowering groups and individuals who demonstrate loyalty to the ruling elite.

GNU has used tactics including the passage of restrictive legislation that limits the operational freedom of civil society organizations, selective enforcement of regulations to target dissenting groups, and intimidation of outspoken critics. The government has withheld funding or denied permits to organizations that do not align with its narrative, hindering their ability to function effectively.

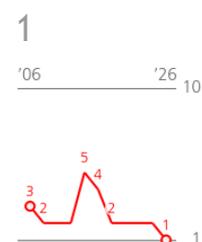
Conversely, the government has fostered a network of civic groups aligned with its interests. These government-sponsored organizations are generously funded and receive preferential access to resources and media platforms. They are positioned to dominate public discourse and create an illusion of widespread support for government policy.

GNU has co-opted existing civil society groups through incentives and pressure, blurring the line between genuine grassroots movements and government-controlled entities. This has created a complex landscape that makes it difficult for the public to distinguish between authentic, independent voices and those that serve as mouthpieces for the government.

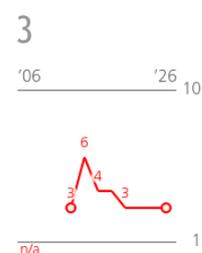
Efforts to establish national power-sharing arrangements in Libya have proved unstable and ineffective. The primary actors in the Libyan conflict have shown little inclination toward meaningful compromise and conflict resolution, instead prioritizing their own interests over national cohesion. This lack of genuine commitment has sustained the cycle of instability and impeded progress toward lasting peace. Moreover, the lack of a comprehensive transitional justice system has left numerous grievances and human rights violations unaddressed, further complicating the path to national reconciliation.

Although local reconciliation initiatives have shown promise in some areas, their overall impact has been limited. These efforts often lack the resources and follow-up mechanisms needed to maintain long-term progress. The presidential council’s 2022 announcement to establish a national reconciliation committee sparked hopes of a

Public consultation



Reconciliation



more coordinated approach to addressing the country's divisions. However, the subsequent lack of tangible progress has highlighted the challenges facing Libya's reconciliation process. The failure to effectively implement and support these initiatives at the national and local levels has rendered successes short-lived, leaving many underlying issues unresolved and perpetuating the country's cycle of conflict and instability.

## 17 | International Cooperation

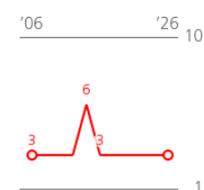
Since 2011, Libya has seen growing international involvement in domestic development and humanitarian efforts, though civil unrest has occasionally disrupted these activities. Numerous significant projects and initiatives are carried out in partnership with the government, primarily through local civil society organizations and governance structures. Yet the relationship between the Libyan government and international partners is complex and multidimensional, marked by several features that highlight both the challenges and prospects of this collaboration. These include a prevailing perception of an imbalanced partnership that leaves the Libyan government at a disadvantage in dealing with international partners. This disparity has been evident in the government's limited investment in shaping its own national development agenda. Instead, it has relied heavily on support from international bodies such as the United Nations, European Union and USAID to address a broad range of conflict-related issues. These challenges span sectors including the administration of public finances, infrastructure rebuilding and the formulation of governance policies across different domains.

However, there is also insufficient capacity and will on the part of the government. This lack of capacity and will to address fundamental issues afflicting the country has been especially evident in the implementation of national action plans in crucial areas such as gender equality, peace and security, and environmental conservation. Despite Libya's commitments to various international conventions and agreements, these plans often go unimplemented or encounter considerable hurdles because of the country's ongoing political instability. This situation creates a disparity between Libya's international pledges and its capacity to turn these commitments into concrete actions.

One area in which the Libyan government has demonstrated some level of international collaboration is on the issues of security and migration. The government works alongside the European Union and regional actors to implement international mechanisms that focus on border control, sea rescue operations and surveillance activities. The emergence of a "migration industry" has resulted from European border externalization and security outsourcing practices in Libya. This has led to a complex migration governance structure that involves a network of interlinked public and private actors, raising concerns about transparency and accountability. Various factions within the Libyan government may have divergent interests and priorities in

Effective use of support

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this field, which can complicate the implementation of international agreements. Some internal actors may benefit from the perpetuation of the migration industry, and may thus seek to influence policy decisions in order to maintain their power or economic advantages. Civic groups have raised concerns about human rights violations and the ethical implications of externalizing border control to countries with fragile institutions and ill-prepared security forces.

Libya's inconsistent adherence to international agreements is rooted in ongoing political and social challenges. The nation has shown a willingness to engage with the global community by signing various treaties and conventions, but implementation of these commitments remains problematic. The primary obstacles arise from the persistence of internal conflict within the country, which has fragmented the political landscape and weakened state institutions. This instability has created an environment in which enforcing international obligations is secondary to addressing immediate security concerns and maintaining basic governance structures.

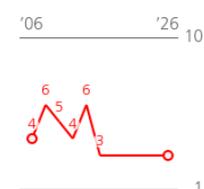
This situation is particularly evident in the areas of international humanitarian law and human rights. Despite being a signatory to numerous human rights treaties, Libya struggles to uphold these principles because of ongoing civil unrest and the presence of multiple competing factions. The lack of a unified government with full control over the country's territory makes it difficult to implement consistent policies or ensure compliance with international standards. In addition, the focus on internal security often overshadows adherence to international agreements, creating a gap between Libya's formal commitments and its practices on the ground.

Libya's relations with neighboring countries are complex. After 2011, several countries in the region, including Egypt and Tunisia, have sought to build economic ties with Libya through collaboration on security and economic issues. To address domestic and regional issues, the Libyan government has entered into bilateral and regional security agreements with countries including Algeria, Egypt, Tunisia and Chad.

The civil wars (2014 – 2019) led regional actors such as Egypt, the UAE and Türkiye to back different factions, resulting in eastern and western Libya developing distinct relationships with regional players based on their affiliations. This dynamic shifted in 2020. After previously favoring the eastern government, Egypt and the UAE altered their stances and forged new economic agreements with the western Libyan government, particularly in the oil, gas and economic development sectors. Similarly, Türkiye's regional outlook has not conflicted with that of the UAE. However, not all economic agreements have been fully realized or implemented, such as the memorandum of understanding between Egypt's Central Agency for Organization and Administration and Libya's Ministry of Civil Service on the topics of administration, employment and civil service. The Government of National Unity (GNU) is eager to foster positive regional relations and is increasingly working toward establishing more collaborative agreements.

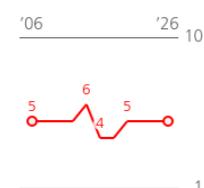
### Credibility

3



### Regional cooperation

5



Conversely, the GNS in the east and the Egyptian government have focused on allowing migrant workers from eastern Libya to return to Egypt. Recently, the two governments have also collaborated to formalize migration through agreements on work permits and border control strategies. The Egyptian government has maintained strong ties with eastern Libyan authorities, aiding the return of Egyptian workers and enhancing border security to prevent irregular migration.

On October 19, 2024, representatives of the Tunisian and Libyan governments announced the resumption of cross-border trade operations at the Ras Ajdir border crossing. Commercial operations at the primary land transit point between Tunisia and Libya had been halted since March 2024 after internal disputes over control of the border coincided with Libyan plans to upgrade the facility. New facilities have been opened on the Libyan side following the creation of a special corridor dedicated to commercial traffic. The Stability Support Apparatus (SSA), a Libyan government agency responsible for internal security, announced intensified patrols along the Libyan-Tunisian border.

Since 2011, Libya's interaction with the African Union (AU) has changed. Libya has been only minimally involved with the organization, while the AU has focused on diplomatic efforts to resolve Libya's domestic conflict. Libya is not participating in the current project to establish road corridors across West and North Africa, which is supported by the African Development Bank. Conversely, Libya plays a more significant role in the League of Arab States (LAS), where it is the third-largest contributor to its budget, according to a recent statement from the Libyan Embassy in Cairo. In 2024, the LAS organized discussions aimed at promoting dialogue among Libyans.

## Strategic Outlook

Libya's immediate future remains fraught with difficulties due to entrenched divisions and persistent security concerns. Nevertheless, opportunities for progress exist if political figures can find common ground and if international backing remains steady. While it is premature to render an assessment of the UNSMIL technical committee's efforts to establish another transitional government, learning from previous errors could enhance this initiative's success. This would entail addressing the issue of accountability, ensuring that agreement violations lead to repercussions, and broadening the inclusion of civic organizations. Initial reports from the committees' meetings indicate that the current focus is on establishing the constitutional and electoral basis for future elections, which is a positive step.

Economic revival hinges on sustaining oil production and implementing reforms. Diversifying the economy beyond hydrocarbons will be a protracted process requiring consistent investment and policy. In the short term, stabilizing oil production and ensuring transparent management of oil revenues will be vital to funding rebuilding efforts and social programs. Progress will depend on political reunification and infrastructure improvement.

Addressing humanitarian needs and rebuilding trust in state institutions will be crucial for long-term stability. This is especially true with respect to populations displaced by climate-induced disasters. Improving access to essential services, particularly in conflict-affected regions, can help restore public confidence in state institutions. Efforts to tackle corruption and promote accountability for human rights violations will be essential to rebuilding the social contract between citizens and the state.

The National Reconciliation initiative ought to be reinstated, but it should be led by an independent committee linked to the judiciary rather than by the Presidential Council. The strategy must prioritize victims and address the numerous violations committed by all parties since 2011. Such an endeavor would require substantial support for the judiciary in order to ensure an unbiased investigation and the protection of those involved, which means armed groups' impunity must be addressed. This could be Libya's most formidable task ahead.

The strategic focus should be on gradual progress in key areas while working toward a broader political settlement. This approach acknowledges the complexity of Libya's challenges and the need for sustained, long-term engagement. Prioritizing quick-impact projects that deliver tangible benefits to local communities can help build momentum for more comprehensive reform. International support remains critical for the country's future stabilization and development. Coordinated diplomatic efforts to support the political process, technical assistance for institutional capacity-building, and financial support for reconstruction are essential. However, international actors must be careful to respect Libyan ownership of the process and avoid exacerbating internal divisions by pursuing competing interventions.