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Youth Perceptions of the Libyan Economy

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Foreword

Dear friends and colleagues,

It is with great pleasure that I am sharing with you the final product of the Libya Youth Economic Research Forum (YERF). My frequent interactions with Libyan youth across the country have installed in me great belief in the capacity and potential of that next generation to positively shape the future of their country.

While Libya is a country with rich potential, it needs its young people to see and believe in this potential and the future it can hold for them. High youth unemployment and out-migration signal the lack of faith and opportunity young people might feel faced with current challenges. Investing in its young people and leveraging their energy, innovative power, and talents are critical for Libya to move forward on its path of recovery and growth.

Young Libyans often find themselves debriefed of the opportunity to engage meaningfully in policy discussions that shape their present and their future. Giving them a platform and opportunity to reflect on the issues that matter to them is at the heart of the Youth Economic Research Forum, an initiative the World Bank team developed with the Luiss Mediterranean Platform and the Union of Mediterranean Universities.

Jobs, social inclusion, and sustainable economic development are strong themes emerging from the participants' chosen priority research topics – issues, we in the World Bank agree, are critical for Libya's future. We hope that policymakers and international partners will pay attention.

I would like to send a heartfelt THANK YOU to all YERF participants for their commitment. And share my deep appreciation of the Luiss Mediterranean Platform team whose unwavering support and continuous engagement made our joint initiative a success.

Henriette von Kaltenborn-Stachau
Resident Representative of the World Bank for Libya

Above: *Participants of the YERF project at the Tunis workshop, held on April 9–10, 2024, with experts from across the Mediterranean region and LDTF partners.*

Below: *YERF participant Al Shareef introducing his research on participatory budgeting as a tool for youth empowerment.*

1. Introduction

Strategically located on the southern shore of the Mediterranean Sea, at the cross-roads of Africa, Europe and the Middle East and endowed with an abundance of mineral resources, Libya holds tremendous economic potential. Following more than a decade of a challenging transition process, this potential remains largely unfulfilled. Fragmentation, insecurity, and lack of stability and public investment have resulted in profound challenges and losses across nearly every sector. With many challenges to tackle, Libya's biggest asset remains its youth. With almost 50% of the population under 30 years old, this demographic will play a critical role in determining Libya's future. Giving these young people a role and a voice in determining the way forward is critical.

The Youth Economic Research Forum is a World Bank project implemented by the Luiss Mediterranean Platform, in partnership with the Union of Mediterranean Universities. The project took the first step in building an inclusive platform for young Libyans to think about and contribute to the discussion of Libya's economic development potential. It engaged students from across the country and built their research and policy dialogue skills. In addition, the project provided participants with the opportunity to research a topic of their choice and promoted their voices on the key challenges and opportunities with regards to Libya's economic development.

This report in front of you is the culmination of the young researchers' efforts. By shedding light on the perspectives of young Libyans, it complements the economic research conducted by the World Bank and other international institutions. Recognizing the often-limited capacity of international organizations to engage deeply with issues at the local level, the report also aims to bridge this gap by directly integrating the insights and experiences of Libyan youth into current research efforts to support a more grounded understanding of Libya's evolving economic landscape.

This final report is the product of close collaboration between the Luiss Mediterranean Platform team and the Libyan participants. The research process began with the participants drafting structured research notes which were then reviewed, analyzed, and reworked to produce the final report, bringing together the most relevant findings in a policy-oriented format.

The 12 research topics cover priority issues grouped in three areas: 1) people and society; 2) economy and services; and 3) institutions and public life. The analysis suggests possible entry points for addressing these priority issues, as well as how doing so could steer Libya toward a path of sustainable economic development. The findings provide valuable insights into what the younger generations perceive to be the country's most pressing challenges and can serve as important indications for policymakers as they design and adapt policy responses.

2. People and Society

Human capital lies at the heart of any nation's development strategy, especially in contexts of political transition and economic fragility. In Libya, the effectiveness and sustainability of any socio-economic reform process are tied to the capacity to empower and mobilize its people—particularly its youth, women, and marginalized groups.[1] Since 2011, the country has grappled with deep structural challenges: a rentier economy overly dependent on oil, a fragmented labor market, and a conflict environment that has stalled inclusive growth and diminished opportunities for large segments of society. This has resulted in a widening gap between *potential* and *actual* human capital outcomes.

Libya's demographic profile highlights both the urgency and the opportunity for reform. With youth comprising nearly half of the population and over 40 percent of the labor force, they are Libya's most educated and dynamic demographic.[2] Yet, they are also the most vulnerable to unemployment and exclusion from decision-making. Women, who also represent nearly half the population, continue facing barriers to employment, finance, and public participation, despite the presence of legislation and a growing number of grassroots initiatives for their empowerment.

The past years have witnessed the rise of new civic-minded youth, active in improving entrepreneurship, civil society engagement, public service delivery, and gender equality, particularly in the labor market. However, without targeted investment in skills, institutional reform, and inclusive policy design, Libya risks being unable to utilize the potential of its human capital. The consequences of underinvestment are already evident in phenomena such as brain drain, labor market mismatch, and the exclusion of key social groups, such as migrants and persons with disabilities. These challenges raise urgent questions about the country's trajectory. What kind of social contract will emerge from this period of uncertainty? What kind of economy can be built in a context in which talent is leaving the country and entire segments of society struggle for inclusion in employment?

This section brings together five research notes that explore critical dimensions of Libya's human capital challenge. Ahmed Shenber examines the drivers and implications of the ongoing brain drain, highlighting how youth and professionals are leaving the country in search of opportunity and also as an expression of disconnection from a system that fails to include them; Loubna Almustari and Mousa Kouri address structural inefficiencies in Libyan universities, and higher education in general, and how graduates could be better prepared for employment in the labor market; Mohammed Alhadi highlights the challenges immigrants face and how they could be integrated with the economy to support growth beyond the oil sector; and Fatimah Almurtadhay explores similar challenges and opportunities for persons with disabilities.

[1] UNESCWA, "Human Capital, Youth and Women Empowerment, and the Integration of Militant Forces" (UNESCWA, 2021).
[2] Ibid.

2.1. What is Causing Libya's Brain Drain?

Libya has historically been an attractive destination for work due to its oil wealth and ambitious development projects. However, political and economic upheavals during the past 15 years have reversed this trend, prompting many of Libya's skilled professionals to seek opportunities abroad. The continued emigration of skilled youth and professionals represents a significant brain drain for the country, weakening its human capital and hindering its prospects for national development.

This trend goes beyond merely economic motives; it is linked to the increase of structural challenges, such as institutional fragmentation and limited prospects for socio-economic mobility. For many young Libyans, the decision to leave the country stems from a growing sense of disillusionment with a system that offers limited pathways for opportunity or participation.[3] Migration in this context is driven by political, economic, and social factors, causing this growing phenomenon of brain drain.

One of the primary drivers of Libya's brain drain is the deteriorating economic environment, which has eroded both job quality and stability for skilled professionals. Chronic issues such as delayed salary payments, high unemployment rates, and limited access to sustainable career opportunities have pushed many talented individuals to seek employment abroad.[4] The underdevelopment of Libya's private sector further exacerbates the problem; the sector only employs approximately 14 percent of the workforce and receives little legislative support or financial incentives for small and medium-sized enterprises or entrepreneurial ventures.[5] Combined with the recurring financial crises, these economic pressures leave highly educated youth with few viable paths to secure, fulfilling employment within the country.

Political instability is another major factor fuelling the emigration of Libyan talent. Since 2014, the country has been divided between rival administrations in the east and west, creating an institutional dysfunction. In addition, armed conflict, weak governance, and episodes of repression make it difficult for skilled professionals to envision a stable and secure future in Libya.[6] As a result, many choose to leave in pursuit of safer and more predictable living and working conditions. The sustained nature of this instability has disrupted the state's capacity to meet citizens' needs and, therefore, undermined their confidence in public institutions. This is especially true for the youth.[7]

Beyond economic and political factors, broader social conditions also contribute to the brain drain. Libya suffers from weak public services. There is limited access to reliable education, healthcare, transportation, and infrastructure, reducing the quality of life, and opportunity, of young Libyans.[8] Moreover, many young people are undervalued or overlooked in positions where there is lacking merit-based advancement due to nepotism or a lack of institutional support. This social marginalization reinforces the perception that leaving the country is the only viable path toward personal and professional fulfilment.

Consequently, brain drain has directly impacted Libya's private sector, particularly in the health and education sectors. The country suffers from a severe shortage of doctors and nurses, with ratios of doctors

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[3] Mustafa Fetouri, "Libya: No Country for Young," WRMEA, January 25, 2024.
[4] Motaz Wanis, "Libyan Migration: In Search of a Livelihood or in Search of Safety?" Andalou Agency, September 3, 2023.
[5] Abderrahim Kaouther and Yasmine Eita, *Libya Country Brief 2021-2022* (African Development Bank, 2022).
[6] Ibid.
[7] Ibid.
[8] Jacqueline Zaher, "The Chaos of War Is Emptying Libya of Its Distinguished Minds and Talents," *Al-Sharq al-Awsat*, May 18, 2022.

to the population in Libya significantly lower than the global average.[9] Similarly, the decline in the number of skilled teachers has weakened the education sector, adversely affecting both the quality of instruction and overall learning outcomes.[10]

Box 1. Key takeaways on brain drain
Libya's broader efforts toward sustainable development should address the ongoing phenomenon of brain drain. The continued emigration of skilled professionals has weakened productivity and slowed economic growth. And while remittances from abroad provide some economic support, they do not offset the long-term losses caused by the departure of Libya's top talent. Addressing Libya's brain drain requires targeted policies to improve working conditions, ensure political stability, and offer meaningful incentives for skilled Libyans to remain and contribute to national development. Strengthening collaboration between the public and private sectors is also essential to create attractive job opportunities and improve quality of life.

2.2. From Education to Unemployment

What's holding back Libya's universities?

Libya's higher education sector faces several challenges that undermine its ability to deliver quality instruction and adapt to global academic standards. Since 2011, the sector has been severely hindered by the prolonged conflict and overall deteriorating security situation.[11] In addition to the interruption of the academic studies, the consequences of instability have ranged from a shortage of teaching staff to a marked increase in cheating, forged certificates, and profit-oriented education.[12] This is compounded by poor infrastructure, weak quality assurance, and a lack of systemic reform.[13]

The enduring legacy of the pre-2011 system prioritized ideological conformity over academic rigor and continues to constrain education and innovation. As a result, Libya consistently ranks among the lowest globally in education quality. According to the Global Competitiveness Report, Libya ranked 110 of 111 in 2008,[14] and 121 of 121 in 2014.[15] Therefore, Libya's education sector entered the post-revolution period with a legacy of weak critical thinking and outdated pedagogical methods and curricula.[16] This underscored the urgency of addressing both the structural and cultural barriers to educational reform.

In an effort to confront these long-standing issues and improve the system, different Libyan governments have introduced three main policy measures aimed at reforming higher education. First and most visible

[9] Rema Fellani, "The Covid-19 Pandemic Highlights the Inadequacy of Sebha's Healthcare Services," Policy Brief (European University Institute, May 2021).
[10] Joseph Kamanga, "Educational Challenges in Libya," Broken Chalk, May 23, 2023.
[11] Ibid.
[12] Issa Ramadan Makhlouf, "Obstacles to University Education in Libya from the Perspective of Faculty Members (University of Benghazi as a Model)," *JAGSRSS* No. 8 (June 2023).
[13] Libya Initiative Team, "Do More Universities Mean Better Education for Young Libyans?," *MEDirections* (blog), January 25, 2022.
[14] Michael Porter and Klaus Schwab, "The Global Competitiveness Report 2008-2009," Insight Report (World Economic Forum, 2008).
[15] Klaus Schwab and Xavier Sala-i-Martín, "The Global Competitiveness Report 2014–2015," Insight Report (World Economic Forum, 2014).
[16] "Libya Restart: A Journey Analysis" (Mediterranean Universities Union (UNIMED), 2020).

among these has been the rapid expansion of public universities, which brought the total number of institutions from 13 in 2014 to 29 in 2024, with the goal of improving access to higher education across the country.[17] Second, the government pursued a localization policy, canceling most foreign scholarship programs in an effort to reinforce domestic institutions and reduce dependence on overseas education.[18] And finally, in 2022, the state also reformed the Educational Curricula Center in an effort to improve academic quality, introducing revisions to curricula at the basic, intermediate, and advanced levels.[19]

Though these policies attempted to address structural weaknesses and improve the higher education system, they were implemented haphazardly, without sufficient planning, and lacked continuity, leading only to marginal changes and, in some cases, regression and confusion.[20] For example, the increase in the number of universities was in some cases part of a competition between municipalities or done to employ local residents as faculty members, which often lowered the quality of education.[21] Similarly, the decision to cancel study abroad programs and localize studies was announced too hastily, triggering strikes and protests in academic circles, which threatened to undermine yet another full academic year.[22]

Attempts at digitizing education

The limited adoption of modern technology in Libyan universities remains a major obstacle to improving educational quality. While technology has become an essential component of university education worldwide, many universities in Libya continue to lag behind in adopting these tools.

Libya's earliest efforts toward digital education began in 2009 with the launch of the Libyan Learning Project by the Ministry of Education, but it never materialized, despite an attempt to revive it in 2014 with the involvement of the Irish company River Deep International.[23] In 2015, the Wahat Al-Tekna Foundation launched the Libyan E-Learning Portal, offering online content aligned with the national curriculum and enabling virtual interaction between teachers and students.[24] This was followed in 2019 by the launch of Addrus, a digital platform providing illustrated lessons for school students from grades 1 to 12, helping bridge gaps caused by conflict and limited in-person education.[25] While these programs were good first steps, they did not extend to higher education students.

With the onset of the COVID-19 pandemic in 2020, the Ministry of Education introduced e-learning nationwide—piloting digital platforms, recorded lessons, and online classes—marking the first large-scale push for digitization despite infrastructure challenges.[26] In 2022, the University of Tripoli hosted a conference on smart learning and the Ministry announced a plan to use AI to improve adaptive learning. And in the same year, the United Nations Development Programme's (UNDP) report stated that 108

[17] Libya Initiative Team, "Do More Universities Mean Better Education for Young Libyans?"
[18] "Ministry of Higher Education and Scientific Research of the Government of National Unity's," Page Post, *Facebook*, August 8, 2021.
[19] "Al-Weba: Forming Committees to Address Major Errors in School Curricula," *Bawabat Al-Wasat*, May 29, 2023.
[20] Libya Initiative Team, "Do More Universities Mean Better Education for Young Libyans?"
[21] Ibid.
[22] Ibid.
[23] Salah Mabruk and Salma Almasrite, "Challenges of implementing e-learning in Libyan educational institutions during crises (Corona pandemic) 'A theoretical study,'" 2020.
[24] See: School.ly – Libyan E-learning Platform, https://www.school-ly.com/.
[25] See: Addrus E-Learning, https://addrus.com/.
[26] Mabruk and Almasrite, "Challenges of implementing e-learning in Libyan educational institutions during crises (Corona pandemic) 'A theoretical study.'"

projects in 28 locations were implemented in Libya to stimulate digital transformation in higher education.[27] Though the country completed a network of fiber optics across all Libyan universities, digital education initiatives have yet to bring about substantial changes in the higher education system.[28]

Is digital learning accepted or resisted?

Many Libyans remain hesitant about integrating e-learning into higher education, largely due to a strong reliance on traditional teaching methods and limited awareness of digital education's benefits.[29] Adding to this skepticism is a lack of resources and confidence in the quality of online learning.[30] Survey data shows that 71 percent of students have never communicated with faculty online, and over half of instructors have never engaged with students through email or other means.[31] Online interaction is often limited to exchanging files or submitting assignments, rather than fostering meaningful academic engagement.[32]

Although some Libyan universities such as Al-Fateh, Garyounis, and the Libyan Academy for Postgraduate Studies have established basic digital infrastructure, including internet access and computer labs, they still rely heavily on traditional, face-to-face teaching methods and therefore, lack any digital learning options.[33] The adoption of digital educational technology remains slow, hindered both by infrastructural limitations and deeper institutional challenges. Many faculty members lack the digital skills necessary to deliver effective online instruction, as few have received adequate training in using technology for teaching.[34]

Additionally, the concept of digital transformation remains vague or misunderstood among many academics in Libya, resulting in hesitation and resistance to change. This reluctance is further complicated by internal dynamics across departments and unclear chains of authority, all of which contribute to the limited integration of e-learning in Libyan higher education.[35] Like many developing countries, Libya's path toward digital reform will require not just better infrastructure, but also a cultural shift in how education is delivered and understood.

A case study of the faculties of economics

There is a troubling disconnect between educational output and labor market absorption. Let us take Libya's faculties of economics as an example. These faculties usually include fields of study such as public

[27] UN Libya, "Stronger Foundations for Development," Annual Report, 2022.
[28] "Higher Education Adopts Strategic Plan to Employ Artificial Intelligence in Higher Education Institutions," *Libyan News,* December 16, 2024.
[29] Mabruk and Almasrite, "Challenges of implementing e-learning in Libyan educational institutions during crises (Corona pandemic) 'A theoretical study.'"
[30] Ahmed Aljamal et al., "Digital Transformation in Arab Higher Education Institutions: The Reality, Challenges, and Future Approaches" (Federation of Arab Scientific Research Councils, September 2023).
[31] Salah Abdel Salam Do and Salma Almisrati, "E-Management as an Approach to Improving the Quality of Higher Education Institutions in Libya: A Theoretical Study of Pioneering Arab and Foreign Experiences in This Field.," *Journal of Pure & Applied Sciences* 20, no. 3 (February 24, 2021): 11–20.
[32] Ibid.
[33] Mabruk and Almasrite, "Challenges of implementing e-learning in Libyan educational institutions during crises (Corona pandemic) 'A theoretical study.'"
[34] Ibid.
[35] Mohamed Gombri and Munir Aladl, "Digital Transformation in Higher Education Institutions" (Libyan Academy for Postgraduate Studies, Janzour, Anodal), May 19, 2024.

administration, finance, and general economics. Collectively, these fields dominate the higher education landscape and attract the largest share of undergraduate students in Libya.

Libya's faculties of economics, however, face a significant mismatch between academic instruction and labor market demands. One of the reasons for this is that current curricula rely heavily on theoretical teaching methods and lack alignment with modern employment standards, particularly in technical and practical areas. As a result, graduates often struggle with poor computer skills and digital literacy in a labor market that requires them.

Despite university enrollment reaching 6.7 percent of the population[36]—more than double the global average of 2–3 percent,[37] the mismatch between academic instruction and labor market demands has created immense challenges for young people aged 15–25 attempting to enter the labor market.[38] This has resulted in an alarming unemployment crisis, ranking Libya third globally—with a general unemployment rate of 19 percent in 2014 and a staggering 48 percent among youth.[39] Add to this the overwhelming preference for public sector employment, where 75 percent of job seekers aim for government positions.[40]

Universities have done little to close this gap; most have not updated their programs to reflect market needs, nor have they established effective pathways to employment or training opportunities.[41] Moreover, weak coordination between universities and employers has left students disconnected from real job prospects. The situation has only worsened since the 2011 conflict, which disrupted academic continuity, drove out foreign faculty, and further degraded educational quality. Employers now prioritize hands-on experience over formal qualifications, with 30 percent of companies reporting difficulty finding qualified Libyan graduates, underscoring the urgent need for reform in economic education.[42]

Box 2. Key takeaways on the education-to-employment pipeline

Several proposed solutions offer lessons for strengthening Libya's education-to-employment pipeline. Restarting stalled development projects while prioritizing national labor can help create immediate job opportunities. Independent committees, separate from the Ministry of Higher Education, could support and monitor the implementation of long-term strategies, ensuring continuity through political changes. Students should also be guided toward emerging fields such as digital marketing and e-commerce, which are more aligned with current labor market demands than traditional disciplines. Reviving graduate training programs led by the Ministry of Labor is also key to bridging skills gaps. Finally, a clear roadmap is needed to reform higher education programs and curricula to meet future workforce needs.

[36] 464,288 students.
[37] "Ministry of Higher Education and Scientific Research of the Government of National Unity's."
[38] Ibid.
[39] World Bank, "Labor Market Dynamics in Libya" (World Bank, 2015).
[40] Ibid.
[41] Ibid.
[42] Ibid.

Above: *Female entrepreneurs often choose sectors linked to women's traditional roles. This is the case of Aicha, who owns and works at her wedding dress designer shop.*

2.3. Toward Inclusive Economic Growth

Vulnerable migrant workers

With 1,700 km of coastal border, Libya is one of the most important transit points for irregular migrants from neighboring Arab and Sub-Saharan countries due to its oil wealth and proximity to Europe. In recent years, Libya's porous borders, political instability, and demand for low-cost labor have created conditions that continue to attract irregular migrants from countries facing conflict or economic hardship. In addition to seeking work, many migrants view Libya as a key transit point for reaching Europe, further fueling the increase in migration flows. IOM's Displacement Tracking Matrix (DTM) program in Libya reported the presence of a total of 761,322 migrants of 44 different nationalities in 100 Libyan municipalities as of July 2024.[43]

The Libyan economy faces significant challenges in adequately training people that can meet the labor market's needs, leading to an increasing reliance on skilled foreign workers. Migrant workers, therefore, play an essential role in the economy by filling labor shortages in sectors often avoided by local workers, such as agriculture, construction, and domestic services. While some companies prefer to hire foreign workers for their skills and work ethic in more formal settings, most migrants face significant difficulties finding work in the formal sector. Hence, they resort to working through informal channels.[44] This widespread informality limits their legal protections and deepens the vulnerability of their already precarious status.[45]

Most economic migrants and refugees in Libya suffer from difficult living conditions and struggle to meet their basic needs, which include healthcare, accommodation, non-food items, water, sanitation, and hygiene.[46] Financial difficulties and the rising costs of goods and services further complicate their everyday lives. For instance, only less than half of migrants in Libya have a steady source of income from permanent employment. This contributes to high unemployment rates among this demographic, further exacerbating its economic hardship.[47] In addition, migrants are often vulnerable to attacks or assaults by armed groups and criminal networks.[48]

Policies and barriers to integrating migrant workers

Libya's recent migration policies reveal a growing tension between securitization and labor market pragmatism. On one hand, the state has reinforced its hard position on long-term migrant settlement, most notably through Law No. 24 of 2023.[49] This reflects both public pressure and national authorities' concerns, which view migration through a security lens. On the other hand, other initiatives suggest a more pragmatic approach, particularly in response to Libya's dependence on migrant labor in key sectors like agriculture and construction.

[43] International Organization for Migration, *World Migration Report 2024* (United Nations, 2024).
[44] Thibaut Girault and Iyed Ghedamsi, "Crossing Borders, Building Livelihoods: The Insecure Economic Lives of Migrants in Libya" (Mixed Migration Centre, July 2024).
[45] Ibid.
[46] International Organization for Migration, *World Migration Report 2024*.
[47] Girault and Ghedamsi, "Crossing Borders, Building Livelihoods: The Insecure Economic Lives of Migrants in Libya."
[48] Ibid.
[49] "Combating the Settlement of Foreigners in Libya," Pub. L. No. Law No. 24 (2023).

Recent collaborations, such as the Libya–Italy agricultural project[50] and the EU-backed ministerial conference on labor integration,[51] indicate the recognition of the economic contributions of migrants. These initiatives aim to improve working conditions, formalize labor relations, and reduce the vulnerabilities associated with informal employment. Similarly, the registration of Sudanese refugees by eastern authorities reflects a small but significant shift toward a more inclusive migration policy.[52]

Despite these positive steps, migrant integration in Libya remains highly constrained due to the mostly restrictive policies, weak legal protections, and fragile security conditions. Lengthy bureaucratic procedures and the absence of clear labor market pathways complicate work for many migrants, increasing their risk of exploitation and perpetuating the constant threat.[53] The institutional divide between eastern and western authorities, along with inconsistent policies further complicates integration efforts. Without access to training, guidance, or basic services, most migrants are unable to find stable employment in Libya.[54]

Box 3. Key takeaways on migrant workers

Libya's growing economy holds an opportunity to better integrate migrant workers and benefit from their skills, but this requires clear immigration policies. Enhancing the business climate, streamlining bureaucracy, and encouraging foreign investment can help create more sustainable job opportunities. At the same time, promoting social integration and migrants' right to work, through language training and awareness of local laws, are essential steps toward a more inclusive and stable economy.

Struggles of Libya's people with disabilities

In the context of Libya's economic crisis and political instability, the exclusion of persons with disabilities from the labor market also emerges as a critical, but under addressed, issue. Despite representing a sizable segment of the population estimated to range between 2.9 and 14.3 per percent,[55] persons with disabilities continue to face systemic neglect in economic policies. The lack of inclusive policies and accessible infrastructure undermines the rights of individuals with disabilities and weakens Libya's long-term development by sidelining a population with labor potential.

Employment opportunities for people with disabilities in all sectors are extremely limited.[56] There are no meaningful job allocation quotas in high-value industries, nor do workplace environments typically include accessible features such as ramps, elevators, or adaptive technologies.[57] Other public sectors such as education and healthcare face resource shortages and weak infrastructure, limiting their capacity to support inclusive employment.

[50] Hanan Mohammed, "Libya, Italy Launch Project to Enhance Farming Employment of Migrants in Fezzan," *Libya Update News*, April 16, 2023.
[51] Kamel Abdallah, "Possible Effects: Integration of Migrants into the Libyan Labor Market," NCMES, December 17, 2023.
[52] "The Minister of Interior issues a decision regarding expatriate workers," *Qanat Libya* (blog), July 7, 2020.
[53] International Organization for Migration, *World Migration Report 2024*.
[54] Girault and Ghedamsi, "Crossing Borders, Building Livelihoods: The Insecure Economic Lives of Migrants in Libya."
[55] "International Day for Disabled Persons: Disabled Woman Campaigns for More Recognition and Equality," UNSMIL, December 3, 2022.
[56] Governing Body, "Biennial Report on the Implementation of the ILO Disability Inclusion Policy and Strategy (2020–23)" (Geneva: International Labour Organization, September 24, 2024).
[57] Ibid.

It is common to find negative public perceptions of people with disabilities in Libya.

These are usually rooted in pity or doubt about the capabilities of people with disabilities and continue to reduce their chances of economic participation.

Fatimah, YERF Participant

In addition, the conflict and resulting political division have both severely weakened government institutions' capacity to implement effective policies that could promote the rights of people with disabilities.[58]

As a result, many vocational training programs in Libya have been canceled or suspended.[59] For instance, the Benghazi Vocational Training Center was forced to shut down amid funding shortages and a deteriorating security environment. The absence of targeted vocational training for people with disabilities has particularly created a gap in training for technical skills in IT, crafts, and administrative tasks, causing many potential workers to remain sidelined.[60]

Support for people with disabilities

Legal protections for persons with disabilities in Libya remain largely symbolic. While existing legislation requires institutions to allocate 5 percent of job opportunities to people with disabilities, enforcement mechanisms are weak or nonexistent.[61] In addition, no designated monitoring bodies exist to ensure compliance, and bureaucratic inertia hampers any meaningful policy implementation.[62] These legal and institutional challenges are further compounded by social stigma. It is common to find negative public perceptions of people with disabilities in Libya. These are usually rooted in pity or doubt about the capabilities of people with disabilities and continue to reduce their chances of economic participation.

In recent years, the Government of National Unity has taken steps to help people with disabilities through targeted financial, employment, and mobility programs. These include the Marriage Grant Program, which allocated 500 grants of 50,000 Libyan dinars each, prioritizing persons with disabilities,[63] and a subsidy covering 50 percent of the cost of cars for people with mobility impairments.[64] In terms of employment, there were efforts to activate the law requiring 5 percent of public sector jobs to be reserved for persons with disabilities, which led to their employment in various government and oil sector institutions.[65] In eastern Libya, local authorities have also arranged overseas medical treatments, including sending groups of permanently disabled individuals to Croatia.[66]

Civil society organizations have stepped in to fill some of the gaps left by public institutions. Organizations such as Zahret Al-Shams or Al-Huriyya Association in eastern Libya conduct awareness campaigns, push for the enforcement of disability-related laws, and offer limited educational and economic services. International organizations have also made significant contributions. For example, the United Nations International Children's Emergency Fund (UNICEF) has provided psychosocial support and mobility aids

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[58] UN-ESCWA, "The Economic Cost of the Conflict in Libya," September 2021.
[59] Ibid.
[60] Soaad Abdullah Al-Akouri, "The role of higher education in providing the skills required by the Libyan labor market," Conference Paper (Ajdabiya University, November 2019).
[61] Mohamed Ibrahim, "On their International Day... How do people with disabilities live in Libya?" *Al-Shahid Al-Libiyya News* (blog), December 3, 2023.
[62] Ibid.
[63] See: "Information and Documentation Center," Ministry of Social Affairs: https://msa.gov.ly/.
[64] "Mechanism for Distributing Vehicles for People with Disabilities," Pub. L. No. Resolution 411 (2022).
[65] "Joint statement by eleven civil society organizations in Libya on the International Day of Persons with Disabilities," *Belaady* (blog), December 4, 2023.
[66] "The General Command Sends the First Group of Permanently Disabled Wounded to Croatia for Treatment.," *Libya Al-Hadath*, January 18, 2024.

to over 300 children with disabilities in 2023,[67] while the World Health Organization (WHO) has helped establish rehabilitation centers and trained medical staff, improving services for around 400 individuals in 2022.[68] Additionally, the International Committee of the Red Cross (ICRC) has supported prosthetic and physiotherapy programs, distributing 150 prosthetic limbs in 2021.[69] Together, these efforts have helped fill critical gaps in support and healthcare, particularly where state capacity remains weak.

Box 4. Key takeaways on people with disabilities

Efforts to support people with disabilities in Libya highlight key lessons for inclusive policy development. Enforcement of laws must be paired with strong monitoring mechanisms to ensure their implementation. At the same time, new policies are needed to promote their integration across sectors like education, healthcare, and employment. It is also essential to build the capacities of persons with disabilities through specialized training programs, which would in turn improve their access to the labor market. Equally important is adapting public infrastructure to meet accessibility needs, including dedicated pathways and transportation. Finally, government, civil society, and international partner efforts should be coordinated to ensure long-term impact rather than fragmented efforts. Together, these steps can help create a more inclusive and equitable environment for persons with disabilities in Libya.

[67] UNICEF, "Annual Report 2023," May 31, 2024.
[68] UN Libya, "UN Results Report for Libya 2022," June 26, 2023.
[69] ICRC, "ICRC activities in Libya in 2021," May 10, 2022.

Below: *Malik, a young entrepreneur, lost his leg in the 2011 clashes in Misrata. Now, focused on fitness, he runs a chain of health food stores in his hometown.*

3. Economy and Services

Libya's economy is shaped by decades of state-led development. Its dominant public sector remains undiversified and heavily reliant on oil and gas, which accounts for approximately 60 percent of its GDP, 97 percent of government revenue,[70] and 85 percent of the workforce.[71] Despite having an untapped potential in sectors such as renewable energy, agriculture, blue economy, and construction, the country's private sector remains underdeveloped.[70] Today, it accounts for only 5 percent of the economy and employs a mere 14 percent of the workforce.[72] This has been compounded by the conflict, weak institutions, and underinvestment in public services.

Over the past decade, the protracted conflict has divided the country politically and institutionally. Two rival governments emerged: the Government of National Unity (GNU) based in Tripoli in the west, and the Government of National Stability (GNS) supported by the eastern-based House of Representatives in Benghazi. This divide also split key institutions, such as the Central Bank of Libya (CBL), which led to liquidity crises that have disrupted oil flows, revenues, and the government's ability to pay out salaries and pensions.[73]

This prolonged division has had devastating consequences for Libya's economy and severely impacted Libyans' lives. Today, basic services like education, healthcare, and water suffer, and regional disparities in income and access to resources continue to increase. The total estimated economic cost of the conflict exceeds $600 billion, with Libya's GDP in 2023 estimated to be 74 percent lower than it would have been without the conflict.[74]

The four research notes in this section explore critical aspects of Libya's economy and service delivery systems. Enas Sayfulnasr examines the strategic potential of solar energy in the underdeveloped southern region, revealing the intersection of environmental assets and structural neglect; Khola Abdalla provides a grounded analysis of the barriers to entrepreneurship, including regulatory constraints and access to capital; Abdulwahhab Mohammed addresses the digitalization of Libya's financial system, highlighting both the transformative promise of fintech and the gaps in institutional capacity; and finally, Abdalkarem Furjane presents a case study on waste management in Janzour, demonstrating how localized service delivery reflects national governance challenges.

3.1. What Are Libya's Entrepreneurs Up Against?

Libya's private sector

Libya's business environment has long been constrained by a difficult political and economic history, even before the outbreak of war. On the one hand, many formal and informal barriers continue to discourage private sector development, particularly for small and medium enterprises (SMEs). On the other, weak business infrastructure and a lack of coordination within the sector have limited its ability to participate effectively in the economy. As a result, Libya ranked 186th out of 190 countries in the World Bank's Ease of

[70] Many young people prefer employment in the public sector over the private sector due to the perception of greater job stability and the still limited financial and social benefits offered by private sector jobs.

Doing Business index—one of the lowest scores globally, and significantly worse than regional peers such as Algeria and Iraq.[71]

In recent years, however, Libya has witnessed a growing turn toward entrepreneurship and the private sector. This shift is driven by the saturation of public sector employment, high youth unemployment, and a desire for self-employment amidst instability. Entrepreneurial spirit among Libyan youth has notably risen, with a 2023 UNDP study reporting an average entrepreneurial readiness score of 86 percent across key assessment areas.[72]

Challenges in the private sector

Despite this increased interest, however, Libya's entrepreneurial ecosystem remains underdeveloped. The country's outdated legal and institutional frameworks hinder business formation and private sector growth. For instance, Libyan entrepreneurs face excessive bureaucracy, with business registration requiring ten procedures over an average of 35 days and costing around 30 percent of per capita income—substantially higher than regional averages.[73] The 2010 Commercial Law—which is the main legal framework for business activity—has also not been updated to meet the needs of a dynamic economic environment. Additionally, Libya lacks a functioning land and property registry since 2011, which has prevented entrepreneurs from securing credit using real estate as collateral. This legal uncertainty surrounding property rights, combined with weak law enforcement creates additional disincentives. As a result, entrepreneurs and investors find themselves facing heightened risks due to poor protection of capital and assets in a fragile security environment.

These systemic issues have altogether weakened Libya's private sector and instead fuelled the expansion of the informal economy, which now accounts for an estimate of 40–60 percent of the workforce. This has deprived the government of revenue and the workers of protections.[74] As such, Libya's private sector remains largely informal and unregulated, operating in fragmented spaces with minimal institutional support. This means that, in its current state, this grey-zone economy is unable to contribute meaningfully to national development. However, the informal sector plays a major but hard-to-quantify role. To enable it to become a pillar of Libya's recovery, there needs to be comprehensive legal and institutional reform.

Box 5. Key takeaways on private sector development

Youth are central to the development of the private sector as they bring energy, adaptability, and openness to global entrepreneurial models and digital innovations. Thus, with the right regulatory environment and incentives—especially for youth-led initiatives that focus on talent development and entrepreneurship, the private sector will have the potential to leapfrog structural barriers, create value in emerging sectors and services, and contribute to rebuilding national resilience from the ground up.

[71] World Bank, *Libya Financial Sector Review: Unlocking Access, Stability, and Development*, November 2022, p. 20.
[72] This assessment was originally accessible on the website of *Deraya* (a UNDP Libya initiative) in March 2025. The website is currently down. See for example: Sami Zaptia, "Entrepreneurship Readiness in Libya: An Assessment of Entrepreneurial Tendencies, Opportunities, and Challenges," *Libya Herald*, November 24, 2023.
[73] World Bank, *Libya Financial Sector Review: Unlocking Access, Stability, and Development*, p. 22.
[74] Ibid, pp. 25-26.

3.2. Can Southern Libya Be a Hub for Solar Power?

Libya's energy landscape

Libya's oil-rentier economy has historically deprioritized energy diversification and undermined long-term investment in renewable alternatives. According to the International Energy Agency (IEA), Libya's share of renewables in final energy consumption stands at just 0.01 percent.[75] This means that despite Libya's exceptional natural endowment, the country has yet to meaningfully harness its renewable energy potential, especially in solar power. Indeed, Libya's southern region receives some of the highest levels of solar irradiation globally, with average daily values reaching 8.1 kilowatt-hours per square meter and annual totals exceeding 2100–2500 kilowatt-hours per square meter.[76] These metrics place Libya among the top global candidates for solar development, especially in the southern region where land availability and solar intensity converge.

This immense potential, however, remains largely untapped. A 2017 report commissioned by the World Bank on Libya's Least Cost Energy Pathway (LCEP) noted that solar photovoltaics (PV) offer a cost-effective and scalable solution to the country's energy crisis. However, progress has been hindered by insufficient infrastructure, political instability, and the lack of a clear regulatory framework.[77] The same report emphasized that decentralised solar deployment in rural and off-grid southern areas could play a crucial role in balancing national energy access and strengthening local resilience.[78] Still, implementation has been limited. While projects such as the 20-megawatt pilot plant in Sebha and the planned 3000-megawatt solar initiative are promising, they remain limited in scope and vulnerable to political disruptions.

Lighting the south

This aspect of 'rural transformation' is particularly important for southern Libya, a region that is sparsely populated and geographically distant from the country's political and economic centres along the coast. As a result, it has faced long-standing structural marginalization. Basic infrastructure, including electricity and healthcare services, is significantly weaker than in urban hubs like Tripoli or Benghazi. Power cuts are longer and more frequent, further limiting access to essential services such as healthcare and education.[79] These disparities deepen social inequalities and highlight the strategic importance of energy equity in future development models.

Compounding this issue is the institutional fragility of the electricity sector. Years of underinvestment and mismanagement have left Libya's grid in a state of chronic failure. Several international organizations and technical cooperation agencies, such as UNDP, have noted that improving grid reliability is central to Libya's recovery. At the same time, they also stressed the importance of developing renewable energy as a

[75] See: International Energy Agency, "Libya: Renewables": https://www.iea.org/countries/libya/renewables.
[76] See: Global Solar Atlas, "Solar Resource Map of Libya," 2025: https://globalsolaratlas.info/download/libya.
[77] World Bank, *Libya - Least Cost Energy Pathways (LCEP): Technical Assessment and Final Report*, 2017.
[78] Ibid.
[79] Media coverage focuses more on Tripoli and Benghazi but sometimes mentions the southern regions of the country. See for example: "Libyans Endure Longer, Frequent Power Cuts," *AfricaNews*, July 14, 2022; and Yusuf Abulkher, "Tripoli's Electricity Crisis and Its Politicisation," *Clingendael Institute*, April 2020.

way to build a more decentralized and resilient electricity system.[80] In the south, where solar resources are abundant, harnessing this potential could be key to ensuring reliable local access to electricity.

Box 6. Key takeaways on the untapped potential of solar energy

Scaling up solar energy in southern Libya is not simply a technological choice, it is a socio-political imperative. It offers a strategic opportunity to address regional inequalities, support inclusive economic recovery and diversify the country's energy mix beyond fossil fuels. Future energy planning should prioritize equitable benefits for southern communities through targeted public investment, local job creation, and the active inclusion of youth to ensure a sustainable transition.

3.3. Libya's Struggle for Financial Digitalization

Financial services in Libya

Libya's financial sector is another witness of the deteriorating quality of services over the past years, as it remains structurally and technologically underdeveloped. Major barriers to financial inclusion persist in Libya, despite seemingly strong underlying conditions: 80 percent of Libyans live in urban areas with access to financial service providers; the country boasts a financial account ownership rate of 65.7 percent; and there are over 11,000 points of sale and around half a million e-payment users. [81] The lack of interoperability between banks continues to hinder the integration of financial services and stifles innovation. Moreover, credit card ownership remains low at just 10.3 percent, and only 21 percent of the population uses online payments,[82] highlighting a stark contrast between physical access to services and the depth of actual digital financial inclusion.

Struggles to reform Libya's financial services

At the core of this challenge is a combination of outdated infrastructure, fragmented regulation, and a general mistrust in the banking sector. Most financial operations still rely on manual processes, and electronic payments remain the exception rather than the rule. The problem is not only technical but institutional. Over the past decade, recurring liquidity crises, arbitrary banking restrictions, and political instability have severely damaged public trust in financial institutions. The Libyan Credit Information Centre (LCIC), established in 2009 by the Central Bank of Libya, aimed to improve credit data sharing among banks. Although it achieved some initial progress, its dataset remains limited and suffers from systemic issues, such as non-cooperation from major state-owned banks, the lack of unique national identifiers for businesses, and the poor quality of data.[83] As a result, loans remain difficult to obtain, especially for entrepreneurs and small businesses. Meanwhile, the absence of a central digital identity system has further limited the development of safe and accessible digital finance and other services.

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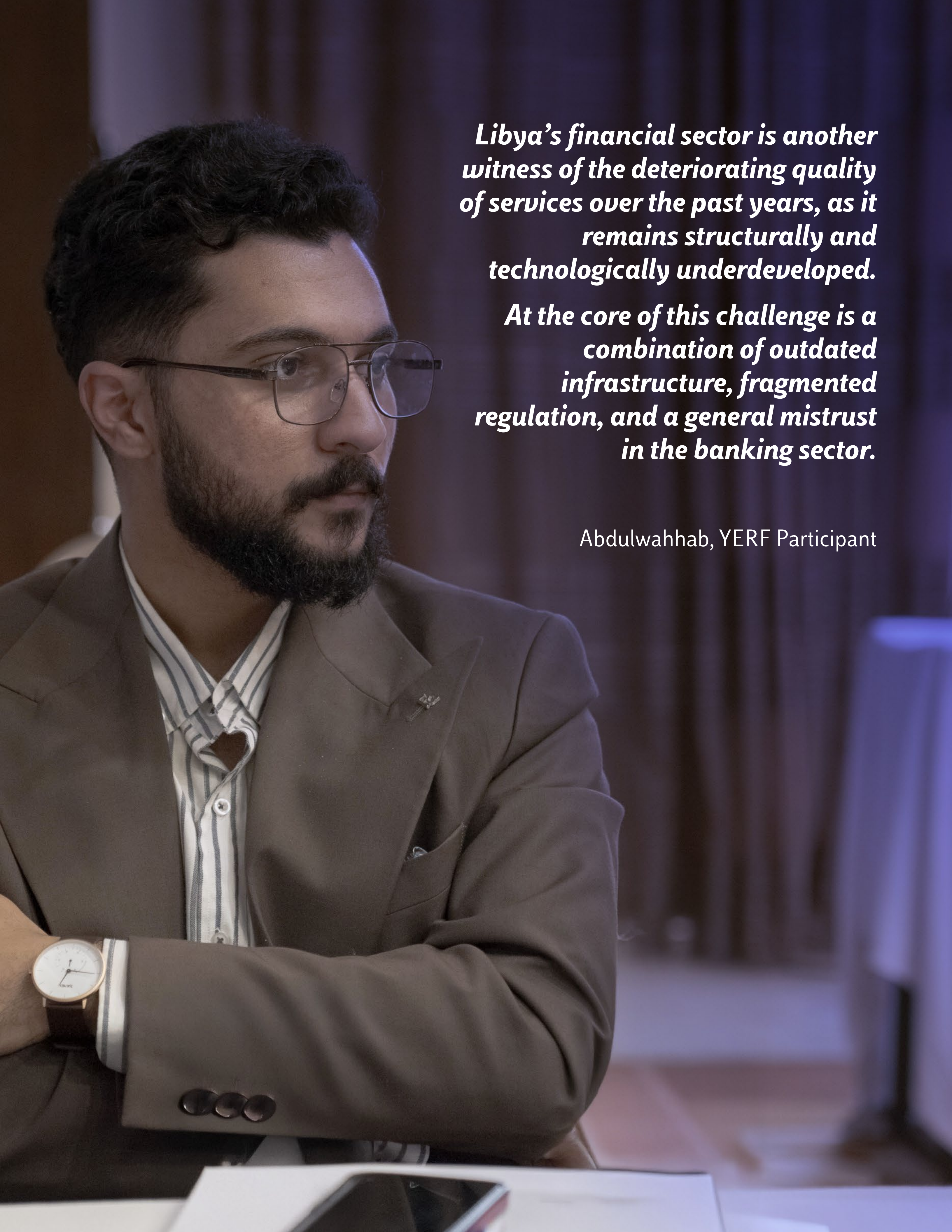
[80] UNDP Libya, *Final Narrative Report: Libya Electricity Sector Stabilization and Transition Support (LESST)*, December 2022.
[81] International Finance Corporation, "Building Resilience Through Digital Financial Services: Libya", *Africa COVID-19: Digital Finance Market Impact Series*, 2021.
[82] Ibid.
[83] World Bank, *Libya Financial Sector Review*, 2020..



Libya's financial sector is another witness of the deteriorating quality of services over the past years, as it remains structurally and technologically underdeveloped.

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Abdulwahhab, YERF Participant

Digital exclusion in Libya also has a geographic dimension. As of 2015, only 50 percent of Libya had access to 3G coverage—far below the regional average of 77 percent and that of upper-middle-income countries to which Libya belongs.[84] This gap affects rural areas the hardest, where 18.4 percent of Libyans live with limited access to reliable internet, electricity, and mobile services.[85] The weak digital infrastructure, combined with low financial literacy and a lack of tailored services for underserved populations, has reinforced the country's dependence on cash-based transactions.

Nevertheless, recent developments suggest some signs of progress toward reform. In 2024, the Central Bank of Libya launched a Fintech and Innovation Unit, along with a FinTech Lab designed to foster digital transformation and support start-ups in the sector.[86] These efforts aim to introduce open banking systems, electronic Know Your Customer (eKYC) procedures, and blockchain-based solutions. However, they are taking place in a context with no unified fintech law, and where national financial strategies are still fragmented across different ministries and agencies.[87]

Box 7. Key takeaways on digital finance services

Looking forward, the success of digital finance in Libya depends on comprehensive systemic change. Legal and regulatory frameworks must be updated to encourage private-sector participation, protect consumers, and ensure interoperability between platforms. Infrastructure investment is also essential, especially in rural areas, to guarantee equitable access. Most importantly, rebuilding trust between the public and the banking system will require transparent reforms, better service delivery, and inclusive financial education. Projects like the EU-funded "E-nable"[88] and others, if matched with the right technical partners and properly aligned with Libya's institutional context, could serve as useful entry points to build national capacity and narrow the fintech gap with regional peers.

[84] UNESCWA, *Arab Digital Development Report 2019: Towards Empowering People and Ensuring Inclusiveness* (Beirut: UNESCWA, 2019), p. 130.
[85] While the digital divide in the field of financial services is scarcely covered in the Libyan context, studies in other fields such as healthcare and education illustrate the gap. See for example: EdTech Hub. *Libya's Roadmap for Distance Learning*, January 25, 2022.
[86] "Libya's Central Bank Unveils Plan to Boost Digital Payments," *Libya Review*, November 7, 2024.
[87] World Bank, *Libya Financial Sector Review*.
[88] E-NABLE is a three-year project (2022-2025), funded by the European Union (€5M) and implemented by Expertise France, that builds on the World Bank's analyses and OECD studies to brace the transition towards digitalization and supports the foundation for a dynamic, diversified economy and a competitive private sector in Libya.

3.4. From Waste to Resource

Waste management in Janzour

Like many cities in Libya, Janzour[89] suffers from the consumption patterns characterized by wastefulness and unsustainable resource use. This reality, combined with weak governance and infrastructural limitations, has made waste management a critical challenge. The city's population has grown rapidly from 88,073 in 2006 to over 400,000 today, putting it under immense pressure. Poor waste management has led to the accumulation of over 12,000 tons of waste in landfills, creating serious risks for the environment and public health, and wasting energy and natural resources.[90] The absence of a clear waste management strategy in the city highlights the urgent need for systemic change. The transition to a circular economy, centred on reducing, reusing, and recycling, offers a possible framework for addressing Libya's waste crisis while unlocking new economic opportunities.

Libya's national waste management system has historically suffered from institutional fragmentation, unclear regulations, and chronic underfunding.[91] Conflicting mandates between local and national authorities, coupled with a lack of technical expertise, have made it difficult to deliver reliable services. In Janzour, approximately 70 percent of residents lack awareness of the importance of proper waste disposal.[92] The situation is exacerbated by poor infrastructure, limited funding, and logistical challenges, such as inadequate waste collection and storage systems. The persistence of these issues reflects broader patterns across Libya, where local governance structures struggle to deliver basic services amid political instability and resource constraints.

Rethinking policy for sustainability

Despite these challenges, several policy interventions and pilot initiatives have emerged in recent years. Supported by the EU and the German Development Agency (GIZ), Janzour launched five composting and waste sorting stations with a total capacity of 1,200 tons per day.[93] National policies have also started encouraging sustainable waste practices.[94] Looking forward, Janzour aims to establish ten recycling facilities and explore waste-to-energy technologies. The city's local authorities are also encouraging public-private partnerships to attract investment in the sector. These initiatives mark a promising shift toward integrating circular economy concepts into municipal development strategies, although their long-term success will depend on consistent funding, institutional coordination, and active community participation.

The organic composting plant in Janzour shows how a circular economy approach can deliver tangible economic and environmental benefits. The facility converts 70–80 percent of incoming organic waste into

[89] A rapidly growing city near Tripoli.
[90] Based on research interviews conducted in February 2025 with Nouri Al-Tarabulsi, Head of the Public Hygiene Department at Janzour Municipality; Haitham Al-Suwaih, Former Waste Management Coordinator with GIZ; Akram Al-Masry, Solid Waste Management Expert at GIZ.
[91] Salahaldein Alsadey and Salleemah Hamid, "Construction and Demolition Waste Management in Libya: Current Situation and Future Prospects," *Journal of Environment Protection and Sustainable Development* 7, no. 2 (2021): 65–68.
[92] Mohamed Elmagbri, Heba Al-Sheikh, Lamis Ben Aiyad, and Rima Hamidan, *Challenges and Steps Forward for Public Services Reforms in Libya*, Friedrich-Ebert-Stiftung (Libya Office), March 2022.
[93] UNDP Libya, "New Lenses for Blind Solid Waste Areas," July 15, 2020.
[94] See for example: Council of Ministers (Libya), "Resolution No. 300 of 2021 approving the organizational structure and powers of the Ministry of Environment and organizing its administrative apparatus," August 5, 2021.

compost, cutting methane emissions by an estimated 70 percent compared to traditional landfilling.[95] It also created local jobs, trained 16 municipal employees, and ran five awareness campaigns. However, several challenges remain. For example, plastic contamination lowers compost quality; spare parts for machinery are difficult to obtain; and operational costs remain high. Furthermore, weak market demand, limited farmer awareness, and the absence of legal requirements for organic recycling make it difficult to distribute the compost. The project's dependence on external funding also raises concerns about its long-term sustainability without local financial commitment.

Box 8. Key takeaways on waste management and the untapped potential of the circular economy

The Janzour composting initiative offers valuable lessons for improving waste management across Libya. Key takeaways include the need for stronger community engagement in waste sorting, the use of simple and scalable technologies adapted to local conditions, and the integration of recycling projects with agricultural markets. Closer coordination between municipalities and national authorities is also vital to overcoming bureaucratic hurdles and ensuring regulatory backing. Most importantly, the project underscores that a circular economy is not a distant ideal, but an actionable strategy for Libya—one that can align environmental responsibility with local development and economic diversification.

[95] Based on an interview with an expert and official in the waste management sector in Janzour.

4. Institutions and Public Life

The fall of the Gaddafi regime led to the collapse of central authority in Libya and the proliferation of local power centers, such as tribes, militias, and municipal councils. This created a complex, often contradictory governance reality in the country. Despite different governments' efforts to establish a legal framework for decentralized administration, the actual distribution of power remains heavily centralized, inconsistent, and undermined by weak capacity and overlapping mandates.[96] This is further complicated by political and institutional division. In this context, the future of governance in Libya is inseparable from the urgent need to rebuild institutions that are responsive, inclusive, and capable of delivering on the country's potential.

The current debate is not only about the structure of governance, but also the values and priorities embedded in it. At the core lies a fundamental question: how can governance in Libya shift from crisis management to development planning? Whether in the form of fair resource distribution, empowered local authorities, inclusive public participation, or sustainable economic policy, institutional reform must address both the immediate and structural challenges that keep the country in a state of instability. Yet, discussions around decentralization and reform remain divided between calls for federalism, expanded local autonomy, and cautious re-centralization.[97] The challenge is finding a model that balances Libya's resources and services across its diverse territory, while tangibly improving the lives of Libyans.

This section brings together three research notes that examine how Libya's weak institutions impact critical policy areas, from economic governance to urban planning and youth empowerment. Taha Abu Iqsaysah explores how Libya's short-term governance structures undermine intergenerational equity, arguing for the reorientation of institutions toward long-term, inclusive development. Alshareef Hamad offers a case study on participatory budgeting as a tool to enhance youth involvement in municipal decision-making, underscoring both the promise and limitations of local reforms. Finally, Asraa Bennayil investigates Libya's fuel subsidy system, showing how entrenched fiscal practices strain the national budget and resist reform due to political paralysis and governance gaps. Together, these notes offer a cross-cutting view of the institutional reforms needed to move Libya from crisis response to sustainable development.

4.1. Sovereign Wealth Funds as Promoters of Intergenerational Justice

Models of Sovereign Wealth Funds

In the context described above, sovereign wealth funds (SWFs) are vital tools,[98] to preserve national wealth and reinvest it strategically. SWFs can play a transformative role in advancing intergenerational justice, ensuring that current consumption does not undermine future prosperity. Countries across the MENA region and beyond have already leveraged their SWFs more effectively to balance present needs with future rights.

[96] Intissar Kherigi and Ridha Ellouh, "Prospects of Local Governance in Libya: Framing the Debate for Post-Conflict Stability," Policy Paper (Rome, Italy: Luiss Mediterranean Platform, October 17, 2024).
[97] Ibid.
[98] Xenia Karametaxas, "Funding the Future: Sovereign Wealth Funds as Promoters of Intergenerational Equity," in *Intergenerational Equity*, ed. Severn Cullis-Suzuki and others, World Trade Institute Advanced Studies 4 (Leiden: Brill, 2019), 179–1910.

The Gulf countries in particular offer relevant lessons for Libya, both in terms of ambition and institutional design. The United Arab Emirates, through the Abu Dhabi Investment Authority (ADIA) and Mubadala, has built a diversified portfolio that funds strategic sectors ranging from aerospace to renewable energy, while maintaining reserves for future generations. Saudi Arabia's Public Investment Fund (PIF), with assets exceeding $700 billion, is not only a global investor but a core pillar of the country's Vision 2030, channeling investments into sectors such as tourism, digital infrastructure, and green energy. Qatar's Investment Authority similarly plays a dual role: stabilizing the economy during shocks and supporting long-term goals such as educational excellence and healthcare expansion. These funds reflect a shift in Gulf economic planning—from passive capital preservation to proactive, transformative investment guided by long-term strategic visions that explicitly incorporate youth empowerment and economic diversification.

Still in the region, Morocco—despite lacking significant natural resource revenues—has embraced a strategic investment approach through its Mohammed VI Fund for Investment (M6FI). Established in 2020 with an initial budget allocation of around $1.5 billion, the fund supports national priorities—industrial innovation, youth employment, and infrastructure—showing how non-resource-rich countries can adopt forward-looking financial tools for inclusive growth. It designs and structures investment projects and provides financing through equity, quasi-equity, or debt.

Other global experiences of SWFs with a strict ethical framework and long-term investment horizon, and a key example can be found in Norway. The Government Pension Fund, established in 1990, has become the world's largest SWF with over $1.4 trillion of assets. The fund's income, derived from oil revenues, is invested globally, with strict rules preventing excessive withdrawal. This model has allowed Norway to maintain fiscal stability, invest in social services, and preserve capital for future generations, serving as a gold standard in intergenerational equity. While such models offer valuable inspiration, they must be carefully adapted to Libya's unique demographic, institutional, and economic context.

Using the Libyan Investment Authority as a Vehicle for Intergenerational Justice

Libya, by comparison, has yet to translate its oil wealth into a sustainable, inclusive, and forward-looking investment strategy. The Libyan Investment Authority (LIA), created with this very aim, remains underperforming due to governance issues, political fragmentation, and a lack of integration with broader development goals. The LIA's massive assets, once estimated at $64–70 billion, have been largely immobilized since 2011 due to UN-imposed sanctions, which froze roughly 85 percent of its holdings to prevent misappropriation amidst political turmoil[99]. The UN Security Council, like many Libyans, initially viewed sanctions on the fund as a safeguard; a way to protect the country's sovereign wealth from mismanagement and political misuse. However, growing concerns are emerging over the long-term consequences of these restrictions. An estimated $20–33 billion in frozen assets has steadily lost value due to inflation, despite recent increases in global interest rates.[100] In some cases, accounts holding proceeds from matured bonds were even subjected to negative interest rates, compounding the financial erosion. This depreciation underscores the need to reassess the sanctions framework to prevent further harm to Libya's future economic potential.

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[99] International Crisis Group, *Frozen Billions: Reforming Sanctions on the Libyan Investment Authority*, Middle East & North Africa Report No. 249 (Brussels: International Crisis Group, April 24, 2025).
[100] Ibid.

In response, recent UN approval now permits gradual unfreezing and reinvestment.[101] Revival of the LIA presents a rare opportunity: unlocking billions in oil-derived capital for strategic, long-term investments in infrastructure, education, and economic diversification. If governed transparently and aligned with national development priorities, the fund could pivot from passive asset preservation to active nation-building—potentially transforming Libya's economic trajectory and embodying principles of intergenerational justice. Ensuring rigorous governance and depoliticization will be essential to translate this financial revival into sustainable, equitable growth.

Box 9. Key takeaways on the role of sovereign wealth as a vehicle for intergenerational justice

Reimagining the LIA as a vehicle for intergenerational justice would involve insulating it from political interference, aligning its operations with national development plans, and earmarking investments for infrastructure, education, and green economy initiatives that directly benefit younger generations. It also means adopting a broader vision: one that positions sovereign wealth not merely as a financial reserve, but as a platform for inclusive growth. With the right reforms, the LIA could shift from a dormant asset to a dynamic institution that upholds the rights of future Libyans while addressing the structural challenges of today.

Implementing this shift will also require the engagement of key national institutions from ministries and universities, as well as civil society organizations capable of advocating for and co-designing youth-oriented initiatives. International partners like the World Bank, the EU, and the UN can also play a critical role by providing financing, technical support, and lessons from other fragile contexts. Ultimately, putting intergenerational justice into action means reshaping Libya's development priorities: from consumption to strategic investment, from elite-centred governance to inclusive planning, and from short-termism to a sustainable national project shared across generations.

[101] Ethan E. Dincer, "Libya's Wealth Reborn: Can a SWF Flip the Script on Development?," *Geopolitical Monitor*, October 23, 2024.

Reimagining the Libyan Investment Authority as a vehicle for intergenerational justice would involve insulating it from political interference, aligning its operations with national development plans, and earmarking investments for infrastructure, education, and green economy initiatives that directly benefit younger generations.

Taha, YERF Participant

4.2. Could Participatory Budgeting Empower Youth in Libya?

Disillusioned youth

Libya's post-2011 landscape is marked by a vibrant yet underutilized youth population. There are approximately 2.66 million Libyans aged 15–34, constituting roughly 38 percent of the population.[102] Despite being among the country's most educated groups, Libya's youth remain marginal in public life: civic engagement is low, confidence in formal institutions is tenuous, and a culture of volunteerism has yet to take root.[103] Moreover, weak civic norms, limited awareness of opportunities, and the relative novelty of youth-led organizations leave young voices faint in policymaking, perpetuating a cycle in which enthusiasm and talent do not translate into tangible influence.[104]

Different governments have tried to address this trend, launching a series of youth-oriented initiatives: voter-mobilization drives in 2012,[105] youth representation in municipal councils in 2014,[106] a leadership-training center and National Youth Council in 2021,[107] and, most recently, the Youth Municipal Councils Initiative.[108] However, while these programs signal some political will, they lack the robust mechanisms needed to embed young people in development planning or local governance. A survey conducted in 2024 underscores this gap: nearly 45 percent of youth still distrust their municipal councils, and 63 percent have never voted.[109]

The recent Youth Municipal Councils[110] initiative offers a promising entry point, providing channels for proposals and community projects. These councils are a valuable initiative because they can help educate young Libyans about democratic governance, develop their leadership skills, and give them a platform to participate in local decision-making. Part of the initiative's success will rely on tools such as participatory budgeting, or in other words, its capacity to involve young people in financial decision-making. This kind of engagement enables them to advocate for policies that reflect the needs of the community.[111]

Participatory budgeting in Tobruk

Participatory budgeting presents a promising tool for supporting youth engagement in Tobruk, particularly given the Municipal Council's prior experience with inclusive budget discussions. In 2019, the Council held a public session to review the estimated budget for the following year, allowing community representatives to offer feedback, some of which was incorporated into the final draft.[112] This experience demonstrated both the Council's openness to community input and the feasibility of involving youth and other community representatives in financial decision-making. Such precedent lays the groundwork for future participatory

[102] "Youth Participation in Elections Is Essential for Bringing about Change, Say Libyan Youth in an Online Training," UNSMIL: United Nations Support Mission in Libya, October 24, 2024.
[103] Matthew Kinsella, Muhammad Hamza, and Will Simon, "Youth Employability Skills in Libya" (Libya: UNICEF Libya, September 2023).
[104] Ibid.
[105] Initiative by the High National Elections Commission, in cooperation with the Ministry of Youth.
[106] Initiative by the Ministry of Local Government.
[107] Initiative by the Government of National Unity.
[108] Ibid.
[109] National Economic Social Development Board (NESDB), "Executive Summary - Project of National Youth Survey," February 2025.
[110] "National Youth Councils," Government, Ministry of Youth, 2021, https://youth.gov.ly/lyc/.
[111] Director of International Cooperation Office, Interview on the local youth council in Tobruk, February 2025.
[112] Ibid.

practices and enhances the likelihood that a structured participatory budgeting process could be successfully implemented to support youth-led projects.

The Tobruk Municipal Council has also expressed interest in adopting participatory budgeting specifically to empower young people, provided that a clear legal and technical framework is in place.[113] Libya's municipal laws offer sufficient flexibility to accommodate this approach. While political and administrative challenges currently delay the full implementation of Youth Municipal Councils, the Council's willingness to move forward with participatory budgeting reflects its broader commitment to youth inclusion.[114] With over 600 young people already registered through the Ministry of Youth's platform to run for their local councils, there is strong community momentum that could be harnessed through participatory budgeting to fund initiatives that reflect the priorities and aspirations of Tobruk's youth.[115]

Box 10. Key takeaways on innovative methods of youth participation in local governance

The experience of Tobruk offers a valuable lesson: participatory budgeting can serve as a practical entry point to embed young people in local governance. The Municipal Council's past experience with inclusive budget discussions, along with its openness to new legal and technical frameworks, suggests real potential for institutionalizing youth participation. By linking emerging platforms like Youth Municipal Councils with concrete tools such as participatory budgeting, Libya can move beyond symbolic inclusion toward meaningful youth empowerment.

4.3. The Hidden Cost of Cheap Fuel

Fuel subsidies in Libya

Given Libya's economic structure and the rentier system that has shaped governance for decades, fuel subsidies have become a key component of the country's social contract. Introduced in the 1970s, Libya's first broad-based subsidy program aimed to guarantee affordable access to basic goods, including fuel.[116] A national institution was created to manage consumption, and the program continued with varying coverage until a reform attempt between 2005 and 2010. However, amid growing public discontent, the reform was reversed just before the 2011 revolution. The subsidy system continues to place a significant burden on the national budget, and the most recent push for reform in late 2024 reignited widespread controversy.[117]

In 2013, the International Monetary Fund (IMF) estimated that over 14 percent of Libya's budget or about $7 billion would be swallowed up by subsidies for food and fuel.[118] Car fuel subsidies alone account for 40

[113] Ibid.
[114] Ibid.
[115] Ibid.
[116] Abdelkarim Araar, Nada Choueiri, and Paolo Verme, "The Quest for Subsidy Reforms in Libya," Policy Research Working Paper (World Bank, March 2015).
[117] "Lifting Fuel Subsidies…Is It Possible in Libya?," *Al-Hurra*, December 29, 2024.
[118] International Monetary Fund, "Libya: Selected Issues," *IMF Staff Country Reports* 13, no. 151 (2013): 1.

percent of the total, with nearly 30 percent of that fuel reportedly smuggled out of the country.[119] According to the Ministry of Finance's 2022 report, the total value of fuel subsidies amounts to approximately 831.6 million Libyan dinars per month, making it financially unsustainable.[120]

Rethinking fuel subsidies

Libya's fuel subsidy system remains riddled with substantial gaps in implementation and accountability. For example, a significant portion of subsidized fuel, estimated at nearly 30 percent, is smuggled into neighboring countries, costing the Libyan treasury billions.[121] Additionally, the absence of effective oversight has led to poor targeting, with nearly 40 percent of the benefits captured by individuals who are not eligible.[122] These inefficiencies have eroded the development budget, shifting oil revenues away from infrastructure toward salaries and current expenditures, in direct violation of fiscal guidelines.

Socially, the continuation of subsidies has fostered a culture of overconsumption: Libya has one of the highest car ownership rates in Africa, with at least 85 percent of households owning at least one car. In addition, fuel usage is three times the global average.[123] On the other hand, public transportation remains underdeveloped and culturally underutilized, exacerbating traffic congestion and accident rates.

In light of growing calls to lift fuel subsidies as a way to ease pressure on the public budget, a ministerial committee was established in 2021 to develop mechanisms for replacing subsidies with targeted cash support.[124] Although reform initiatives such as this proposal and the 2023 community dialogue were attempted, public fear over rising prices resulted in widespread opposition. The reform was scheduled for December 2023, but progress stalled.[125] These trends underscore the urgent need for a phased reform strategy that strengthens oversight, curbs smuggling, and redirects savings toward sustainable development.

[119] Abdelhakim Omar, "Fuel Subsidies: Between Reform Necessities and Social Concerns A Study of the Libyan Economy 2006-20," *Libyan Journal of Applied Science and Technology* 12, no. 2 (December 2024).
[120] Tabadul Channel, "Post on Fuel Subsidies in Libya," Page Post, *Facebook,* June 30, 2022.
[121] Khaled Hamoud et al., "Stabilizing Growth and Boosting Productivity," Libya Economic Monitor (The World Bank: Middle East and North Africa Region, 2024).
[122] Abdelhakim Omar, "Fuel Subsidies: Between Reform Necessities and Social Concerns A Study of the Libyan Economy 2006-20."
[123] Hasanain Mohamed, "Report: Libya's Car Ownership Rate Highest in Africa," *LibyaReview* (blog), November 11, 2024.
[124] Yunis Abushiba, "Economic Impact of Fuel Subsidies in Libya: Study on Misrata," *Scientific Journal of the Faculty of Economics and Commerce*, no. 9 (April 2024): 31–52.
[125] "Economic Researcher: Libyan Families Receive 5,000 Dinars per Month from Fuel Subsidies.," *Bawabat Al-Wasat*, October 31, 2023.

Box 11. Key takeaways on subsidy reform

One key proposal is to gradually replace in-kind subsidies with targeted cash transfers for vulnerable groups. In Libya, direct cash transfers are likely the easiest and most publicly accepted option. Existing social programs could be expanded to support subsidy reform. However, careful design is crucial, including decisions on target groups, whether to use current programs or create new ones, the level of savings aimed for, and the implementation timeline.[126] Technology could also play a vital role—satellite fuel tracking, for example, may help curb the high toll of smuggling on the economy.[127] For reform to succeed, it must also counter weak institutions and corruption with greater transparency, legal enforcement, and a shift in oil revenues toward development.

Preparatory work for Libya's national transport reform strategy began in early 2023 and took considerable time due to the coordination gaps, limited technical capacity, and weak planning systems. The strategy was only officially launched in 2025, reflecting the time needed to build consensus and develop a clear, actionable vision.[128] The National Economic and Social Development Board (NESDB) also calls for linking fuel prices to global levels, stricter fuel distribution controls, and reinvesting subsidy savings into agriculture and tourism—sectors that currently contribute less than 5 percent of GDP but offer potential for sustainable growth.[129]

[126] International Monetary Fund. Middle East and Central Asia Dept., "Libya: Selected Issues."
[127] Mohamed Emad, "Libyan Inventor Develops Device to Combat Fuel Smuggling," *LibyaReview* (blog), June 4, 2024.
[128] "The Ministry of Transport adopts the Council's comprehensive strategy for reforming and developing transportation and communications," NESDB, accessed June 30, 2025.
[129] "Fuel Subsidy Policy Reform" (National Economic and Social Development Board, 2023).

Above: *The low price of gasoline encourages private car ownership making standstill traffic common in Tripoli.*

5. Final Reflections on the Libyan Economy

During the policy workshop in Tunis, experts engaged the young participants to look beyond the boundaries of their papers, raising a series of questions on Libya's economic future. And so, in our conclusion, we invite you to pause on these questions, as they touch on issues that lie at the heart of Libyan citizens' daily lives and long-term aspirations. It is important to note that any effort to improve or reform Libya's economy will need to seriously consider how best to address them. As such, they also offer key entry points for future policy research.

People and Society

The overarching focus in the theme of People and Society was on the three interlinked areas of education, inclusion, and talent retention.

Education. Libya's universities are hindered by a legacy of outdated teaching methods, poor infrastructure, and a stalled digital transformation. Meanwhile, the labor market is evolving with growing demand for graduates with skills in areas like computer science, digital marketing, and data analysis. This gap between education and employment raises urgent questions: How can Libya's education system be redesigned to equip students with the skills needed to drive a 21st-century economy? What real-time mechanisms, such as employer feedback loops, curriculum advisory boards, or industry partnerships, could help align academic programs with market needs? As the number of new universities grows, how can policymakers moderate the quality of the many newly established universities to ensure that these institutions really equip students with the skills required by the labor market? And once students graduate, what follow-up systems could universities implement to track their employment outcomes and offer continued support, so they find meaningful work at home rather than slipping into unemployment or seeking opportunities abroad?

Inclusion. The reflections on education and the labor market naturally lead to the next logical step: a discussion on the need to unlock the potential of all segments of Libyan society. One key question is how to shift employer mindset: which incentives, formal or informal, would prompt employers to see people with disabilities as assets rather than exceptions? And beyond attitudes, what blend of training and infrastructure would give those workers an equal footing in the Libyan economy?

The conversation expands to another group often left on the margins: migrant workers. Given their vital contributions to sectors like agriculture, construction, and domestic services, how can the government recognize migration as a source of valuable skills, instead of treating it primarily as a security issue? What reforms would help migrants obtain work permits faster, have their qualifications recognized, and transition from informal labor to protected, legal employment?

To make this possible on the ground, practical tools are needed. Would a single help desk in each city make it easier for migrants to register and find safe jobs while still letting officials run security checks? And beyond employment, what would genuine social integration look like for the foreign workers who already play a major role in many key sectors of the economy?

Talent Retention. We now turn to one of the most urgent challenges facing Libya's future: the continued emigration of its most skilled and educated citizens. At the heart of the issue are the two factors of stability and opportunity. What changes would make jobs in Libya more secure, better paid, and worth staying for? Beyond the public sector, how can the private sector create more job opportunities for Libyans, especially for young graduates who are eager to contribute but often find limited prospects at home? Tackling political uncertainty is also key; what immediate steps could help restore a sense of safety and predictability so that Libyans no longer feel compelled to leave? And finally, to support talent retention in the long run, which public services—whether health, education, or transportation—are most in need of upgrades to raise quality of life and give young people a reason to imagine a future in Libya?

Setting these interconnected questions side by side invites policymakers to consider not only the challenges but also the opportunities that emerge when education, inclusion, and talent retention are viewed as parts of a single, dynamic labor market.

Economy and Services

The conversations under the Economy and Services theme discussed the four areas of entrepreneurship, renewable energy, financial technology, and waste management. Each one of these areas has policy gaps which could continue holding back Libya's economic transition if they are not addressed.

Entrepreneurship. Participants from Tripoli and Benghazi noted that entrepreneurs struggle with the immense amount of paperwork and long waiting times required to establish businesses. In response, what practical reforms could help streamline business registration and reduce the burden on new founders? Could targeted tax breaks in the first three years give start-ups the breathing room they need to survive early cash flow challenges and limited access to credit? Beyond regulatory reform, universities also have a critical role to play. How can they better support entrepreneurship through joint incubators, hands-on technical training, and direct engagement with the private sector? And when it comes to inclusion, how can more women be empowered to launch their own ventures—through mentorship circles, co-working spaces, or micro-loans designed to help them become not the exception, but key drivers of Libya's startup ecosystem?

Renewable Energy. While Libya is known for its vast fossil fuel reserves, it also holds immense potential to become a regional leader in renewable energy if it can build a clear vision for the sector. The key challenge is not technical but political: the shift depends largely on smart, consistent policy. What kinds of incentives could drive significant investment in renewable energy? And how can existing energy networks and infrastructure be upgraded to support solar and other clean energy projects? Beyond economics and geopolitics, there is also a cultural dimension to consider. How can solar installations be reframed from prestige projects for the few, to practical lifestyle choices that empower everyday citizens to become micro-producers of energy? Ultimately, such a shift could not only diversify Libya's economy but also reshape its role on the global energy map.

Fintech. In Libya, even simple actions like buying an e-book or paying a utility bill online remain difficult; not due to a lack of technology, but because digital transactions are only as reliable as the financial systems behind them. This makes it clear that fintech innovation cannot flourish without first addressing foundational gaps in the banking infrastructure. The question, then, is where should this process begin? How can Libya accelerate the broader digitization of its financial systems to create a stable and trustworthy base for innovation? At the same time, public confidence must be built alongside infrastructure. What kinds of legal protections or cybersecurity protocols would reassure citizens and encourage them to engage in digital transactions without hesitation? Moving forward, a phased and adaptive approach may be needed.

Could start-ups be allowed to pilot payment tools under light regulatory supervision before rolling them out more broadly? Ultimately, these steps will be critical—not only for fintech to take root, but for Libya to build a more connected and competitive economy.

Waste Management. Most Libyan cities have overflowing landfills, which pose serious risks to both public health and the environment, while also representing a missed economic opportunity. Addressing this growing crisis will require more than short-term clean-up efforts; it must be part of a broader vision for sustainable development. How can investing in waste management become part of Libya's wider economic reform plans? One key step is to support small businesses and entrepreneurs who want to enter the recycling and waste processing sector, turning a public problem into private opportunity. At the same time, lasting change depends on community participation. How can residents be encouraged to separate food scraps, plastics, and glass at home as a first step toward a cleaner system? Achieving impact on a scale will also require close cooperation between the public and private sectors. In this context, how can they work together to build cleaner, greener cities that attract investment? And finally, looking ahead, what long-term economic gains could Libya see from shifting toward a circular economy that reduces waste, saves resources, and creates jobs?

Institutions and Public Life

Finally, the discussions under Institutions and Public Life touched upon intergenerational justice, participatory budgeting, and fuel subsidy reform. Each of these areas presents complex governance challenges that must be addressed if Libya is to build a more inclusive, transparent, and future-oriented public sector.

Intergenerational Justice. Libya is rich in oil, but it is a finite resource that must be managed wisely to benefit both current and future generations. To ensure this, the country must think beyond short-term spending and begin laying the foundation for sustainable, inclusive growth. What steps are needed to create a unified national budget that allows for long-term planning? And once that foundation is in place, how can Libya build a sovereign wealth fund—like those in Norway or Morocco—that protects and invests oil wealth rather than simply spending it? This shift would also require reforms to government spending rules, moving away from salary-heavy budgets toward investments in education, health, and infrastructure. In this vision, how can Libya's Investment Authority return to serve the younger as it was originally intended? And what roles can young people play in shaping Libya's budget and economic future?

Participatory Budgeting. As Libya looks for ways to rebuild trust between citizens and institutions, participatory budgeting may be a potential tool to strengthen youth engagement in public life. But for this approach to take root, several questions must be addressed. What is Libya's broader national vision, and how can participatory budgeting align with it? More specifically, what mechanisms can make this process work at the local level? Defining what participatory budgeting actually means in the Libyan context is crucial—along with identifying who qualifies as youth, how they are selected, and how their input is translated into real financial decisions. Legal clarity will also matter: which laws currently support participatory budgeting, and what legal or policy updates are needed to enable it? Finally, implementation raises a practical question of ownership. Should participatory budgeting be driven by municipalities, the Ministry of Youth, or another actor entirely?

Fuel Subsidy Reform. Libya's long-standing fuel subsidy system, once seen as a pillar of the social contract, has now become a source of overconsumption, smuggling, and the diversion of vital public funds away from development. The question facing policymakers is no longer whether reform is needed but how to do it without triggering public backlash. What phased steps can be taken to gradually replace in-kind subsidies with targeted cash support for the most vulnerable groups? How can stronger oversight mechanisms—such as satellite fuel tracking or stricter distribution controls—help reduce smuggling and waste? At the same time, what measures are needed to ensure that subsidy savings are reinvested in underdeveloped sectors like public transportation, agriculture, or tourism? And given persistent corruption and weak institutions, how can transparency and enforcement be strengthened to give the public confidence that reform will serve the common good?

Taken together, the above questions and reflections sketch the complexity of Libya's economic landscape and the many opportunities and challenges in place. They do not offer quick or easy solutions. Instead, they point to the urgent need for policymakers, experts, and stakeholders to develop a long-term economic vision for the country. One of the most persistent obstacles to progress in Libya has been the habit of each new government or ministry to discard the plans of its predecessor and start from scratch. This cycle of constant reinvention has stalled development efforts before they could gain traction or deliver results. The cost of these abrupt and often arbitrary changes has consistently fallen on Libyan citizens. Moving forward, a carefully coordinated, cross-sectoral plan must be established; one grounded in a shared vision, developed across ministries, and carried forward by successive governments to ensure continuity, stability, and impact.

Above and below: *On June 16, 2025, the Luiss Mediterranean Platform hosted "Libya Forward," marking the culmination of a year-long journey of youth-led research and dialogue on Libya's socio-economic future supported by the LDTF, featuring a panel discussion on youth voices and local development, alongside a photographic exhibition from the World Bank's photobook "Shades of Libya: Contrasts, Hope, and Resilience" and a live music performance: "Sounds of Tripoli" by Sufian Ararah.*

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