Libya

Labour Market Assessment

Labour Demand, Supply and Institutional Environment in Sebha

Key Findings Summary

July 2022

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This study was commissioned by the European Trust Fund (EUTF) and conducted by REACH, in partnership with ACTED. It's aim was to provide an up-to-date, comprehensive understanding about the functioning of the labour market from a labour supply, labour demand and institutional perspective concerning Libyan youth and migrants in two of the municipalities in southern Libya, namely Sebha and Ubari during the first quarter of 2021. It also aims to inform practical procedures, gender and youth responsive operational strategies for ACTED programming that aims to boost economic activity in the region by offering technical knowledge transfer to local institutions working on economic development, designing relevant employability and vocational training, and providing grants to upcoming social enterprises that enhance social and economic inclusion.

Funded by the European Union

REACH Informing more effective humanitarian action

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CONTEXT

Persistent political instability and over a decade of conflict have concertedly contributed to hamper the economic development of Libya. Three quarters of Libya's national labour force is employed in the public sector with the population being highly dependent on the State for their livelihoods.[1] The Libyan private sector is dominated by Micro, Small and Medium Enterprises (MSMEs) with 84% of firms being Micro or Small in 2020.[2] Youth (15-24 years) unemployment rate in Libya has been steadily increasing for the last twenty years, with the last International Labour Organisation (ILO) estimates of 2020 being at 51.5%, placing Libya with the third highest estimated youth unemployment rate in the world.[3] Furthermore, it is likely that COVID-19 containment measures may have adversely affected private economic entrepreneurship as well as youth employment. Another defining feature of the Libyan labour market is the high participation rate of foreign nationals into the labour force. Migrants and refugees have historically been filling labour market shortages in low-skilled and low-productivity fields, such as agriculture, construction, and retail trade. The southern region is a key site for migrant smuggling as it is the entry point of flows heading towards the Mediterranean from sub-Saharan Africa, with Sebha and Ubari being nodal hubs of these dense trading, smuggling, and migratory routes. In this context, REACH, with the financial support of the European Trust Fund (EUTF), in partnership with ACTED, conducted a Labour Market Assessment in two baladiyas in the South of Libya, namely Sebha and Ubari. **The aim of the assessment is to inform humanitarian and development actors' understanding of the multifaceted challenges of the labour market in the two main economic and urban baladiyas in the South of Libya, from a labour supply, demand and institutional perspective.**

METHODOLOGY

The following key findings summary report outlines findings covering **exclusively the municipality of Sebha** from the labour demand, supply and institutional perspective. The assessment pursued a purely qualitative approach using a mix of closed and open-ended question tools to gather data. Data collection occurred from mid-February to the end of May 2021. All respondents were purposefully selected, with different sampling, as well as different quota criteria and methodologies per tool. In total, there were 109 Libyan youth Individual Interviews (IIs), 115 migrants and refugee IIs, 30 private-sector employer's Key Informant Interviews (KIIs) and 21 institutional stakeholders KIIs conducted in Sebha. To note that, according to REACH's reporting due diligence practices, reporting style adapts to the dimension of the population or sub-group under analysis. Hence, for sub-groups of less than 30 respondents count number reporting was employed, while for groups or sub-groups of 30 or more respondents percentage reporting was employed. Due to the purposive, non-representative sampling strategy, results are indicative for the assessed locations and population sub-groups. For detailed information about the different sampling methodologies employed for the different population groups assessed, please refer to the published TORs of the present assessment. Challenges related to limited access, distant communication, and remote coordination caused considerable delays between the phase of data collection and analysis. The relevance of time-sensitive findings might have decreased as a consequence. To mitigate this, up until the analysis stage (July 2022) the assessment team continued to update the list of the secondary literature with new relevant studies and articles, if released, to ensure that the most accurate and up-to-date information is used to triangulate the primary data collection's findings.

Findings scope and coverage:

This report presents the key findings from data collected in the municipality of Sebha through four different qualitative tools. A second report presenting findings covering the municipality of Ubari is published in a separate key findings summary report. Furthermore, a summary analysis of the overarching key findings jointly covering the two municipalities will be shared in a short narrative brief that will be published in late 2022. Finally, raw datasets covering the different respondent groups will be published and made available for open access, to potentially address any additional information needs. All publications relating to this project can be found here.

LABOUR DEMAND

EMPLOYERS

Assessment sample

Number of respondents: **30**

- Males **27**
- Females **3**

The present section outlines the key characteristics of the labour market in the municipality of Sebha from a **demand perspective**. These findings were retrieved from structured KIIs conducted to a purposefully selected sample of 30 private MSMSEs[4] operating across different sectors in the municipality; therefore, results are strictly non-representative and should be considered indicative only. Respondents from the different businesses were selected according to the job title held within the organisation, ensuring the retrieved information would originate from profiles who have some visibility and some degree of decision making power in terms of employment and employability within the organisation.

MSMEs CHARACTERISTICS

Table 1: Number of MSMEs assessed disaggregated, by sector and top 5 industries of economic activity

	Primary	Secondary	Tertiary	Total
Wholesale & retail			**6**	**20%**
Education			4	13%
Agriculture	4			13%
Construction		4		13%
Health			4	13%
Others		3	5	28%

Table 2: Number of MSMEs assessed disaggregated, by size and age

	Micro	Small	Medium	Total
< 5	7	**3**	**2**	**40%**
5 - 10	**8**	1		30%
10 <	7	2		30%

Table 3: Number of MSMEs assessed disaggregated, by size and firm type

	Micro	Small	Medium	Total
Private company	**14**	**3**	**1**	**60%**
Joint venture	4	2	1	23%
Family business	4			13%
Branch of foreign firm		1		3%

Table 4: Number of MSMEs assessed disaggregated, by size and owner's characteristics

	Micro	Small	Medium	Total
30 – 65 years	**21**	**6**	**2**	**97%**
18 - 29 years	1			3%
Male	21	4	2	90%
Female	1	2		10%

The great majority of the interviewed businesses were found to be Micro (less than 10 employees), constituting 73% of total firms assessed.[4] **The majority of the assessed MSMEs was also found to operate in the tertiary sector** (63%).[5] The concentration of MSMEs in the tertiary sector in the baladiya, particularly pivoting around the Trading and Services industries (Table 1), has largely been documented by previous literature on Libya,[6] and is likely the consequence of a layered combination of chronic insecurity, economic crisis and long-lasting dominance of the public sector in the Libyan economy. In fact, the deep and prolonged financial and economic crisis together with the high insecurity barriers have resulted in the depletion of public finances and the generation of public services gaps across Libya, with areas being underfunded and less deserved with essential goods and services by State Owned Enterprises (SOEs).[7] On the other hand, the environment also remains financially unattractive and inaccessible to extensive private sector investments due to the high volatility of the context, the lack of a comprehensive and updated private sector legal framework and the resulting high financial risk. This in turn may have led to the proliferation of micro businesses filling that gap in a rather fragmented way, especially in the South of Libya where security barriers are higher.

The number of MSMEs in Sebha was found to be growing over time. In fact, the age distribution of the interviewed firms (Table 2) confirms the presence of some degree of dynamicity and **growing entrepreneurship in the southern baladiya**. Furthermore, **all assessed firms were found to be formal**. The criteria of formality definition adopted in the present assessment was based exclusively on the registration status with any relevant authority or ministry. The most reported license/registration issuer was the Ministry of Economy (MoE), mentioned by 57% of respondents.

Out of all the assessed MSMEs, **only one firm was found to be the owned by a youth individual** (18-29 years old), while **only 10% was found to be owned by woman**, all operating in the tertiary sector, namely in the Education sector.

HIRING TRENDS

Table 5: Number of MSMEs assessed disaggregated, by sector and share of youth (18-29) employees

	Primary	Secondary	Tertiary	Total
25 – 50%	1	**5**	**7**	**43%**
Less than 25%	1		8	30%
None	**2**	1	1	13%
Above 50%		1	3	13%

Table 6: Number of MSMEs assessed disaggregated, by sector and share of migrant and refugees employees

	Primary	Secondary	Tertiary	Total
Less than 25%	**1**	1	**10**	**40%**
Above 50%	1	**4**	3	27%
25 – 50%	1	2	3	20%
None	1		3	13%

Table 7: Top 5 occupation types found across all MSMEs assessed, disaggregated by sector

	Primary	Secondary	Tertiary	Total
Technicians	1	**5**	**12**	**60%**
Service workers	1	1	13	50%
Sales workers	**3**	4	7	47%
Professionals		1	6	23%
Managers	1		5	20%

The great majority (70%) of the assessed MSMEs reports having no female employees. Conversely, the firms with female employees (n=9) were exclusively in the tertiary sector, mostly in the education sector (4/9) or in the health sector (4/9). This may be explained by the fact that, as also widely retrieved from the KIIs conducted with institutional stakeholders, the socio-cultural structure of the society in the South of Libya has a **rigid gendered labour division and occupation segregation**, with females fulfilling caring roles in sectors which are traditionally and dominantly public in Libya, such as education and health.

Out of all the MSMEs assessed, 87% reported to have at least one migrant or refugee employee (Table 6)**.** Overall though, less than half (47%) reported having more than 25% of their total employees being migrants and refugees. These firms were found to operate mostly in the Wholesale and Retail sector (4/14), Construction (3/14), Manufacturing and Agriculture (2/14). These are also the sectors found to have the highest migrants and refugees employment rates in the analysis of the labour supply side, who were found to be mostly employed in elementary occupations (Page 14).[8]

Overall, over half of MSMEs (56%) reported having over 25% of their employees being aged between 18 and 29 (Table 5). The broad presence of youth employees across the assessed MSMEs may indicate that there might not be an age reservation in MSMEs' labour demand in Sebha.

The most popular type of occupation across all assessed MSMEs is Technicians positions, found in 60% of the firms (Table 7). These firms mostly operate in health (4/18), education sector (3/18), construction (2/18) and manufacturing (2/18) sectors.

Managerial, Professional and Technical occupations hiring trends

Table 8: Number of MSMEs assessed disaggregated, by sector and type of contractual arrangements of their Managerial, Professional and Technician positions

	Primary	Secondary	Tertiary	Total
Oral contract	**2**	**3**	**8**	**13**
Written contract		1	4	5
No contract		1	1	2
Permanent	2	4	11	17
No contract		1	1	2
Temporary			1	1

Table 9: Top 3 MSMEs hiring channels for Managers, Professionals and Technicians in Sebha

	Primary	Secondary	Tertiary	Total
Informal channels (personal contacts, etc)		**2**	**6**	**8**
Private Employment		2	5	7
Internet postings			4	4

Among all assessed MSMEs reporting to have **Managers, Professionals or Technicians** employed within the firm (n=20), the majority (13/20) reported these profiles to **typically hold a higher education degree.** This is particularly true for the tertiary (10/13) and primary sectors (2/2), while in the secondary sector vocational level was mostly mentioned (2/5).

The majority of MSMEs employing Managers, Professionals or Technicians reported having an oral contractual arrangement (13/20). Despite the informality of the latter, almost all contractual conditions retrieved for these positions are found to be permanent (17/20) (Table 8).

57% of MSMEs reported not having employed any Managerial, Professional or Technical position in the 18 months prior to data collection (Feb-May 2021). The most reported reason (15/17) was the lack of demand, as KIs reported they had sufficient workers covering these positions (Table 10). This is also confirmed by the most reported reason for the high unemployment rate retrieved among Libyan youth interested in these occupation types, reporting there are not enough jobs in these categories (Table 20).

Table 10: Top 3 MSMEs reasons for not hiring Managers, Professionals or Technicians in the last 18 months prior to data collection

	Primary	Secondary	Tertiary	Total
There are enough workers in these occupations	**4**	**5**	**6**	**15**
Occupation not needed			2	2
Occupation too costly			1	1

Among the 43% of MSMEs reporting to have employed new Managerial, Professional or Technical employees in the last 18 months prior to data collection, the majority (8/13) reported having received female applicants during the hiring period, while the totality unanimously reported having received youth applicants (13/13). These figures suggest a **high degree of interest and a low degree of labour discouragement towards Managerial, Professional or Technical occupations from youth labour force, and to a lesser degree, from female labour force in Sebha.**

NON-MANAGERIAL, PROFESSIONAL OR TECHNICAL OCCUPATIONS HIRING TRENDS

Table 11: Number of MSMEs assessed disaggregated, by sector and type of contractual arrangements of their NON-Manager, Professional and Technician positions

	Primary	Secondary	Tertiary	Total
Oral contract	**4**	**5**	**15**	**24**
No contract		1	1	2
Permanent	4	5	13	22
No contract		1	1	2
Temporary			2	2

Table 12: Top 3 MSMEs hiring channels for Managers, Professionals and Technicians

	Primary	Secondary	Tertiary	Total
Informal channels (personal contacts, etc)	**1**	**1**	**6**	**8**
Private Employment	1	2	4	7
Internet postings			4	4

Among all assessed MSMEs reporting to have other occupational profiles beyond Managers, Professionals or Technicians employed within the firm (n=26), the majority reported these profiles to **typically hold a vocational degree (8/26) or a secondary education level (6/26).** This is particularly true for the tertiary (8/16) and secondary sectors (4/6).

57% of MSMEs reported not having employed any NON-Managerial, Professional or Technician position in the last 18 months prior to data collection. Of those, the most reported reason for not hiring (15/17) was that they had sufficient employees in the positions at stake.

Among the 43% of MSMEs reporting to have employed new NON-Managerial, Professional or Technical employees in the last 18 months prior to data collection, the majority (7/13) reported having received female applicants during the hiring period, while almost the totality reported having received youth applicants (12/13). As retrieved above for managerial positions, these figures suggest a **low degree of labour discouragement towards non-managerial occupations from youth labour force, and to a lesser degree, from female labour force.**

Overall, the above findings may suggest **the presence of a labour market slack, charaterised by considerable labour force underutilisation due to the mismatch between the high volume of labour supplied and the saturated labour demand.** To note that almost the totality of the MSMEs who reported not hiring any managerial, professional or technical positions in the last 18 months are the same who also reported not hiring any other occupation type. Thus, **over half of the assessed MSMEs reported not hiring any new position in the 18 months prior to data collection, indicating that hiring trends may not be occupation category-driven, but rather may be sector driven.** Across all occupation types, the primary and secondary sectors are found to have lower hiring rates due to the sufficient number of employees compared to the tertiary sectors. These sectoral hiring trends are in stark contrast with the opinions retrieved among institutional stakeholders, who majorly pointed at the primary and secondary sectors as the ones with the biggest youth employment potential in the next 5-10 years (Table 44).

Overall, among MSMEs employing a new employee in the last 18 months prior to data collection, a clear preference for male applicants could be retrieved from the reported hiring trends for all occupation types. In fact, the low female employment rate retrieved across all assessed MSMEs (Page 5) as well as the low unemployment rate and the high inactivity rate retrieved among Libyan female youth respondents (Table 13) may potentially signal the presence of gender labour demand reservations and a gendered mismatch between the labour supply and demand in Sebha. In other words, findings suggest that that after an initial period of job search, Libyan female youth may exit labour force and transit towards economic inactivity, feeding into the share of discouraged workforce,[9] due to the gendered hiring trends in Sebha. This would explain the broad share of female applicants reported by MSMEs for all occupation types as well as the low unemployment rate and the high inactivity rate among Libyan female youth respondents (Table 13).

LIBYAN YOUTH

Assessment sample

Number of respondents: **109**
- Males **72**
- Females **40**

This section presents findings from a labour supply perspective. It delves into the characteristics of the **Libyan youth's (18-29 years old) labour status**, including their educational attainment, their employment status, how they access the opportunities present in the labour market, the barriers and challenges in accessing the labour market. These findings were retrieved from structured IIs conducted to a purposefully selected sample of 109 Libyan youth individuals; therefore, results are strictly non-representative and should be considered indicative only.

LIBYAN YOUTH LABOUR FORCE

Libyan youth labour force participation rate 44%

Figure 1: Economically active and inactive population[11]

Working age population

Economically active population:
Labour Force
- **Employed**
- **Unemployed**

Economically inactive population:
not working and not looking for a job
- **Education**
- **Other reasons**

Table 13: % of Libyan youth respondents disaggregated, by gender and labour profile

	Female	Male	Total
Active	**24%**	**60%**	**44%**
Employed	75%	53%	58%
Unemployed	25%	47%	42%
Inactive	**76%**	**40%**	**56%**
Education	14%	21%	16%
Other than Education	86%	79%	84%

Table 14: Number of Libyan youth respondents disaggregated, by highest level of education attainment and labour status

	Post-Graduate level	Higher level	Secondary level	Vocational level
Employed	1	11	14	2
Unemployed		16	3	1
Inactive	2	45	12	2

Overall the youth labour force participation rate in Sebha was 44%, meaning that less than half of the assessed Libyan youth population aged between 18 and 29 in the municipality was either employed or actively searching for an employment (Table 13). Furthermore, **the share of assessed youth Not in Employment, Education or Training (NEET) was 65%.[10]** Hence, almost half of the assessed youth population was economically inactive and not in education (47%), slightly less than a fifth was unemployed (18%), while approximately only one quarter of the overall assessed youth population economically active and employed (26%).

The disaggregation per gender of this figure (Table 13) reveals strikingly different trends. **While 75% of men made up the overall Libyan youth labour force, 61% of females made up the overall inactive Libyan youth population assessed.**

The disaggregation of labour profiles per highest educational attainment (Table 14) reveals that there might not be a direct correlation between the two factors. In fact, **a higher educational level did not seem to translate into higher chances of being employed, nor of being economically active, but rather the opposite.** This points towards the high rates of educated youth being unemployed or inactive, meaning that the South of Libya succeeds in ensuring a high level of education, but that the latter does not translate into employment, nor an increased labour force participation rate. Such scenario could be explained by different reasons. From the labour supply side, it could be that Libyan youth is able to afford to take some time to search for a good job, or may have wage reservations. On the demand side, it could be the case that the qualifications of young graduates do not match those required by enterprises, meaning that education does not respond to labour market needs, or that there may be a problem in matching the right supply to the right demand. Furthermore, rigid Libyan household gendered structures traditionally demand of females to fulfil unpaid household related duties against income earning males, even despite the high rate of higher education attainment (Table 15).

Table 15: % of Libyan youth respondents disaggregated, by gender and highest education level attained

	Female	Male	Total
Higher education level	**69%**	**63%**	**66%**
Post-graduate	6%	0%	3%
Secondary level	24%	28%	27%
Vocational school	0%	8%	5%

ECONOMICALLY INACTIVE LIBYAN YOUTH

Inactivity rate among Libyan youth respondents **56%**

Table 16: Number of inactive Libyan youth respondents disaggregated, by gender and reported reason of economic inactivity

	Female	Male	Total
Awaiting recall to former job (without formal job attachment)	**11**	**8**	**31%**
Personal family responsibilities	9	5	23%
Education	5	5	16%
Could not find suitable work	5	4	15%
Not yet started to seek work	3	1	7%
Believe no suitable work available	2	1	5%
Future Education leaves or training	2		3%

Overall inactivity rate in the assessed Libyan youth population is 56%. Of these, 73% reported holding a higher education level. This points towards the fact that in Sebha the majority of youth respondents who were not employed nor looking for a job are highly educated. This is particularly true for women, as **61% of inactive youth respondents in Sebha were females**. Then as well, the breakdown of labour force participation rate per gender reveals that **inactivity rate in Sebha was considerably higher among overall Libyan youth female respondents (76%) than Libyan males (40%)** (Table 13).

It is worth pointing out that **the most reported reason for inactivity, waiting for former employer recall** (Table 16)**, could be a potential result of COVID-19 economic recession, revealing a decrease in the amount of job opportunities on the labour market after COVID-19 in Sebha.**

Among all inactive respondents, **75% reported having previously worked in the past**, with very similar figures for both males (79%) and females (71%). Among inactive respondents, **97% reported wanting to work in the future**, indicating that, the majority of inactive youth respondents would like to take part to the active labour force and work.

UNEMPLOYED LIBYAN YOUTH

Unemployment rate among Libyan youth respondents **42%**

Table 17: Number of unemployed Libyan youth respondents disaggregated, by gender and highest education level attainment

	Female	Male	Total
Higher education level	**2**	**14**	**16**
Secondary level	1	2	3
Vocational school		1	1

Table 18: Top 5 steps taken to seek work during the last month as reported by unemployed Libyan youth

	Total
Seeking assistance of friends, relatives, colleagues, unions, etc.	**7**
Registration at a public employment office	5
Registration at a private employment office	4
Checking at worksites, farms, factory gates, markets or other assembly places	4
Arranging for financial resources	2

Unemployed youth (n=20) accounted for 18% of the total youth respondents assessed (unemployment ratio), and 42% of the total youth labour force assessed in Sebha (unemployment rate), representing the extent of unutilised labour supply in Sebha. The disaggregation per gender of the labour force figures reveals that unemployment rate is considerably lower among female respondents (25%) than male respondents (47%).

More than half (12/20) of the unemployed youth in Sebha reported to have been unemployed for over a year. This is a proxy indicator of the employment problem for Libyan youth in the South, and could unveil structural low employment creation figures in Sebha. While this specific long-term unemployment figure may be caused by the economic recession following COVID-19 outbreak, it is worth stressing that protracted unemployment can be a major driver of individuals' loss of income, skills erosion, and decreased employability.

Table 19: Number of unemployed Libyan youth respondents disaggregated, by gender and top 3 preferred occupation types

	Female	Male	Total
Managers		**10**	**10**
Professionals		2	3
Sales workers	1	1	2

Table 20: Top 3 most reported obstacles in finding a job for unemployed Libyan youth

	Female	Male	Total
Not enough jobs available	**2**	**7**	**9**
No suitable training opportunities	1	4	5
Poor working conditions in available jobs	1	3	4

Almost all unemployed Libyan youth respondents (19/20) reported to have never refused a job offer. However, the great majority (16/20) reported having a minimum level of income per month below which they would not accept a job. This means that, despite the reservation wage, **the driver of Libyan youth unemploment rate is most likely the insufficient labour demand for the specific occupation profiles sought after by Libyan youth.** This is supported by **the most reported obstacle in finding a job, being the unavailability of sufficient relevant jobs.**

The most reported channel to look for a job in Sebha is rather informal (Table 18). It is worth pointing out that the predilection of informal channels for employment purposes was also retrieved among employers (Table 9, Table 12). **The dominance of informal channels for employment purposes both on the supply and demand side in Sebha may potentially increase inefficiencies in the labour market in terms of skilled labour demand and supply matching**, hence potentially feeding into high unemployment rates and into a stagnant economy. It is worth pointing out that none of the unemployed respondents mentioned relying on the education/training institution to look for employment. **This may indicate a weak school-to-work transition system and the lack of a structural connection between education institutions and employers.** To note that only slightly less than half (9/20) of unemployed youth reported registering as a jobseeker with some third party providing employment services.

The most sought after occupation profiles among unemployed Libyan youth respondents are by far Managerial occupations, accounting for half of total respondents' preferences. **These findings suggest a mismatch between a retrieved high demand and a low offer of Managerial occupations in the private sector in Sebha** (Table 9), potentially also explaining the high levels of long term unemployment rates in Sebha.

EMPLOYED LIBYAN YOUTH

Employment rate among Libyan youth respondents **58%**

Table 21: Number of Libyan youth respondents disaggregated, by gender and highest education level attainment

	Female	Male	Total
Secondary level	2	**12**	**14**
Higher education level	**6**	5	11
Vocational school		2	2
Post-graduate level	1		1

Table 22: Number of employed Libyan youth respondents disaggregated, by gender and top 4 sectors of employment

	Female	Male	Total
Wholesale and retail trade		**11**	**11**
Health and social work	**5**	1	6
Education	2	2	4
Transport, storage, communication		2	2

Employed youth (n=28) accounted for 26% of the total youth respondents assessed (youth employment ratio), and 58% of the total youth labour force (youth employment rate) retrieved in Sebha. The disaggregation of the employment rate per gender reveals that employment rate of the assessed youth was considerably higher among female respondents (75%) than male respondents (53%).

Contrarily to unemployment rate, the most reported (14/28) highest education level attained by the assessed employed youth was secondary level, not being the uppermost level available (Table 21). **This means that the majority of employed youth does not hold the highest education degree, against the majority of unemployed and inactive youth, who holds a higher education degree.** This may suggest the presence of a mismatch between the higher skills supplied and the lower skills demanded on the labour market in Sebha.

Table 23: Number of employed Libyan youth respondents disaggregated, by gender and occupation types

	Female	Male	Total
Technicians	**4**	5	**9**
Sales workers		**9**	**9**
Managers	2	3	5
Clerical support workers	3	1	4
Professionals		1	1

Table 24: Number of employed Libyan youth respondents disaggregated, by gender and contractual conditions

	Female	Male	Total
Oral contract	**4**	**13**	**17**
Written contract	4	5	9
No contract	1	1	2
Permanent position	**7**	**15**	**22**
Temporary position	1	3	4
No contract (No visibility)	1	1	2

Table 25: Number of employed Libyan youth respondents disaggregated, by gender and top 5 benefits granted by employers

	Female	Male	Total
Paid sick leave	**5**	**10**	**15**
Meals/meal allowance	5	4	9
Annual paid leave	2	4	6
Social security contribution	4	0	4
Medical insurance coverage	0	3	3

Table 26: Top 3 skills for Manager, Professional and Technician positions as reported by MSMEs and Libyan youth

	MSMEs (N=30)	Libyan youth (N=109)
Have specific technical or scientific skills relevant to the job	**30%**	16%
Can work well in very busy or difficult situations	22%	7%
Can easily adapt to new tasks or changes in the workplace	17%	7%
Can be relied on to get things done	15%	4%
Can work well with others and listens to others' views	5%	6%
Local social connections/networks	3%	5%
Can read and write in English	3%	4%
Driving skills	2%	4%
Basic computer or information technology skills	2%	**17%**
Can read and write in Arabic	2%	5%

The majority assessed Libyan youth reported to be working in the private sector (12/28), followed by a smaller share (9/28) in the public sector. While the great majority (11/19) of employed male youth reported working in a private enterprise, the majority of employed female youth (6/9) reported working in a public enterprise. This may be explained by the socio-cultural structure of the society in the South of Libya having **a gendered labour division and occupation segregation**, with females fitting solely into care professions,[12] as also retrieved above among Employers KIIs (Page 3). This is confirmed by health and education being the main sectors of employment (7/9) reported by female respondents in Sebha (Table 22). To also note that from the institutional stakeholders KIIs, a **lack of vocational trainings in the area targeting women and introducing them to the private sector and MSMEs** emerged as a barrier to women's employability in the private sector (Page 15).

As for the **formality of employment**, it is here intended as the share of youth employed in the formal economy.[13] The defining criteria of economy formality adopted in the present assessment was based exclusively on the registration status of enterprises/organisation with any the relevant authority or ministry in the area. The vast majority (21/28) of employed youth reported that to their knowledge their employer held some sort of registration. This means that **the majority of the employed Libyan youth is retrieved to be employed in the formal economy.** Yet, it is acknowledged that informality within an economic unit may manifest and can be measured with different indicators. Such is the case of contractual arrangements.

Despite the majority of employing enterprises being formal, **the great majority (17/28) of employed youth holds an oral contract arrangement** (Table 24)**.** The retrieved contractual conditions see a predominance of 41-50 hours of work per week among respondents (16/28), this figure encompassing the ILO international standard of "long working hours", an indicator of decent work set at 48 h/w.[14] As for the monthly salary, the majority of respondents (21/28), both males and females, reported earning less than 800 LYD/month, with the great share of these (18/21) earning between 400-800 LYD/month.

In May 2021, the Joint Market Monitoring Initiative (JMMI) found the Minimum Expenditure Basket (MEB) in Sebha to be 770 LYD per month for a household of five members. This indicates that, given the median income level retrieved among employed youth as well as the cost of the MEB, an average household may need at least two working members to afford the full MEB. This in turn may also be in contrast with Libyan societal structures generally expecting women to remain economically inactive in order to fulfill unpaid household care work.

Almost half of all Libyan youth respondents (48%), being the majority across both male (52%) and female respondents (43%), reported to perceive greater employment and career opportunities for men.

Table 27: Top 3 skills for NON-Manager, Professional and Technician positions as reported by MSMEs and Libyan youth

	MSMEs (N=30)	Libyan youth (N=109)
Can be relied on to get things done	**26%**	8%
Have specific technical or scientific skills relevant to the job	**26%**	13%
Can work well in very busy or difficult situations	17%	7%
Can easily adapt to new tasks or changes in the workplace	15%	11%
Can work well with others and listens to others' views	6%	8%
Can read and write in Arabic	5%	3%
Local social connections/networks	1%	5%
Can read and write in English	1%	**15%**
Basic computer or information technology skills	1%	8%
Driving skills	1%	11%

To note that the strong legacy of high public sector employment shares in Libya has been found to have a distorting effect on the youth labour market.[15] By rewarding educational credentials with higher chances of public sector employment and higher wages, the government has historically nudged Libyan youth to achieve higher education levels, paying little attention to the actual requirements of the private sector, **feeding into the mismatch between supplied and demanded skills on the private market.** This is confirmed by the gap of expectations regarding the most important skills retrieved between the labour demand and supply in Sebha (Table 26, Table 27). Furthermore, it has influenced individuals' attituted towards manual work as well as wage expectations, **with Libyans being reportedly reluctant to undertake more physical occupation types and having particularly high wage reservations. Both these trends have also been confirmed by the present findings, and are likely to feed into the Libyan youth unemployment problem.**

MIGRANTS AND REFUGEES

Assessment sample

Number of respondents: **115**

- West and Central Africa **72**
- MENA **40**
- East Africa **1**
- South and East Asia **2**

This section presents findings from a labour supply perspective. In the specific, it delves into the characteristics of **migrants and refugees labour status**, including their educational attainment, their employment status, how they access the opportunities present in the labour market, the barriers they face in accessing the labour market. In recognition of the diversity of the complex migration dynamics characterising the Libyan context, this assessment took in to consideration **all people living in or transiting though Libya and falling under the concept of mixed migration.**[16] For the purposes of this study, the expression "migrants" will refer to all non-Libyan nationals, regardless of their migratory status. Refugees will therefore be included among migrants. These findings were retrieved from structured IIs conducted to a purposefully selected sample of 115 migrant individuals; therefore, results are strictly non-representative and should be considered indicative only.

LITERACY, WORK PERMIT AND LABOUR STATUS

Migrants labour force participation rate **70%**

Table 28: % of migrant respondents disaggregated, by region of origin and highest level of education

	MENA	West & Central Africa	Total
Higher level	**53%**	**29%**	**38%**
Secondary level	28%	19%	22%
Elementary level	5%	22%	16%
Vocational school	13%	17%	15%
Never attended school	0%	10%	6%
Post-graduate	3%	3%	3%

As for the highest level of education attainment of migrants, the most reported level across both regions of origin was higher education. Yet, the distribution of respondents across the spectrum of education levels was not the same between the two regions of origin.[17] In fact, while respondents from the MENA region tended to be concentrated mostly between higher and secondary level, respondents originating from West and Central Africa were less concentrated, and rather homogeneously distributed across most levels, encompassing having never attended school.

Table 29: % of migrant respondents disaggregated, by region of origin and labour profile

	MENA	West & Central Africa	Total
Active	**65%**	**72%**	**70%**
Employed	69%	81%	77%
Unemployed	31%	19%	23%
Inactive	**35%**	**28%**	**30%**
Education	57%	20%	35%
Other than Education	43%	80%	65%

The disaggregation of migrant labour status figures per region of origin did not reveal major differences at the level of labour force participation rate, but rather showed slightly differing trends within the components of the activity and inactivity rates. This difference could be explained by the different migrants' intentions and motives as well as the duration of stay in Libya.

72% of migrants reported Arabic to be their native language. All non-Arabic native speakers, all originated from West and Central Africa, reported having some varying degree of Arabic literacy, with the great majority (94%) only able to speak.

Regarding the possession of a valid work permit in Sebha, only 15% of respondents, with similar trends across both regions of origin, reported possessing one. Among respondents who do not have a work permit, 95% reported to not have taken any step to obtain it since their arrival in Libya. On the other hand, among work permit holders, the majority (15/17) reported obtaining it in less than three months. The majority (11/17) of work permit holders reported no particular barrier or challenge in the process of obtaining the work permit, while among the reported barriers were the lack of information regarding the process (5/17) and the cost of the process (4/17).

Overall migrants' labour force participation rate in Sebha was 70%, meaning that 7 in 10 of the assessed migrant population in the municipality was either employed or actively searching for an employment (Table 29). Furthermore, the share of assessed individuals **NEET is 38%**, composed mostly by economically inactive individuals (21%), while the remaining portion (16%) is unemployed.

Table 30: Number of migrant respondents disaggregated, by level of education attainment and labour status

	Post-Graduate Education	Higher Education	Secondary Education	Vocational Education	Elementary education	Never attended school
Employed	1	19	13	10	10	7
Unemployed	0	6	7	4	1	0
Inactive	2	17	5	3	7	0

The disaggregation of the activity and inactivity rates (Table 30) components per level of highest educational attainment also reveals that there might not be a strong correlation between the two variables. In fact, to higher levels of education attainment did not correspond higher employment nor labour economic activity figures.

The majority (54%) of overall migrant respondents reported perceiving greater career opportunities for Libyans than for migrants, and gendered differences in employment possibilities on the labour market in Sebha. In fact, the majority of hiring MSMEs assessed (7/13) (page 6) reported having a preference for Libyan nationals for Manager, Professional or Technician positions.

ECONOMICALLY INACTIVE MIGRANTS

Inactivity rate among migrant respondents **30%**

Table 31: Number of inactive migrant respondents disaggregated, by region of origin and highest level of education attainment

	MENA	West & Central Africa	Total
Higher education level	**9**	**8**	**50%**
Elementary level	1	6	21%
Secondary level	2	3	15%
Vocational school	1	2	9%
Post-graduate	1	1	6%

Migrants' inactivity rate was composed by 59% of individuals from West and Central Africa, while the remaining share originates from the MENA region. The disaggregation the number of inactive migrants per highest level of education attainment reveals that, for both geographical regions, the majority of inactive individuals held a higher education degree. It is worth pointing out that the total number of inactive migrants with higher education also accounted for 40% of total migrant respondents with a higher education. Thus, 4 in 10 migrant respondents with higher education degree were inactive.

Table 32: Number of inactive migrant respondents disaggregated, by region of origin and top 3 reasons of inactivity

	MENA	West & Central Africa	Total
Education	8	4	38%
No reason given	2	6	25%
Could not find suitable work		4	13%

Among inactive migrant respondents not in education and not waiting a recall from the previous employer (n=19), **the great majority (14/19) reported having previously worked in the past**. This indicates that the majority of inactive migrant respondents currently not in education did participate to the active labour force before withdrawing from it. All inactive migrant respondents unanimously **reported wanting to work in the future**, indicating that all of them would like to take part to the active labour force and work.

UNEMPLOYED MIGRANTS

Unemployment rate among migrant respondents **23%**

Table 33: Number of unemployed migrant respondents disaggregated, by region of origin and highest education level

	MENA	West & Central Africa	Total
Secondary level	2	**5**	**7**
Higher education level	**4**	2	6
Vocational school	2	2	4
Elementary level		1	1

Table 34: Number of unemployed migrant respondents disaggregated, by region of origin and duration of unemployment

	MENA	West & Central Africa	Total
Less than 2 months	**5**	**5**	**10**
Less than 1 year	2	3	5
More than 1 year	1	2	3

Table 35: Top 5 steps taken to seek work during the last month as reported by unemployed migrants

	Total
Checking at worksites, farms, factory gates, markets or other assembly places	**8**
Seeking assistance of friends, relatives, colleagues, unions, etc.	**8**
Personal contacts from the community	5
Through intermediaries / labour contractors	3
Answering advertisements (newspaper, internet, etc.)	3

Unemployed migrants (n=18) accounted for 16% of the total migrant respondents assessed (unemployment ratio), and 23% of the total migrant labour force retrieved in Sebha (unemployment rate). The overall unemployed migrant population assessed was circa homogeneously composed by respondents from the MENA region (8/18) and West and Central Africa region (10/18).

The duration of migrants' unemployment was considerably lower than that retrieved among Libyan youth. In fact, for over half of migrant respondents (10/18) unemployment was reported to have lasted less than 2 months (Table 34). Yet, given that almost all respondents (16/18) reported having been in Sebha for more than a year, the low unemployment duration was not due to the short duration of stay in Libya. On the other hand, this suggests that **the labour market targeted by migrants may have a rather high job opening rate, high turnover, and high mobility.**

Figures on job-seeking strategies among migrant respondents revealed an overall different job-seeking strategy than the unemployed Libyan youth. **The high reliance on personal and community level contacts as well as the avoidance of any formal external stakeholder for employment purposes among migrants** (Table 35) **is likely explained by the high protection concerns and legal and administrative barriers faced by migrants in Libya.**

Overall, the preferred occupation types reported by unemployed migrant respondents lean towards lower-skilled and low-specialisation occupation types, with only a small number (6/18) of migrant respondents reporting to prefer a Managerial, Professional or Technician occupations. It is worth mentioning the fact that when probed about the preferred sector, the majority of unemployed migrant respondents (6/18) reported not being sure about the preferred sector of employment. This may potentially suggest that **migrant respondents have less stringent expectations towards the sector of employment, constituting a labour supply rather flexible and driven by different motives and intentions on the labour market in Sebha.**

Table 36: Number of unemployed migrant respondents disaggregated, by region of origin and top 3 obstacles in finding a job

	MENA	West & Central Africa	Total
Poor working conditions in available jobs	**6**	**7**	**13**
Low wages in available jobs	3	5	8
No suitable training opportunities	4	3	7

The top two obstacles in finding a job pertain to the characteristics of available jobs on the labour market in Sebha, rather than the actual lack of jobs. As such, findings suggest that the labour market targeted by the majority of migrants is one where the type of occupations, mostly requiring a lower level of education, are available but with poor working conditions.

EMPLOYED MIGRANTS

Employment rate among migrant respondents **77%**

Table 37: Number of employed migrant respondents disaggregated, by geographical area and education level

	MENA	West & Central Africa	Total
Higher education level	**8**	**11**	**32%**
Secondary level	7	6	22%
Vocational school	2	8	17%
Elementary level (primary)	1	9	17%
Never attended school		7	12%
Post-graduate		1	2%

Table 38: Number of employed migrant respondents disaggregated, by region of origin and top 5 occupation types

	MENA	West & Central Africa	Total
Sales worker	**10**	7	**28%**
Skilled construction, crafts and related trades worker	2	**10**	20%
Service worker	2	**10**	20%
Technician	2	4	10%
Skilled agriculture worker		6	10%

Table 39: Number of employed migrant respondents disaggregated, by region of origin and top 3 job-seeking attitudes

	MENA	West & Central Africa	Total
Accept any job, provided it was well paid	2	**29**	**52%**
Accept a job only if it was stable, well paid and if it was appropriate to my level of qualification	**7**	6	22%
Accept any job, provided it was stable	**7**	2	15%

Employed migrants in Sebha (n=60) constituted 54% of the total migrant population assessed (employment ratio) and 77% of the total migrant labour force retrieved. The employment rate was found to be slightly higher among respondents from West and Central Africa (81%) than among respondents from the MENA region (69%).

As already noted above (Table 30), for the assessed migrants in Sebha to higher levels of education attainment did not correspond higher employment, nor higher labour economic activity. In fact, while only 12% of employed respondents reported having never attended school, these are the total of the interviewed migrant respondents with no education at all. This may confirm the fact that the labour market is open and accessible to migrants in Sebha and is not exclusively high-skills nor education level driven.

The trend of employment status differed considerably between the two geographical regions. While the great majority (26/42) of respondents from West and Central Africa reported working for someone else on a wage, the great majority (13/18) of respondents from the MENA region reported being self-employed. The most mentioned reason for choosing to be self employed, among both regions of origin, was the greater independence this status grants (9/17), followed by the flexible working hours (4/17).

Overall, 53% of employed migrants were found to be employed in the tertiary sector, with the most reported sector being wholesale and trade. This is followed by 32% employed in the secondary and 13% in the primary sector. To note that none of the employed Libyan youth was found to work in the primary sector, and a very small share in the secondary (Table 22). This may mean that **migrant labour force fills a labour supply gap in sectors and occupations in high demand in Sebha and under-supplied by the national Libyan labour force.** To further note that none of the employed migrant respondents reported working for a government-owned enterprise, all being employed in rather private enterprises.

Table 40: Number of employed migrant respondents disaggregated, by region of origin and contractual conditions

	MENA	West & Central Africa	Total
Oral contract	3	**23**	**60%**
No contract	**4**	9	30%
Written contract	1	1	5%
Do not know		2	5%
> 800 LYD/month	8	**22**	**50%**
Prefer not to answer	**10**	7	28%
< 800 LYD/month		13	22%
Did not pay taxes on income	**10**	**21**	**52%**
Prefer not to answer	8	19	45%
Paid taxes on income		2	3%

Table 41: Top 3 skills for Manager, Professional and Technician positions as reported by MSMEs and migrant respondents

	MSMEs (N=30)	Migrants (N=115)
Have specific technical or scientific skills relevant to the job	**30%**	14%
Can work well in difficult situations	22%	10%
Can easily adapt to new tasks or changes	17%	6%
Can be relied on to get things done	15%	9%
Can work well with others	5%	5%
Local social connections/networks	3%	8%
Can read and write in English	3%	10%
Driving skills	2%	5%
Computer or IT skills	2%	**26%**
Can read and write in Arabic	2%	6%

Table 42: Top 3 skills for NON-Manager, Professional and Technician positions as reported by MSMEs and migrant respondents

	MSMEs (N=30)	Migrants (N=115)
Can be relied on to get things done	**26%**	15%
Have specific technical or scientific skills relevant to the job	**26%**	**21%**
Can work well in difficult situations	17%	15%
Can easily adapt to new tasks or changes	15%	8%
Can work well with others	6%	5%
Can read and write in Arabic	5%	5%
Local social connections/networks	1%	6%
Can read and write in English	1%	7%
Computer or IT skills	1%	13%
Driving skills	1%	11%

As for the work conditions, 52% of employed migrant respondents, across both geographical regions, reported working between 41-50 hours per week. It is also worth stressing that **15% of overall respondents, almost the totality being from West and Central Africa, reported working more than 50 hours per week, being above the decent work ILO international standard of long working hours.** To note that 57% of total respondents reported to be willing to work more house for more income, while 52% reported being willing to accept any job, provided it was well paid. This suggests that for the majority of employed migrant respondents **income level was a priority over working hours.**

As for the **formality of employment**, it is here intended as the share of migrants employed in the informal economy. The vast majority (42%) of employed migrant respondents reported not knowing the registration status of their employing enterprise, followed by 23% reporting to be registered, 18% reporting it is not registered, and 17% preferring not to answer. This means that **slightly less than a quarter of employed migrant respondents was found to be working in the formal economy**. Furthermore, it is acknowledged that informality within an economic unit may manifest and can be measured with different indicators. Such is the case of the retrieved fiscal and contractual arrangements (Table 40). **Overall, the majority of employed migrants were hence found to work in an environment characterised by some degree of informality also in their contractual arrangements.** It is worth pointing out that the retrieved contractual informality is reported by the majority of respondents (49%) to be convenient to their flexibility needs. Considering that 67% of employed migrants reports not having a work permit (Page 12), this may entail also the **circumvention of legal and administrative barriers preventing them from accessing the formal labour market.**

Regarding the monthly income, all 22% of migrant respondents who reported earning less than 800 LYD/month were from West and Central Africa. These also constitute 31% of total employed respondents from West and Central Africa. It is worth pointing out that at the time of data collection (February 2021) the monthly MEB retrieved by the JMMI in Sebha was 837 LYD. While this constitution and calculation of the MEB only applies to a household of five Libyan individuals, and figures about migrants household sizes are not available, this may nevertheless suggests almost one third of employed migrants from **West and Central Africa, may lean towards the category of "working poor",** facing difficulties in accessing the full MEB and potentially having to adopt negative coping mechanisms.

As for the job search, the great majority (70%) of employed migrant respondents, across both regions of origin, reported having found their current job through friends and relatives, confirming the trend retrieved among unemployed migrants. The majority of employed migrants also reported no major obstacles in finding a job (20%). Among the top two mentioned barriers were low wages available (18%) and no work experiences (18%).

Assessment

Number of respondents: **21**

- Government departments or subsidiaries **8**
- Vocational and training centres **7**
- Civil society organisations **2**
- Trade Union **1**
- Financial institutions **3**

The present section outlines findings from the labour institutional environment. The findings aim to map the network of formal and informal institutional stakeholders involved in regulating labour market activities as well as promoting local economic development in Sebha. It looks at their priorities, their coordination mechanisms and the challenges they face trying to align the demand and supply of labour. These findings were retrieved from structured KIIs conducted to a purposefully selected sample of individuals; therefore, results are strictly non-representative and should be considered indicative. For further detail on the sampling methodology, please consult the TORs of the present assessment.

Table 43: Number of institutional stakeholders KIs disaggregated, by main obstacles affecting the execution of their mandate

	Total
Lack of funding	**16**
Support from government agencies	14
Security problems	12
Qualified staff	8
Support from non-government agencies	6
Technical capability	4
Acceptance among the community	1

Table 44: Number of institutional stakeholders KIs disaggregated, by top 5 sectors perceived to have the biggest youth employment potential in the next 5-10 years in Sebha

	Total
Manufacturing	**13**
Agriculture, hunting, forestry and fishing	9
Hotels and restaurants	7
Real estate, renting and business activities	7
Electricity, gas and water supply	5

Table 45: Number of institutional stakeholders KIs disaggregated, by top 5 sectors perceived to have the biggest employment potential for women in the next 5-10 years in Sebha sectors with employment potential for women

	Total
Light and traditional manufacturing (i.e. sewing, baking, sweets making, knitting and embroidery)	**12**
Education	9
Health and social work	9
Wholesale and retail trade, repair	9
Hotels and restaurants	8

Overall, while the spectrum of institutional stakeholders is of different nature (private/public/NGOs), operating through different mechanisms and different projects, the main emerging priorities belong to three overarching objectives: a) to boost the economic development of private MSMEs, b) to reduce unemployment rate and, to some degree, to c) improve labour productivity. The strong concomitance of these three priorities among institutional stakeholders in the South of Libya signals the presence of a labour market that had difficulty to absorb the labour supply and that had a stagnant private economy.

The most reported challenge affecting the execution of the institutional stakeholders' projects was the difficulty in accessing sufficient financial resources, reported by 16/21 KIs. Barriers to financial resources for the private sector in Libya have been thoroughly documented also in previous literature, being a complex result of the deep economic crisis affecting the country and the vast extension of the public sphere across the country at all levels of economic activity through an articulate bureaucratic web.[18] This links with the second most reported challenge: the lack of an appropriate Governmental support on a policy level, reported by 14/21 KIs. In fact, KIs reported that **the current policy architecture surrounding the labour market was not adapted to the necessities both of the private sector and the South of Libya, comprising inappropriate normative frameworks and unflexible and out-of-date bureaucratic procedures, hindering the development of entrepreneurial projects and private businesses**. The third most reported challenge was the instability of the security situation, mentioned by 12/21 KIs. In fact, the insecurity affecting the South of Libya was driving away, namely to the north of Libya, potential foreign financial investments, as well as potential human capital and labour force, especially youth.

Linked to this, multiple KIs explained that **the private sector culture is less developed in the South compared to the northern coastal municipalities, where youth tends to be more willing to approach the private sector, and where indeed, financial support and vocational trainings are more available**. KIs emphasized that, despite Sebha being the capital of the South of Libya, the unstable security situation as well as the lack of financial services availability for entrepreneurial activities drives youth to the northern capitals of the country.

Table 46: Number of institutional stakeholders KIs disaggregated, by membership in coordination mechanism with other NON-Governmental organisations and by type

	NO	YES
Government department or subsidiary	7	1
Financial Institution	3	
Vocational and training centres	3	4
Trade Union	1	
Civil society organisation		2

Table 47: Number of institutional stakeholders KIs disaggregated, by membership in coordination mechanism with other Governmental organisations and by type

	NO	YES
Vocational and training centres	6	1
Government department or subsidiary	5	3
Financial Institution	3	
Civil society organisation	1	1
Trade Union		1

Overall findings from the KIIs suggest a **low level of coordination among institutional actors to tackle unemployment and promote economic development in the South**. Out of all institutional stakeholders only one third (7/21) was found to be part of some coordination mechanism with other NON-governmental organisations (Table 46). It is worth pointing out that **only one out of the eight Government departments or subsidiaries interviewed was part of a coordination body with NGOs to tackle unemployment or to promote economic development in the area**, this one being the Sebha Incubator and Business Center, part of the National Program for Small and Medium Enterprises. This reinforces the findings retrieved above regarding the fragmented institutional coordination environment to tackle unemployment and promote private entrepreneurship in Sebha. The level of coordination of the the interviewed institutional stakeholders with Governmental organisations to tackle unemployment and promote economic development is even lower than the level of coordination with NON-governmental authorities (Table 47). Out of all institutional stakeholders, only slightly less than one third (6/21) reported to be part of some coordination mechanism with other governmental organisations. The nature of the 6 coordination realities mentioned is varied and fragmented, and no synergies among coordination realities were retrieved. It is worth pointing out that **the great majority of Vocational training organisations** (6/7) **and Government departments or subsidiaries** (7/10) **interviewed are not part of any coordination body with other government organisations to tackle unemployment or to promote economic development in the area.**

Overall, the majority of institutional stakeholders stressed the need to switch to, and develop, the private sector. Respondents pointed out that **the labour culture in the South of Libya is still very much pivoting around the public sector. The private sector is not strongly developed, and has no space to develop**, with KIs reporting the need for SMEs to embrace the private sphere both in the primary, secondary and tertiary sectors. Furthermore, with regards to traditionally public sectors such as agriculture, electricity, health and education, KIs repeatedly mentioned the failure of the central government to ensure these essential services, and as such the possibility to develop the specular private dimension of these sectors.

Another recurrent theme that emerged across interviews was **the structural inefficiencies of the labour market in Sebha in terms of matching the labour demand and supply due to the lack of functional and formal job search structures and processes**. One KI explained that since 2011 both public and private employers were not going through the Labour and Rehabilitation Office for recruitment processes (whose mandate is to canalise and match labour demand and supply), but rather prioritise personal channels and relationship for recruitment processes, potentially increasing inefficiencies in the labour market in terms of labour demand and supply matching, including skilled labour supply (educational attainment) and skilled labour demand (job type) match. Similarily, another KI stressed theat there was no contact between the training and vocational institutes and the labor office within the municipality of Sebha.

The findings regarding the low presence of coordination mechanisms among labour institutional stakeholders in Sebha (Table 46, Table 47) confirm and demonstrate the challenges and weaknesses faced by responding organisations, namely the lack of support and involvement of key governmental authorities, the lack of coordination among governmental institutions, and the missing structural bridge between vocational/educational institutions and potential relevant labour policy actors (Page 16). This results in the persistence of a labour market characterised by exceptionally high youth unemployment rate tackled by capillary and isolated employment and entrepreneurship initiatives framed by a fragmented institutional environment essentially vacated from a coordinated and engaged policy agenda.

INSTITUTIONAL STAKEHOLDERS KIIS MAP

Name of local authority or institution	Type of organization	Year of	Main source of funding	Key activities/thematic areas
Agricultural Bank	Financial Institution	1959	Funded by the national government	-Collecting data on financial beneficiaries -Providing start-up grants
Al Yaqueen Bank	Financial Institution	2014	Private sector funding	-Providing start-up grants
Central Bank of Libya/Southern Region	Government department or subsidiary	1984	Funded by the national government	-Supervise public banks located in the Southern region -Providing training to banking sector employees -Drafting laws or regulatory framework
Chamber of Commerce, Industry and Agriculture	Civil society organization	2012	Private sector funding	-Collecting economic census data -Conducting vocational training, entrepreneurship training and business incubation -Drafting laws or regulatory framework of banking system
College of Technical Sciences	Vocational and training centres	1987	Funded by the national government	-Job placement services
Creativity Vision Company for Training and Consulting	Vocational and training centres	2019	Private sector funding	-Providing professional courses and vocational trainings
Economy Monitor	Government department or subsidiary	1960	Funded by the national government	-Implementation responsibility for income tax, sales tax -Issuing licenses and business permits -Collecting data on industrial production output
Export Development Centre	Government department or subsidiary	2012	Funded by the national government	-Collecting data on job seekers and on agricultural products -Provide trainings to businesses
Higher Institute of Technical Professions	Vocational and training centres	1999	Funded by the national government	-Providing vocational training
Innovation Leadership Centre / Sebha University	Vocational and training centres	2018	Funded by the national government	-Providing vocational training, entrepreneurship training, and business incubation
Intermediate Institute for Electrical & Electronic Professions	Vocational and training centres	1992	Funded by the national government	-Providing vocational trainings
Intermediate Technical Institutes Office	Vocational and training centres	2010	Funded by the national government	-Providing vocational trainings
Investment Promotion Office	Government department or subsidiary	2012	Funded by the national government	-Advocacy for the business community -Support businesses with promotional letter to the bank to obtain necessary funding
Labour and Rehabilitation Office	Government department or subsidiary	1989	Funded by the national government	-Implementing labour protection and wages regulations -Issuing work permits -Providing vocational trainings and job placement services
Municipal Council	Government department or subsidiary	2014	Funded by the national government	-Issuing licenses and business permits -Providing vocational trainings and job placement services -Drafting laws or regulatory framework
Office of the Ministry of Economy	Government department or subsidiary	1990	Funded by the national government	-Collecting economic and labour data -Providing vocational training, entrepreneurship training, and business incubation -Providing start-up grants -Advocacy for the business community
Qudra Organization for Training and Development	Civil society organization	2018	There is no continuous support for the organization.	-Collecting economic census data based on neighbourhood, in the process of setting up a database -Providing vocational trainings and job placement services
Savings Bank	Financial Institution	1975	Funded by the national government	-Collecting data on financial beneficiaries
El sharara Sebha business centre for small and medium enterprises	Vocational and training centres	1986	Funded by the national government	-Financial support to vocational trainings and entrepreneurship development
The National Program for Small and Medium Enterprises	Government department or subsidiary	2009	Funded by the national government	-Business incubation services -Providing networking opportunities and trainings
Union Federation Fezzan	Trade Union	2012	No continuous funding	-Lobby and provide consultation on legislation -Collecting data on other trade unions -Providing worker rights services and trade union services

ENDNOTES

1 World Bank Group, The Private Sector amid Conflict The Case of Libya, 2020
2 Ibid.
3 ILO, Modelled estimates, 2020
4 The classification of firms' dimension employed in the present assessment is built upon the International Financial Corporation's definition of MSMEs, based on the number of employees, total assets, and annal sales. Yet, given the purpose of the present assessment, only the number of eployees is used here to define MSMEs. Available here
5 The classification of economic activities per sector emplyed in the present assessment is based on the International Standard Industrial Classification of All Economic Activitie (ISIC) standard classification. Available here
6 World Bank Group, The Private Sector amid Conflict The Case of Libya, 2020
7 Ibid.
8 Elementary occupations, as defined by the International Standard Classification of Operations (ISCO), consist of simple and routine tasks which mainly require the use of hand-held tools and often some physical effort. Available here
9 While there is no international standard definition of discouraged workers, for measurement purpses the ILO defines it as persons not economically active, currently available for work and seeking work during the past six months but not actively looking for work in the reference period because of their discouragement from past failure in finding work. Available here
10 The share of youth not in education, employment or training (NEET) provides a measure of youth who are outside the educational system, not in training and not in employment, and thus serves as a broader measure of potential youth labour market entrants than youth unemployment, since it also includes young persons outside the labour force not in education or training. ILO definition available here
11 The classification of labour status emplyed in the present assessment is based on the International Labour Organisation (ILO)'s guidance. Available here
12 ILO, Care work and Care jobs, 2018
13 ILO, Youth Labour Market Analysis: A training package on youth labour market information, 2014
14 ILO, Youth Labour Market Analysis: A training package on youth labour market information, 2014
15 European Training Foundation, Labour Market and Employment Policy in Libya, 2014
16 The Mixed Migration definition adopted in the present assessment is based on the Internaional Organisation for Migration definition. Available here
17 The classification of the countries of origin of migrant respondents by different regions of origin applied the UN Statistics Division standard composition of geographical regions, with a few noteworthy deviations: i) Western Africa and Middle Africa are considered jointly as "West and Central Africa"; ii) Northern Africa and specific countries from Western Asia are classified as "MENA"; iii) All countries that fall outside of the categories of "West and Central Africa", "East Africa", and "MENA" are classified as "Southern Asia".
18 World Bank Group, The Private Sector amid Conflict The Case of Libya, 2020