Libya

Labour Market Assessment

Labour Demand, Supply and Institutional Environment in Ubari

Key Findings Summary

August 2022

REACH Informing more effective humanitarian action

Cover photo credit: OCHA/Giles Clarke 2019

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

About REACH: REACH facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications Programme (UNITAR-UNOSAT). For more information please visit our website. You can contact us directly at: geneva@reach-initiative.org and follow us on Twitter @REACH_info.

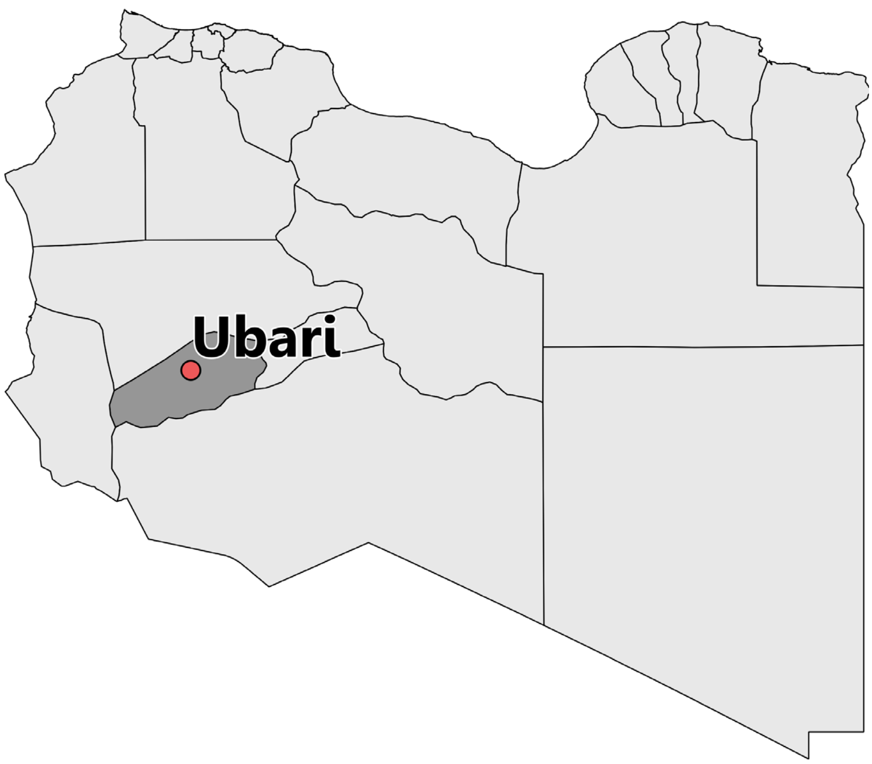
CONTEXT

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 Ubari** from the labour demand, supply and institutional perspective. The assessment pursued a purely qualitative approach using a mix of closed and open-ended questions 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 107 Libyan youth Individual Interviews (IIs), 118 migrants and refugee IIs, 30 private-sector employer's Key Informant Interviews (KIIs) and 16 institutional stakeholders KIIs conducted in Ubari. 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 reporting stage (August 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 Ubari through four different qualitative tools. A second report presenting findings covering the municipality of Sebha 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.

REACH Informing more effective humanitarian action

LABOUR DEMAND

EMPLOYERS

Assessment sample

Number of respondents: **30**
- Males **22**
- Females **8**

The present section outlines the key characteristics of the labour market in the municipality of Ubari 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 and retail trade, repair			**12**	**40%**
Education			10	33%
Manufacturing		6		20%
Construction		1		3%
Agriculture	1			3%

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

	Micro	Small	Total
< 5	14	**6**	**67%**
10 <	**5**	1	20%
5 - 10	3	1	13%

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

	Micro	Small	Total
Private company	**17**	**7**	**80%**
Family business	5	1	20%

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

	Micro	Small	Total
30 – 65	**17**	**8**	**83%**
18-29	4		13%
Above 65	1		3%
Male	**19**	3	73%
Female	3	**5**	27%

The great majority of the interviewed businesses were found to be Micro (less than 10 employees), constituting 73% of total firms assessed.[4] No Medium enterprise (50-300 employees) was retireved. **The majority of the assessed MSMEs was also found to operate in the tertiary sector** (73%).[5] Regarding the secondary sector, it is worth pointing out that the manufacturing industry in Ubari appears to be much more present than in the neighbouring baladiya of Sebha, where none was retrieved. The high concentration of MSMEs in the tertiary sector in Libya, majorily pivoting around the Trading and Services industries (Table 1), has largely been documented by previous literature,[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 depletion of public finances has led to the generation of public services gaps across Libya,[7] whereas the high volatility of the context and the lack of a comprehensive and updated legal framework around the private sector, build in a high financial risk and perpetuate an environment financially unattractive and inaccessible to extensive private sector investments. 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.

Similarly to findigs from Sebha, over two thirds (67%) of the MSMEs assessed in Ubari were found to be five, or less, years old (Table 2). On the other hand, differently than in Sebha, not all assessed firms in Ubari were found to be formal, with at least 30% found to be informal. The criteria of business formality adopted in the present assessment was based exclusively on the registration status with any relevant authority or ministry. The main reason reported for the lack of a formal registration status (5/9) was the time, fees, and paperwork required to complete the registration. This, together with the low degree of enterprises diversity retrieved among the assessed MSMEs (Table 3), may be an **indicator of a seemingly growing, yet still basic, level of entrepreneurship in Ubari, falling under a private sector showing little levels of articulation in terms of enterprise types, number of employees, formality and industries of economic activity.**

HIRING TRENDS

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

	Primary	Secondary	Tertiary	Total
Less than 25%		**4**	**14**	**60%**
None		1	6	23%
25 – 50%	**1**	2	1	13%
Above 50%			1	3%

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

	Primary	Secondary	Tertiary	Total
None		2	**14**	**53%**
25 – 50%		**4**	3	23%
Less than 25%	1	1	5	23%

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

	Primary	Secondary	Tertiary	Total
Managers		1	**14**	**50%**
Technicians	1	**7**	6	47%
Sales workers		2	11	43%
Elementary occupation		1	7	27%
Professionals		1	3	13%

Approximately half (53%) of the assessed MSMEs reports having no female employees. Conversely, the firms with female employees (n=14) were majorily in the tertiary sector, especially in the education sector (10/14). This may be explained by the fact that, as also retrieved among findings in Sebha, the socio-cultural structure of the society in the South of Libya has a **rigid gendered labour division and occupation segregation**, with females fitting solely into care professions[8] in sectors which are traditionally and dominantly public in Libya, such as education and health. 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).

Findings indicate that among MSMEs in Ubari there may be a low prevalence of youth (18-29) employees, with 83% and of all assessed MSMEs reporting to have less than 25% or none of their employees belonging to this age range and this status (Table 6), suggesting the potential presence of an age reservation among MSMEs' labour demand in Ubari.

Out of all the MSMEs assessed, more than half (53%) reported to have no migrants among their employees, followed by a quarter of MSMEs reporting to have less than 25% of their employees being migrants. This indicates a particularily low prevalence of migrant employees among the assessed MSMEs. The firms reporting to have migrant employees were found to operate mostly in the wholesale and retail sector (6/14), manufacturing (4/14), construction and agriculture (1/14). 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

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	**1**	**4**	**9**	**14**
Written contract			6	6
No contract		3	3	6
Permanent	1	**4**	**11**	**16**
No contract		3	3	6
Temporary			4	4

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

	Primary	Secondary	Tertiary	Total
Informal channels (personal contacts, etc)		**1**	**5**	**6**
Media advertisements/ postings (no internet)		0	4	4
Internet postings		0	2	2

Among all assessed MSMEs reporting to have **Managers, Professionals or Technicians** employed within the firm (n=26), the majority (13/26) reported these profiles to **typically hold a higher education degree.** This was particularly true for the tertiary sector (11/13), while in the secondary and primary sector elementary level was mostly mentioned for these occupation types (4/5).

The majority of MSMEs employing Managers, Professionals or Technicians in Ubari reported having an oral contractual arrangement (14/26). Despite the informality of the latter, the majority of the contractual conditions retrieved for these positions are found to be permanent (16/26) (Table 8).

67% of MSMEs reported not having employed for any Managerial, Professional or Technical position in the 18 months prior to data collection (Feb-May 2021). The reason reported by almost all responding MSMEs (19/20) was the lack of demand, as KIs reported they had sufficient workers covering these positions (Table 10). This was 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 2 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	**1**	**6**	**12**	**19**
Occupation too costly	0	0	1	1

Among the 33% MSMEs reporting to have employed new Managerial, Professional or Technical employees in the last 18 months prior to data collection, the majority (6/10) reported having received female applicants during the hiring period, as well as youth applicants (7/10). These figures suggest that while demand for **Managerial, Professional or Technical occupations** was very low in Ubari, the degree **of interest towards these same occupations from youth labour force, and to a lesser degree, from female labour force, was high.**

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	**1**	**3**	**14**	**18**
Written contract			5	5
Permanent	1	**3**	**14**	**18**
Temporary			5	5

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

	Primary	Secondary	Tertiary	Total
Informal channels (personal contacts)			**5**	**5**
Advertisements (no internet)	**1**	**2**	4	7
Offers to experienced people in other firms		0	4	4

Overall, among all assessed MSMEs employing a new employee in the last 18 months prior to data collection (n=13) the most reported problem encountered during the hiring process was the lack of the required skills from applicants, being the dominant problem across both occupation categories. **This suggests the presence of a skills mismatch between labour demand and supply in Ubari, pertaining to all occupation categories.** This may be even truer considering that out of all assessed MSMEs only 7% reported having regular contacts with educational institutions for recruitment purposes, signalling the lack of a structural and strategic connection between education facilities and potential employing MSMEs in Ubari.

Overall, among MSMEs employing a new employee in the last 18 months prior to data collection, a preference for male applicants could be retrieved from the reported hiring trends for all occupation types. In fact, as analogously observed in the neighbouring Sebha, the low female employment rate retrieved across all assessed MSMEs (Page 5) as well as the low labour force participation 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.

Among all assessed MSMEs reporting to have other occupational profiles beyond Managers, Professionals or Technicians employed within the firm (n=23), the majority reported these profiles to typically hold an elementary degree (6/23) or a vocational level (5/23). **Overall, the level of education expected for all occupation types in Ubari was found to be lower than that retrieved in Sebha.**

73% of MSMEs reported not having employed any NON-Managerial, Professional or Technician position in the last 18 months prior to data collection. Interestingly, the hiring share for these occupation types was even lower than that of Managerial, Professional or Technician occupations, the latter being usually more expensive and requiring higher skills. The most reported reason for not hiring (18/22) was that they had sufficient employees in the positions at stake.

Among the 27% of MSMEs reporting to have employed new NON-Managerial, Professional or Technical employees in the last 18 months prior to data collection, all operating in the tertiary sector, the majority (5/8) reported having received female applicants during the hiring period, while almost the totality reported having received youth applicants (7/8).

Overall, the above findings 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 two thirds 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).

LIBYAN YOUTH

Assessment sample

Number of respondents: **107**
- Males **57**
- Females **50**

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 107 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 **36%**

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	**22%**	**49%**	**36%**
Employed	18%	71%	56%
Unemployed	82%	29%	44%
Inactive	**78%**	**51%**	**64%**
Education	10%	55%	29%
Other than Education	90%	45%	71%

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

	Higher level	Secondary level	Vocational level	Elementary level
Employed	10	10	2	
Unemployed	7	7	3	
Inactive	25	13	7	3

Overall the youth labour force participation rate in Ubari was 36%, meaning that aproximately only one third 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 61%.[10]** Hence, almost half of the assessed youth population was economically inactive and not in education (45%), slightly less than a fifth was unemployed (16%), and only another fifth of the overall assessed youth population economically active and employed (19%).

The gender composition of active and inactive Libyan youth reveals strikingly different trends. **While 72% of men made up the overall active Libyan youth, 57% of females made up the overall inactive Libyan youth population assessed.**

Similarly to what was retrieved in the neighbouring municipality of Sebha, 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 Ubari. 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 was 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	**26%**	**27%**	**53%**
Secondary level	15%	17%	32%
Vocational school	5%	7%	11%
Elementary level	1%	3%	4%

ECONOMICALLY INACTIVE LIBYAN YOUTH

Inactivity rate among Libyan youth respondents 64%

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

	Female	Male	Total
Education	4	**16**	**29%**
Not yet started to seek work	6	4	15%
Personal family responsibilities	**8**	2	15%
Education leaves or training	6	2	12%
Could not find suitable work	6	2	12%
Believe no suitable work available	5		7%
Awaiting recall to former job	3	1	6%
Lack employers' requirement		2	3%
Own illness, injury, pregnancy	1		1%

Findings indicate that almost eight women out of ten among the assessed Libyan youth population in Ubari was not employed, nor was looking for an employment. **The most reported reason for inactivity among inactive female youth respondents was personal family responsibilities.** This confirms the weight of Libyan household gendered structures traditionally demanding of females to fulfil unpaid household related duties, despite all inactive female respondents reported wanting to work in the future.

Overall inactivity rate of the assessed Libyan youth population in Ubari was 64%, nine percentage points higher than in Sebha. Of these, 59% reported holding a higher education level. This points towards the fact that in Ubari **the majority of youth respondents who were not employed nor looking for a job were highly educated.** This was particularly true for women, as 57% of inactive youth respondents in Ubari were females. Then as well, the breakdown of the labour force participation rate per gender reveals that **inactivity rate in Ubari was considerably higher among overall Libyan youth female respondents (78%) than Libyan males (51%)** (Table 13).

The main reasons for youth inactivity in Ubari differed considerably from those retrieved in Sebha. In fact, in Ubari education absorbed 29% of overall assessed inactive youth, almost the double than in Sebha (Table 16). These figures may be somehow linked to the economic regression induced by COVID-19, whereby youth labour force participation rate may have decreased due to young people preferring to prolong their education rather than entering a stagnant and saturated labour market. Furthermore, the second most reported reason, not yet started to seek work, may signal the presence of a gap in the school-to-work transition, potentially confirming the lack of a structural bridge between education facilities and labour demand in Ubari, as already suggested above (Page 6).

UNEMPLOYED LIBYAN YOUTH

Unemployment rate among Libyan youth respondents 44%

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

	Female	Male	Total
Higher education level	**5**	**2**	**7**
Secondary level	3	4	7
Vocational school	1	2	3

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

	Total
Registration at a public employment office	**6**
Registration at a private employment office	4
Through education/training institution	2
Seeking assistance of friends and relatives	2
Checking at worksites, farms, factory gates, markets or other assembly places	1

Unemployed youth (n=17) accounted for 16% of the total youth respondents assessed (unemployment ratio), and 44% of the total youth labour force assessed in Ubari (unemployment rate), representing the extent of unutilised labour supply in Ubari. **Contrarily to findings from Sebha, the disaggregation per gender of the labour force figures revealed that unemployment rate was considerably lower among male respondents (29%) than female respondents (82%).** Not only this last figure is considerably higher than in Sebha, but it is also considerably higher than the national Libyan female youth unemployment rate estimate of 2021, amounting at 73%.[12]

Similarly, as the findings in Sebha, the great majority (12/17) of the unemployed youth in Ubari 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 Ubari. 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	**4**	1	**5**
Professionals	1	**4**	5
Sales workers	2		2

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

	Female	Male	Total
Not enough jobs available	**4**	**3**	**7**
No suitable training opportunities	3	2	5
No work experiences	1	1	2

The great majority of all unemployed Libyan youth respondents (15/17) reported to have never refused a job offer. Furthermore, only half (8/17) reported having a minimum level of income per month below which they would not accept a job. This means that **the driver of Libyan youth unemploment rate is most likely not linked to wage reservations on the supply side, but rather to 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.**

Differently than in Sebha, the most reported channels to look for a job among the assessed unemployed Libyan youth population in Ubari were rather formal, relying upon some official third party whose purpose is precisely canalising the labour force on the job market and match demand and supply skills and preferences (Table 18). In fact, the majority of unemployed youth (12/17) reported being registered as a jobseeker with some third party providing employment services. It is worth pointing out that these findings point towards a mismatch with the preferred hiring channels reported by assessed MSMEs (Table 9, Table 12). **The dominance of informal channels for employment purposes on the labour demand side against the predilection of formal channels on the demand side in Ubari 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.

The most sought after occupation profiles among unemployed Libyan youth respondents were by far Managerial and Professional occupations, accounting for half of total respondents' preferences. **These findings, very much along the lines of the findings retrieved for Sebha, suggest a mismatch between a retrieved high demand and a low offer of Managerial and Professional occupations in the private sector in Ubari** (Table 9), potentially also explaining the high levels of long term unemployment rates in Ubari. Furthermore, the most mentioned preferred industry was public administration (5/17), confirming a clear orientation towards the public sector among unemployed Libyan youth.

EMPLOYED LIBYAN YOUTH

Employment rate among Libyan youth respondents 56%

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

	Female	Male	Total
Higher education level	1	**9**	**10**
Secondary level	**1**	9	10
Vocational school		2	2

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

	Female	Male	Total
Wholesale and retail trade, repair		**12**	**12**
Manufacturing	**1**	3	4
Public administration and defence		2	2
Construction		2	2
Health and social work	**1**		1
Other community, social and personal services		1	1

Employed youth (n=22) accounted for 21% of the total youth respondents assessed (youth employment ratio), and 56% of the total youth labour force (youth employment rate) retrieved in Ubari. Contrarily than in Sebha, the disaggregation of the employment rate per gender reveals that employment rate of the assessed youth was considerably higher among male respondents (71%) than female respondents (18%). To note that this last figure is also considerably lower than the national Libyan female youth employment rate, estimated in 2021 at 26%.[13] This, complemented by the high Libyan female youth unemployment rate and the even higher female youth inactivity rate, indicates that the labour market in Ubari remained mostly closed to female economic participation and employment.

The most reported education levels attained by the assessed employed youth were higher and secondary level (10/22 each) (Table 21). As already mentioned above (Table 14), the fact that the majority of employed, unemployed and inactive Libyan youth respondents held a higher education degree indicates that education most likely has not a major weight into the labour status of Libyan youth in Ubari, the latter being rather capped by a stagnant and saturated labour market characterised by a very low employment creation rate.

Table 23: Number of employed Libyan youth respondents disaggregated, by gender and top 5 occupation types

	Female	Male	Total
Sales workers		**6**	**6**
Technicians	1	3	**4**
Professionals	1	3	4
Skilled construction workers		2	2
Clerical support workers		2	2

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

	Female	Male	Total
Oral contract		**12**	**12**
No contract	2	4	6
Written contract		3	3
Do not know		1	1
Permanent		**10**	**10**
No contract (No visbility)	2	4	6
Temporary		5	5
Do not know		1	1

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=107)
Have specific technical or scientific skills relevant to the job	**27%**	16%
Can read and write in Arabic	22%	5%
Advanced computer or IT skills	13%	13%
Basic computer or IT skills	12%	**17%**
Can read and write in English	8%	**17%**
Can be relied on to get things done	5%	4%
Driving skills	5%	4%
Can easily adapt to new tasks	4%	7%
Can work well with others and listens to others' views	3%	6%
Local social connections/networks	1%	5%
Can work well in difficult situations	1%	7%

The great majority of employed Libyan youth reported to be working in the private sector (20/22), with only a small share (2/20) working in the public sector. Within the private sector, the most reported employment status were salaried workers (11/20), followed by workers for family gain (5/22) and self-employed workers (4/20).[14] To note that self-employed workers and contributing family workers are often classified as forms of informal and vulnerable employment, as they tend to have less formal work arrangements, and are therefore more likely to lack elements associated with decent employment. Furthermore, where large shares of workers are contributing family workers, there is likely to be poor development, little job growth, widespread poverty.[15]

As for the **formality of employment**, is here intended as the share of youth employed in the formal economy.[16] The defining criteria of economy formality adopted in the present assessment is based exclusively on the registration status of enterprises/organisation with any relevant authority or ministry in the area. Among the employed youth reporting to know the registration status of their enterprise (n=11) half of them (6/11) confirmed that their enterprise did not hold any sort of registration. This means **at least a quarter of the employed Libyan youth was retrieved to be employed in the informal economy.** Yet, as mentioned above for the case of working family members, it is acknowledged that informality within an economic unit may manifest and can be measured with different indicators. Such was the case of the retrieved Libyan youth contractual arrangements.

In fact, **over half (12/22) of employed youth held an oral contract arrangement, followed by over a quarter (6/22) who did not have any contract, constituting varying forms of vulnerable employment** (Table 24)**.** To note that the only two employed Libyan youth females retrieved in the assessed population did not have a contract. Furthermore, contrarily than in Sebha, the retrieved contractual conditions saw a predominance of less than 30 hours of work per week among respondents (12/22). This **high representation of youth in part-time employment could indicate the presence of involuntary part-time workers**, meaning that they would be willing and available to work more hours. This in turn, constitutes an **indicator of time-related underemployment, reflecting the underutilisation of the productive capacity of the employed labour force.** As for the monthly salary, the majority of respondents (13/22), both males and females, reported earning less than 800 LYD/month, with the majority of these (11/13) earning between 400-800 LYD/month.

In May 2021, the Joint Market Monitoring Initiative (JMMI) found the Minimum Expenditure Basket (MEB) in Ubari to be 1014 LYD per month for a household of five members.[17] Findings indicate that **approximately a quarter (5/22) of the retrieved employed Libyan youth are likely to be working poor**, as they were found to be the only working member with a salary lower than the monthly MEB within a household of more than five individuals. This also 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 be in contrast with Libyan societal structures generally expecting women to remain economically inactive in order to fulfill unpaid household care work.

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=107)
Have specific technical or scientific skills relevant to the job	**25%**	11%
Can read and write in Arabic	**23%**	4%
Advanced computer or IT skills	13%	13%
Can easily adapt to new tasks	10%	11%
Can work well in difficult situations	7%	6%
Can be relied on to get things done	7%	6%
Can work well with others and listens to others' views	4%	7%
Driving skills	3%	9%
Basic computer or IT skills	3%	9%
Can read and write in English	3%	**19%**
Local social connections/networks	1%	5%

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, both from a labour demand (Page 4) **and supply perspective.**[18] From a labour supply perspective, 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 Ubari (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 or having particularly high wage reservations. While both these trends were confirmed in Sebha, only the former was verified in Ubari. These findings are likely to feed into the Libyan youth unemployment problem from a labour supply perspective.**

MIGRANTS AND REFUGEES

Assessment sample

Number of respondents: **118**

- West and Central Africa **83**
- MENA **34**
- South and East Asia **1**

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.**[19] 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 118 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 **67%**

Table 28: % of migrant respondents disaggregated, by region of origin[20] and highest level of education

	MENA	West & Central Africa	Total
Never attended school	9%	**45%**	**34%**
Secondary level	**32%**	20%	24%
Higher education level	**32%**	19%	23%
Elementary level	21%	12%	15%
Vocational school	6%	4%	4%

Regarding the highest level of education attainment of migrants, the most frequently reported level of education attainment was no school attendance. Yet, the distribution of respondents across the spectrum of education levels was profoundly different between the two regions of origin. In fact, while respondents from the MENA region were mostly concentrated between higher and secondary level, respondents originating from West and Central Africa were less concentrated and rather distributed across most levels, with the great majority reporting to have never attended school.

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

	MENA	West & Central Africa	Total
Active	**50%**	**73%**	**67%**
Employed	82%	90%	88%
Unemployed	18%	10%	12%
Inactive	**50%**	**27%**	**33%**
Education	12%	27%	21%
Other than Education	88%	73%	79%

Overall migrants' labour force participation rate in Ubari was 67%, meaning that almost 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 was 34%**, composed mostly by economically inactive individuals (26%), while the remaining portion (8%) was unemployed. These figures are in line with the ones retrieved in Sebha.

66% of migrants reported Arabic to be their native language. Among non-Arabic native speakers, all originating from West and Central Africa, the majority was only able to speak (78%) while almost a quarter reporting having no Arabic literacy at all (18%).

Regarding the possession of a valid work permit in Ubari, only 16% of respondents, with similar trends across both regions of origin, reported possessing one. Among respondents who did not have a work permit, 91% 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 (13/19) reported obtaining it in less than three months. The majority (16/19) of work permit holders reported no particular barrier or challenge in the process of obtaining the work permit, while among the mentioned barriers were the resources (time and money) required (5/17) and the lack of information regarding the process (4/19).

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 a higher levels of education attainment did not correspond higher employment nor labour economic activity figures.

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

	Higher Education	Secondary Education	Vocational Education	Elementary education	Never attended school
Employed	16	14	2	8	29
Unemployed	2	3	1	1	2
Inactive	3	11	2	8	7

Among overall migrant respondents the majority (40%) reported perceiving greater career opportunities for Libyans than for migrants, as well as gendered differences in employment possibilities (48%) 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 **33%**

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

	MENA	West & Central Africa	Total
Secondary level	**6**	5	**28%**
Higher education level	4	5	23%
Never attended school		**9**	23%
Elementary level	6	2	21%
Vocational school	1	1	5%

Migrants inactivity rate was composed by 56% of individuals from West and Central Africa, while the remaining share originates from the MENA region. The disaggregation of the number of inactive migrants per highest level of education attainment reveals that there might not be a direct linear correlation between the level of education and the likehlihood of taking part to the labour force. In fact, while the majority of inactive individuals held a secondary education degree, the number of inactive individuals holding a higher education level equated the number of individuals who had never attended school.

To note that out of all the migrant female respondents interviewed in Ubari (n=20), three quarters (15/20) were found to be 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	2	6	**21%**
Personal family responsibilities	3	4	18%
Awaiting busy season	2	4	15%

Among inactive migrant respondents not in education and not waiting a recall from previous employer (n=26), **the majority (15/26) reported have never previously worked in the past**. Of those, the great majority were found to be women (12/15). The great majority (22/26) of inactive migrant respondents who are not in education or waiting to be recalled to their previous place of employment (such as seasonal workers) **reported wanting to work in the future**, indicating that they would like to take part to the active labour force and work, and that their inactive condition may be involuntary.

UNEMPLOYED MIGRANTS

Unemployment rate among migrant respondents **12%**

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

	MENA	West & Central Africa	Total
Secondary level	**2**	**1**	**3**
Higher education level	1	1	2
Never attended school		2	2
Vocational school		1	1
Elementary level (primary)		1	1

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

	MENA	West & Central Africa	Total
1-2 months		**3**	**3**
1 week – Less than a month		2	2
More than 1 year	**2**		2
7 months-1 year	1		1
Less than a week		1	1

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

	Total
Seeking assistance of friends, relatives, colleagues, unions, etc.	**3**
Personal contacts from the community	**3**
Direct application to employers, participation in a competition	2
Arranging for financial resources	2
Through intermediaries / labour contractors	1

Unemployed migrants (n=9) accounted for 8% of the total migrant respondents assessed (unemployment ratio), and 12% of the total migrant labour force retrieved in Ubari (unemployment rate). The unemployed migrant population assessed was majorily composed by respondents from West and Central Africa region (6/9).

Similarly to the findings from Sebha, in Ubari the duration of migrants' unemployment was considerably lower than that retrieved among Libyan youth. In fact, for the majority of migrant respondents (6/9) unemployment was reported to have lasted less than 2 months (Table 34). Yet, given that almost all respondents (8/9) reported having been in Ubari 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, a 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 limited reliance on 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 migrants were divided between elementary occupation types, usually being lower-skilled and low-specialisation occupations (5/9), and technician occupations (4/9). As for the preferred sector, responses were distributed across many different industries, including retail and wholesale (2/9), agriculture (2/9), transportation (1/9) and manufacturing (1/9). To note that almost all the preferred sectors by unemployed migrants are very different, and somewhat complementary, to those preferred by the unemployed Libyan youth (Table 19). This may potentially suggest that **migrant respondents have less stringent expectations towards the sector of employment, rather filling a labour supply gap in industries not targeted by the Libyan youth labour force in Ubari.**

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
No education	**2**	**2**	**4**
Not enough jobs available		3	3
No suitable training opportunities	1	1	2

Among the top three obstacles in finding a job in Ubari, the majority (6/9) pertained to a mismatch between the level of education expected by the labour demand and that provided by migrant labour force, including the unavailability of appropriate training opportunities for migrants. This indicates that, despite the potentially low level of skills required by migrants' preferred occupation types and the low migrants' unemployment rate, **there might be a gap between the skills demanded and supplied by migrants, as well as reduced opportunities available to them to invest in their education and build on their labour productivity.**

EMPLOYED MIGRANTS

Employment rate among migrant respondents 88%

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

	MENA	West & Central Africa	Total
Never attended school	3	**26**	**42%**
Higher education level	**6**	10	23%
Secondary level	3	11	20%
Elementary level (primary)	1	7	12%
Vocational school	1	1	3%

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

	MENA	West & Central Africa	Total
Technician	**6**	15	**30%**
Service worker	3	**16**	28%
Sales worker	1	**12**	19%
Skilled construction	2	6	12%
Professional	1	2	4%

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 Ubari (n=60) constituted 59% of the total migrant population assessed (employment ratio) and 88% of the total migrant labour force retrieved (employment rate). The employment rate was found to be similarly high both across West and Central Africa (90%) and MENA (14/17) respondents.

As already noted above (Table 30), and in confirmation of the findings retrieved in Sebha, to higher levels of education attainment did not correspond higher employment, nor higher labour economic activity in Ubari. In fact, the 42% of employed respondents who reported to have never attended school constituted the great majority (73%) of the total migrant respondents with no education at all. This may confirm the fact that the labour market is open and accessible to migrants in Ubari and is not exclusively high-skills nor education level driven.

The majority of overall respondents, as well as across both regions of origin, reported working on a wage for someone else (71%), followed by a smaller share who reported being self-employed (19%). As such, in Ubari **the trend of employment status was very similar across the two baladiyas, with the majority of respondents reporting to be salaried workers.** The most mentioned reason for choosing to be self employed, among both regions of origin, was the greater independence this status grants (11/13).

Overall, 53% of employed migrants were found to be employed in the tertiary sector, with the most reported sector being wholesale and trade. This was followed by 40% employed in the secondary and 7% in the primary sector. To note that none of the employed Libyan youth was found to work in the primary sector, and only a small share in the secondary (Table 22). This may confirm, as already mentioned above (Page 13) and as also retrieved in Sebha, that **migrant labour force is likely to fill a labour supply gap in sectors and occupations in demand in Ubari 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
No contract	6	**27**	**48%**
Oral contract	**5**	15	29%
Prefer not to answer	3	10	19%
Written contract		2	3%
Do not know		1	1%
> 800 LYD/month	9	**19**	**40%**
Prefer not to answer	**5**	19	35%
< 800 LYD/month		17	25%
Did not pay taxes on income	**14**	**45**	**86%**
Paid taxes on income		8	12%
Prefer not to answer		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	**27%**	**17%**
Can read and write in Arabic	22%	9%
Advanced computer or IT skills	13%	7%
Basic computer or IT skills	12%	10%
Can read and write in English	8%	11%
Can be relied on to get things done	5%	9%
Driving skills	5%	3%
Can easily adapt to new tasks	4%	7%
Can work well with others	3%	12%
Local social connections/networks	1%	1%
Can work well in difficult situations	1%	13%

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)
Have specific technical or scientific skills relevant to the job	**25%**	9%
Can read and write in Arabic	**23%**	12%
Advanced computer or IT skills	13%	6%
Can easily adapt to new tasks	10%	10%
Can work well in difficult situations	7%	12%
Can be relied on to get things done	7%	14%
Can work well with others	4%	**19%**
Driving skills	3%	1%
Basic computer or IT skills	3%	5%
Can read and write in English	3%	10%
Local social connections/networks	1%	0%

The **formality of employment** is here intended as the share of migrants employed in the formal economy. Similarly to Sebha findings, almost half (48%) of employed migrant respondents reported not knowing the registration status of their employing enterprise, followed by 30% reporting it as registered, 22% reporting it as not registered. This means that **only a third 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 was the case of the retrieved fiscal and contractual arrangements, with almost half of employed migrants (48%) having no contract at all (Table 40). **Overall, the majority of employed migrants were hence found to work in an environment characterised by some degree of informality in their contractual arrangements, considerably increasing their vulnerabilty to abuses and exploitation in the workplace.** Considering that 67% of employed migrants reported not having a work permit (Page 12), **these figures might be explained by the migrants' inclination, often being an inevitable choice, to bypass legal and administrative barriers preventing them from accessing the formal labour market, which in turn increases their exposure to exploitative and undecent working conditions.**

Out of all employed migrant respondents, only 29% reported having a premanent job position. As for the work conditions, **65% of overall employed migrants, with similar rates across both regions of origin, reported working more than 50 hours per week (h/w), above the ILO international standard of "long working hours", an indicator of decent work** set at 48 h/w.[21] To note that 86% of total respondents reported to be willing to work more hourd for more income, while 48% 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. It is worth mentioning that among employed migrants working over 50 h/w (n=45) almost a third (31%), all from West and Central Africa, also reported having a monthly income lower than 800 LYD. **In other words, 20% of the total employed migrant respondents, all originating from West and Central Africa, were found to earn less than 4 LYD/hour, being the lowest income level retrieved.**

In fact, regarding the monthly income, all 25% of migrant respondents who reported earning less than 800 LYD/month were from West and Central Africa. It is worth pointing out that at the time of data collection (May 2021) the monthly MEB retrieved by the JMMI in Ubari was 1014 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. This, together with the long working hours unveils the higher exposure of West and Central African migrants to the lack of decent work conditions.

LABOUR INSTITUTIONAL ENVIRONMENT

Assessment

Number of respondents: **15**

- Government departments or subsidiaries **7**
- Civil society organisations **4**
- Vocational and training centres **3**
- Financial institution **1**

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 Ubari. 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	**10**
Lackof support from government agencies	8
Security problems	4
Lack of qualified staff	2
Lack of of technical capability	2
Lack of support from non-government agencies	2

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 Ubari

	Total
Agriculture, hunting, forestry and fishing	**7**
Manufacturing	4
Construction	4
Mining	4
Electricity, gas and water supply	3

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 Ubari sectors with employment potential for women

	Total
Education	**9**
Health and social work	7
Other community, social and personal services	6
Light and traditional manufacturing income generating activities (i.e. sewing, baking, sweets making, knitting and embroidery)	5
Wholesale and retail trade	3

Overall, while the spectrum of institutional stakeholders was 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 both in Sebha and Ubari signals the presence of a labour market that had difficulty to absorb the labour supply and that had a stagnant private economy in the South of Libya.

Analogously to the findings retrieved in Sebha, **the most reported challenge affecting the execution of the institutional stakeholders' projects was the difficulty in accessing sufficient financial resources**, reported by 10/15 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.[22] This links with the second most reported challenge: the lack of an appropriate Governmental support on a policy level, reported by 8/15 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 4/15 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.

All institutional stakeholders KIs unanimously pointed at the primary and secondary sectors as those with the biggest youth employment potential in the next five to ten years, despite the low youth employment rate (Table 22) and the low MSMEs hiring rate in these sectors (Page 6) retrieved in the present assessment.

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

	NO	YES
Government department or subsidiary	**6**	1
Vocational and training centres	1	2
Civil society organization		**4**
Financial Institution		1

Table 47: 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**	
Vocational and training centres	3	
Civil society organization	1	3
Financial Institution	1	

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 MSMEs 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.

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**. As already mentioned (Page 16), the lack of inancial services availability for entrepreneurial activities compounded by the chronic unstable security situation in the South of Libya drives youth to the northern capitals of the country.

Just like among stakeholders in Sebha, another recurrent theme that emerged across interviews was **the structural inefficiencies of the labour market in Ubari in terms of matching the labour demand and supply due to the lack of functional and formal job search structures and processes**. In fact, the retrieved labour demand in Ubari was characterised by low hiring rates, insufficient structural ties with educational institutions against the predilection for informal channels for hiring purposes, and the access to the wrong labour supply in terms of skills (Page 6).

Overall findings from the KIIs suggest a **low level of coordination among institutional actors to tackle unemployment and promote economic development in the South, especially among Governmental actors**. Out of all institutional stakeholders, only half (8/15) reported to be part of some coordination mechanism with other Governmental organisations (Table 46). **Almost all of the Governmental institutional stakeholders interviewed (6/7) were not part of any coordination body with other Governmental organisations to tackle unemployment or to promote economic development in the area.** Specifically, none of the Governmental actors with explicit regulatory, law drafting, and policy making mandate, hence with potential legal and policy influence in the baladiya, participated in coordination bodies with other Governmental authorities to tackle unemployment in the baladiya.

The level of coordination of the the interviewed institutional stakeholders with NON-Governmental organisations to tackle unemployment and promote economic development was also found to be low, being even lower than the level of coordination with Governmental authorities. Out of all institutional stakeholders only a small share (3/15) was found to be part of some coordination mechanism with other NON-Governmental organisations (Table 47). Again, **none of the Government stakeholders interviewed was part of any coordination body with NGOs to tackle unemployment or to promote economic development in the area**.

The findings regarding the low presence of coordination mechanisms among labour institutional stakeholders in Ubari (Table 46, Table 47) confirm and demonstrate the challenges and weaknesses faced by the assessed institutional stakeholders, 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 in turn, results in the persistence of a labour market characterised by exceptionally high youth unemployment rate tackled by occasional, 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, Ubari branch	Financial institution	1959	Funded by the national government	-Providing support and assistance to businesses through loans and facilities for farmers
Commercial Registry Office Ubari	Government department or subsidiary	2000	Funded by the national government	-Providing support and assistance to businesses through start-up grants
Economic Monitor Wadi Al Hayaa	Government department or subsidiary	1953	Funded by the national government	- Collecting data on economic activities of Ubari - Providing support and assistance to businesses through start-up grants
Labor and Rehabilitation Office	Government department or subsidiary	2019	Funded by the national government	-Collecting data on labour protection and employment including data on the municipality's workforce -Job inspections -Vocational trainings -Worker rights services/ trade union services -Collecting data on IDP and returnees to the mantika
Chamber of Commerce and Industry in Wadi Alhayet/ The office of Ubari Trade and Commerce, Murzuq	Community based organization	2008	Subscriptions and registration fees of members	-Collating a commercial directory of businesses in Ubari -Promotion of businesses in Ubari
Municipal Education Monitor of Ubari	Government department or subsidiary	2017	Funded by the national government	-Follow-up and evaluate the educational procedures and services of the municipality of Ubari -Collecting data on private educational businesses in Ubari
National Planning Council Wadi Al Ajyal	Government department or subsidiary	2000	Funded by the national government	-Drafting of plans for job placement services, vocational training and other livelihoods related services
National Youth Support Association, Ubari	Civil society organization	2016	Funded by international NGOs and donors	-Vocational training
Omar Al-Mukhtar Institute for Agricultural Professions	Vocational and training centers	1986	Funded by the national government	-Training of veterinarians -Training of agricultural students
Social Solidarity Fund, Ubari	Government department or subsidiary	2014	Funded by the national government	-Vocational trainings
Ubari Business Council	Civil society organization	2020	Subscriptions and registration fees of members	-Collecting economic census data -Providing job placement services -Providing micro finance loans to businesses -Encourage youth and women entrepreneurship through workshops and specialized seminars
Ubari Intermediate Institute for Inclusive Careers	Government department or subsidiary	1999	Funded by the national government	-Issuing licenses and business permits -Vocational trainings
Ubari Intermediate Institute for Mechanical and Electrical Professions	Government department or subsidiary	1989	Funded by the national government	-Trainings and workshops for mechanics -Carpentry and furniture upholstery atelier under construction
Ubari licensing office and economic activities	Government department or subsidiary	2007	Funded by the national government	-Issuing licenses and business permits
Ubari Local Partnership for Social Peace and Spatial Development	Civil society organization	2015	Funded by international NGOs and donors	-Entrepreneurship trainings -Business incubation

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 ILO, Care work and Care jobs, 2018
9 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
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 National unemployment rate estimate based on female youth population aged between 15-24. Available here
13 National estiate for Libyan female youth population aged between 15 and 24 provided by the International Labour Organization, ILOSTAT database. Data as of June 2022. Available here
14 The classification of the different employment status adopted in the present assessment is based upon the International Classification of Status in Employment (ICSE), adopted by the Fifteenth International Conference of Labour Statisticians in 1993. Available here
15 ILO, Key Indicators of the Labour Market (KILM) - Status in Employmens, 2015
16 ILO, Youth Labour Market Analysis: A training package on youth labour market information, 2014
17 The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support a five-person Libyan household (HH) for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's contents were defined by the Liya Cash and Market working Group (CMWG) in consultation with relevant sector leads.
18 European Training Foundation, Labour Market and Employment Policy in Libya, 2014
19 The Mixed Migration definition adopted in the present assessment is based on the Internaional Organisation for Migration definition. Available here
20 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".
21 ILO, Youth Labour Market Analysis: A training package on youth labour market information, 2014