

Multi-Sector Needs Assessment (MSNA)

Cash and Markets
November 2018



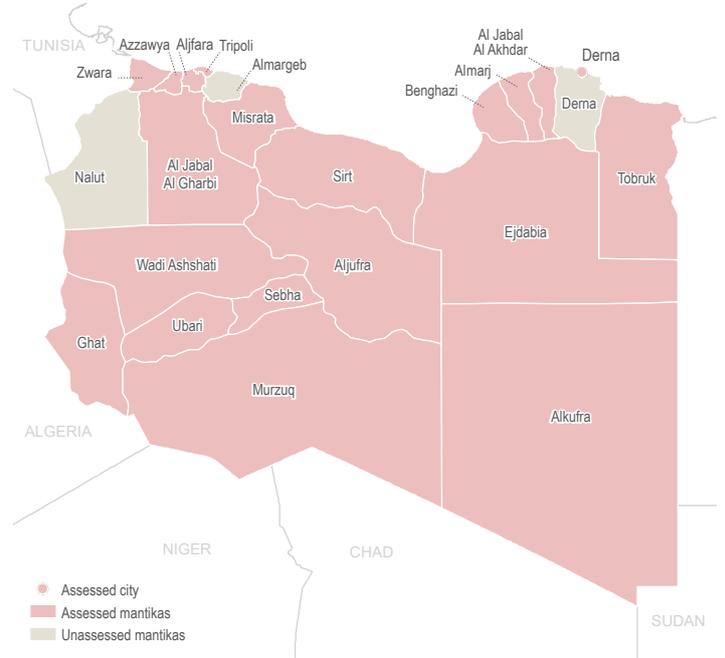
LIBYA

CONTEXT AND METHODOLOGY

As the Libyan crisis enters its eighth year, episodic clashes between a multiplicity of armed actors continue to affect several regions, with an estimated 1.62 million displaced and non-displaced people affected in 2017¹. From 1 January - 31 October 2018, UNSMIL documented at least 175 civilian deaths and 335 injuries². The crisis in Libya is the result of conflict, political instability and a vacuum of effective governance, resulting in a further breakdown of functioning systems with considerable security, rule of law, social and economic consequences³. The most pressing humanitarian needs identified are protection, health and cash & livelihoods⁴, though as the humanitarian situation evolves, the strategies adopted by households to meet their needs remain underexplored.

In light of these continued knowledge gaps, with facilitation from REACH, the Inter-Sector Coordination Group (ISCG) conducted a multi-sector data collection exercise between 23 July and 6 September 2018 to provide updated information on the needs and vulnerabilities of affected populations in Libya. 5,352 households (HH) were interviewed, including non-displaced (2,449), IDP (1,691) and returnee (1,212) HHs, across 20 Libyan mantikas⁵. Findings are generalisable at mantika level for each assessed population group with a **confidence level of 95% and a margin of error of 10%** (unless stated otherwise).

ASSESSMENT COVERAGE



Livelihood coping strategies used by households

No coping strategy



Stress



Crisis



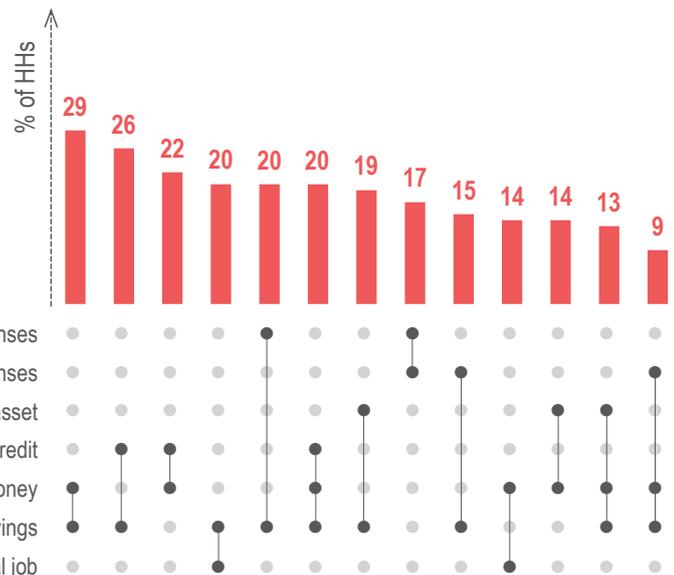
Emergency



NEGATIVE COPING MECHANISMS

Three-quarters (75%) of households employed livelihood coping strategies in order to meet their basic needs during the 30 days prior to data collection. These coping strategies are classified according to severity and include **stress**: purchasing on credit, reducing expenses of NFIs, selling non-productive assets and spending savings; **crisis**: taking an additional job, borrowing money, reducing health expenses and selling productive assets; and **emergency**: engaging in degrading or illegal work or accepting food or money from strangers. Nearly **60%** of households resorted to **crisis or emergency coping strategies** in the 30 days prior to data collection.

Most households combined multiple strategies to meet their basic needs as alternative options were exhausted (see right). 29% of households used a combination of borrowing money and spending savings, reflecting on-going liquidity issues and the depreciation of the Libyan dinar⁶. One-sixth of households reduced health expenses and spent savings.



\$ INCOME AND EXPENDITURES

Average share of total income received from the following sources in the 30 days prior to data collection:

| | |
|---------------------------------|-------|
| Own business income | 6.2% |
| Salaried work | 3.8% |
| Government salary | 76.7% |
| Remittances | 1.7% |
| Casual labour | 1.6% |
| Government social benefits | 2.2% |
| Support from family and friends | 4.5% |
| Humanitarian assistance | 2.4% |
| Zakat or charitable donations | 0.9% |

% of HHs reporting having faced challenges obtaining enough money to meet their needs in the 30 days prior to data collection, per population group:

| | | |
|---------------|-------|-----------|
| Non-displaced | IDPs | Returnees |
| 56.6% | 68.3% | 75.4% |

Main issues reported by HHs having faced challenges in obtaining enough money to meet their needs, per population group:

| Non-displaced | IDPs | Returnees |
|---|---|---|
| 77.1% Unable to withdraw enough money from bank account | 73.0% Unable to withdraw enough money from bank account | 90.0% Unable to withdraw enough money from bank account |
| 47.4% Salary or wages not regularly paid | 50.9% Salary or wages not regularly paid | 46.4% Salary or wages not regularly paid |
| 24.6% Salary or wages too low | 32.5% Salary or wages too low | 25.8% Salary or wages too low |

Average reported % of HH income received in cash during the 30 days prior to data collection, per population group:

| | | |
|---------------|-------|-----------|
| Non-displaced | IDPs | Returnees |
| 44.8% | 41.6% | 32.9% |

39.9% of HHs reported not having been able to withdraw any money from banks or ATMs in the 30 days prior to data collection.

Reported withdrawals in the 30 days prior to data collection, per population group:

| | Non-displaced | IDPs | Returnees |
|---------------|---------------|-------|-----------|
| < 300 LYD | 5.7% | 6.1% | 7.9% |
| 300 - 599 LYD | 45.5% | 45.0% | 54.1% |
| 600 - 999 LYD | 37.0% | 42.4% | 31.3% |
| > 1,000 LYD | 10.6% | 5.4% | 5.8% |

Main reported modality for HH expenditure, per population group:

| Non-displaced | IDPs | Returnees |
|---------------------------|-----------------------|-----------------------|
| 63.1% Hard cash (LYD) | 62.8% Hard cash (LYD) | 52.1% Hard cash (LYD) |
| 22.1% Cheques | 24.8% Cheques | 31.3% Cheques |
| 9.4% Credit or debit card | 5.5% Bank transfers | 5.4% Mobile money |

Reported median amount spent on the following items in the 30 days prior to data collection⁷:

| | |
|--------------------------------|---------|
| Food items | 300 LYD |
| Rent | 400 LYD |
| Water | 20 LYD |
| Non-food household items | 30 LYD |
| Utilities | 15 LYD |
| Fuel | 25 LYD |
| Health-related expenditures | 30 LYD |
| Education-related expenditures | 100 LYD |
| Transportation | 50 LYD |
| Productive assets | 100 LYD |
| Debt repayment | 150 LYD |
| All other expenditures | 500 LYD |

MARKETPLACES

9.5% of HHs reported not having access to a marketplace or a grocery store in their muhalla in the 30 days prior to data collection.

Reported travel time to nearest market, per population group:

| | Non-displaced | IDPs | Returnees |
|------------------|---------------|-------|-----------|
| Less than 15 min | 72.1% | 70.3% | 69.5% |
| 15 - 29 min | 20.4% | 22.6% | 23.3% |
| 30 - 59 min | 6.6% | 6.0% | 6.8% |
| 1 - 2 hr | 0.8% | 0.8% | 0.0% |
| More than 2 hr | 0.1% | 0.1% | 0.3% |

92.0% of HHs reported no barriers to consistently accessing marketplaces.

Top 3 reported barriers to accessing marketplaces:

- 1 Marketplace too far away or no means of transport
- 2 Transportation too expensive
- 3 Damage to marketplace

62.1% of HHs reported no barriers to regularly purchasing specific items on the market.

32.8% of HHs reported that some market items were too expensive to afford.

Types of market items most frequently reported to be too expensive to afford:

| | | |
|----------------------------------|---|--------------|
| Food items |  | 31.4% |
| Medicine or health-related items |  | 8.3% |
| Hygiene |  | 8.2% |

6.2% of HHs reported that some market items were unavailable.

Types of market items most frequently reported to be unavailable in markets:

| | | |
|----------------------------------|---|-------------|
| Food items |  | 3.7% |
| Medicine or health-related items |  | 2.7% |
| Fuel |  | 1.1% |

 **FINANCIAL SERVICES**

% of HHs with access to financial service providers in their muhallas⁵, per population group:

| | Non-displaced | IDPs | Returns |
|---------------------------------------|---------------|--------------|--------------|
| Banks | 71.8% | 72.2% | 56.4% |
| Hawala ⁸ | 4.7% | 6.8% | 11.2% |
| Financial services (local business) | 7.8% | 4.9% | 2.1% |
| Financial services (community member) | 9.8% | 10.7% | 5.4% |

 **COPING MECHANISMS**

Top 3 reported coping mechanisms for lack of income/resources/cash reported in the 30 days prior to data collection, per population group:

| Non-displaced | IDPs | Returns |
|--|-------------------------------------|--|
| 42.7% Spent savings | 42.6% Spent savings | 38.8% Purchased food on credit or borrowed food |
| 31.9% Purchased food on credit or borrowed food | 41.9% Took an additional job | 37.1% Spent savings |
| 26.3% Took an additional job | 36.1% Borrowed money | 33.7% Took an additional job |

 **LIVELIHOODS**

% of individuals engaged in different types of labour in the 30 days prior to data collection:

| | Non-displaced | IDPs | Returns |
|--|---------------|--------------|--------------|
| Adults (18 or older) | | | |
| Permanent job | 48.0% | 39.4% | 39.6% |
| Temporary job | 3.0% | 3.3% | 2.2% |
| Daily labour | 4.3% | 8.1% | 5.5% |
| Permanent job without regular attendance | 10.0% | 10.2% | 6.1% |
| Children (17 or less) | | | |
| Permanent job | 1.7% | 0.9% | 1.1% |
| Temporary job | 1.1% | 2.2% | 0.3% |
| Daily labour | 1.1% | 2.2% | 1.1% |

Top 4 types of work institutions in which HHs are engaged, by gender:

| | Female | Male |
|---------------------------------|--------------|--------------|
| Government or public sector | 38.3% | 67.6% |
| Own business or family business | 2.2% | 7.9% |
| Other Libyan-owned business | 1.1% | 4.6% |
| Informal or irregular work | 0.8% | 2.5% |

1 [Libya Humanitarian Needs Overview, OCHA, 2018](#)
 2 [UNSMIL, Human Rights Report on Civilian Casualties, 2018](#)
 3 <https://www.unocha.org/middle-east-and-north-africa-romena/libya>
 4 [Libya Humanitarian Needs Overview, OCHA, 2018](#)
 5 Libya is divided into four types of administrative areas: 3 regions (admin level 1), 22 mantikas or districts (admin level 2), 100 baladiyas or municipalities (admin level 3), and muhallas, which are similar to neighbourhoods or villages (admin level 4).
 6 Since 2014, Libya's dwindling foreign currency reserves have eroded trust in the dinar, which has created a significant gap between exchange rates in the official and parallel markets and led to a shortage of hard cash.
 7 Calculated based on HHs who reported a value greater than 0.
 8 System of transferring money whereby the money is paid to an agent who then instructs an associate in the destination country or area to pay the final recipient.

