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LIBYA COUNTRY SNAPSHOT

NOVEMBER 2022

BACKGROUND

Several key factors have shaped Libya's current digital ecosystem and will influence its evolution in coming years. The most prominent is the decade-long period of conflict beginning with the 2011 revolution. During this time, intermittent violence, geographic divisions, and political paralysis have consumed attention and resources that might otherwise have gone toward modernization and reform of the Libyan state and economy. The effects of conflict can be felt throughout Libya's digital ecosystem, including the destruction of physical infrastructure assets, geographic division of key institutions including the Central Bank of Libya, and an online environment polluted by disinformation and foreign influence operations.

Many features of Libya's current digital ecosystem were present before 2011, and the effects of the Gaddafi era are still in evidence. Historians have traced Libya's current fragmentation to the personalization of the state and society under Gaddafi, along with longstanding underinvestment in public institutions. Libya's legislature has found it very difficult to update the legal basis for the digital economy, creating regulatory confusion and an atmosphere of mistrust.

There are grounds for optimism. Despite the challenges facing it, Libya's digital economy has grown dramatically. Companies have tailored their offerings for a local audience and found innovative workarounds to regulatory gridlock. Even as social media platforms face concerns about disinformation and foreign manipulation, they are also home to a new generation of independent online journalists, activists, and political commentators. There is no shortage of allies working for positive change.

USAID'S APPROACH TO DIGITAL DEVELOPMENT

USAID's Digital Strategy launched in April 2020 to achieve and sustain open, secure, and inclusive digital ecosystems that contribute to development and humanitarian assistance outcomes through the responsible use of digital technology.

The Digital Ecosystem Country Assessment (DECA), a flagship initiative of the Digital Strategy, informs the development, design, and implementation of USAID's strategies, projects, and activities. The DECA looks at three pillars of a country's digital ecosystem: (1) digital infrastructure and adoption; (2) digital society, rights, and governance; and (3) the digital economy. The DECA aims to inform how USAID/Libya and the international development community understands, works with, and strengthens the country's digital ecosystem.

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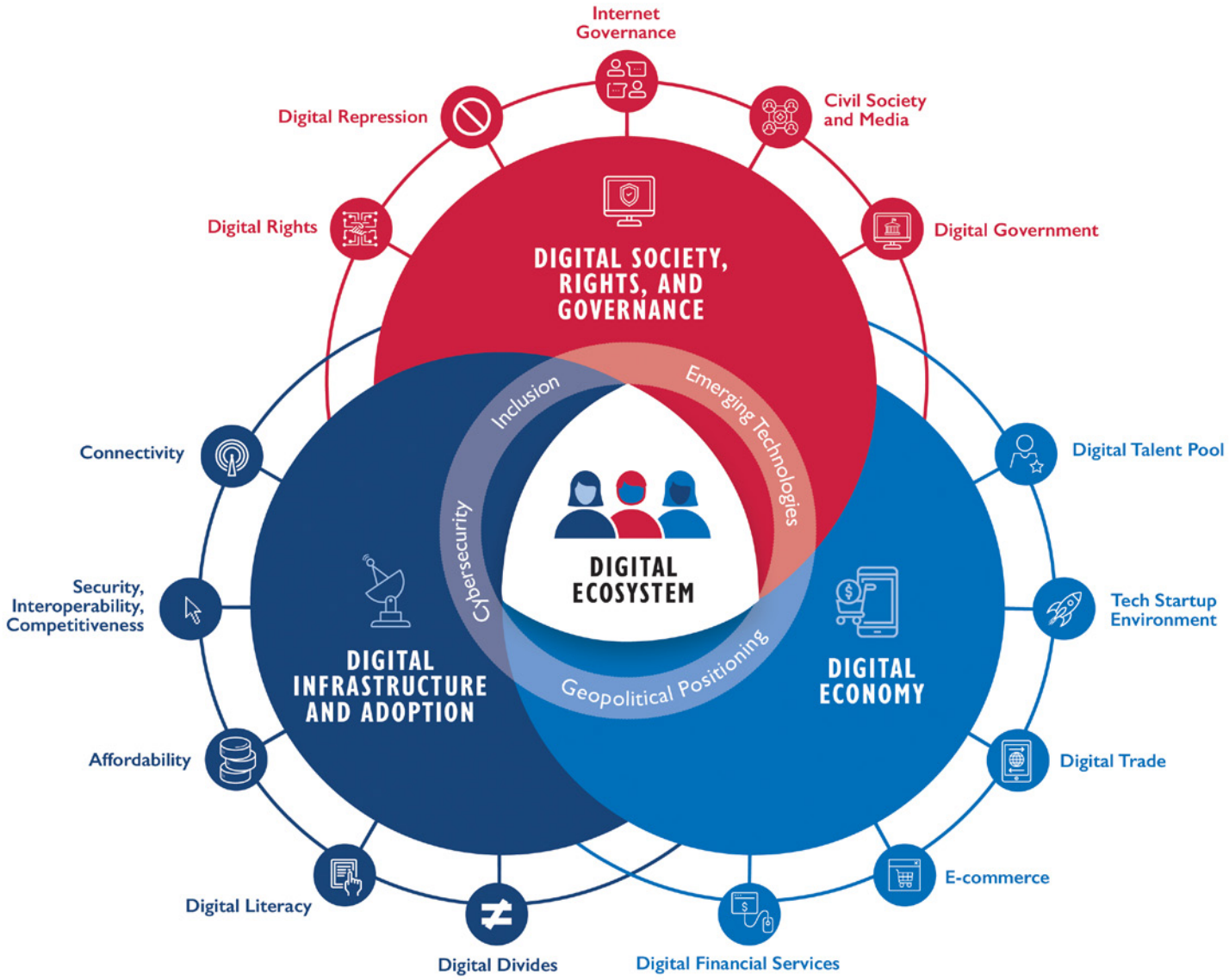
USAID's Digital Ecosystem Framework



LIBYA DECA: KEY FINDINGS AND RECOMMENDATIONS

CROSS-CUTTING

FINDINGS

- Libyan government institutions have uneven cybersecurity capabilities and there is no information publicly available on cybersecurity strategies, data privacy laws or authority, or effective cyber crisis management.
- Civil society organizations (CSOs) and journalists have limited capacity to respond to cyber attacks and online harassment, often leading to self-censorship.

RELEVANT RECOMMENDATIONS

1. Strengthen cybersecurity capacity through civil society engagement and workforce development
2. Embed digital literacy throughout development programs
3. Promote the Principles for Digital Development with donors, partners, and the government

PILLAR 1: DIGITAL INFRASTRUCTURE AND ADOPTION

FINDINGS

- Conflict and political instability have disrupted regular legislative processes, delaying much-needed updates to laws (including the Telecommunications Act) since 2011.
- Connectivity infrastructure is fairly well developed in coastal urban areas, but lags in Libya's sparsely populated southern region.
- COVID-19 has accelerated the adoption of digital tools and services across sectors; however, Libyans are reluctant to adopt new tools due to unfamiliarity with specific platforms, lack of trust, lack of digital literacy, or when they feel these tools and services are unnecessary.
- Many Libyan internet users are "Facebook literate," but are less familiar with more advanced digital tools such as online payments.

RELEVANT RECOMMENDATIONS

4. Expand connectivity to the last-mile with infrastructure financing reform and new connectivity technologies
5. Support information and communications technology (ICT) workforce development through university partnerships and upskilling initiatives

PILLAR 2: DIGITAL SOCIETY, RIGHTS, AND GOVERNANCE

FINDINGS

- Libya's decade-long conflict and instability have limited the HoR's ability to clarify roles, and responsibilities, and to pass new legislation. Laws from the previous regime are still technically in force.
- Government digital initiatives are often siloed in separate Ministries. Recent events have shown greater openness to multistakeholder engagement, particularly around e-payments and promotion of Libya's ICT industry.
- The government is prioritizing digitalization; however, there are significant barriers to execution. These are tied to inadequate digital infrastructure, a piecemeal approach rather than an overall strategy, and insufficient legal and regulatory frameworks.
- Facebook dominates Libya's information and media landscape to a greater extent than in most countries. It is the primary news source for many Libyans and can allow for conversations between citizens and CSOs or municipal governments. However, the platform also creates risks such as widespread mis-, dis-, and malinformation and online harassment of activists, journalists, and marginalized groups.

RELEVANT RECOMMENDATIONS

6. Counter online disinformation by partnering with Libyan change agents and engaging platform companies
7. Promote reconciliation by leveraging citizen journalism and Libya's storytelling culture on social media platforms
8. Bolster digital government initiatives through research, intergovernmental exchanges, donor coordination, and embedded technical advisors
9. Ensure that future plans for biometric voter registration at the High National Elections Commission (HNEC) account for human rights and privacy issues
10. Support legal reforms to promote digital development and the protection of human rights online
11. Promote coordination through a multistakeholder internet governance forum and a government-wide Office of Digital Initiatives

PILLAR 3: DIGITAL ECONOMY

FINDINGS

- Libya lacks fundamental legal enablers such as e-signature and intellectual property laws.
- The Central Bank of Libya (CBL) plays a critical role in the enabling environment and has faced a number of financial, monetary, and leadership crises that have affected Libya's banking system and eroded consumer trust.
- The current payments infrastructure is fragmented in both banking and e-wallet markets, preventing a seamless payment experience and inhibiting uptake.
- The formal education system and ICT training provided by international donor agencies are largely outdated and do not meet current industry needs.
- Libya's private sector is demonstrating its ability to innovate with workaround solutions to market limitations.

RELEVANT RECOMMENDATIONS

12. Promote inclusion and transparency in CBL's digital finance reform efforts through support to strategy and public communications efforts
13. Establish capacity building and peer learning mechanisms for the CBL driven by best practices and regional examples
14. Support the CBL in facilitating the shift to electronic payments and in implementing the new national payment system project

For more information, read the Libya Digital Ecosystem Assessment Report.

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USAID'S DIGITAL STRATEGY

USAID's Digital Strategy was launched in April 2020 with the goal of supporting USAID partner countries through their digital transformations. It aims to improve measurable development and humanitarian assistance outcomes through the responsible use of digital technology and to strengthen the openness, inclusiveness, and security of partner country digital ecosystems.