



PHOTO: ABDULRAHMAN ELHADI

LIBYA PUBLIC FINANCIAL MANAGEMENT PROGRAM

OVERVIEW

2019-2024 • \$55 million • Implemented by The Pragma Corporation

Libya Public Financial Management (LPFM) assists Libya's sovereign economic institutions in implementing transformational reforms to provide key public services. Through national-level interventions and institutional capacity strengthening, its support lays the groundwork for socio-economic stability in Libya and more positive prospects for its people. Results are enhancing government accountability and transparency, strengthening Libya's electrical power grid, fighting corruption, and supporting the technical reunification of national institutions divided since Libya's 2014 civil war.

PRIORITIES

ENERGY

USAID is working with the General Electricity Company of Libya (GECOL) and the Renewable Energy Authority (REAOL) to meet electricity demand and eliminate power outages, while also introducing energy conservation measures and clean energy solutions.

BANKING

USAID supports the Central Bank of Libya (CBL) to strengthen the economic ecosphere, enhance economic diversification, and lay the groundwork for improved foreign investment and private sector engagement.

ACCOUNTABILITY

USAID strengthens the capacity of the Libyan Audit Bureau (LAB) and supports it to conduct credible and transparent audits of government institutions —reducing corruption and increasing transparency.

KEY RESULTS

- Helped stabilize the power grid, resulting in a 63 percent increase in electricity output, power cuts going from 17 hours a day in 2021 to zero hours in 2023, and the first Ramadan in years where the power stayed on.
- Developed an interactive billing platform for GECOL, doubling customer payments in two years, reducing dependence on government subsidies.
- Developed a National Energy Efficiency Action Plan implementing clean energy technologies to reduce Libya's electricity consumption by 20 percent over a five year period.
- Established the first ever Annual Monetary Policy Framework to effectively guide the CBL's monetary policies to contain inflation and foster economic growth.
- Aligned the banking sector with global best practices to facilitate efficient liquidity flows and expand financial services to the private sector.
- Enhanced foreign reserve management policies designed to significantly raise foreign reserve earnings and safeguard financial stability have been adopted.
- Transitioned Libya's banking supervision requirements to meet global best practice standards of Basel II Accords.
- Strengthened anti-money laundering/countering the financing of terrorism focus, systems, and capacity at the CBL and across the banking sector.
- In partnership with the LAB, trained and certified 45 auditors in accordance with international auditing standards - a first in Libya.
- Developed a digital strategy to transform the LAB's auditing systems/activities and pave the way for institutional reunification.
- Improved transparency, stakeholder trust and engagement, and achievement of organizational objectives through increased strategic communications/outreach at both CBL and LAB.