BACKGROUND

**Grantee:** Development Alternatives Inc. (DAI)
**Project Title:** Private Sector Engagement for Stabilization (PSES)
**Duration:** October 2016 – September 2018
**Project Amount:** $4.3 million
**Program Status:** The program has selected five pilot communities, completed its baseline economic study, and conducted quantitative and qualitative research in two of the five communities. It plans to launch interventions in the first two communities in October 2017 and all five communities by January 2018.

A Libyan man buys desert truffles, called Terfaaz, in Tripoli. Terfaaz mushrooms are considered a delicacy in Libya and can be found in arid parts of western Libya between the months of August and February. Improving the economic livelihoods for Libyans, including those working in the agricultural sector, will reduce the susceptibility of these populations to violent extremism.

DESCRIPTION

The PSES pilot project supports Libya’s private sector to play a proactive and constructive role in bridging divides and reducing conflict in five Libyan communities. Based on Libyan-led community consultations, PSES supports targeted economic activities that build citizen trust, economic cooperation and interdependence between the sides of five communities in conflict, with a particular focus on engaging women and youth. The overall goal is to boost stability and reduce community-level conflict while strengthening Libya’s burgeoning private sector.

PSES uses applied research to test interventions that support Libya’s private sector and consumer needs for stable markets, functional supply chains, and viable commercial infrastructure, and ascertains whether those interventions do in fact contribute to more stable communities.

USAID will share this learning and, if there is proof of concept, possibly seek to scale up this innovative pilot project.

PROGRAM ACTIVITIES AND OBJECTIVES

1. Baseline studies of economic opportunities and social perceptions in five communities across Libya;
2. Engagements with entrepreneurs and business people across multiple sectors, to support them as they identify shared business interests and paths to peace;
3. Development of assistance packages for private sector individuals and partnerships that will transcend the divisions sown by conflict;
4. Collaboration with the public sector to create a supportive business environment and to meet the service delivery and consumer needs of the citizens;
5. Integration of women’s priorities, as entrepreneurs and customers, in the program;
6. Support for reintegration efforts and creation of alternative livelihoods.