Local Peacebuilding & Resilience Strategy for Libya

From Stabilization to Peacebuilding and Resilience

2023 — 2025

United Nations Development Programme

Local Peacebuilding and
Resilience Strategy for Libya

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1. Summary

Libya faces a range of continuous threats to peace, justice, and the creation of strong inclusive institutions[1]. Implementation of the 2021 Libya Political Agreement (LPA) is slow, with significant contentious issues impeding elections, ongoing institutional fragmentation, and the emergence of a parallel cabinet. Slow implementation has stymied the institutional reforms necessary to reduce tensions across the country, with government highly centralized and personalized, a reliance on subsides and salaries to maintain public support, and the absence of a national development planning framework. Poor progress with the LPA and governance reforms reinforces widespread corruption and low levels of transparency, a hybrid security sector and weak rule of law, unaddressed human rights abuses, and restrictions on the civic space, especially for women.

The ongoing national political impasse has significant implications for peace and resilience locally in Libya. Libyans experience poor public services, limited economic opportunities, poor access to justice and security, and the threat of violent conflict. Peace and resilience needs differ across the country, with distinct experiences in the East, South, and West, but also at a more level. There are ten distinct subnational in the country, defined by shared dynamics such as integrated economies and trade routes, similar service shortfalls, or joint experiences of extremism. Peace needs differ at a subnational level, dependent on the presence and form of localized conflicts. Resilience needs also differ at a subnational level, as local social structures and norms dictate which groups are most vulnerable. Finally, local peace and resilience are influenced by the involvement of national political actors, as they look to project their influence and increase their authority.

At the same time, Libya has built significant capacity for peace and resilience. National government officials are more experienced in delivering services in fragile contexts, have committed to decentralization, and are embarking on ambitious reconstruction programs targeting areas damaged by conflict. Further, they can access Track II and III processes to work across political divides to deliver services and meet local needs. For their part, local municipal leaders have demonstrated significant skills in crisis management and have improved their ability to govern in a participatory manner. Further, municipal actions are reinforced by a range of informal mechanisms for local governance, security, and conflict management. Finally, Libyans have adapted to the country's economic crisis, through a proliferation of small and micro-businesses, and through the emergence of new private sector enterprises able to negotiate political conflict.

Recognizing the national political impasse, and local needs, UNDP's new *Country Programme Document (CPD)* contributing directly to the UN Sustainable Development Cooperation Framework for 2023–2025 agreed with the authorities, proposes to invest in peacebuilding and resilience at a local level, where state legitimacy can be built and where international aid can strengthen the resilience of Libyans, especially for the most vulnerable.

This investment builds on UNDP's programming since 2012 and its unique positioning in the country. It also marks a transition from immediate stabilization towards longer-term development and peacebuilding.

The focus on local peacebuilding and resilience complements the CPD's other objectives – to support accountable, effective and gender-sensitive governance, sustainable green growth and greater resilience to climate change. Importantly, given the intertwined nature of national and local peacebuilding and resilience, UNDP will synergize its actions to build peace and resilience locally, with efforts to building peace nationally and reach a sustainable political settlement, including the good office role of the Special Representative of the Secretary General for Libya.

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[1] *United Nations Libya Common Country Analysis.* 2021. Weblink.

This *Local Peacebuilding and Resilience Strategy for Libya: From Stabilisation to Peacebuilding and Resilience* will guide UNDP efforts, and its partnerships with counterparts and international partners. It has the ultimate purpose of building social cohesion between community groups at the local level, and greater trust in local and national institutions. The strategy looks to achieve the following outcomes:

1. *Enhanced capacity of local Libyan institutions analyse conflict, and to plan and monitor initiatives that build peace and resilience.*

   This entails: (1.1) establishing an area-based tension and vulnerability monitoring network, which is built up incrementally, with an initial pilot in the south; (1.2) agreeing participatory development and peacebuilding plans, in and across priority municipalities; and (1.3) fostering networks of professionals that can provide technical support to local conflict sensitive services, as well as technical external accountability.

2. *Sustainable local capacities and structures for local service delivery and conflict management.*

   This entails: (2.1) sustainable service interventions that build peace and enhance resilience, and are co-delivered by UNDP and Libyan institutions; (2.2) enhanced technical and civic capacities to deliver conflict sensitive local services, with a transfer of knowledge from UNDP to Libyan counterparts; and (2.3) enhanced women's services and capacity of women civil servants, through UNDP accompaniment of the Women's Development Department and local civil servants.

3. *The economy becomes a driver for peace and resilience locally across Libya.*
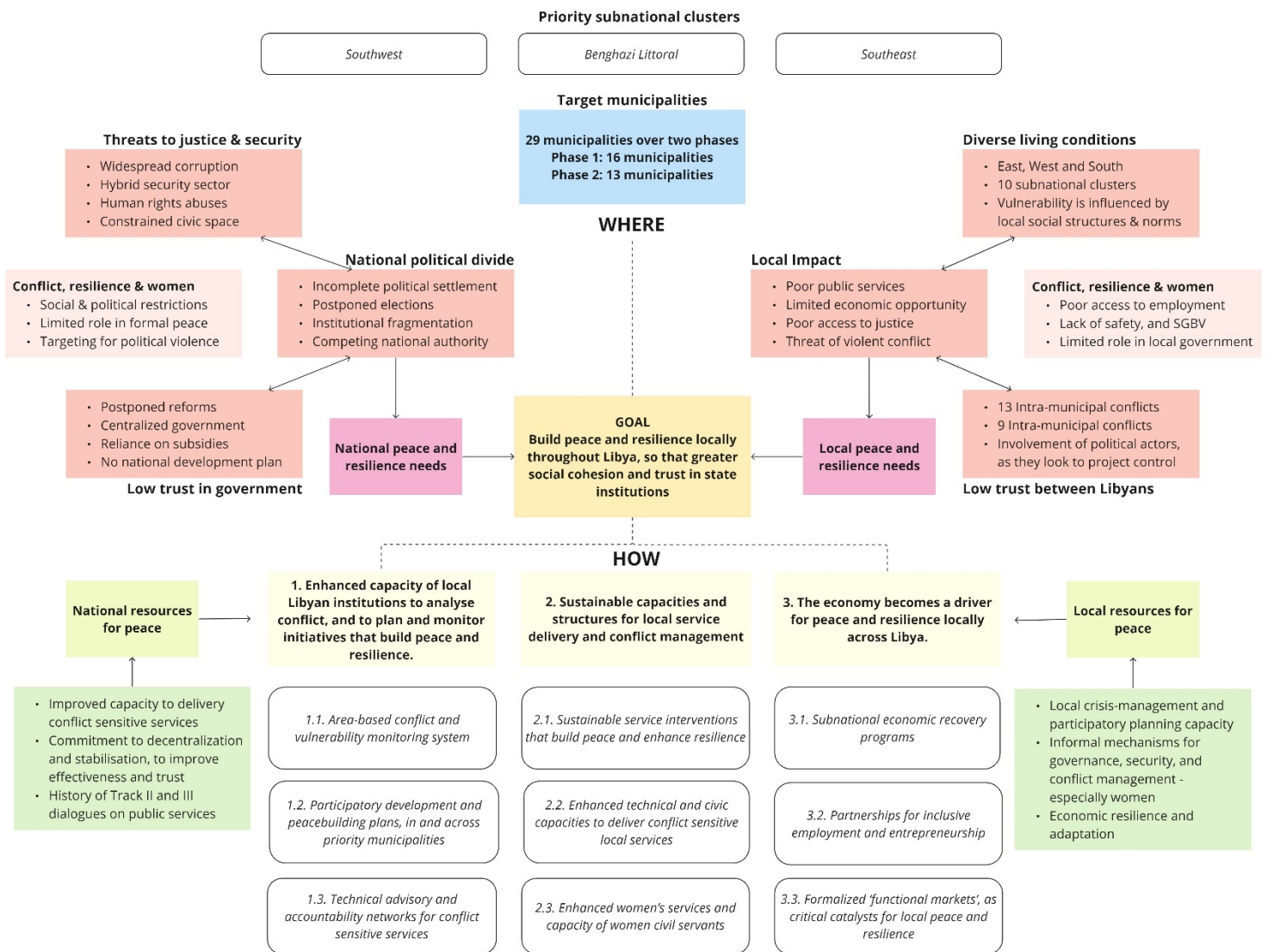
   This entails: (3.1) subnational economic recovery programs, which build dialogue and joint interventions between officials and private sector representatives across municipalities; (3.2) local partnerships for inclusive employment and empowerment, to catalyze small and medium businesses and provide an employment pathway for at-risk young people; and (3.3) plan for formalization of the 'functional markets' that provide local income, by integrating informal economic activities into the regulated market.

UNDP will follow an area-based approach targeting areas that are most vulnerable to tensions based on a careful assessment of subnational and municipal-level dynamics, as well as those that have greatest potential to catalyze peace and resilience. The Strategy outlines ten subnational areas in Libya that contains co-dependent dynamics between municipalities, and that are marked by shared conflict dynamics.

UNDP will target an initial 16 municipalities across the subnational clusters, with the potential to target an additional 13 municipalities as the program expands into a second phase. UNDP will prioritize the Southwest (with 15 municipalities targeted across the two phases), followed by the Southeast (three municipalities), and Benghazi and surrounds (two municipalities), with an equitable distribution of the remaining municipalities across Libya's other subnational clusters.

UNDP will work individually with each municipality, but also foster joint working between municipalities in the same cluster. This is because peace and resilience cannot be achieved at a municipal level given the interdependence between municipalities in the same clusters.

Figure 1: UNDP Peacebuilding and Resilience Strategy for Libya

Priority subnational clusters

| Southwest | Benghazi Littoral | Southeast |

Target municipalities

29 municipalities over two phases
Phase 1: 16 municipalities
Phase 2: 13 municipalities

WHERE

Threats to justice & security
- Widespread corruption
- Hybrid security sector
- Human rights abuses
- Constrained civic space

Diverse living conditions
- East, West and South
- 10 subnational clusters
- Vulnerability is influenced by local social structures & norms

National political divide
- Incomplete political settlement
- Postponed elections
- Institutional fragmentation
- Competing national authority

Local Impact
- Poor public services
- Limited economic opportunity
- Poor access to justice
- Threat of violent conflict

Conflict, resilience & women
- Social & political restrictions
- Limited role in formal peace
- Targeting for political violence

Conflict, resilience & women
- Poor access to employment
- Lack of safety, and SGBV
- Limited role in local government

- Postponed reforms
- Centralized government
- Reliance on subsidies
- No national development plan

National peace and resilience needs

GOAL
Build peace and resilience locally throughout Libya, so that greater social cohesion and trust in state institutions

Local peace and resilience needs

- 13 Intra-municipal conflicts
- 9 Intra-municipal conflicts
- Involvement of political actors, as they look to project control

Low trust in government

Low trust between Libyans

HOW

National resources for peace

1. Enhanced capacity of local Libyan institutions to analyse conflict, and to plan and monitor initiatives that build peace and resilience.

2. Sustainable capacities and structures for local service delivery and conflict management

3. The economy becomes a driver for peace and resilience locally across Libya.

Local resources for peace

- Improved capacity to delivery conflict sensitive services
- Commitment to decentralization and stabilisation, to improve effectiveness and trust
- History of Track II and III dialogues on public services

1.1. Area-based conflict and vulnerability monitoring system

2.1. Sustainable service interventions that build peace and enhance resilience

3.1. Subnational economic recovery programs

- Local crisis-management and participatory planning capacity
- Informal mechanisms for governance, security, and conflict management - especially women
- Economic resilience and adaptation

1.2. Participatory development and peacebuilding plans, in and across priority municipalities

2.2. Enhanced technical and civic capacities to deliver conflict sensitive local services

3.2. Partnerships for inclusive employment and entrepreneurship

1.3. Technical advisory and accountability networks for conflict sensitive services

2.3. Enhanced women's services and capacity of women civil servants

3.3. Formalized 'functional markets', as critical catalysts for local peace and resilience

2. Peace and Resilience Needs and Capacities in Libya

2.1. Peace and Resilience Needs

National peace and resilience dynamics

The signature of the LPA in January 2021, and the subsequent formation of the Government of National Unity (GNU) provided impetuous for stability in the country, through its potential to reintegrate state institutions, and by strengthening the shared bonds between Libyans by governing for all. However, practical implementation of the LPA has faced numerous challenges, not least in the failure to find a pathway to national elections that legitimizes and strengthens national governance. The GNU also made slow progress with re-establishing the integrity of national institutions, with difficult decisions on how to deal with the Interim Government's (IG) public servants and institutions repeatedly put on hold. The High Committee of Reunification of the National Planning Council (NPC) estimates that more than 140 institutions continue to be split or are at risk of future fragmentation.[2] The emergence of the GNS at the beginning of 2022 represents another hurdle to implementation of the political settlement forged by the LPA, as it builds separate institutional capacity and looks to build public support.

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[2] *The next institutional split: Challenges, Remedies, and Proposed Solutions: Discussion Paper*, November 2022. Not publicly available

This national political divide, and slow progress in implementing the LPA, has weakened national governance and public trust in national institutions. Firstly, it has stymied the institutional reforms that are necessary to provide national stability and reduce vulnerabilities across the country. There have been *ad hoc* reform attempts, for example, the Ministry of Local Government (MoLG) Decree 1500 (2021) on decentralization. However, these attempts are usually through decree, without sufficient channels for legislative and public scrutiny. This results in highly centralized and personalized government. Further, public revenues have not been diversified beyond the extractive industry, exacerbating conflict over resources, and deepening tensions between resource-rich areas in the South and East, and the urban areas in the Northwest. Public revenues are used to fund subsidies and salaries to maintain public support, rather than investing in public infrastructure, capital projects, or the private sector. Finally, the government has not formulated a national development planning framework to guide reforms and international aid.

Poor progress with the LPA and in reforming national governance reinforces systemic challenges to justice and security in the country. The oil-driven economy and public spending lead to corrupt practices and widespread use of patronage networks, meaning that access to wealth is often driven by status and connections, rather than merit and need. Despite increasing scrutiny from the National Audit Bureau, and its branch in Benghazi, transparency on the use of public finances is low, resulting in a high potential for misuse. In addition, Libya continues to suffer from a hybrid security sector, with formal police and security services co-existing alongside irregular armed groups, many of which are also paid for from the public purse. Some armed groups have the purpose of protecting a community, while others have morphed into national political actors. Irrespective of their form, armed groups have a strong influence over access to justice and the functioning of the rule of low. The result is widespread human rights abuses, including communal punishments, arbitrary arrest and detention, challenges to access housing, land, and property rights, and denial of documentation. The hybrid security sector has also led to increasing restrictions on the civic space, with activists often threatened and detained. This risk is most prominent for Libyan women.

Local peace and resilience dynamics

These factors have created an insecure environment for Libyans, reducing trust in state institutions and with each other. Libyans continue to suffer from poor public services, with the availability and quality of services differing across the country, and with public services weakest in the South of the country. This is partly due to the finances available, with 21% of the national budget spent on goods and services, compared to over 50% on salaries.[3] It is also because of under capacitated institutions that are not cost-effective. Poor public services are matched by limited economic opportunities, with public sector roles providing 86% of formal employment in the country compared to 14% by the private sector.[4] This means that those households without access to patronage networks can struggle to cover daily costs and has led to a substantial expansion of the country's black market. Again, this challenge is most evident in the South of the country. Access to justice varies considerably across the country and is influenced by standards in both formal police forces and local armed groups, and the degree to which they operate in accordance with social and traditional accountability. Finally, many Libyans continue to be threatened by past episodes of violent conflict, as well as the potential for future emergence. The threat of violence has contributed to over 200,000 Internally Displaced Persons in the country.[5]

Local experiences of services, economic opportunities, access to justice, and violent conflict, vary considerably. As noted above, it is more difficult to access services and job opportunities in the South, compared to coastal Libya. However, there are also significant discrepancies between the East and the West, with for example the East receiving only 20-25% of government spending.[6] The GNS has used this discrepancy as a rationale for creating eastern-focused institutions in parallel to those in Tripoli. However, there are also significant distinctions at a more local level in the East, West, and South, with each area of Libya facing specific challenges. This strategy is organised by ten distinct areas in the country, defined by measures such as

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[3] *United Nations Libya Common Country Analysis*. 2021. Weblink.
[4] OECD, 2016. The Development Dimension. SMEs in Libya's Reconstruction: Preparing for a Post-Conflict Economy. Paris.
[5] IOM Displacement Tracking Matrix
[6] *United Nations Libya Common Country Analysis*. 2021. Weblink.

shared economies, historical animosities, experiences of extremism, and the presence of minority groups.

Conflict dynamics, and hence peace needs, in each subnational clusters are influenced by the presence of localized conflicts, either inside a municipality as community groups compete to control local authorities and resources (intra-municipal), or between municipalities because of past grievances (inter-municipal). Vulnerability, and hence peace needs, in Libya is only partially based on demographic category (e.g., women, displaced person, or migrant), and is equally dependent on local social structures and norms, and whether a person is encompassed or excluded by them. This requires an adaptive approach to vulnerability that assesses social structures and norms at a sub-national level, and the types of exclusion they result in. Finally, local peace and resilience are influenced by the actions of national political actors, with those areas that are competed over by national actors at greatest vulnerability.

2.2. Constituencies and resources for peace

Despite these challenges, Libya has made progress in creating constituencies and infrastructures for peace and resilience at the national and local levels, which this Strategy will build from and strengthen.

National resources

Improved capacity to delivery conflict-sensitive services. Government officials have gained experience in planning and delivering services in a fragile context, demonstrating increased capacity for both public service management and conflict mediation. This capacity is visible across the range of line ministries, including the Ministry of Health (MoH), the Ministry of Education (MoE), and the MoLG. Indeed, the Libyan Government's established social protection programs have played a critical role in assisting Libyans to weather the storm of conflict and instability. National officials are aware that the capacity of national services to contribute to peace and resilience needs to further improve, and in his regard have expressed a desire to better monitor conflict tensions at a local level in order to take preventative actions to reduce vulnerabilities.

Commitment to decentralization and stabilisation, and hence effectiveness and public trust. In addition, the GNU has demonstrated its commitment to decentralization, which is critical for responding to the diverse needs across the country, and to taking on the burden of stabilisation activities, including reconstruction of areas damaged by war. The GNU has made progress on decentralization, through MoLG Decree 1500, which makes significant changes to Law No. 59 on local government[7] by devolving some competencies to local government, including public revenue collection and expenditure.

Ambitious reconstruction programming. The GNU has also announced a set of reconstruction funds to help rebuild areas damaged by war, most notably for Benghazi and Derna. This provides a vehicle for the government to take greater leadership on reconstruction efforts, rather than overly relying on the international community.

History of Track II and III dialogues on public services. Compared to 2014, Libya now hosts a range of sophisticated Track II and III processes that can bridge political divides to ensure the continued delivery of public services. The period 2014-2021 saw the development of Track II informal exchange between Tripoli and Al Beyda on a range of public services, including health and education. In addition, there is a range of professional Track III networks that continue to operate across the country, bringing for example networks of doctors or municipal leaders together to develop shared advocacy positions to national authorities. Finally, there are substantial Libya-led efforts pushing for the integrity of Libya's national institutions, and to reintegrate institutions when they have become divided. For example, the NPC recently facilitated an agreement between the National Audit Bureau and its Benghazi branch on cooperation to combat corruption.

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[7] Law No. 59 (2012) 'Concerning the Local Administration System' provides a legal basis for decentralization, through a system of governorates, municipalities, and constituencies. This Law led to the election of municipal councils from 2014 onwards. English translation of Law: https://security-legislation.ly/law/31807

Local resources

Local crisis-management and participatory planning capacity. Municipal authorities have provided an anchor of legitimate government with many enhancing their ability to manage crises and plan for local needs, in an inclusive manner and in partnership with local civil society. In addition, formal security and justice systems continue to function in Libya at a local level. Local officials' ability to manage crises in a participatory manner is undermined by slow progress in implementing Law No. 59 on decentralizations, as until 2021, it was not supplemented by additional administrative reforms to devolve competencies to local government, including public revenue collection and expenditure.[8] In addition, the membership of some Municipal Councils is disputed, with the dispute directly contribution to local conflict. These disputes generally have two forms, legal and representative. Legal disputes occur when two or more bodies claim to hold legitimacy as a Municipal Council. For example: 1) Murzuq's Municipal Council was disputed, and 2) since the end of the Libyan National Army (LNA) operations in Derna, the municipality has been managed by unelected officials from outside the town. Representative contest occurs in ethnically or tribally diverse municipalities when the Municipal Council is accused of being dominated by specific social groups. For example, in Aubari, Kufra, Sabha, and Sirte. Representative contests are more common occurrences than legal contests. Finally, the ability of local officials to deliver quality security and justice services is undermined by political pressures and physical threats officials because of the country's hybrid security sector.

Informal mechanisms for governance, security, and conflict management. In those places where municipal authorities are contested, alternative informal mechanisms gain prominence for managing relationships between social groups. This can include tribal mechanisms or civil society-led peace committees. Informal mechanisms also play an important role in providing oversight and accountability mechanisms over non-state armed groups operating within the country's hybrid security and justice sector. These mechanisms afford Libyans some level of protection from arbitrary arrest and detention and provide alternatives to dispute resolution from the formal court system. Informal mechanisms are supported by a growing national resource of 'Insider Mediators', comprising both traditional tribal leaders and new 'peace entrepreneurs'.

Economic resilience and adaptation. Libyans have demonstrated significant economic resilience, finding alternative paths of entrepreneurship, particularly for young people, all while building sophisticated capacity to manage political pressures and the economic demands of armed groups. Economic resilience occurs at a sub-national level depending on (*inter alia*) the resources available, the histories of trade between Libyans and across the region, and constraints posed by political elites and criminal groups. As such, it is essential to support economic resilience at a sub-national level. Libya has also seen the emergence of a new generation of private sector companies and leaders, that are invested in a more open economy that is less constrained by corruption and patronage networks. Finally, subnational economies are often driven by 'functional markets', that provide goods and services at a cost that families can afford, opportunities to earn money, and also peace dividends that suppress the drivers of violent conflict.[9]

3. UNDP's Approach and Learning

This *Local Peacebuilding and Resilience Strategy for Libya* aligns with UNDP's: 1) learning on effective programming in Libya; 2) UNDP's global and regional approaches to conflict and crises; and 3) long-term mapping of subnational conflict dynamics in Libya.

UNDP has made a substantial contribution to peace and resilience in Libya since 2012, developing a significant operational capacity, and set of learning on effective programing at the local level. UNDP delivered the *Stabilization Facility for Libya* from 2016 to 2022,[10] undertaking $95.4 million of infrastructure projects across 24 municipalities. These projects helped to rebuild areas damaged by war, reinforced local peace agreements, built trust between community groups, and strengthened the role of the municipalities. UNDP has played

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[8] Law No. 59 (2012) 'Concerning the Local Administration System' provides a legal basis for decentralization, through a system of governorates, municipalities, and constituencies. This Law led to the election of municipal councils from 2014 onwards. English translation of Law: https://security-legislation.ly/law/31807

[9] For an introduction to functional markets, see: Huddleston, R.J. and Wood, D., 2021. Functional Markets in Yemen's War Economy. *Journal of Illicit Economies and Development*, 2(2), pp.204–221. Weblink.

[10] *Stabilization Facility for Libya, 2016-2022: Community Stabilization to Recover from Conflict.* September

a leading role in enhancing the resilience of municipalities through the project *Strengthening Local Capacities for Resilience and Recovery*,[11] delivered across four phases encompassing respectively 12, 20, 33 and 19 municipalities. UNDP has supported local capacities for reconciliation a network of national 'Insider Mediators' in its project *Towards National Reconciliation in Libya*.[12] Finally, UNDP has contributed to resilience by support entrepreneurship and micro and small businesses,[13] including through its *Accelerator Labs*.[14]

UNDP's *Crisis Offer: A framework for development solutions to crisis and fragility*[15] proposes that UNDP works towards three solutions in crisis contexts – 'Anticipate and Prevent', 'Respond and Recover', and 'Protracted and Fragile Contexts'. Further, *UNDP's Strategic Plan 2022-2025*[16] provides UNDP's global approach, emphasising the importance of resilience as a 'signature solution' and 'direction of change. The Regional Arab States Framework *Development as a Pathway for Conflict Prevention and Recovery*[17] articulates UNDP's contribution to conflict prevention in the region as threefold – reducing the potential for violent conflict during social, political, and economic transformations, protecting development gains during crises, and supporting transitions back to more peaceful societies.

UNDP has commissioned a range of analyses of subnational peace and conflict dynamics to ensure the context and conflict-sensitivity of its programs. It developed a baseline with its 2015 analysis *Instability and Insecurity in Libya*.[18] UNDP built on this baseline by pioneering local social peace assessments for its stabilisation activities and conflict sensitivity assessments for resilience activities, as well as supporting the capacity of local interlocutors in participatory conflict analysis. In 2022, UNDP has taken further steps to systemise this approach through an agreement with Interpeace to undertake additional analyses across 14 municipalities. Finally, the strategy is informed by a long-term third-party analysis of peace and resilience dynamics.[19]

3.1. Effective Programming in Libya

UNDP has built up significant learning in effective programming on local peace and resilience in Libya:

Local engagement that manages political conflict and its impact. Libya's national political environment remains contested, despite the 2021 LPA, and sustainable political settlement is unlikely in the short-term. Political factions vie to control the national government and to shape the outcome of the transition. This was evident in the period 2014-2021, when the IG established itself as a competitor to the Tripoli-based government, creating parallel institutions and policy programmes. The emergence of the GNS in early 2022 means that Libya is likely to see a parallel authority again assert itself, reducing the legitimacy of the Tripoli-based Government, and widening social tensions. Even in the event of the failure of the GNS, alternative authorities are likely to again appear in the future. Therefore, it is essential to reinforce the resilience of decentralized government by building the capacity and functioning of municipalities to provide uninterrupted services, to act as a buffer between political groupings and local communities, and to manage local crises created by national political competition.

Capacity for informal policy dialogues. Reinforcing the resilience of local municipalities is by itself not sufficient given their dependence on the national government, for example, in financial allocations, legislative frameworks, and human resourcing. As parallel institutions assert themselves versus the Tripoli-based government, it is essential to strengthen the space for informal policy dialogues that bring together various institutions, political competitors, and municipalities to agree on urgent service needs. There is a history of such informal policy dialogue that can be built on, but in a manner that strengthens the voice and influence of

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[11] Project Weblink.
[12] *Evaluation report: Final Project Evaluation, Towards National Reconciliation in Libya*. October 2022.
[13] Local Peacebuilding and Resilience Programme: Fostering Inclusive Employment and Entrepreneurship in Libya. UNDP Libya briefing.
[14] Project Weblink.
[15] *UNDP's Crisis Offer: A framework for development solutions to crisis and fragility,* UNDP (2022). Weblink.
[16] *UNDP Strategic Plan 2022-2025*, UNDP (2021). Weblink.
[17] *Regional Bureau for Arab States Framework, 2022-2025, Development as a Pathway for Conflict Prevention and Recover*. November 2022
[18] *Instability and Insecurity in Libya: Analysis.* UNDP Libya. 2015. Weblink.
[19] CPCS. Baseline financed by BMZ, as part of its 2018 *Peace and Conflict Analysis of Libya: The potential for aid to promote peace*.

municipalities. Such actions are addressed under Pillar 1 of UNDP's CPD, *Accountable, effective and gender-sensitive government*, and are reinforced through this strategy.

Government understanding of conflict dynamics and capacities to plan for stabilisation. Tripoli-based government institutions have over ten years of experience in delivering services in a fragile and contested environment. Their capacity to do so, however, could be reinforced through more sophisticated institutional processes to collect and analyze information on subnational conflict tensions and vulnerabilities, and to use this analysis to deliver national services in a conflict-sensitive manner. In addition, the government's ability to respond to localized needs is often inhibited by internal bureaucracies and the challenges of building trust with beneficiary communities. Government institutions have shown variable capacity in this regard, and much could be learned from UNDP's experience in delivering stabilisation and resilience projects. As such, UNDP is well placed to transfer knowledge to Libyan institutions on data collective, and analysis, conflict-sensitive services, internal systems, and participatory planning, with the *Reconstruction Fund for Benghazi and Derna* providing a useful starting point.

Social peace assessments and participatory processes. The SFL was most successful at a local level when it had clear local peace goals, as established in social peace assessments, and through participatory planning processes. Social peace assessments are essential for understanding local drivers of tensions, and the relationships between community groups and local authorities. They also help identify the specific peace needs in a context, as the basis for establishing peace goals. Participatory planning processes ensure that all community groups have a stake in the projects being delivered, reduce the potential that projects will enflame tensions or lead to violence, and help build more positive relationships across communities divided by conflict.

Planning for the impact of limited statehood. Libya suffers from severe limited statehood. National institutions have struggled to project their authority across the country. Activities to promote local peace and resilience in Libya need to take into account the different manifestations of limited statehood[20] in the country. In the East of Libya, limited statehood is driven by long-term aspirations. This desire is based on historical distrust of Tripoli, a perception that Tripoli prioritizes the needs of the west, and frustration over budget allocations. Limited statehood in the South is driven by geographic marginalization from coastal areas and national institutions. This has created an economic and service gap with the rest of the country – one that is reinforced by ongoing ethnic and tribal conflicts over resources, a distinct socio-economic eco-system that cuts across Libya's borders, and the prevalence of informal economic activities (including, human trafficking, weapons, and currency), which can both help local communities economically and reduce systemic resilience. Limited statehood in the West is driven by a proliferation of local inter-municipal conflicts, which have resulted in pockets of insecurity and local power holders outside the control or influence of central authorities.

Area-based approaches and adaptive management at the sub-national level. While the East, South, and West of the country manifest limited statehood in different ways, local contexts within the East, South, and West can diverge rapidly. As a result, effective programing on peace and resilience in Libya entails adopting an area-based approach, with capacities to analyse the context and deliver programs based on the specific dynamics in each area. An area-based approach to programming will help UNDP to address context-specific vulnerabilities and promote integrated socioeconomic recovery and community resilience. An area-based approach, when co-joined with local consultative structures, will enable UNDP's programs to rapidly adapt to changes in the local context. Area-based programming is best organised around clusters of municipalities that share similar characteristics, and where conflict dynamics and resilience needs overlap. For example, border communities can share similar experiences of weak border controls and migratory patterns.

Networking and connectivity across the country. Libya has become significantly fragmented, between the East, South, and West, and locally depending on the nature of conflict and resilience dynamics. This lack of social connectivity undermines social cohesion, nationally, in

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[20] Limited statehood refers to those "parts of the territory or policy areas in which the central government lacks the capacity to implement decisions and/or its monopoly over the means of violence is challenged." Risse, T. (2014). "Limited Statehood: A Critical Perspective" in *The Oxford Handbook of Transformations of the State*. Leibfried, S., Huber, E., Lange, M., Levy, J. and Stephens, J. (eds.). Oxford: Oxford University Press.

the East, West, and South, and at a local community level, making both a national political settlement and local stability less likely. There have been some improvements in connectivity since 2018, as episodes of localized armed violence lessened, and since 2021, as the LPA encouraged greater interaction between political leaders in the East and West. This improvement needs to be actively reinforced through the creation of networks of agents of change, and by building enclaves of accountability and "islands of integrity" to promote development planning, democratic governance, transparency, rule of law, and institutional development. Given deficits in the presence and reach of national civil society (see below), networking is most effective when pursued through professional bodies, such as municipal associations.

Support civil society locally and strengthen CSO's ability to work nationally. National civil society was limited during the Qaddafi period, and there are still few Libyan organizations with a national reach and ability to work across the country. The fragmentation of the Civil Society Commission between the Benghazi and Tripoli branches has further challenged civil society organizations (CSOs) and limited their ability to work with national government counterparts. Further, GNA Decree 286 (2019) created uncertainty for many organisations, as it requires CSOs to re-register, but does not specify the grounds on which registration can be rejected, leaving the process open to arbitrariness and abuse.[21] This decree has been used to close organisations, and to politically target civil society leaders and their family members. By contrast, local civil society is vibrant, enjoys local influence, and has proved itself a determining force in the level of conflict and resilience experienced at the sub-national level. Hence this strategy emphasizes capacity-building of local civil society, through co-location, resourced "learning by doing" initiatives, and mentoring and coaching to localize knowledge and expertise, so that Libyan civil society takes a leading role in planning for local peacebuiliding and resilience. The Strategy also looks to encourage partnerships between local civil society and national institutions, and to build the capacity of civil society to work nationally.

Importance of conflict economies, and an area-based approach to economic development. The protracted crisis and transition in Libya provide economic benefits to elites, entrenching their support for the status quo situation. The country's conflict economy is based on Qaddafi-era patronage networks and the national social contract, which maintains public support through the distribution of services and salaries. This very social contract has, however, undermined economic resilience, the private sector and entrepreneurship, with the overall impact of reduced household incomes and heightened vulnerability, especially for those with less access to patronage networks. Sustainable national political settlement and local peace and resilience are hard to achieve without addressing the conflict economy and elite interests in the status quo. However, the nature of war economies diverges across the country, hence the need to plan for them on an area-by-area basis. This is especially true of the South, given its relative deprivation, and the dominance of the black market, compared to the rest of the country. As a result, this Strategy looks at practical measures for growing the private sector, Public Private Partnerships (PPP) and entrepreneurship, to shift incentives in the political economy, and support resilience at a local and sub-national level.

Reinforcing links between informal and formal governance. Given the struggles of national government institutions to project their influence and overcome the country's various forms of limited statehood, Libyans have 'gone local' relying on municipalities to provide stability and services. These formal institutions of local government are supplemented by informal decision-making bodies, such as councils of elders, civil society unions, and armed groups associations. In the areas struggling with internal conflict, the municipality often becomes disputed and a source of conflict, meaning that informal groups gain influence and importance to the community. In addition, in an attempt to build public support for international projects, international organisations have created a range of local consultative mechanisms for civil society and informal leaders. In places of conflict, these are often detached from the municipality. While this approach helps to deliver individual projects, it does not create sustainable mechanisms for public consultation nor help build relationships and trust between the communities and local authorities. Hence, this strategy prioritizes the building of sustainable mechanisms for public consultation.

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[21] "Libya's Interim Government Must End Civil Society Crackdown". Aljazee,ra. Sept 17, 2021.
https://www.aljazeera.com/opinions/2021/9/17/libyas-interim-government-must-end-civil-society-crackdown

Strengthening Insider Mediation capacity. Peace and resilience at the local level are often driven by Libyan Insider Mediators who facilitate ceasefires and social agreements. This includes tribal mediators and new "peace entrepreneurs", often young civil society members or local government representatives. These Insider Mediators are essential for the future of Libya but are learning as they go, and often focus on temporary agreements, rather than addressing the underlying causes of conflict and taking a structured peacebuilding approach. The impact of Insider Mediators can be enhanced by increasing their capacity to work on the underlying drivers of conflict, and to facilitate national and political dialogues, moving Inside Mediation from the local to national level.

Mainstreaming women's empowerment in a context-sensitive manner. Libyan women were historically marginalized during the Qaddafi period, mostly constrained to family roles, with their public roles largely limited to mid-level public administrators or workers in the health and education sectors. The rights of Libya women have not improved since the revolution and by many measures have been set back. In particular, women with prominent public roles, or visible in the public sphere, can suffer socially, or be the victim of extra-judicial arrests, violence, and even assassination. Indeed, the question of women's rights has become a political issue, with government initiatives to promote women's rights likely to be attacked for undermining Libya's Islamic and traditional values. In addition, women's ability to participate in social and public life at the local level is often restricted by the security dynamics and attitudes of local power holders. Despite these restrictions, women's networks continue to play an important role in progressing peace and resilience, at both the national and local levels. At a more local level women have been integral to mediation and peacebuilding initiatives, especially in the south of the country.

Adaptive approach to vulnerabilities and resilience. Given Libya's status as a middle-income country, the limited humanitarian needs in the country (versus development needs), and the importance of traditional and informal structures for managing needs, a traditional lens for understanding and addressing vulnerabilities is less useful in the country. This means that addressing vulnerabilities by categories, such as displaced persons, migrants, or young people, is not entirely helpful for building resilience. Vulnerability is best assessed by identifying who is encompassed by social structures and norms in each area, and who is excluded from them. For example, a displaced group may be encompassed local social structures and not be more vulnerable than the host community, while a displaced group in the same town may be excluded, and hence suffer from political and economic marginalization, and targeting by security and justice actors.

Importance of dealing with the past. Libya's slow progress towards a sustainable political settlement, and the proliferation of local conflicts are largely due to layers of grievance and injustices. These grievances and injustices manifest in 'marginalization narratives' that create tensions between social and political groups, and a fear for each group that the central state will not guarantee their rights. For example, in Zuwarah many believe the Tripoli government is biased against Amazigh language rights, despite the role of Amazigh groups in the revolution, while the surrounding towns of Jmel and Raqdalin, have a narrative that young men from the towns can be arrested and detained outside of due process as they are perceived as "pro-Qaddafi". As such, in parallel to any political settlement, it is essential to build processes for dealing with the past, with an emphasis on reconciliation and transitional justice. There is impetuous for this, with the Presidential Council (PC) launching a *Strategic Vision for National Reconciliation* (June 2022) and tasking the NPC with its implementation. UNDP will contribute to transitional justice through its Pillar 1 actions to enhance accountable, effective, and gender-sensitive governance.

Risks to formal security and justice sector workers. Libya's security and justice sector is hybrid, with formal security and justice institutions existing alongside a range of local community-controlled armed groups, and some that have gained national political influence. This hybrid format brings great risks for those security and justice workers that look to apply Libyan law and follow international best practice in the rule of law. Local security and justice sector workers can suffer threats and intimidation from armed groups, whether mandated by the government or controlled by a community. This has made it very difficult to plan for Security Sector Reform (SSR) in the country. This also means that Libyans, and all of those living in Libya, have limited trust in the legal system as access to justice is dependent on (*inter alia*) who you know, where you are from, your gender, and your wealth, rather than on a rules-based justice system.

3.2. Development as a pathway for conflict prevention

UNDP's Strategy *Local Peacebuilding and Resilience in Libya* follows best practices for how to prevent conflict and build resilience through development activities, as captured in *Development as a Pathway for Conflict Prevention and Recovery* and the *Global Crisis Offer*. States in the Middle East and North Africa are undergoing three sets of long-term transformations – political, economic, and social – each of which influence the potential for violent conflict. Political transformation entails a shift in the social contract, from one that values stability through government by elites and traditional patronage networks, to one that builds legitimacy by creating channels for consultation and democratic oversight. Economic transformation entails a shift from a reliance on patronage networks and rentier systems to distribute economic opportunities, towards a more open and market-driven system characterized by entrepreneurship. Social transformation entails balancing tribal and traditional ways of organizing society, with the mainstreaming of global norms, human rights, equal opportunities, and rule of law. These transformations are essential for preventing future violence, by ensuring states are best able to manage the aspirations of social and political groups. However, they also bring risks of violence as they can run contrary to existing interests. All three of these transformations are visible in Libya at the national and local levels, setting the potential for peace and resilience in the country.

Development activities are key to successful management of these transformations, and UNDP is uniquely placed in Libya to drive peace and resilience through development activities, given its experience in the country, and its wide range of partners. UNDP Libya's toolkit can: 1) help prevent violence during social, political, and economic transformations; 2) protect development gains during bouts of violent conflict, thus laying the ground for early recovery, and 3) assist long-term war-to-peace transition in the country. These three approaches align with the three UNDP solutions in the *Global Crisis Offer* (respectively): 1) 'Get ahead of the crisis curve: anticipate and prevent crisis; 2) 'Invest in hopes – from jobs to justice: sustain development gains during crisis'; 3) 'Break the cycle of fragility: transform protracted and fragile contexts'. In applying this approach, UNDP will focus on the following specific tools.

Help prevent violence during social, political, and economic transformations

- **Governance and political reforms**, with a focus on national approaches to tension monitoring, using monitoring to deliver conflict-sensitive services, and standards for decentralized participatory planning that leads to local development and peacebuilding plans.
- **Sustainable economic development, resource management, and environmental peacebuilding**, through the development of subnational economic plans, by supporting functional markets, and by catalyzing the private sector.

Protect development gains, thus laying the ground for early recovery

- **Maintenance of public services**, by supporting service delivery at a subnational level, and by intensive knowledge transfer, to empower Libyan institutions to take over delivery.
- **Professional exchanges (Track II and III),** that bring together networks of Libyans (including diaspora) to support better policymaking on decentralized government, and to promote service delivery that supports peace and resilience.
- **Resilience**, by supporting individual and social resilience to violence, via building capacities of subnational government to agree local development and peacebuilding plans through participatory processes via new bodies (e.g., Community Development Department).

Assist long-term war-to-peace transitions

- **Stabilisation & reconstruction**, by engaging in substantial knowledge transfer to Libyan-led initiatives to stabilize local contexts and reconstruct areas damaged by war.

Core toolkit – across all approaches

- **Social cohesion**, by building horizontal relationships between social groups in the target areas, and vertical relationships by reinforcing trust in the willingness and ability of institutions to respond to Libyans' needs.

- **Participatory early warning**, through a tension and vulnerability monitoring system, developed and delivered jointly by national and subnational institutions, as well as non-state Libyan actors.
- **Local participatory dialogues**, through consultation processes, to develop local development and peacebuilding plans.

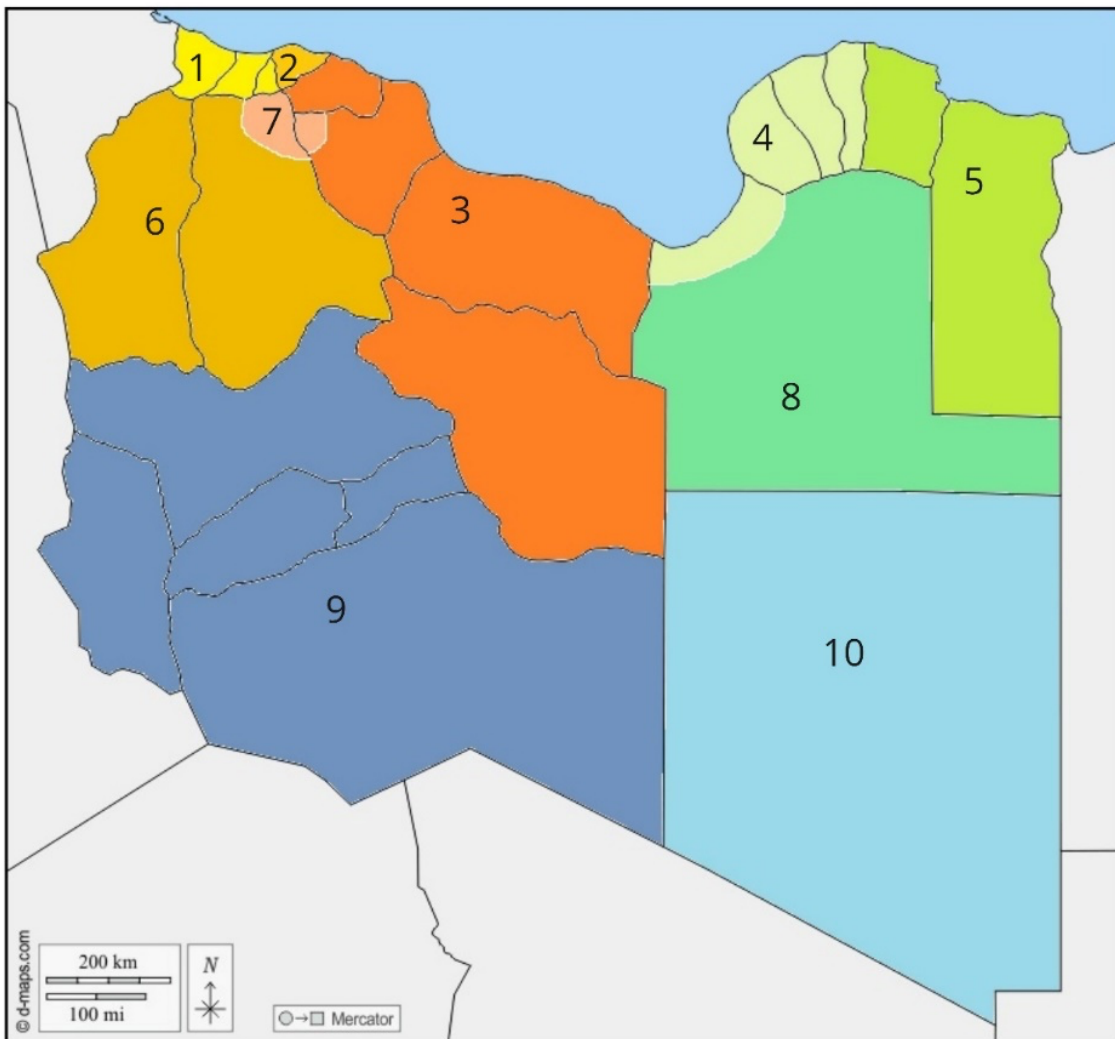*Context management tools – to assist UNDP to deliver effectively*

- **Conflict sensitivity**, by mainstreaming conflict sensitivity in the delivery of the outputs, and by encouraging more conflict-sensitive practices among Libyan partners.
- **Double / Triple nexus**, by using the results of tension and vulnerability monitoring to provide an evidence base for more effective HDPN planning.
- **Area-based and adaptive programming**, by focusing on subnational areas that are co-dependent, and by prioritizing those areas in greater need of support.

3.3. Area-based approaches to local peace and resilience

The strategy is driven by a long-term analysis of subnational peace and resilience dynamics in the country. This analysis clusters areas of the country into co-dependent clusters, explaining the dynamics of each,.

Local municipalities exist in co-dependent clusters, with each cluster comprised of towns and communities that share a unique political, social, economic, and cultural ecosystem. This means that an economic, security, or political shock in one municipality, will materially impact the stability of other municipalities in the same cluster. This means that local efforts towards peace and resilience should focus on clusters of municipalities that are co-dependent, rather than on individual municipalities.

Figure 2: Main characteristics of co-dependent clusters (table overleaf)

Area	Key municipalities & constituencies	Key dynamics	Key conflicts or conflict issues	Risk of violence & unrest	Strength of justice issues	UNDP Priority Tier 1 16 mun	UNDP Priority Tier 2 13 mun
1. Littoral West	▪ Warshafanah ▪ Zawaya ▪ Zuwarah	▪ Transport routes ▪ Customs ▪ Migrant / trafficking routes ▪ Extremist support ▪ Minority rights	▪ (10) Zawia vs. Warshafanah ▪ (12) Zuwarah vs. Zlitan, Al Jamel, Raqdalin *Overlap* ▪ (11) Zawia vs. Bani Walid *Secondary* ▪ Sabratha vs. Surman ▪ Sabratha (internal)	Medium	Medium	Sabratha	
2. Tripoli & Surrounds	▪ Janzour ▪ Tajoura ▪ Tripoli municipalities	▪ Institutional infrastructure ▪ Shared public service needs ▪ Black market interests	▪ Control of government ▪ Control of public revenues ▪ Control of black market *Overlap* ▪ (2) Bani Walid vs. Suq al Juma	High	Medium	Tripoli	
3. Littoral central	▪ Khoms ▪ Misrata ▪ Msallata ▪ Sirte ▪ Tawergha ▪ Wadan ▪ Zliten	▪ Transport routes ▪ Business and trade ▪ Heavy war damage ▪ Extremist support	▪ (8) Misrata vs. Tawergha ▪ (9) Misrata vs. Sirte ▪ (15) Sirte *Overlap* ▪ (1) Bani Walid vs. Misrata	Medium	High	Tawergha	
4. Benghazi & surrounds	▪ Ajdabya ▪ Marj ▪ Bayda ▪ Benghazi	▪ Oil infrastructure ▪ Institutional infrastructure ▪ Military infrastructure ▪ Heavy war damage ▪ Federalist movement ▪ Extremist support	▪ (20) Ajdabya ▪ (21) Benghazi	High	Medium	Benghazi Ajdabya	

Region	Key Locations	Drivers	Conflicts				
5. East Littoral	▪ Derna ▪ Tobruk	▪ Customs ▪ Transport routes ▪ Customs ▪ Federalist movement ▪ Extremist support	▪ (22) Derna *Secondary* ▪ Derna vs. surrounds	Low	High	Derna	Tobruk
6. Western (Nafusa) mountains	▪ Ghadames, ▪ Jalu ▪ Kikla ▪ Nalut ▪ Yafran ▪ Zintan	▪ Transport routes ▪ Business and trade Minority rights	▪ (3) Kikla vs Gualish ▪ (4) Kikla vs. Zintan ▪ (6) Nalut vs. Zintan ▪ (7) Nalut & Jadu Vs. Sian (Tiji & Badu) ▪ (13) Ghadamsia vs. Awal Tuareg *Overlap* ▪ (5) Gharyan vs. Zintan *Secondary* ▪ Zintan vs. Mshashya	Low	Medium	Kikla	
7. Western Crossroads	▪ Bani Walid ▪ Gharyan ▪ Terhouna	▪ Transport routes ▪ Migrant/trafficking routes ▪ Tribal linkages (Warfalla)	▪ (14) Bani Walid *Overlap* ▪ (1) Bani Walid vs. Misrata ▪ (2) Bani Walid vs. Suq al Juma ▪ (5) Gharyan vs. Zintan ▪ (11) Zawia vs. Bani Walid	Low	Low		
8. Eastern Crossroads	▪ Jalu ▪ Ojala ▪ Jekhera	▪ Oil infrastructure ▪ Migrant / trafficking routes ▪ Tribal linkages (Zawia)	*NA*	Low	Low		Jalu Ojala Jekhera
9. Southwest	▪ Ubari ▪ Brak, ▪ Ghat ▪ Murzuq ▪ Qatrun ▪ Sebha ▪ Sharqiya ▪ Bint Baya	▪ Oil infrastructure ▪ Customs ▪ Migrant / trafficking routes ▪ Isolation ▪ Shared public service needs ▪ Minority rights	▪ (16) Ubari ▪ (17) Murzuq ▪ (18) Sebha	High	Medium	Sebha Ubari Murzuq Brak Ghat Qatroun Sharqiya	Bint Baya Al Ghrefa Gudra Taraghin Wadi Ethba Idri Derj Shawerif

	▪ Al Ghrefa ▪ Gudra ▪ Taraghin ▪ Wadi Ethba ▪ Idri ▪ Derj ▪ Shawerif						
10. Southeast	▪ Kufra ▪ Rabyanah ▪ Tazerbo	▪ Customs ▪ Migrant / trafficking routes ▪ Isolation ▪ Shared public service needs ▪ Minority rights	▪ (19) Kufra *Secondary* ▪ Arab Zawya and Tebu in region	Low	High	Kufra Rabyanah	Tazerbo

4. Strategy

4.1. Goal

The **goal** of the strategy is to build peace and resilience locally throughout Libya, so that
- there is greater social cohesion between community groups at a local level (horizontal trust)
- and greater trust among all community groups that local and national state institutions are able and willing to meet their needs (vertical trust).

This goal is informed by the following theory of change: *IF* Libyan institutions have greater capacity to analyse localized conflict tensions, and to plan and monitor service delivery that manages tensions, *AND* if sustainable capacity is built to deliver services critical for managing conflict, *AND* local economic transformations are supported, challenging incentives for patronage and corruption, and providing economic resilience and peace dividends, *THEN* Libyan social groups will have greater trust in national and local state institutions, *AND* greater trust in each, *AND* as a result will be more resilience to local calls to violence.

4.2. Outcomes, and outputs

Its planned **outcomes** and **outputs** are:

1. Enhanced capacity of local Libyan institutions to understand conflict, and to plan and monitor initiatives that build peace and resilience.

IF UNDP can strengthen local institutions' capacity to understand conflict dynamics, *AND* their capacity to plan and monitor gender-sensitive peace interventions, *AND* foster a range of analysis, planning, and monitoring partnerships, especially with women leaders, *THEN* local institutions are more likely to undertake actions that contribute to peace at the local level *AND* are more likely to meet women's needs and empower women's leadership.

1.1 Area-based conflict and vulnerability monitoring system. UNDP will work with partners to establish an area-based monitoring system for local conflict and resilience dynamics.
- The system will monitor a set of indicators for vulnerability to conflict, and levels of resilience. Some key dynamics to be monitored include (inter alia) water resources and their management, political economy, and exclusion from social structures and norms.
- This monitoring will integrate risk management and conflict sensitivity, to ensure that it is not misused to promote a conflict party's interests or for political purposes.
- Monitoring will build on regional best practice, such as the Tension Monitoring System (TMS) in Lebanon.
- Monitoring would be done in partnership across UN agencies (e.g., building on OCHA's humanitarian initiatives).
- UNDP will build the capacities of Libyan institutions to conduct monitoring over the long term (e.g., Libyan universities and research institutes).
- Products would be shared with all partners to the program, notably through the Local Peacebuilding partner's group.

1.2 Participatory development and peacebuilding plans, in and across priority municipalities. UNDP will build the capacity of priority municipalities to agree local development and peacebuilding plans.
- UNDP will work with the MoLG and other Libyan counterparts to develop national standards in participatory planning for local peacebuilding and resilience. The national standards will draw on learning from local peace planning already conducted by UNDP and its partners.
- UNDP will support priority municipalities to establish sustainable consultative processes through the Community Development Department created by Law 1500.

- Each consultative process will be tailored to the local context and will build on existing initiatives, including those created by INGOs and Libyan NGOs.
- UNDP will build the capacity of each Community Development Department to manage its process in line with the national standards in participatory planning.
- UNDP will also organize an outreach and capacity-building programme for informal bodies, including Shura councils and other civil representative bodies, so that they can properly participate in the consultative process.
- UNDP will identify effective local insider mediators and peace entrepreneurs in each target municipality that can facilitate difficult discussions between local constituencies, and manage tensions that arise during the planning process.
- Each consultative process will agree a development and peacebuilding plan, drawing on information provided by the monitoring network (1.1).

1.3 <u>Technical advisory and accountability networks for professional services.</u> UNDP will establish technical advisory networks, to help priority municipalities plan local professional services.
- UNDP will strengthen existing (or create where they do not exist) network of professional experts for each key service issue, such as water resource management, waste disposal, local employment, or cultural heritage.
- The networks will operate nationally, providing advisory support to each target municipality as required.
- The networks will provide an external form of accountability for local municipal perspectives by monitoring the services delivered from a technical perspective. This technical accountability over municipal planning will mirror the community accountability developed in 1.2.

2. Sustainable capacities and structures for local service delivery and conflict management
IF UNDP can deliver sustainable service interventions critical for peace and resilience, **AND** over time transfer knowledge to Libyan counterparts to deliver such intervention in a conflict sensitive manner, **AND** supports local capacities to deliver service needs tailored to women's needs, **THEN** local basic services will be better able to meet local needs, including women's, **AND** public trust will be built in municipalities, **AND** local tensions are less likely to result in violence. This outcome entails:

2.1 <u>Sustainable service interventions that build peace and enhance resilience</u>. UNDP will work closely with local authorities and their partners to deliver service improvements that will build peace and enhance resilience.

- UNDP will work with municipalities and other partners to undertake the priority service interventions identified in the consultative processes (1.2).
- The nature of each local intervention will depend on the plan developed in each target municipality. Types of interventions include (inter alia) rehabilitation of public buildings and infrastructure (e.g., wastewater facilities), and community safety initiatives (e.g., public lighting).

2.2 <u>Enhanced technical and civic capacities to deliver conflict sensitive local services</u>. Over the lifespan of the program, UNDP will transfer knowledge on service delivery in complex conflict contexts to Libyan counterparts.
- UNDP will provide an intensive programme of accompanied service delivery in the target municipalities, building municipal capacity to deliver conflict sensitive services in the future.
- By working with and through Libya's reconstruction funds (e.g., the Benghazi and Derna Fund) and in partnership with national institutions (e.g., the Ministry of Local Government and Ministry of Planning) UNDP will build the capacity of national counterparts to manage large scale or critically important works.

- This will include fund management, whole of government planning processes (across service areas), and facilitation of community and political interests in development.
- In parallel, UNDP will identify internal mediators who are able to assist Libya authorities to mediate conflict tensions related to development.

2.3 <u>Enhanced women's services and capacity of women civil servants</u>. UNDP will enhance the capacity of the Women's Development Department and local civil servants to identify women's specific service needs, and lobby for these service needs within local administrations.
- UNDP will agree a capacity development programme for Women's Development Departments together with the MoLG and other Libyan counterparts.
- UNDP will then deliver the capacity development programme in each area.
- UNDP will establish an advisory resource group for women local civil servants, building on existing initiatives (e.g., Women's Leadership Academy).

3. The economy becomes a driver for peace and resilience locally across Libya.

IF UNDP supports subnational economic recovery and development that reinforces regional cooperation, especially in the South, *AND* it catalyzes entrepreneurship and the private sector at a local level, especially among young people and women, *AND* it supports measures that strengthen and formalize the 'functional markets' that enable Libyans to survive, while also providing a peace dividend, *THEN* subnational and local economies will diversify, providing more sustainable livelihoods, *AND* the incentives supporting the conflict economy will weaken.

3.1 <u>Subnational economic recovery programs.</u> UNDP will support sets of municipalities and private sector actors in an area to agree joint programmes for economic recovery.
- UNDP will network priority municipalities and economic actors to jointly plan for economic recovery.
- The economic recovery programs will complement and parallel the plans for service enhancements that increase peace and reduce vulnerabilities (Outcomes 1 and 2).
- Each economic recovery program will focus on the specific needs and opportunities of a codependent cluster. Potential components include economic enterprise zones, supply chains for critical sectors (e.g., agriculture in the south), and job skills.
- A key part of the development of the program will be to support economic actors to forecast and lobby for economic interests.

3.2 <u>Partnerships for inclusive employment and entrepreneurship</u>. UNDP will work with municipalities to establish partnerships that catalyze micro, and small businesses, and provide work skills and employment pathways for young people.
- The partnerships will be tailored to each municipality, building on the proven model of local incubators.
- Partnerships will encompass relevant civil society, and private sector companies.
- The program of partnerships will be conducted under oversight from MoLG, via its 2021 resolution on 'Business Incubators and Accelerators' and will also require liaison with the Ministry of Labor (MoL).
- Over time, UNDP will work with national counterparts on programs to increase access credit for entrepreneurs.

3.3 <u>Formalized 'functional markets', as critical catalysts for local peace and resilience.</u> UNDP will provide advisory support to Libyan authorities to plan for measures that help formalize informal economic activities that enable communities to survive and provide peace incentives.
- Mapping and measurement of the informal economy using comparable methodologies.
- UNDP will work with local and national authorities to apply best practices in order to simplify labor market regulations to ensure greater flexibility and facilitate informal workers' entry into formal employment.

- UNDP will foster digital platforms to eliminate excessive regulations and bureaucratic requirements and help small and medium-sized enterprises grow within the formal sector.
- UNDP will support national stakeholders in designing and implementing policies to enhance financial inclusion by promoting expanded access to formal (or bank-based) financial services.

4.3. Principles and Logframe

The Strategy is designed to adhere to the following principles:
- *Gender responsiveness*. The strategy examines and actively addresses gender norms, roles, and inequalities to systematically meet commitments to the Women, Peace, and Security (WPS) agenda and to advance gender equality and women's empowerment in crisis contexts.
- *Youth responsiveness*. This strategy is in line with UNDP's commitment to the global Youth, Peace, and Security (YPS) agenda to enhance the voice and capacities of young men and women in the country
- *Mainstreaming inclusion and accessibility of Persons with Disabilities (PWD).* The strategy will encourage an enabling environment for PWD to play an active and meaningful role in society.
- *Conflict Sensitivity*. Systematically ensuring that the design and implementation of programmes do not exacerbate conflict dynamics, by using a conflict-sensitivity lens.
- *Context-specific*. Programming that is tailored to the risks, capacities, drivers, and dynamics of each individual context, including its political economy.
- *Development Effectiveness*. The range of commitments to enhance the quality, impact and effectiveness of international development cooperation as outlined in the Busan Partnership for Effective Development Cooperation.
- *Quality Standards for Programming*. The strategy applies UNDP's quality standards for programming, adapted to crisis and fragile contexts: strategic, relevant, principled, management and monitoring, efficient, effective, sustainability and national ownership.
- *Risk-Informed*. The strategy is informed by levels of risk rather than income levels.
- *Universal Values as Enshrined in Agenda 2030*. A human rights-based approach, leave no one behind (LNOB) and gender equality and women empowerment; through alignment with international norms and standards, equality, and non-discrimination; active and meaningful participation; and robust accountability mechanisms.

The overall logical framework of the Strategy and its linkages to CPD's Pillar 1 on governance, and Pillar 3 on climate change and energy, is provided in figure 8 overleaf:

Figure 8: Local Peacebuilding and Resilience – Logframe and Linkages

Goal	Outcomes	Outputs	
Build peace and resilience locally throughout Libya So that there is… Greater social cohesion between community groups at a local level, and…	*1: Enhanced capacity of local Libyan institutions to analyse conflict, and to plan and monitor initiatives that build peace and resilience.*	**Direct outputs in Pillar 2**	**Output 1.1:** Area-based tension and vulnerability monitoring system. **Output 1.2:** Participatory development and peacebuilding plans, in and across priority municipalities. **Output 1.3:** Technical advisory and accountability networks for conflict sensitive services.
		Pillar 1 linkages	▪ Increased capacity of national Libyan institutions in peace programming. ▪ National initiative to promote institutional integrity. ▪ International aid forums informed by tension and vulnerability monitoring.
		Pillar 3 linkages	▪ Integration of water resource management into vulnerability assessments.

		Direct outputs in Pillar 2	Output 2.1: Sustainable service interventions that build peace and enhance resilience. Output 2.2: Enhanced technical and civic capacities to deliver conflict sensitive local services. Output 2.3: Enhanced women's services and capacity of women civil servants.
Greater trust among all community groups that state institutions are able and willing to meet their needs.	*2: Sustainable capacities and structures for local service delivery and conflict management*	Pillar 1 linkages	▪ National standards on public consultation and planning for local development and peace. ▪ Local justice plans that increase access to justice. ▪ Standard processes in stabilization and reconstruction.
		Pillar 3 linkages	▪ Integration of local water resilience into peace and development plans
	3: The economy becomes a driver for peace and resilience locally across Libya	Direct outputs in Pillar 2	Output 3.1: Subnational economic recovery programs. Output 3.2: Partnerships for inclusive employment and entrepreneurship. Output 3.3: Formalized 'functional markets', as critical catalysts for local peace and resilience.
		Pillar 1 linkages	▪ Conducive capacities and policies for Micro, Small, and Medium Enterprises
		Pillar 3 linkages	*NA*

Region	Budget 2023-2025 (M)	Funding available (M)	Donors	Funding Gap (M)
South	60	14	EU, Italy, UN Peacebuilding Fund, Norway United Kingdom	46
East	45	5.9	Government of Libya, African Development Bank	39.1
West	30	2.3	EU, Republic of Korea	27.7
TOTAL	**135**	**22.2**		**112.8**