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United Nations Development Programme

Livelihood Assessment In Kikla



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UNDP supports Libya's transition towards peace, economic recovery, and sustainable development to help the country get on a more robust development path by supporting local authorities to restore essential services delivery and livelihood opportunities and promote peaceful co-existence. This publication is produced as part of the Strengthened Local Capacity for Resilience and Recovery project (SLCRR Top-up) funded by the North of Africa Window of the European Union Emergency Trust Fund for Stability which contributes in addressing the root causes of irregular migration and displaced persons in Africa (EUTF – NOA). All views expressed in this document are of the author and do not necessarily reflect the views of UNDP, nor the official opinion of the European Union. Neither the European Union institutions and bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained there.

EXECUTIVE SUMMARY

As part of the **Local Peacebuilding and Resilience Programme**, UNDP supports national and local institutions in encouraging the returnee population of Kikla, who lost their assets during a decade of displacement and re-displacement, by providing tools, equipment, or livestock. This assistance aims to help affected populations recover their livelihoods and promote reconciliation. It also includes business management training to impart the soft skills necessary for small and micro-business owners to successfully launch and operate their businesses.

As part of this initiative, a Rapid Livelihoods Assessment was conducted from September to October 2022 through the Moomken Organization for Awareness and Media, in partnership with the Ministry of Local Government and the Municipality of Kikla.

The objective of the assessment was to gather actionable data and findings at the local level to gain a better understanding of the impact the conflict has had on local businesses. These businesses are vital to the municipality's recovery, from the perspective of residents and the most common types of assets entrepreneurs require to either start or restart their businesses. This information was crucial for identifying potential economic sectors for asset recovery initiatives within the city. More specifically, the assessment evaluated the following:



Changes in the means of living in Kikla pre- and post-conflict.



Types of businesses (occupations and employment opportunities) in Kikla.



Households that had businesses in the past and lost their businesses due to conflict and displacement.



Asset needs for livelihood assistance.



Citizens' view of critical businesses missing in Kikla.



Capabilities and skill gaps of the local entrepreneur community, both those who have returned to Kikla and those still residing outside the municipality.



Challenges faced by entrepreneurs currently operating in the municipality.



Challenges facing female and youth entrepreneurs.



Ways in which municipalities can further support livelihood programs.



Government perspective on livelihood needs in Kikla for a holistic redevelopment of the city.

METHODOLOGY

This Assessment utilizes a mixed method data collection approach.

During the data collection period (**September 2022 ,29 – October 2022 ,20**), a series of online surveys, in-person interviews and focus group discussions (FGDs) were conducted targeting respondents who lived inside and outside of Kikla (i.e., returnees and non-returnees) at the time of data collection.



DATA COLLECTION



Online Surveys

Online surveys were conducted with Kikla community members in order to understand their needs for asset recovery, assess business skills and gain a general understanding of challenges they may face as they set up their businesses. The online survey was distributed to Kikla community members through SMS messages using a database of phone numbers specifically originating from Kikla. The SMS messages provided a short description of the project and the support to be provided, accompanied by a link to an online survey form. Using the SMS method assisted in reaching community members who are residing in and outside of Kikla.



In-Person Interviews

One-on-one interviews were carried out with current business owners in Kikla in order to gain a deeper understanding of the current challenges entrepreneurs have faced in both establishing and maintaining their businesses. The interviews targeted entrepreneurs working in a variety of sectors such as food service, shops and manufacturing. The challenges and lessons learned collected from these entrepreneurs will help to inform approaches and activities aimed at supporting entrepreneurs in developing strategies specific to their sectors.



Focus Group Discussions (FGDs)

In order to provide the project with specific anecdotal evidence beyond the quantitative data provided by the online surveys, four FGDs with Kikla residents were conducted. The FGDs were organized by Local Coordinators, who worked to engage and encourage community members to share viewpoints and stories to be included in the Assessment. The FGDs gave local stakeholders a forum to elaborate on their situation and that of Kikla as a whole.

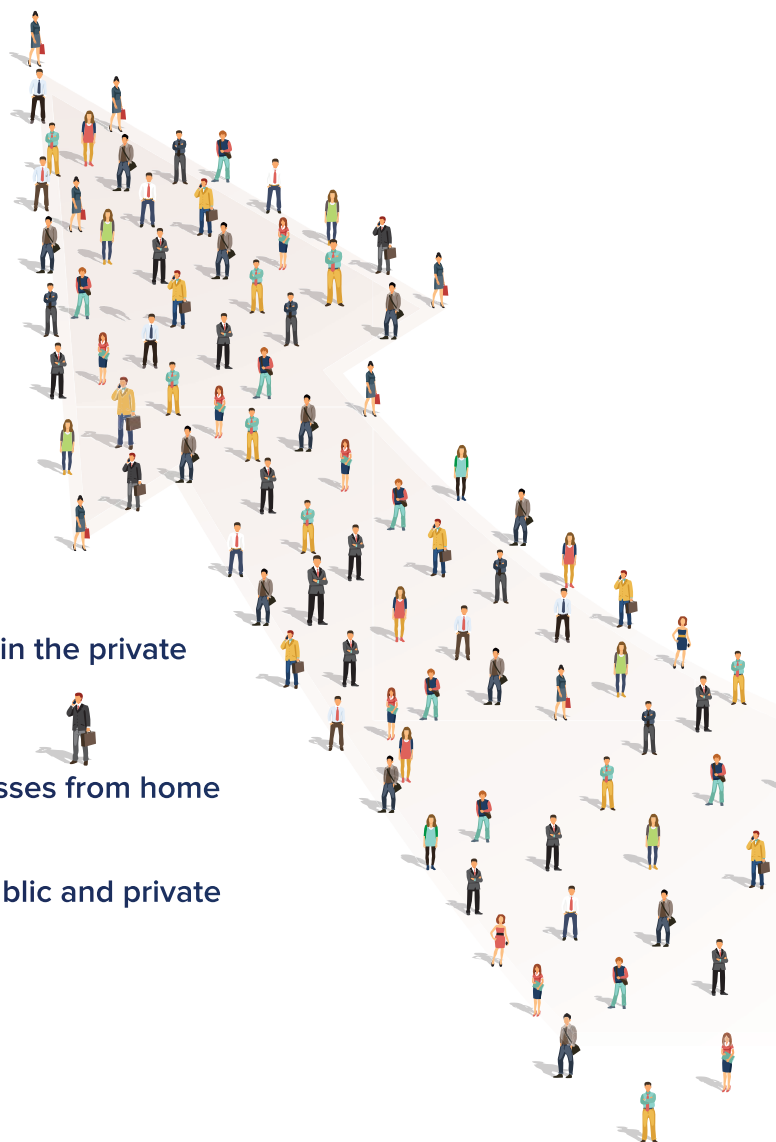
Four FGDs were conducted with the following stakeholder groups:

 Focus Group Discussions (FGDs)	
Stakeholder Group	Date of FGD
Government (i.e. municipal council members)	September 29,2022
Youth	October 1 ,2022
New/Established Entrepreneurs	October 3 ,2022
Women	October 4 ,2022

**Table A: FGD
Breakdown**

Focus Group Discussions participants specifically included the following:

- Business owners
- Health sector employees
- Education sector employees
- Office of Culture representatives
- Office of Labor and Rehabilitation Social Affairs Office representatives
- Youth, including students and employees in the private sector
- Female entrepreneurs conducting businesses from home
- Female students and employees in the public and private sectors



Data Analysis

The quantitative and qualitative data collected through the surveys, interviews and FGDs were analysed through a number of statistical analysis methods. These methods include crosstab analysis, trend analysis, data triangulation and qualitative coding. The Assessment analyses trends among demographic groups and provides disaggregates for different data points to highlight significant differences in perceptions or experiences among these groups.

RESPONDENT DEMOGRAPHICS

In order to ensure an inclusive data collection process that includes a range of stakeholders, efforts were made to diligently secure participation from several stakeholder groups, including local government actors, civil society and entrepreneurs. Respondents also represent a range of age groups, occupations and education levels. In total, the Assessment collected data from 299 individuals through the online surveys, in- person interviews and FGDs. Of the 299 respondents, 65 were women, accounting for %22 of respondents.

RESPONDENT BREAKDOWN BY GENDER				
	ONLINE SURVEYS	IN-PERSON SURVEY	FGDS	TOTAL
MALE	160	39	35	234
FEMALE	40	7	18	65
TOTAL	200	46	53	299

Table B: Respondent Breakdown by Gender

Respondents also represented all age groups, with the majority being between 18 and 35 years of age (%65). Additionally, the vast majority of respondents already reside within Kikla municipality, with only 13 respondents to the online surveys stating that they lived outside Kikla. In terms of level of education, 118) %48) of respondents had a university level of education, followed by secondary education at 59) %24). Forty-five percent of women and %50 of men had earned a university degree. A small portion of women had received vocational training, with only 3 women reporting that vocational training was their highest level of education.

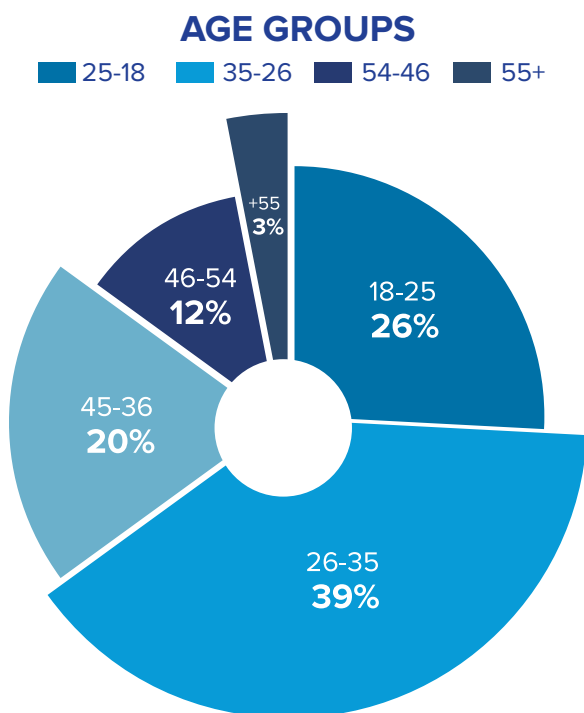


Chart A: Age Groups

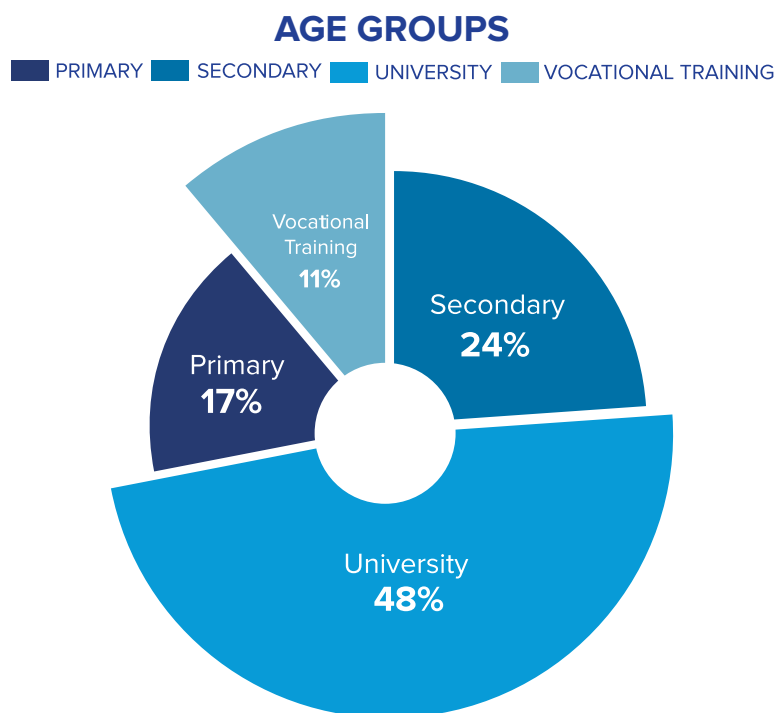


Chart B: Level of Education

SUMMARY OF KEY FINDINGS

1. Conflict significantly disrupted and ended most local businesses, undoing several years of positive economic development.
2. Conflict had a significant impact on infrastructure and resources, most notably water
3. The decline in population had the single biggest negative effect on local businesses
4. Conflict had a profound and negative impact on residents' mental and psychological wellbeing, affecting returnees and those still living outside
5. Kikla's businesses lack diversity and primarily focus on selling products instead of providing services
6. Positive social ties among residents allows for purchase of goods using informal credit, although this may also hinder economic development
7. While internet is generally accessible, electronic payment methods are not used
8. Business owners reported an array of challenges when opening businesses in Kikla, most prominently lack of capital and poor sales due to the small market
9. Respondents propose a range of business ideas that reflect an array of services not currently existing in the municipality. Respondents most commonly want to open shops selling food products, clothing and household items, which will require proper geographic distribution to avoid redundancy and improve profitability.
10. The majority of respondents believe that the municipal and central governments have no effective role in supporting local businesses.
11. Most respondents require significant business skills development in all topics, with the lowest scoring skills being budgeting followed by market analysis

BACKGROUND

Following the 2011 revolution, many municipalities, including Kikla, became the battlefield for the conflict. Kikla is a mountainous municipality, which once hosted around 20,000 residents (UNDP 2020) .

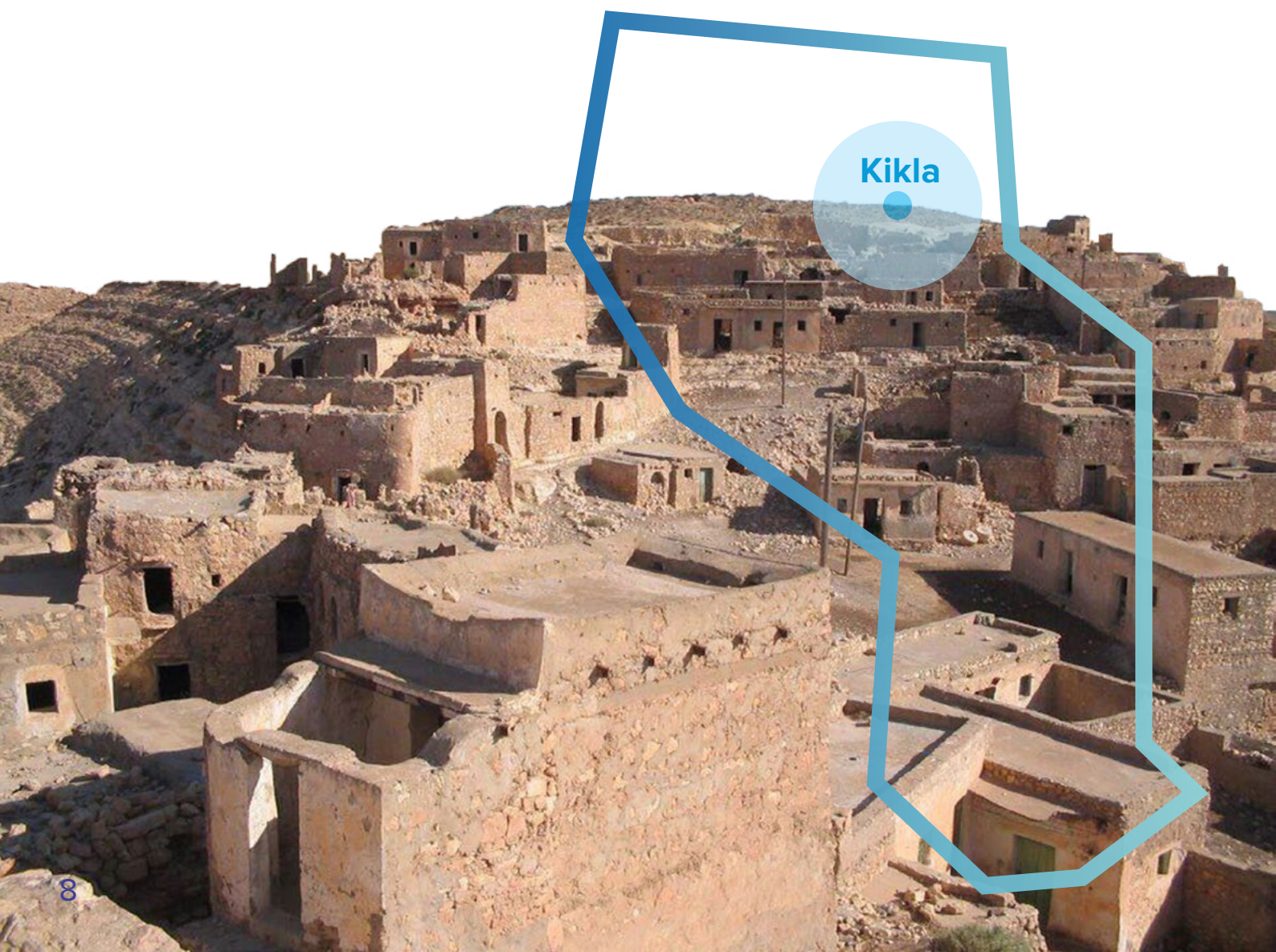
residents (UNDP 2020) . In 2014 and 2015, Kikla became a militarized zone where rival parties from neighbouring Zintan and Kikla fought against each other. Hundreds of civilians were executed, and destruction and displacement caused devastation to economic sources and infrastructure of Kikla (Alkarama 2015) , undoing significant economic progress and urbanization that had occurred in the years leading up to the eruption of conflict. During this time, 2311 families were forcibly displaced from their homes (UNDP 2022) . Even though a peace deal has been signed and Kikla is relatively safe for the people to go back to their homes, most residents still remain outside of Kikla, with less than half residing within the municipality. Some of the biggest barriers for the IDPs from Kikla from returning home are the lack of economic opportunities and destructed infrastructure to sustain their lives in Kikla.

In 2018, UNDP's implementing partner, Moomken, visited Kikla several times to conduct a post-conflict assessment. To conduct this assessment, Moomken reviewed several reports, visited sites, and interviewed the local government, community members, and administrators of public facilities. The assessment concluded that most private and public infrastructure, such as airports, homes, shops, government buildings, schools, roads, and water networks, still need reconstruction. Indeed, this is still the case, with continued low economic activity in the municipality and few employment opportunities, which has prevented many IDPs from returning. This, in turn, continues to stifle the growth of consumer markets and restrict the development of further economic activities.

Infrastructure poses a huge challenge to everyday life and business activities. Frequent power outages and damage to buildings and roads make setting up and managing businesses complicated. A dilapidated water infrastructure has forced residents to have water delivered from outside of the municipality, with prices subject to change depending on demand, the season and fuel costs.

With much of the current local economy focused on providing goods, many essential services are lacking, and there is a general lack of diversity in businesses.

The following Assessment will explore these factors and aim to more deeply understand the current state of local businesses and challenges new businesses may face. It will also seek to determine asset recovery needs as new entrepreneurs in Kikla work to begin new economic activities to generate income and contribute to the rebuilding of Kikla.



ASSESSMENT FINDINGS

The Assessment generated a number of findings that provides an overview of Kikla's current economic and business situation. The findings are organized by theme and draw from all three data sources (online surveys, in-person interviews and FGDs), reflecting the perceptions, attitudes and needs of the respondents.



1

Impact of conflict on businesses and the community in Kikla

1.1

Conflict significantly disrupted and ended most local businesses, undoing several years of positive economic development in Kikla

Participants from two FGDs characterized Kikla's economy pre-conflict to be flourishing, especially in the two years leading up to the conflict (2012 and 2013). Both FGDs noted that this period witnessed an increase in urbanization, construction, opening of stores and general economic activity in the city. Before 2014, participants in the Entrepreneur FGD noted that Kikla produced several products that were sold in other cities, including honey, al-Basisa and al-Zamia (Libyan traditional foods), homemade sweets and olives. Due to the mass displacement of Kikla's population, the movement of goods from Kikla to other cities in most cases has reduced dramatically or completely ceased.

One participant from the government FGD shared his personal account of how the conflict affected his livelihood stating,

"I had an olive pressing machine that was damaged as a result of the last war, so I had to sell it for a low price because the process of maintaining and repairing it would cost a lot, including the suspension of my project. Previously, I was working on this project and did not need to work in the public sector (the government sector) because the machine saved me a lot of operating costs. I was providing job opportunities for foreigners residing in Kikla. I had clients who came to me from outside the city, and although it was a seasonal project, it was profitable. Now I have stopped trading and work only in the public sector."

Participants from the government FGD also pointed out that there were many large markets in Kikla, however conflict meant that many merchants could not get their goods and money in or out of the city. For this reason, merchants could no longer reopen their markets due to the significant loss in capital and resources. Currently, no large markets or wholesalers are present in Kikla. Also highlighting the importance of agriculture, participants also pointed out that sheep breeders had suffered great losses, as some lost nearly 200 sheep due to the conflict.



Chart 1.1 Below demonstrates the sectors and business in which online survey respondents and interviewees worked before conflict in Kikla erupted.

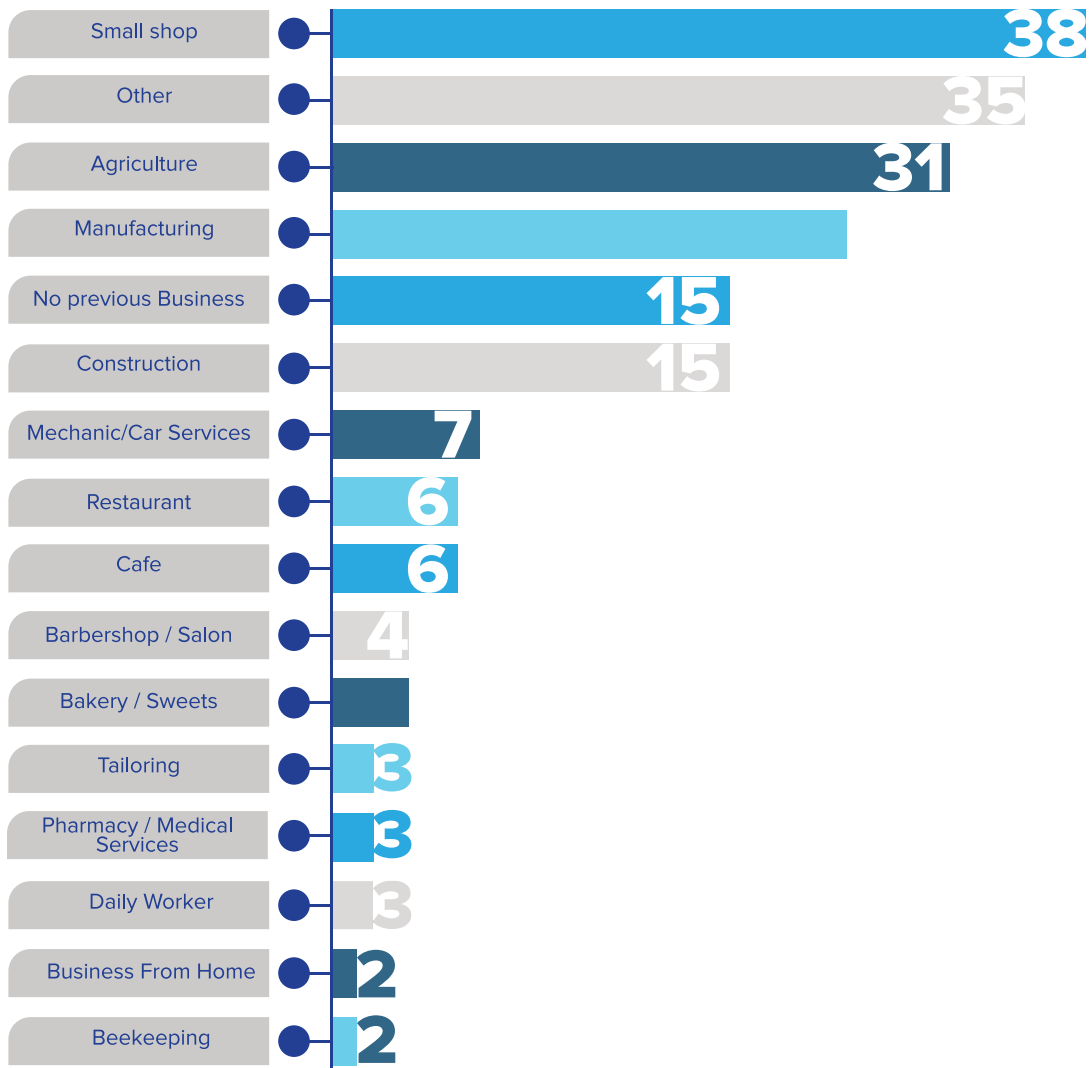


Chart 1.1: Respondents' areas of work pre-conflict

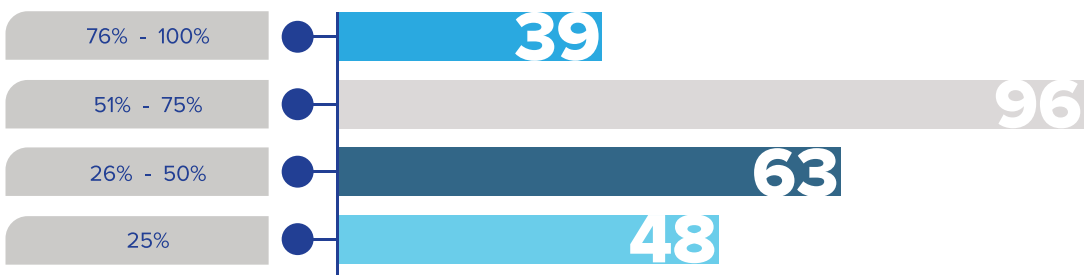


Chart 1.2: Estimated percentages of businesses closed after conflict

1.2 Conflict had a significant impact on infrastructure and resources, most notably water.

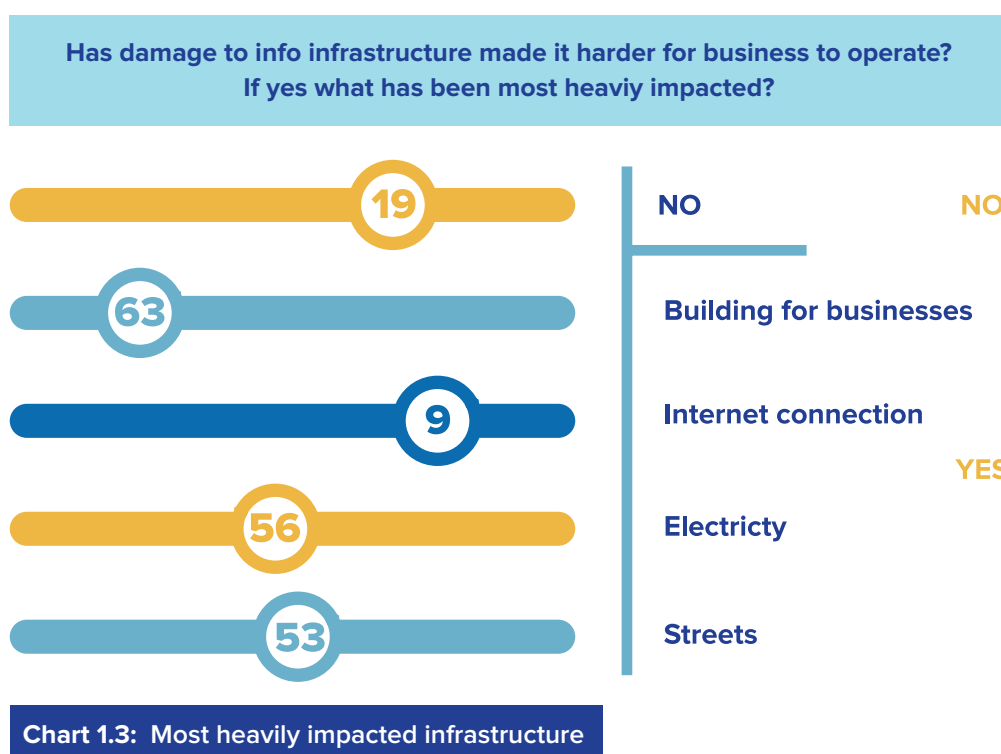
All FGDs discussed the severe situation of water in Kikla. The municipality's main source of is underground wells (groundwater) and is located in the area of Zart, located in Batn Aljabal about 45 km from the city center. Water networks are completely dilapidated as a result of the conflict and resulting lack of maintenance, which has caused severe water shortages for Kikla residents. The old water network has forced residents to have water

transported from wells outside the city, which may cost up to 150 dinars or more in some areas. The cost of water transport is estimated by region or village based on its proximity or distance from underground wells. Seasons also affect prices due to demand, with prices in summer being higher than other times of the year. Participants stated that a water company operating in the municipality has five water trucks and delivers water for 30 dinars, however these trucks do not cover a quarter of the citizens' water needs. Further adding to water insecurity, oil shortages for water trucks sometimes means it is difficult to have water transported to the city. Expressing his frustration, one FGD participant stated,

«In the summer season, in particular, one house may need to fill water twice a month, and because most of the residents of the city of Kikla depend on the salary of the state and do not have special projects, the cost of water may be equivalent to a third of the salary, which is one of the main reasons that contributed to the reluctance of residents to return to the city.

Participants in the government FGD stated that the municipal council had tried to help and had been able to reduce the cost of transporting water by drilling wells around the city so that water trucks could fill their trucks and distribute water to residents. While this effort helped to decrease water costs by 20 dinars, participants felt that this made very little impact and did nothing to solve the core issue.

Participants also noted that water might not always be safe due to potentials for high levels of gypsum in the water. The disrepair of the municipality's water infrastructure is underscored by data from online surveys. When asked if damage to infrastructure made it harder for businesses to operate, %91 of respondents said yes, with %35 saying that commercial buildings were the most heavily impacted infrastructure followed by electricity infrastructure at thirty-one percent.



1.3 The decline in population had the single biggest negative effect on local businesses

Participants in all four FGDs heavily emphasized the effect that the displacement of residents and population loss had on local businesses and the challenge continues to pose to the redevelopment of the municipality. One government FGD participant stated that before 2014, the population of Kikla was around 20,000 residents. Currently, less than half of this population live in the municipality, giving business owners limited consumer markets.

Participants from the government FGD stated that many young people who moved to Tripoli during the conflict are not returning because of the lack of job opportunities and opportunities to start new enterprises; this is also true of families. One government FGD participant shared a story of a local sheep trader who lost everything he owned during the conflict but was able to regenerate his business later using his own capital. While this story highlights a success, it further emphasizes the fact that often restarting businesses in Kikla requires personal capital, which most do not have.

Another significant barrier to return is the uninhabitable conditions of many homes. While FGD participants noted that many residents would prefer to live in their own homes over renting apartments in the capital, many are unable to do so because they lack the means to make material repairs.

Participants in the women's FGD differed in their points of view regarding displaced residents of Kikla returning to the municipality. Some participants do not encourage the displaced to return to the city due to the fact that it is lacking basic necessities and services. Several participants noted that the city suffers from administrative corruption in schools, and most teachers are absent from class. Other participants felt conversely, stressing the need for the return of the displaced and the reconstruction of the city in order to revive its economic facilities and prosperity between the neighboring regions and to enhance business between the city of Kikla and other areas that has ceased since the conflict.

1.4 Conflict had a profound and negative impact on residents' mental and psychological wellbeing, affecting returnees and those still living outside

Participants in the women's and government FGDs discussed the negative impact conflict had on their mental and psychological wellbeing. Many families returned after the end of the war because they did not want to stay outside the city of Kikla. Upon returning, participants described that they mourned for the loss of loved ones, the damage of their homes and lamented many of their neighbors' inability to move back because of their destroyed homes and lack of funds. Many from Kikla who reside outside of the municipality wish to return but feel that the barriers are too great. One government FGD participant described that many families return due to psychological factors, stating,



“They say, ‘I could not get used to the lifestyle in Tripoli’, and there are those who say, ‘I need more spacious land’”.

2

Current business environment and challenges

2.1 Kikla's businesses lack diversity and primarily focus on selling products instead of providing services

Participants from the Government FGD noted that business currently operating in Kikla lacked diversity, with participants from two FGDs stating that businesses in the municipality largely focus on products instead of services. Participants in the entrepreneur FGD shared that the main reason they started their businesses in Kikla was due to the shortage in supply and high demand for many basic products. One participant stated,

“As a young man residing in the city of Kikla, I would like to have many services that I need daily, such as a tailor, barber, coffee shop, insurance office, and training centers for children. None of these services are available in the city of Kikla, so my son goes to a training center in Umm Al-Jarsan, and to get a tailor I go to Al-Asabah. Therefore, most of the daily services needed by the simple citizen, the city as a whole lacks them».

The participant's statement also highlights the geographical distribution of the different smaller villages that make up the Kikla municipality; while some businesses may be present in the municipality, they may not all be equally accessible by all of Kikla's residents. This is further supported by observations made in the government FGD that there is a shortage of commercial buildings where businesses can be established, and many of them are in the Kikla center; this causes many entrepreneurs to try to open businesses in this area, further adding to the issue of proper geographic distribution.

Reports of a lack of business diversity are further supported by interviews with business owners who reported what type of businesses they currently operate. Overwhelmingly, the most common businesses are small shops (%37) that sell a variety of products, with %65 of them selling food products, followed by clothing (%12) and household items (%12). The second largest portion of businesses are in manufacturing (%22). The most common service-oriented business is cafés, accounting for only %9 of businesses surveyed. Indeed, cafés are an exceedingly common small business in Libya, and the presence of multiple cafés when many other essential services do not exist further speak to the lack of business diversity mentioned by FGD participants. Charts 2.1 and 2.2 below display a full breakdown of current businesses owned by 46 interviewed business owners

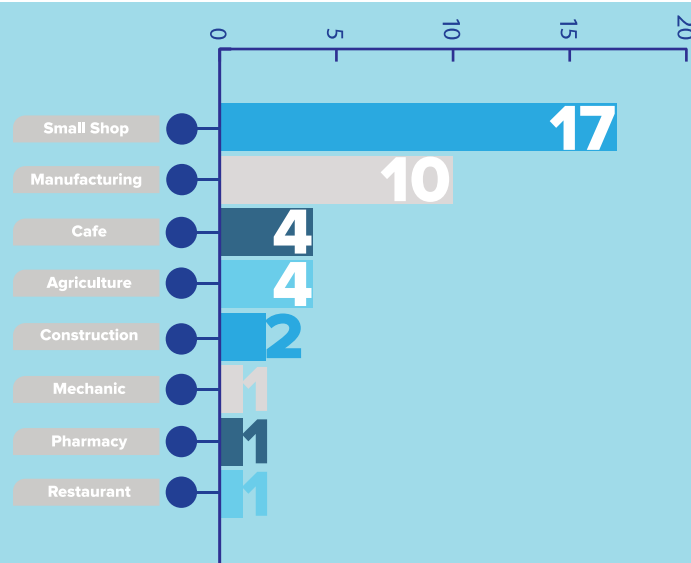


Chart 2.1: Businesses of interviewed business owners (46 interviewees)

Small Shop Break down

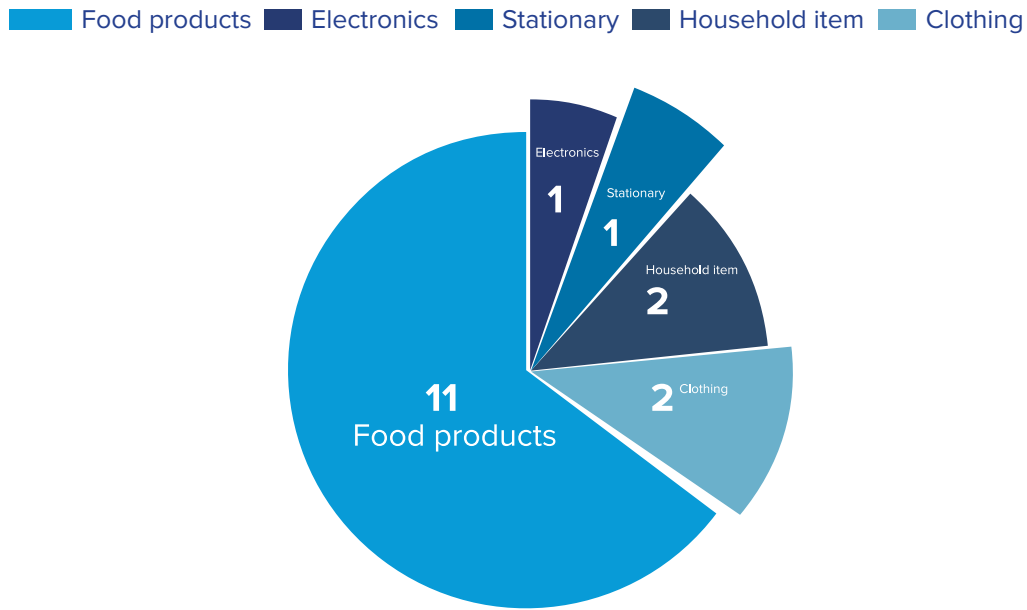


Chart 2.2 Breakdown of small shops owned by interviewed business owners

2.2 Positive social ties among residents allows for purchase of goods using informal credit, although this may also hinder economic development

During the FGD with business owners, one participant described the phenomenon of informal credit in Kikla, which stems from high levels of cooperation and social solidarity. In this system, anyone can purchase any goods or other needs through informal credit which can be paid off in stages. Participants in the women's FGD echoed the positive aspects of system, adding that most businesses and shops deal with this type of credit, regardless of their sector.

While this is a positive aspect that reflects the community's ability to work together, the participant from the business owner FGD noted that it was a double-edged sword; customers might find themselves unable to pay businesses back because of the general poor economic conditions of the municipality. In fact, the participant stated that many businesses were discovered to have closed because they were unable to pay back their own debts. As a result, participants stressed that this system should be approached with caution and used smartly through a more systemized approach.

2.3 While internet is generally accessible, electronic payment methods are not used

Participants in all FGDs stated that internet in Kikla is fairly good. Most of the city's residents can access the internet, which is provided by several companies including Libyana, Al Madar, LTT and Al-Jadidi. Internet speed varies depending on the company and subscription. In many cases, stores in Kikla have a weak connection to the network due to their location in low-lying areas that

affect communication networks. Participants in the government FGD stated that private internet providers worked based on the number of consumers; the current lack of a broad consumer base gives these companies little incentive to improve their service provision in Kikla. Despite this ;however, participants restated that the municipality had good access to internet. This is supported by only nine of 246 respondents stating that internet infrastructure was the most deeply affected infrastructure post-conflict (Chart 1.3).

While internet connection is widely accessible, electronic payments are not used in the municipality, with no store using bank cards. Payment methods are always either cash or bank check. FGD participants explained that Kikla's only commercial bank, the National Commercial Bank, has not activated electronic payment services, so electronic payments are nearly impossible. All 46 interviewed business owners reported that they are entirely cash based. Of the 200 respondents to the online survey, 92% (184) stated that their business would rely on cash.

2.4 Business owners reported an array of challenges when opening businesses in Kikla, most prominently lack of capital and poor sales due to the small market

During their interviews, business owners were asked to describe the greatest challenges they faced when opening/re-opening their businesses. Of the 46 interviewees, 11 reported that the lack of access to capital was the biggest barrier. This reflects Findings 1.1 and 1.3 in which FGD participants noted that the main way to start a business was with a significant amount of personal capital, which most people lack. One business owner stated that it cost 16,000 Libyan dinars to repair his business's building, demonstrating the high startup costs associated with starting a business in the current environment.

Eight business owners stated that poor sales due to a small market were their biggest challenge, followed by seven stating acquiring machinery and equipment and four on the increasing prices of resources and supplies. One business owner in agriculture stated that he had seen "increased prices of animal feed and medicine", underscoring the rising costs of economic inputs in the municipality. One youth FGD participant reported that prices of products and services in Kikla are high when compared to other areas. This causes residents to travel to neighboring areas to purchase many goods and services that are either expensive or not available in Kikla.

When asked about the biggest challenges to sustaining their businesses long term, 18 of 46 business owners said poor sales due to the small market. Eight reported unreliable access to utilities such as electricity and water.

3

Proposed businesses by potential project beneficiaries

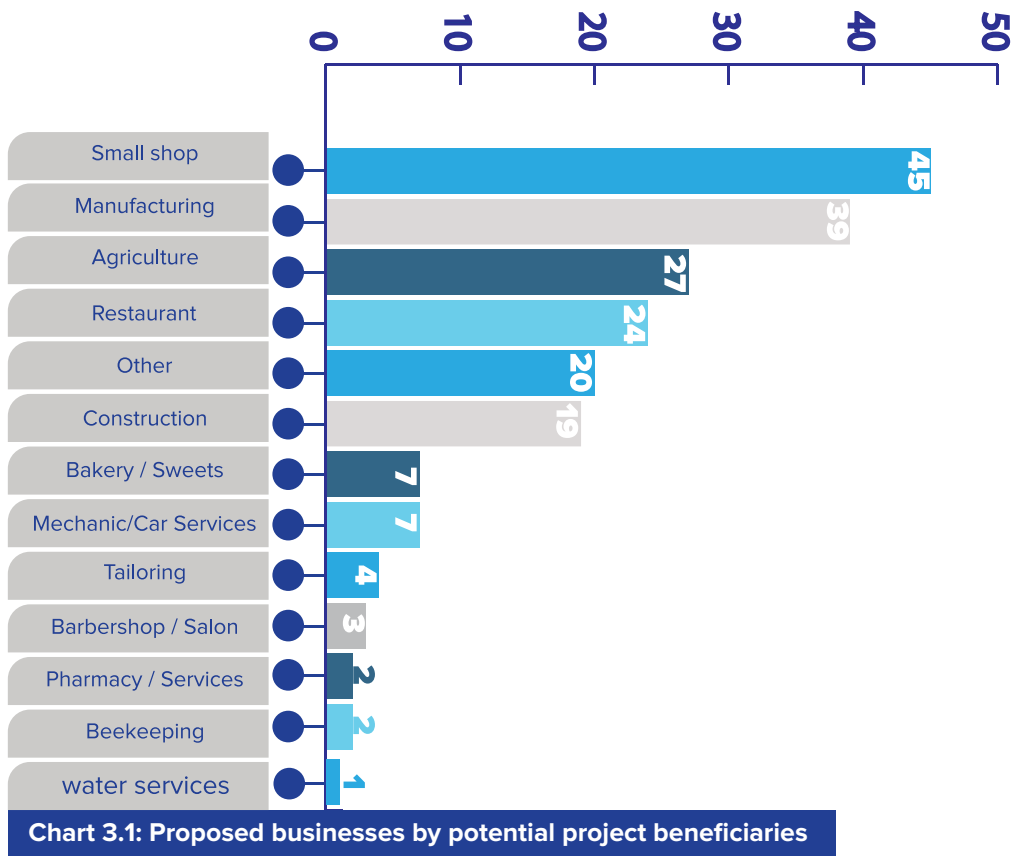
3.1 Respondents propose a range of business ideas that reflect an array of services not currently existing in the municipality. Respondents most commonly want to open shops selling food products, clothing and household items,

which will require proper geographic distribution to avoid redundancy and improve profitability.

Respondents to the online survey and interviewees (246 total respondents) were asked to report on what type of business they would like to start/regenerate with the assistance of this livelihoods assistance program. Respondents reported a variety of economic activities that involved both selling products and providing services. As a whole, these proposed businesses largely coincide with the pre-conflict economic activity respondents reported in Chart 1.1, indicating a desire of many to restart previous businesses.

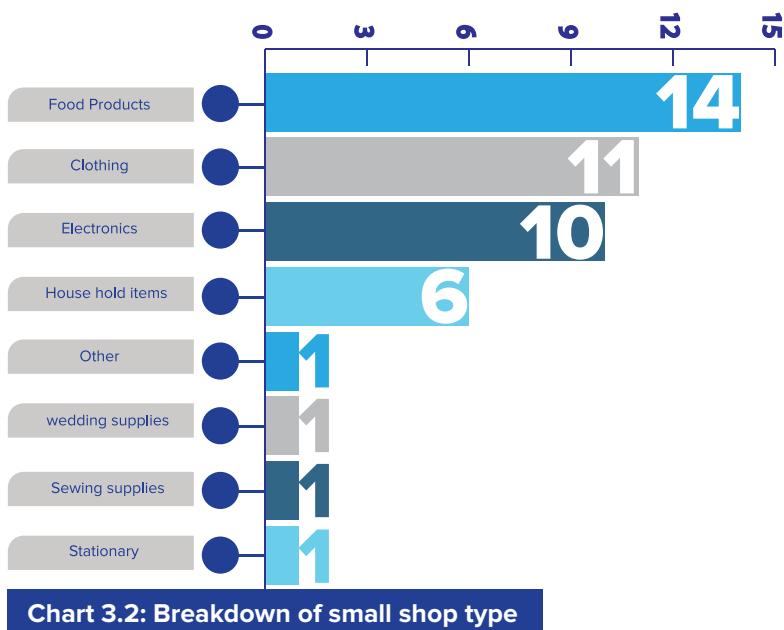
Most common service based activities include opening restaurants and cafés (24), mechanic and car services (7), tailoring (4), barbershops/salons (3) and pharmacy/medical services (2). One respondent proposed opening a drinking water plant and providing other services such as the drilling of wells to address the municipality's water services.

Chart 3.1 below details the different businesses respondents proposed:



The biggest business type proposed by respondents is small shops (45). As shown in Chart 3.2 below, of the 45 respondents who chose small shops, 14 reported that they would sell food products, 11 clothing, 10 electronics and six household items. Interestingly, these reflect the businesses operated by current business owners, with the most common being food products (%65), clothing

(%12) and household items (%12). Given these similarities, the project should ensure that similar businesses are geographically disbursed in order to avoid redundancy and promote diversity of businesses in all areas of the municipality. As a result, businesses have higher profit potentials with a lower saturation of similar goods and services. In order to do this, project staff will cross reference business ideas with the mahalla (geographic unit within the municipality) reported by each respondent.



4

Community needs for asset recovery

4.1 Kikla requires the recovery of a range of assets in all sectors to aid in the wholistic redevelopment of the municipality's available goods and services

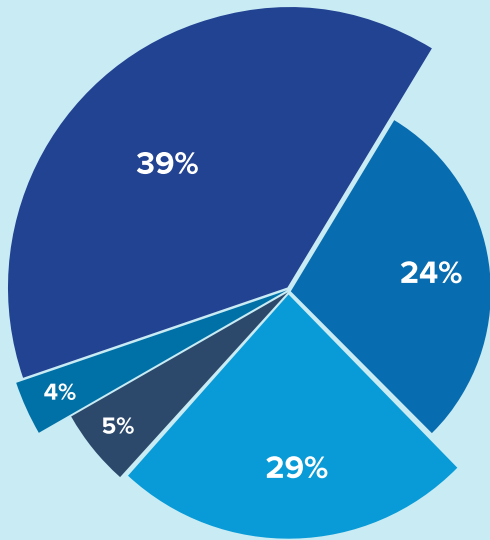
Online survey respondents and interviewees were asked to pick the top three categories of assets in their sector of interest they would need the most in order to start/regenerate their business. Participants chose from a list of common tools and materials used in the agriculture, food service, construction, manufacturing and construction services. Table 4.1 below summarizes beneficiaries' responses, ranking each asset category on a scale from one to five, with one being the most selected category in its sector.



RANKING OF MOST NEEDED ASSETS PER SECTOR

SECTOR	ASSET	RANKING
AGRICULTURE	LIVESTOCK	1
	HEAVY MACHINERY (I.E. TRACTORS AND HARVESTERS)	2
	ANIMAL FEED	3
	SEEDS	4
	TOOLS (I.E. RAKES AND SHOVELS)	5
RESTAURANTS AND CAFÉS	COFFEE MACHINES	1
	OVEN AND/OR STOVE	2
	TABLES AND CHAIRS	3
	REFRIGERATOR/FOOD STORAGE	4
	DISHES AND UTENSILS	5
	SMALL FOOD PREPARATION EQUIPMENT, I.E. KNIVES	6
CONSTRUCTION	HEAVY MACHINERY (I.E. EXCAVATORS AND LOADERS)	1
	BUILDING MATERIALS (I.E. CEMENT, CONCRETE AND BRICKS)	1
	LIGHT MANUAL TOOLS (I.E. SHOVELS, HAMMERS, ETC).	2
	SMALL ELECTRIC TOOLS (I.E. DRILLS)	3
	CONSTRUCTION CLOTHING (I.E. GLOVES AND HELMETS)	4
MANUFACTURING	PACKAGING MACHINES	1
	GENERATORS	2
	MILLING MACHINES	3
	GRINDING MACHINES	4
	STORAGE TANKS	4
	CENTRIFUGES	5
	MIXERS	5
	SCALES	6
SMALL SHOPS	DISPLAY CASES AND SHELVES	1
	CASH REGISTER	2
	SMALL FURNITURE	3
	DIVIDERS	4
	SHOPPING CARTS/BASKETS	5
	LABEL MAKERS	6
	GENERATORS	7
	SCALES	7
	DISPLAY REFRIGERATOR	8

Required Assets Agriculture



- Heavy machinery such as tractors and harvesters
- Livestock
- Animal feed
- Seeds
- Tools such as rakes and shovels

Chart 4.1: Agriculture assets

Required Assets: Restaurants and Cafes

- Oven and/ or stove
- Tables and chairs
- Coffee machine
- Dishes
- Refrigerator and food storage equipment
- Small food preparation equipment, such as knives

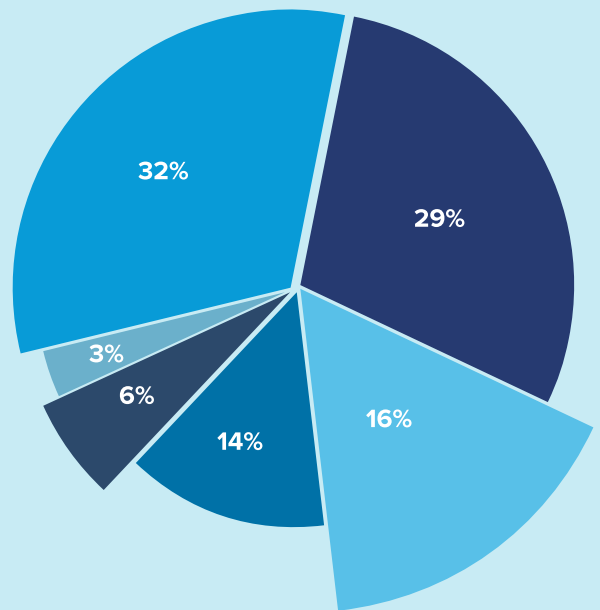
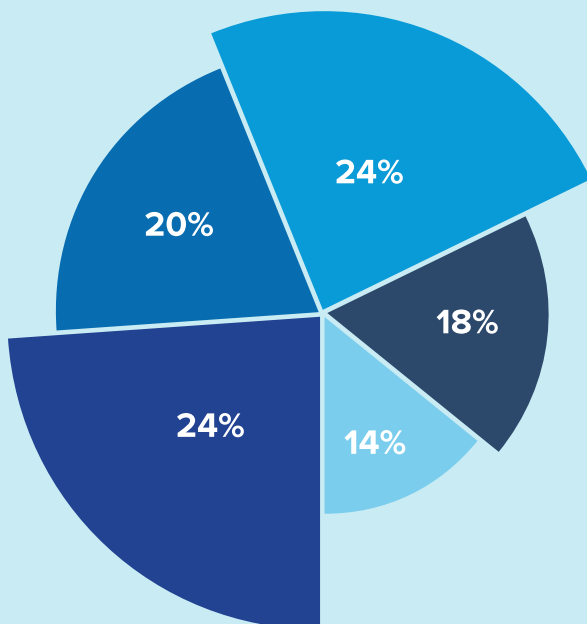


Chart 4.2: Restaurant and café assets

Required Assets: Construction



- Building materials (i.e. cement, concrete and bricks)
- Heavy machinery (i.e. excavators and loaders)
- Light manual tools (i.e. shovels, hammers, screw drivers, sledgehammers)
- Small electric tools (i.e. drills)

Chart 4.3: Construction assets

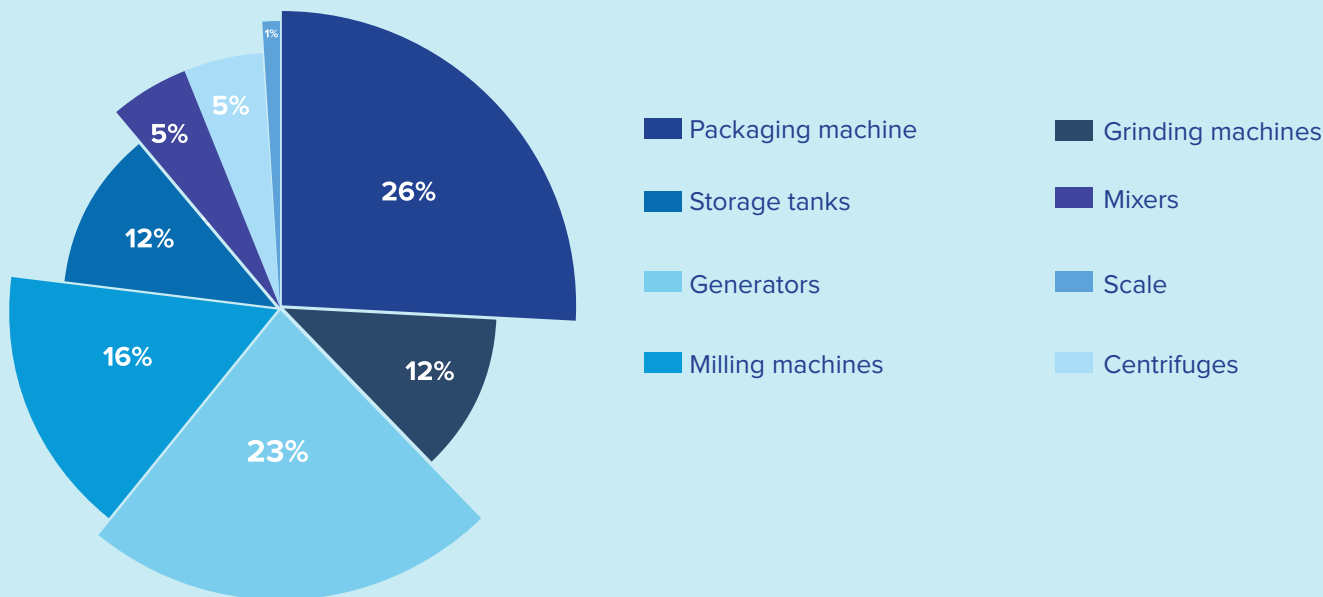


Chart 4.4: Manufacturing assets

Required Assets: Small Shops

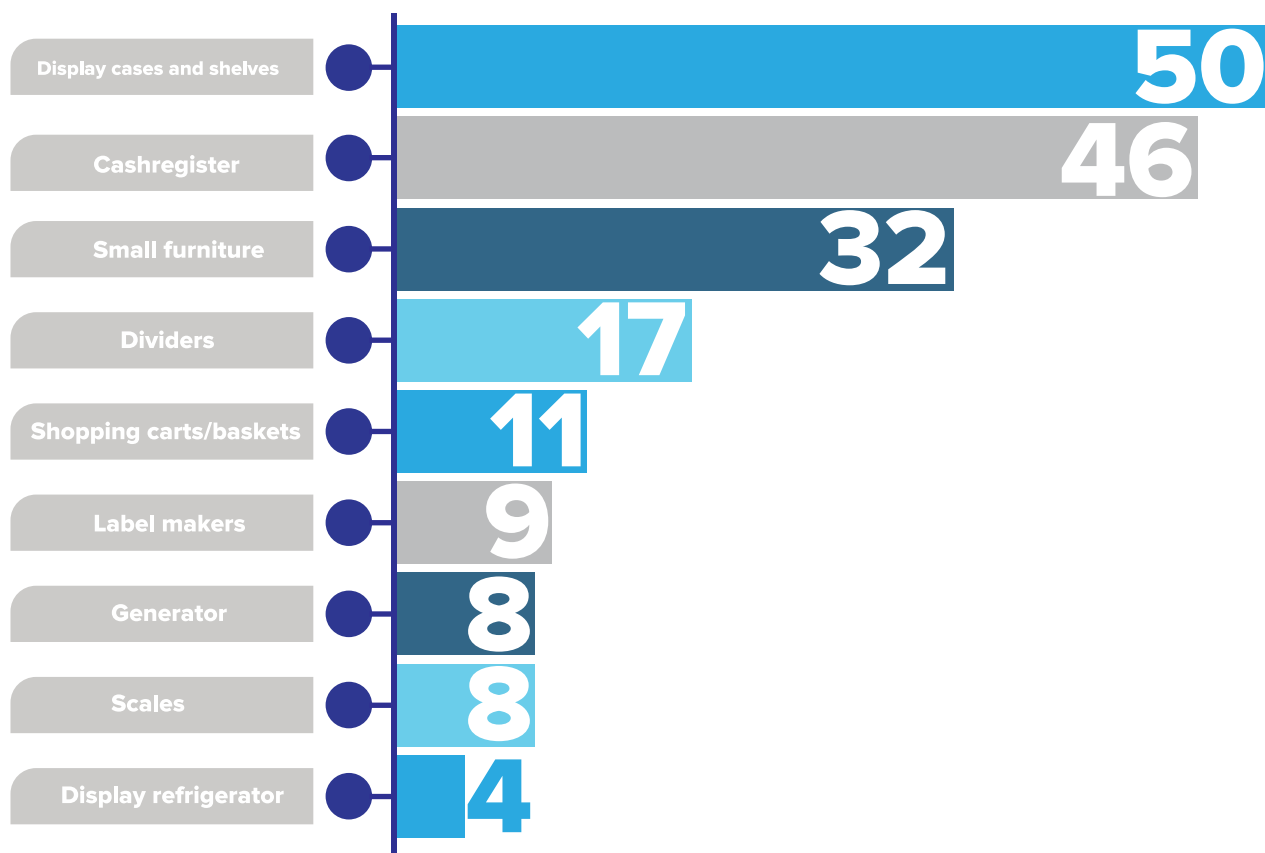


Chart 4.5: Small shop assets

5

Sources of support from government actors for entrepreneurs and local businesses

5.1 The majority of respondents believe that the municipal and central governments have no effective role in supporting local businesses

Assessment respondents were asked to elaborate on sources of support they believe they are able to draw from as they start and manage their businesses. Business owners were asked if they think government actors had any role in supporting local businesses, including the municipal council and central government. Of the 46 business owners, 30 (65%) said that municipal councils had no role, 24 (11) were unsure and only 11 (5) said yes. Those that reported yes did not provide specific answers as to how municipal councils could assist, with three saying that the municipality could be more open to hearing entrepreneurs' needs, and one reported assistance with legal procedures.

Twenty-nine business owners reported that the central government wouldn't be able to provide assistance. Of the ten business owners that said that the central government had a role to play, seven said that it could provide business loans and other financial services, and one reported that it could directly provide entrepreneurs with business inputs (assets).

These attitudes reflect the general dissatisfaction with government actors' performance, especially at the municipal level, as demonstrated by the municipality's inability to make any significant difference in water prices and fix the water shortage issue in a way that tackled the central issue. This dissatisfaction can be summed up by a female FGD participant who stated,

"The municipality, international and local organizations did not provide a helping to the population to repair or remove the remnants of war."

This is further bolstered by online survey results, with 88 of 200 respondents (44%) saying that the municipality has no role in supporting local businesses, 42 (84) saying they are not sure, and only 14 (28) saying yes.

When interviewed, 35 of 46 (76%) business owners stated that successful entrepreneurs could play a positive role in supporting new entrepreneurs. Twelve (26%) stated that they could provide general financial support such as loans, and three stated that they could provide investment. Six (13%) said that successful entrepreneurs could help provide material support, and 9 (4) said they could assist in marketing.

6

Skills self -assessment

6.1 Most respondents require significant business skills development in all topics, with the lowest scoring skills being budgeting followed by market analysis.

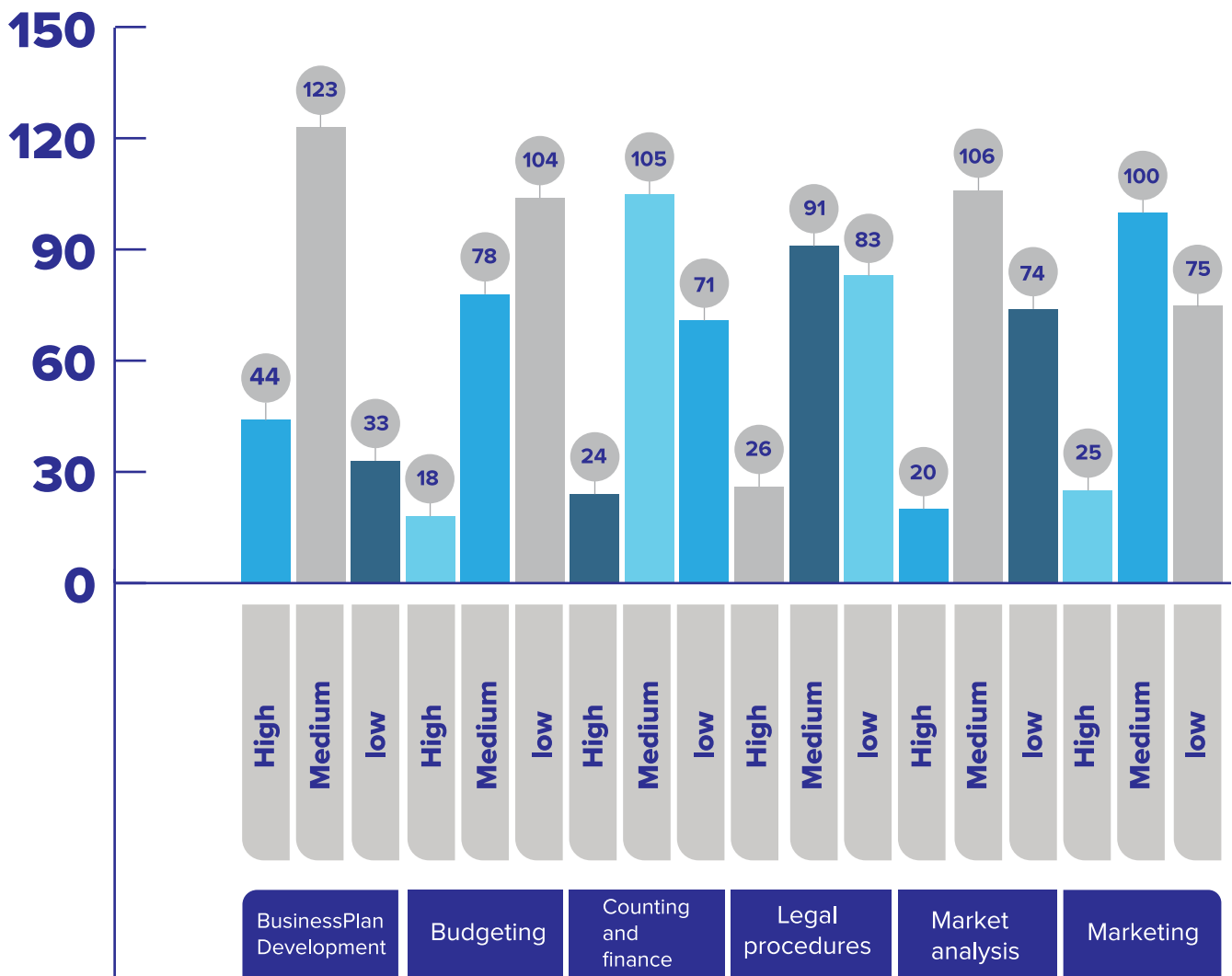


Chart 6.1: Skills self-assessment scores

6.2 Most respondents have moderate computer skills, with a higher percentage reporting greater proficiency using social media.

Most respondents report having moderate computer skills, with %47) 116) reporting that they have occasionally used computers for conducting business and %17) 41) saying that they use them on a regular basis. While this indicates a good base, %36) 89) state that they never do, which may prompt greater technological support from this project for beneficiaries who have a lower computer skillset.

How much experience do you have using computers for business?

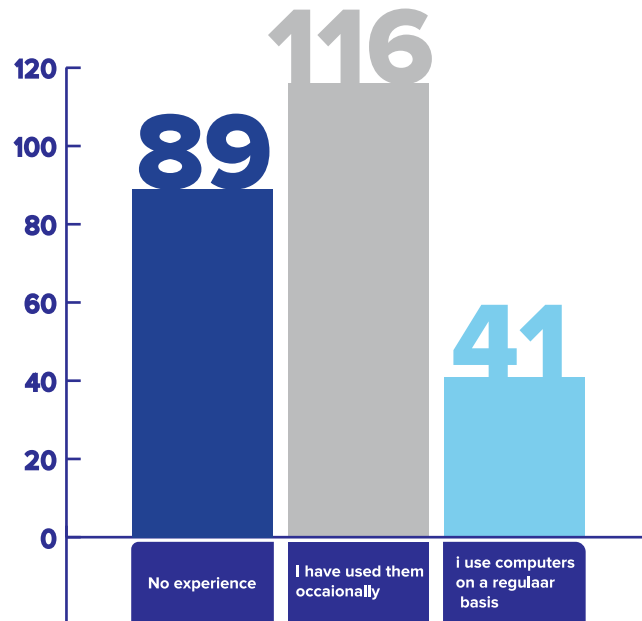


Chart 6.2: Experience using computers for business

Self-reported use of social media is much higher, with %42) 103) of respondents stating that they use social media sometimes and %44) 108) stating that they use it often. Only %14) 35) reported that they had no experience using social media. Generally high levels of social media use among respondents suggest that the project will be able to integrate the use of social media into its training curriculum for purposes such as marketing.

Experience with social media I.E FACEBOOK

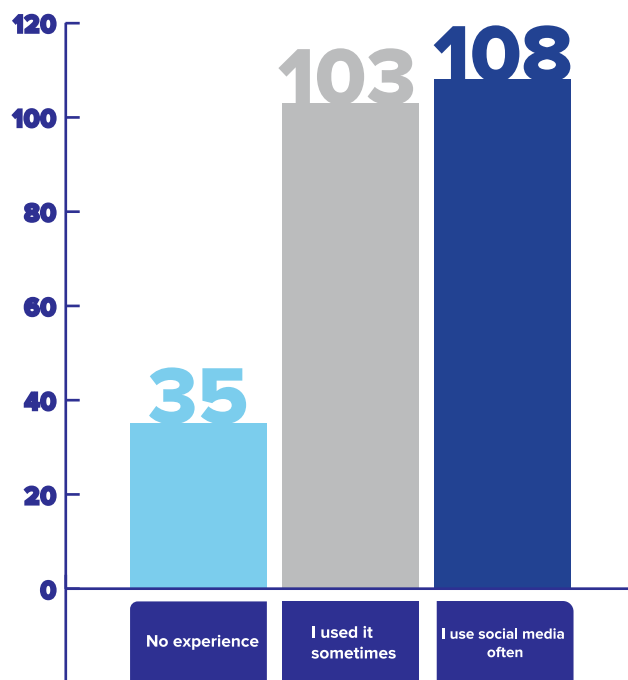


Chart 6.3: Experience using social media

CONCLUSION

Future entrepreneurs in Kikla require an array of different support mechanisms, including asset recovery, business skills training, and developing businesses that create local economic activity to contribute to Kikla's redevelopment and aid in improving the everyday lives of its citizens. The findings of this assessment will inform the implementation of this livelihoods strengthening project, guiding aspects such as business proposal selection, types of assets provided, and training inputs. It will also influence the project's approach to engaging government actors, such as the local municipal council, and specific challenges and barriers that need to be addressed

Programmatic recommendations resulting from this assessment are:



The project should work to engage the municipal council throughout and aid it with strategies on how best to support local businesses



Project beneficiaries should receive guidance on how to use online tools, including online learning materials.



Selected business ideas should have a greater focus on services to fill market gaps. Project staff should work diligently to avoid over-saturation of any one type of business within one geographic location.



Project staff should encourage business ideas that will contribute to the rehabilitation of Kikla's infrastructure, including construction businesses



While all business skills require further development, the program should pay special attention to budgeting and market analysis.



Beneficiaries should be connected with other successful entrepreneurs to learn from their experiences operating in Kikla.



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