

European Union support to private sector development in Libya



بعثة الاتحاد الأوروبي لدى ليبيا

DELEGATION OF THE
EUROPEAN UNION TO LIBYA



**FOR A
COMPETITIVE
AND DIVERSIFIED
ECONOMY**



Why does the European Union support Private Sector Development in Libya?

The private sector plays a crucial role in economic development as a major source of national income, provider of jobs and services, and investor in development projects. The European Union considers the private sector an important partner in the promotion

of political stability, as well as inclusive and sustainable growth. Through its partners in Libya, the EU supports the development of a dynamic and inclusive private sector that contributes to economic growth by creating decent job and livelihood opportunities across Libya.

DID YOU KNOW THAT...

- Private small and medium-sized enterprises (SMEs) are globally the main source of employment, providing on average 70% of the jobs in total.
- The oil sector dominates the Libyan economy accounting for approximately 55% of GDP and 90% of the state's revenues. Approximately 85% of the workforce is employed by the public sector. As global oil demand is foreseen to grow slower in the future, creating alternative jobs and diversifying Libya's economy is a priority.
- The private sector in Libya is small, representing only about 5.0% of GDP and about 14.0% of employment.

- With Sustainable Development Goal 8, all member states of the United Nations have committed to promoting sustained, inclusive and sustainable economic growth as well as full and productive employment and decent work for all.
- The European Union's 2011 development policy "Agenda for Change" identifies a stronger business environment, integration into the world economy and regional integration as enabling vectors for inclusive and sustainable growth in the EU's partner countries, and recognises the important contribution of private companies to this end.

What are the axes of EU support to private sector development in Libya?

In order to translate its principals and objectives into reality on the ground, the European Union's action in Libya is focusing on 3 key areas:



1. PROMOTING AN ENABLING BUSINESS ENVIRONMENT

Libyan private enterprises face many constraints that prevent them from growing and creating jobs and income. To enhance the capacity of private enterprises to catalyse local and national economic development, the EU is placing emphasis on making it easier to do business in Libya. This includes improving the cooperation between the public and private sector through public-private dialogue, easing access to finance for SMEs, improving services to enterprises and promoting cooperation between enterprises and public institutions (ministries, educational institutions, municipalities, etc.).



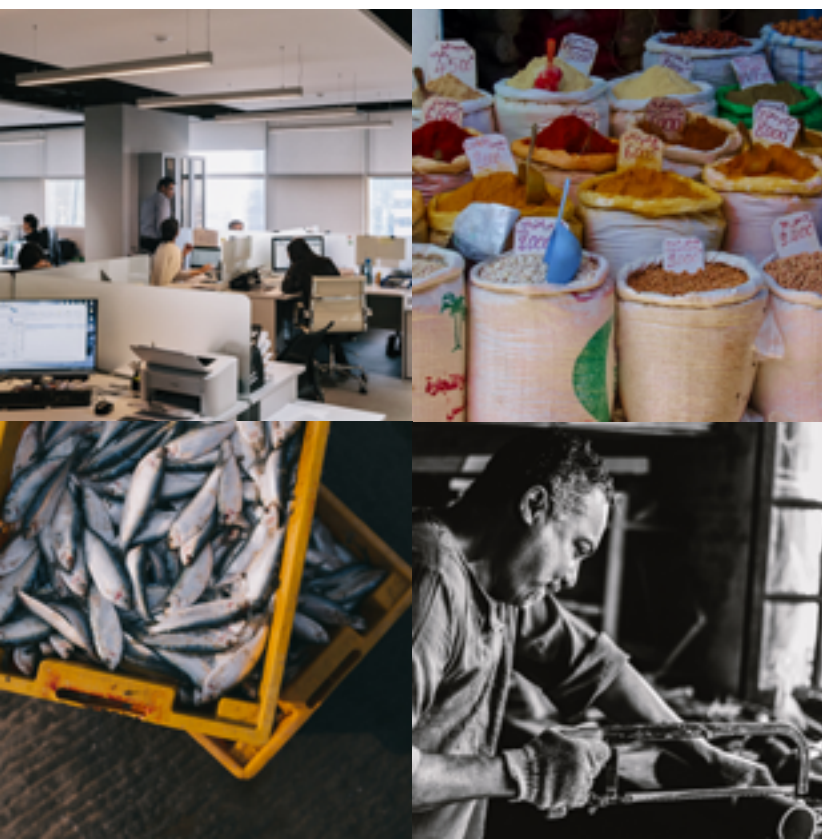
2. TECHNICAL ADVICE TO SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)

Libya's private sector is dominated by small and medium-sized enterprises (SMEs) which can act as key engines of economic growth and job creation. For this reason, the EU is supporting actions that aim to increase SME competitiveness. Within this area, the EU is funding advisory services, technical support and training to a number of SMEs. EU-funded projects also facilitate access to financing for enterprises and start-ups.



3. SUPPORTING THE CULTURE OF ENTREPRENEURSHIP AND ECONOMIC EMPOWERMENT FOR ALL

Employment and entrepreneurship are crucial tools to improve standards of life. To promote these goals, the EU is funding actions that aim to disseminate the culture of entrepreneurship in Libya and promote economic empowerment for all. These efforts include vocational training, mentoring and coaching to job seekers, as well as training to start-ups and aspiring entrepreneurs. EU support in this area strongly emphasizes the promotion of a rights-based and inclusive economic development model. Across projects, youth, women and marginalised group are targeted in particular - are targeted in particular.



Textile processing training centres for Libyan women

Through the project “Municipal development in the context of mixed migration” co-funded by the European Union and implemented by the German Agency for International Cooperation (GIZ), “Women Training Development Centres” are being set up in ten partner municipalities across Libya. The centres are equipped with sewing machines and textile processing equipment and will serve as a space for women’s vocational training, personal and skills development. 28 trainers have received training by Tunisian textile experts and are expected to annually train more than 100 women in textile design, tailoring and sewing.



The objective is to provide targeted women with new skills allow them to contribute to income and job creation. As of October 2019, operations had been partially handed over at all centres, while continuous trainings for the targeted women had already begun at the centre in Hai al-Andalus.

Entrepreneurship Campus provides co-working spaces for young Libyans

BENGHAZI



With funding from the European Union, UNDP in partnership with Tatweer Research have set up Tatweer Entrepreneurship Campus (TEC) in Benghazi where young Libyans are provided a space to develop their business plans. The initiative is the first of its kind in Libya and aims to lay the groundwork for the entrepreneurial ecosystem in the country by empowering Libyan entrepreneurs. The Campus offers training, mentoring, office space for up to 70 people at the same time, financial support and information to young entrepreneurs, and collaborates at university level for education on entrepreneurship. The end goal is to graduate 30 start-ups by 2020 and indirectly inspire 60 other new enterprises, thereby contributing to the creation of 1000 jobs in the Libyan economy.

Coding Academy for children and youth

JANZOUR



As part of efforts to disseminate the culture of entrepreneurship among youth in Libya, the EU-funded project “Support to Libya for Economic Integration, Diversification and Sustainable Development” (SLEIDSE) supported a ‘Training of Trainers’ coding course offered to Janzour municipality employees and delivered in Tunisia by GoMyCode. Janzour municipality has allocated a space to host the coding academy which will offer training to the general public, with a particular focus on children, young adults and women. Upon its launch, the academy will be able to supply the quickly growing digital business market in Libya with the highly demanded entry-level programming skills. By contributing to



bridging the digital skills gap in the labour market, the academy holds the potential of making Janzour the locus of digital education and training in Libya and providing an example to be replicated in other cities.



Diploma ceremony at the sewing center in Hai al-Andalus

WANT TO KNOW MORE?

Overview of EU projects contributing to supporting economic and private sector development in Libya. ➡ Arrow icon: Click for online info

Projects fully dedicated to supporting economic and private sector development

TITLE	TOTAL PROJECT BUDGET	PERIOD	PARTNER
European Union for Private Sector in Libya (EU4PSL) ➡	10 M EUR	2019-2023	Expertise France
Support to Libya for Economic Integration, Diversification and Sustainable Employment (SLEIDSE) ➡	7,6 M EUR	2014-2020	Expertise France

Projects with components supporting economic and private sector development

TITLE	TOTAL PROJECT BUDGET	PERIOD	PARTNER
Municipal development in the context of mixed migration ➡	10 M EUR	2017-2020	GIZ
Strengthening Local Capacities for Resilience and Recovery ➡	18 M EUR	2017-2020	UNDP
Strengthening Governance Practices and Building Technical Capacity in Libya	3 M EUR	2017-2022	World Bank



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