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## **Non-contributory social protection** through a child and equity lens in Libya<sup>1</sup>

International Policy Centre for Inclusive Growth (IPC-IG)

Libya neighbours Tunisia, Algeria, Niger, Chad, Sudan and Egypt, and is bordered by the Mediterranean Sea to the north. In 2016 the country had a population of over 6 million people, of whom 33 per cent were under 18 and 10 per cent were under 5 years old. Libya used to be one of the most developed non-Gulf Cooperation Council economies in the region, with gross national income of USD12,440 per capita in 2010. Due to the ongoing conflict, oil production—the country's leading source of income—has decreased significantly, causing GDP to drop by half compared to pre-2011 levels and gross national income per capita to fall to USD4,730 (as in 2011). Between 2010 and 2015, Libya's HDI fell from 0.756 to 0.716, placing it 102<sup>nd</sup> out of 188 countries. Given the lack of recent official statistics, Libya's poverty rate is uncertain. Using the 2003 national poverty line, the World Bank estimated it at 14.4 per cent in 2015.

The ongoing dispute among rival groups has caused high levels of violence and political instability, severely impairing the provision of essential public services and the protection of human rights. So far, the conflict has left 1.3 million people in need of humanitarian assistance, including 439,000 children. Moreover, Libya plays a significant role as a transit and destination country for migrants and refugees, who often live in conditions of extreme vulnerability, as they are exposed to arbitrary arrest, exploitation by criminal networks and limited access to legal and social protection. It is estimated that between 700,000 and 1 million migrants reside in Libya. As of July 2017, 217,000 Libyans were identified as internally displaced, 56 per cent of whom were children. Further, about 315,000 children—including refugees and migrants—require educational support.

In principle, health care and education services are provided free of charge. The Ministry of Education implements several school-based health programmes, which include the provision of psychological support to children. Libya has made substantial improvements regarding health indicators: between 1990 and 2015, under-5 mortality rates fell from 42 to 13 deaths per 1,000 live births. In the same period, maternal mortality rates decreased from 39 to 9 per 100,000 live births. Nevertheless, malnutrition remains a concern, with approximately 21 per cent of children being stunted.

Little information is available about the status and coverage rates of contributory or non-contributory social protection schemes in the country. Prior to the conflict, Libya was moving from a more State-regulated economy with an extensive social infrastructure towards a market-based economy. Spending on social protection was estimated at 4.4 per cent of GDP in 2010. In comparison to other countries in the region, the formal social security system is very comprehensive, reaching coverage rates of up to 87 per cent. Benefits are paid on a contributory basis in the event of old age, disability, sickness, unemployment, injury or pregnancy.

Food, fuel and energy subsidies were adopted in the 1970s. Subsidy reforms took place between 2005 and 2010. Yet with the outbreak of the revolution, these were rolled back almost entirely. In 2015, however, a lack of funds led to a *de facto* 

removal of food subsidies, resulting in food shortages and a substantial increase in food prices. Regardless, spending on fuel and energy subsidies remains high, estimated at 12.5 per cent of GDP in 2016.

The Libyan Social Security Fund of the Ministry of Social Affairs provides families considered 'fragile' with financial and social support. Law no. 20 of 1998 on the Social Security Fund states that large families in need (among other categories) are provided with assistance, as well as housing and education. More detailed information on this programme is limited.

According to Law no. 27 of 2013, a family allowance of LYD100 per month should be paid by the Ministry of Social Affairs to all children under 18 and to single women who have no salary or wage. This makes Libya the only country in the region with a universal child allowance. It also stipulates that a monthly allowance of LYD150 should be paid to married Libyan women who do not earn any salary or wage.

Humanitarian assistance programmes currently play a crucial role in providing essential goods and services. While most services are provided as temporary benefits to alleviate the impacts of the current crisis, a few initiatives foresee a transition to national authorities once conditions allow: The World Food Programme (WFP), for example, delivers food baskets to food-insecure individuals as identified in the 2015 Libya Multi-Sectoral Needs Assessment. The WFP is considering the possibility of transforming it into a cash and voucher scheme and to include it in the national social safety net, once it is operational again. However, this has not happened yet due to security risks, limited data on food availability and fluctuating prices in local markets.

The lack of recent data represents a challenge in assessing Libya's social protection system and the extent to which it reaches children. Due to the current security situation and political instability, many national service provision systems have become dysfunctional, emphasising the importance of humanitarian programmes. In the medium term, it will be important to integrate these humanitarian programmes into the national social protection system, such as the food baskets provided by the WFP. Moreover, given the severe consequences of the conflict on children's well-being, it will be important to focus on introducing more child-sensitive social protection programmes in the future.

Note:

1. This One Pager is taken from a comprehensive study developed in partnership between the IPC-IG and UNICEF MENARO. All data are thoroughly referenced in the full report:

Machado, A. C., C. Bilo, R. G. Osorio, and F.V. Soares. 2018. Overview of Non-contributory Social Protection Programmes in the Middle East and North Africa (MENA) Region through a Child and Equity Lens. Brasilia and Amman: International Policy Centre for Inclusive Growth and UNICEF Regional Office for the Middle East and North Africa: <a href="https://goo.gl/QfmKwk">https://goo.gl/QfmKwk</a>>.



International Policy Centre for Inclusive Growth SBS, Quadra 1, Bloco J, Ed. BNDES, 13° andar 70076-900 Brasília, DF - Brazil

ipc@ipc-undp.org ■ www.ipcig.org Telephone: +55 61 2105 5000 The views expressed in this page are the authors' and not necessarily those of the United Nations Development Proaramme or the Government of Brazil.