مصرف ليبيا المركزي

CENTRAL BANK OF LIBYA

The Central Bank of Libya's National Strategy for Accelerating Digital Payments and Enhancing Financial Inclusion in Libya

Strategy Document

2026

National Strategy for Accelerating Digital Payments and Enhancing Financial Inclusion in Libya

The National Strategy for Accelerating Digital Payments and Enhancing Financial Inclusion in Libya comes as a response to the need for building a more efficient, inclusive, and secure financial ecosystem, capable of supporting economic transformation and fostering the trust of individuals and institutions in digital financial services. This strategy relies on a national drive aimed at a gradual transition toward a less cash-dependent economy, fully equipped to leverage modern payment tools alongside their associated regulatory, technical, and institutional frameworks.

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Vision

The vision is to transform Libya's financial landscape into an economy increasingly reliant on digital payments, ensuring that citizens have access to secure, inclusive, and efficient financial services, while driving economic growth, improving service quality, and broadening financial participation on a national scale.

Strategic Objectives

The strategy aims to reduce cash reliance, enhance financial inclusion, elevate trust in the financial system, and stimulate innovation and competitiveness across the payment and financial services sector. Furthermore, it seeks to develop the requisite institutional, regulatory, and data infrastructure to ensure the sustainability of digital transformation within the Libyan financial sector.

Scope of the Strategy

The strategy rests on eight priority initiatives designed to operate within an integrated national framework under the supervision of the Central Bank of Libya. This ensures effective coordination across payment infrastructure, digital identity, governance, regulation, innovation, and data. These initiatives include: Instant Payments, Digital Identity, the National Switch, Modernization of the Card System, E-Bill Presentment and E-Collection, Review of the Regulatory and Supervisory Framework, Open Banking and Fintech Empowerment, and Data Strategy.

Initiative 1: Instant Payments

This initiative aims to establish a national instant payments system providing a fast, secure, and accessible digital payment mechanism that enables individuals and institutions to execute transfers in real time, 24/7. It seeks to reduce reliance on cash, expand access to financial services, enhance user experience, improve market efficiency, and empower banks and relevant stakeholders to develop new financial services and products built on speed, interoperability, and reliability.

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Initiative 2: Digital Identity

This initiative aims to develop a trusted digital identity infrastructure that supports identity verification, authentication, authorization, and data exchange, thereby bolstering transaction security and the efficiency of digital financial services. Digital identity serves as a foundational pillar for facilitating account onboarding, streamlining Know Your Customer (KYC) procedures, mitigating fraud risks, and enhancing user experience, while paving the way for the future expansion of digital applications across government and other service sectors.

Initiative 3: National Switch

This initiative aims to establish a specialized national switch tasked with operating, managing, and developing card systems to achieve greater efficiency, institutional agility, and scalability. This entity is expected to enhance governance, optimize the management of operational payment assets, boost market competitiveness and innovation, and ensure compliance with oversight and settlement functions in accordance with Central Bank of Libya regulations. Furthermore, the national switch will advance payment systems in line with the highest international standards.

Initiative 4: Modernization of the Card System

This initiative aims to develop Libya's payment card ecosystem to drive merchant adoption of electronic payments, expand point-of-sale (POS) terminal deployment, enhance interoperability, and optimize the overall value chain across issuance, acceptance, and processing. Furthermore, it seeks to increase reliance on digital payment instruments among individuals and merchants through targeted incentives, modernize acceptance technologies, and foster a more competitive environment that supports widespread adoption and long-term sustainability.

Initiative 5: Bill Payment and E-Collection

This initiative aims to establish a centralized national platform for electronic bill payment and collection, connecting billing entities to diverse digital payment channels and providing individuals and businesses with simpler, more transparent payment options. This initiative plays a vital role in supporting the digitization of government and public service collections, mitigating cash-handling risks, boosting collection speed and efficiency, and driving compliance and service accessibility nationwide.

Initiative 6: Reviewing the Regulatory and Supervisory Framework

This initiative aims to modernize the governance system, regulations, and directives governing the banking and fintech sectors, thereby promoting clarity, consistency, and market fairness. It seeks to strengthen effective supervision, enhance compliance environments, and empower innovation in modern financial services. Furthermore, the initiative covers the development of institutional frameworks, coordination and monitoring mechanisms, and regulatory impact assessment methodologies.

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Initiative 7: Open Banking and Fintech Empowerment

This initiative aims to foster a more open and innovative financial sector by implementing Open Banking frameworks and encouraging fintech companies to deliver novel solutions driven by secure, regulated, customer-consented data sharing. Furthermore, it seeks to cultivate a supportive ecosystem for startups, enhance regulatory guidance, and deploy regulatory sandboxes—thereby elevating customer experience, driving market competition, and broadening the reach of modern financial services.

Initiative 8: Data 2.0

This initiative aims to enhance the data environment at the Central Bank of Libya, enabling it to build a more comprehensive and precise view of capital flows, as well as physical and digital cash usage patterns. It focuses on leveraging data for supervision, policy formulation, and impact measurement. The initiative encompasses developing data governance, improving data collection, cleansing, integration, and analytics, and building the institutional capabilities required to utilize data in supporting decision-making and guiding future interventions.

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Integration between initiatives

The strategy is based on the principle of integrating initiatives, where each initiative supports and enhances the impact of the others. Instant payments are linked to digital identity, the modernization of the card system leverages the institutional and operational frameworks provided by the national payments distributor, the electronic collection platform supports the widespread use of digital payments, and regulatory review, open banking, and Data 2.0 enable the establishment of a more advanced, efficient, and scalable environment. Therefore, this strategy represents a comprehensive national transformation system, not a collection of separate projects.

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Governance and Implementation

The strategy relies on a phased implementation approach, progressing from high-level design to detailed design and execution. A dedicated Program Management Office (PMO) coordinates priority initiatives, tracks progress, ensures alignment across tracks, and defines roles between the Central Bank of Libya and relevant technical and institutional stakeholders. This structured approach is essential for translating strategic direction into tangible, measurable, and continuously improving outcomes.

Expected Impact

This strategy is expected to contribute to reducing reliance on cash, expanding financial inclusion, enhancing the efficiency of financial services, strengthening transaction security, driving innovation and market competition, and improving public collection and government services. Furthermore, it enhances supervisory and decision-making capabilities at the Central Bank of Libya. The strategy is also anticipated to support the transition toward a more modern, transparent, and sustainable financial environment, delivering tangible benefits to citizens and the national economy over the medium and long term.

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Conclusion

The National Strategy for Accelerating Digital Payments and Enhancing Financial Inclusion in Libya represents a comprehensive framework for modernizing the national financial system on integrated institutional, regulatory, technical, and data-driven foundations. It reflects a clear direction toward building a more efficient, resilient, and competitive payments sector capable of supporting economic development, improving public and financial services, and reinforcing citizens' and institutions' confidence in digital financial solutions. Through its eight core initiatives, this strategy establishes practical grounds for a new era of financial development in Libya, where digital transformation serves as a catalyst for sustainable development, inclusion, stability, and innovation.