



Doing Business in Libya: 2014 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Libya

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Market Overview

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- Libya is the fourth largest country in Africa and the 17th largest in the world, and the country's proven oil reserves rank tenth in the world in size.
- Libyan exports of oil & gas resources, in conjunction with a low population, 6.7 million, enable it to generate a per capita income of USD 11,046, the highest of its North African neighbors, and among the highest in Africa. This relatively high per capita income and an extensive system of government subsidies support Libyan demand for consumer goods, which must be met nearly entirely through imports. Chronic disruptions of key oil and gas infrastructure over the past year have dramatically lowered Libya's volume of oil and gas exports.
- The U.S. is Libya's 9th largest import partner and 4th largest export partner. Bilateral trade between the U.S. and Libya totaled USD 3.4 billion in 2013, with USD 840 million in exports from the U.S. to Libya. Foreign reserves totaled an estimated USD 121 billion as of the start of 2014, but are falling due to budgetary pressures.
- Libyan economic activity is dominated by the public sector, which relies upon the export of hydrocarbons for revenue. This income remains primarily in state hands following limited moves toward privatization in the final years of the Qadhafi regime.
- Libya's economy is highly dependent upon oil and gas, making it vulnerable to changes in production and shifts in global prices. Prior to the 2011 overthrow of Qadhafi, the energy sector accounted for 70 percent of Libya's economy, 90 percent of government, and 95 percent of exports; these figures are as yet largely unchanged in the post-revolutionary period.
- Challenges to central government authority during the current transition, have adversely impacted the stability of Libya's oil production, and export capacity, thereby reducing government revenue. No major economic or trade policy changes are expected until after a permanent government comes to power under a new constitution. A national Constitutional Drafting Assembly was elected in February 2014 and seated in April. It was not clear when the results of its work will allow for the planned popular referendum on the new constitution.
- Unemployment in Libya currently stands at 15 percent, according to official statistics, but may be much higher. Job creation is a major driver behind

government policies aimed to attract foreign investment across all sectors. Technology transfer also plays a significant role, as does a desire to diversify the economy. In its drive to attract foreign investment, the Government of Libya plans to privatize approximately 400 publicly owned firms.

Market Challenges

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- Libya is a challenging market undergoing a period of transition, and while there are major opportunities, there are significant obstacles including: an unstable security environment, delayed procurement decision-making often resulting from a lack of institutionalized decision-making processes; inconsistent technical capacity of public agencies, and transparency concerns.
- While Libyan ministries and private firms are sometimes more reliable with an agreed upon payment schedule than in the past, one should not take it as a given that payment will be made on time. The payment terms set in an export sales contract are critical to getting paid. It is recommended that a confirmed and irrevocable Letter of Credit is used when conducting business with Libya.

Market Opportunities

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- Libya has broad infrastructure development needs stemming from the period of international sanctions, destruction during the 2011 conflict, and neglect. The twenty year period of international sanctions prevented the entry of international expertise, creating pent-up demand for services from abroad in various sectors.
- Sectors offering the best prospects for U.S. businesses include: Architecture/Construction/Engineering Services; Aviation Services; Electrical Power Systems; Medical Equipment; Oil and Gas Exploration Services; Safety and Security Equipment; Telecommunications Equipment ; and Water Resources Services.

Market Entry Strategy

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- Establishing relationships with Libyan partners is an integral part of a successful business. Ventures have failed because U.S. counterparts attempted to run a project remotely or with limited resources. To succeed in the Libyan market, it is important to consider assigning staff to Libya or finding a partner to represent your interests. In general, Libyans are eager to partner with U.S. companies and welcome their return to Libya – they seek greater contact with U.S. businesses.
- Start small, and think long-term. Relationships take time to build, in particular if your product has no prior brand-name recognition in Libya. Think about partnering with another foreign firm with a more established local presence, or entering into small-scale agreements to test the market. Lower, sustained investment of personnel and time tends to be more effective at generating business in Libya, than larger sums and dramatic expressions of interest, managed from a distance.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/5425.htm>

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Chapter 3: Selling U.S. Products and Services

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Using an Agent or Distributor

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There are means of operating in Libya that do not involve local incorporation. These include “agencies” and “umbrella activity.” Agencies are simply distributorship agreements, signed with a local firm or registered agent. Many import commodities are covered by a mandatory agency requirement. The primary decrees relevant to agents are General National Congress (GNC) Decree No. 6 of 2013 and No. 83 of 2012, and prior law.

A second option is to enter the market under the umbrella of a foreign firm (in this case, the foreign firm effectively performs an agency function). Many U.S. businessmen find the “agency” route somewhat unsettling, for the fact that the individuals serving as agents often have little relevant technical or legal experience, or even deep knowledge of the local market. Operating under the umbrella of another foreign firm makes establishing an independent name in the market difficult. Certainly, the quickest way to enter the market is to do so under the auspices of an established foreign partner.

Law No. 6 of 2004 mandated that foreigners wishing to sell directly in the Libyan market employ the services of a local agent. This law has since been softened; an annex to Law No. 6, GNC Decision No. 190 of 2013, requires agents for the following seven product groupings:

1. Passenger vehicles
2. Motorcycles
3. Copying machines
4. Ovens, refrigerators, washers & dryers, other major household appliances
5. Televisions, fax machines, and computers
6. Road construction and paving equipment
7. Heaving agricultural equipment, including pumps

Other commodity classes will reportedly be added to this list on a rolling basis, despite the fact that mandated agency runs counter to World Trade Organization provisions, and Libya is in the process of preparing its application for accession to that organization, following submission of its membership application in 2004. Agency agreements are reputedly exclusive, but exceptions are made for distinct geographic regions and brand segmentation (e.g., two agents, one for Benghazi, one for Tripoli; and different agents for different product lines manufactured by a single company).

In April, 2013 GNC Decision No. 83 amended Law No. 6 of 2004 regarding agencies and commercial activities. The new legislation requires Libyan agencies in the form of joint-stock companies or tasharukiyyat (profit-sharing collectives) to open 40 percent of total shares to public control.

The ruling forbids individual agencies from representing products of more than one manufacturer in the following categories: heavy machinery and tools, agricultural equipment, road construction, and medical equipment. Decision No. 83 also limits the number of foreign agency contracts a single company may hold to three, from within a list of 15 product categories:

- 1) Office supply materials
- 2) Household electrical appliances
- 3) Non-household electrical appliances
- 4) Electronic equipment
- 5) Carpentry and workshop equipment
- 6) Wood for industrial use
- 7) Light agricultural materials
- 8) Agricultural accessories
- 9) Medications and medical products
- 10) Cleaning and beauty supplies
- 11) Baby care products
- 12) Photo equipment and accessories
- 13) Yachts, boats and fishing trawlers
- 14) Fishing equipment
- 15) Baking supplies

Many local businessmen saw the new decision as an effort to contain the influence of newly-emerging private enterprises, most of which rely on the import of electronics, consumer goods, and heavy machinery, all areas specifically mentioned in the latest legislation.

Once an affirmative response is obtained from the registration authorities, a foreign company must sign the relevant municipality (shaabiyya) commercial register. Documentation used to satisfy national branch registration requirements should be sufficient for local registration. A foreign company or branch must also register with the Libyan Chamber of Commerce.

Required documents (original, certified, and in Arabic) include: memorandum and articles of incorporation, power of attorney or a letter of authority from the branch manager, and proof of registration with the Libyan Secretariat of Economy and Trade and relevant municipality. Foreign companies operating in the oil services sector must also register with the National Oil Corporation (NOC), an action that results in the company's placement on the NOC's list of approved contractors.

Lastly, before entering into a contractual arrangement with a non-Libyan agent, it is advisable to verify that the foreign investor or commercial entity has the right to import all the equipment and primary materials not available in the Libyan market to undertake the project. In the past, non-Libyans have offered their services as agents and trademark registrars, but the documentation produced by such individuals holds no legal weight.

Establishing an Office

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Types of Legal Entities Governing Economic and Commercial Activity

There is considerable confusion regarding the requirements for establishing a legal commercial presence in Libya, many of which are covered by Commercial Law No. 23 of 2010, and subsequent GNC and government decrees. Companies are strongly encouraged to obtain local legal counsel to determine applicability of all relevant laws, GNC and government decisions regarding their operations – which are always subject to change – whichever of the following paths pursued. Companies have five main options, each of which has certain advantages and restrictions:

- 1) Representative Office
- 2) Branch Office
- 3) Establish a Joint Venture/Joint Stock Company with a local firm
- 4) Enter Libya under the provisions of Investment Law No. 9 of 2010 (See also Chapter 6, “Investment Climate”).
- 5) Agency (Covered in previous section)

Entering as a Representative Office

After obtaining permission from the Minister of Economy, foreign companies can apply to open a representative office in Libya for the purpose of exploring the market, collecting data, conducting studies, and expediting procedures for carrying on future activity, though the office will not have the power to sign contracts in its own name and cannot conduct any commercial activity. The duration of the Representative office is two years, subject to renewal. The application should be appended with the following documents:

- 1) Decision of Company's Board of Directors, approving the opening a representative office for the Company in Libya.
- 2) A copy of memorandum and articles of association of the Company.
- 3) Fresh extract of entry showing registration of the company in the commercial register or its equivalent.
- 4) Nomination of the representative office's manager either in the same decision of opening or under a separate decision.
- 5) Proof of opening of a Libyan bank account in LYD or foreign currency in an amount that will cover the establishment of the company and its commercial expenses – the credit in the account shall not be less than LYD 150,000.

Entering as a Branch Office

After obtaining permission from the Minister of Economy, foreign companies can open branches in certain fields of activity (listed below) providing they will not be participating

in a joint venture company operating in the same field or activity. The duration of a branch office is five (5) years, subject to renewal. The application should include:

- 1) Decision of Company's Board of Directors, approving the opening of a Branch of the Company in Libya that includes the following:
 - a. Definition of Branch activities, which demonstrates they fall into a category of activities permitted for foreign company in Libya.
 - b. The amount allocated for opening and running the Branch should not be less than LYD 250,000.
 - c. Nominate the Branch's Manager or his Deputy as one of them should be a Libyan national.
- 2) Copy of memorandum and articles of association of the Company and the last audited and approved balance sheet.
- 3) Statement evidencing the experience of the Company and its classification.
- 4) Fresh extract of entry showing registration of the foreign company in the Commercial Register or its equivalent.
- 5) Commitment from the foreign company to prepare an annual balance sheet and profit and loss statement for the Company's Branch, approved by a certified Libyan auditor.
- 6) Certificate from a bank operating in Libya confirming that the Company has transferred the portion of capital required to Libya.

Fields permitted for foreign companies to open branches and carry on activities in Libya are specified as follows:

Contracting and Civil Works

1. Building and construction.
2. Construction of roads, bridges, viaducts and dams.
3. Naval structures such as marine quays, breakwaters, shipbuilding and maintenance docks and dredging in ports.
4. Construction of airports and airfields.
5. Construction of railways and their stations.
6. Construction of gas conveyance and distribution networks using carbon steel and polyethylene pipes of all types and sizes.
7. Installation and maintenance of household gas networks and calibration of gas meters of all types.

As a condition for carrying on the fields referred to in items 1 to 5, the contract value shall not be less than LYD 50,000,000.

Electricity Works

1. Construction and maintenance of power stations including those depending on renewable energies as well as transformer sub-stations of all types.

2. Construction and maintenance of cable networking for transmission of electric power.
3. Construction of desalination plants depending on thermal methods, membranes, and renewable energies.

Oil Activities

1. Oil explorations including subsurface strata survey by various geological, geophysical, and geochemical means.
2. Data processing and analysis, and conducting geological and reservoir studies.
3. Oil wells drilling and renovation, installation and maintenance of drilling rigs and equipment, and submersible and submerging pumps.
4. Cementation, mud, and drilling fluid services.
5. Construction tanks, terminals, oil and gas conveyance pipelines and pumping stations, their maintenance and cathodic protection.
6. Construction of floating marine platforms for oil and gas prospecting.
7. Installation and maintenance of oil refineries and petrochemical plants.
8. Rendering maritime transport services for materials, equipment and machinery for drilling operation in offshore areas.
9. Mines clearing from oil fields and other sites.

Communications

1. Installation and maintenance of telecommunication systems and stations.
2. Construction and maintenance of stations, towers, antennas for telecommunication and aeronautic stations.

Industry

1. Electrical, mechanical, electro-mechanical and technological works necessary for installation of factory machines and maintenance thereof.
2. Mining, exploration and extraction of metals, excluding petroleum materials.
3. Construction and maintenance of blast furnaces necessary for industrial plants.
4. Installation and maintenance of safety and industrial security systems.

Surveying and Planning

1. Construction environmental sanitation stations.
2. Engineering consultative services for urban planning.
3. Preparation design studies for engineering projects.

Environmental Protection

1. Construction of stations for environmental sanitation.
2. Treatment, processing and recycling of wastes.
3. Installation and maintenance of equipment to remedy environmental pollution.
4. Treatment of seawater encroachment with ground water, and maintenance of water conveyance and wastewater systems.

Computer Systems

1. Installation and maintenance of automatic control systems and development of the relevant programs and software.

Consultancy, Technical Studies and Training

1. Preparation and management of training programs in the field of information technology, telecommunications and control systems, and construction supervision.
2. Training, capacity- building and skills- formation to fulfill the needs of labor market, without contradicting Law No. 18 of 2010 regarding education.
3. Preparation of technical studies and provision of engineering designs, as necessary to execute major industrial and construction projects.

Healthcare

1. Installation, maintenance and calibration of medical machines and equipment.
2. Management of hospitals and medical units.

Air Transport

1. According to the rules and conditions specified under the law.

Franchising

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Franchising is now permissible under Libyan law, made legal through a decree issued in 2012. United States food and automotive rental franchises now operate in Libya.

Joint Ventures/Licensing

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Entering as a Joint Venture/Joint Stock Company

After obtaining permission from the Minister of Economy, joint venture companies can be formed between Libyan national corporate bodies and persons with foreign national corporate bodies and persons. The Chairman of the Board of Directors of the joint venture (joint stock) company or the Manager of the joint venture (limited liability) company must be a Libyan national.

Law No. 23 of 2010 prescribed the structure and restrictions on joint venture companies and Ministry of Economy Decree 207 of July 2012 provided further interpretive detail.

Joint venture companies may carry on economic activities in Libya, with the exception of the following fields, which are reserved for Libyan nationals:

1. Retail and wholesale trade
2. Importation activity
3. Catering services
4. Commercial agents of all types and fields
5. Ground transportation services
6. Inspection of all goods and commodities exported and imported
7. Handling, shipment and discharge activity in airports
8. Legal and financial auditing
9. Packing and packaging activity

10. Stone crushing
11. Contracting and civil works, including construction and building, for contracts of less than LYD 30 million in value.

The joint venture company may also take the form of limited liability company formed by Libyans and foreign persons. The capital required in this case is LYD 50,000 or more, with foreign participation not exceeding 49 percent.

The following documents are required to register a joint venture company:

1. Decision of the national and foreign Company's Board of Directors approving establishment of a joint venture company and the share percentage of each partner.
2. A copy of memorandum and articles of association of the Libyan company and the foreign company.
3. A fresh extract of registration entry of the Libyan and the foreign company in the Commercial Register.
4. Statement from a commercial bank operating in Libya, to the effect that the monetary capital of the company has been paid in full, and confirmation that the foreign partner has transferred the required amount of his portion of the Company's capital to Libya.
5. Statement evidencing provision and valuation of the shares in kind in accordance with article (104) of Law No. 23 of 2010, and whether these shares in kind are provided by the Libyan or the foreign partner.

Joint venture companies are also required to adhere to the following rules and conditions:

1. Transfer and settlement of know-how and technology.
2. Hire and employ national manpower in accordance with the percentages specified under law.
3. Plan annual programs for training of Libyan manpower in the professions and jobs filled by foreign staff.
4. Implement annual programs for replacement of foreign manpower by national manpower.
5. Utilize machinery, equipment, raw materials, and source production requirements as available in the local market.

Selling to the Government

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The Libyan economy remains dominated by the public sector with strong potential, in theory, for government sales. Libya's designation as a state sponsor of terrorism was rescinded in 2006, removing the broad prohibition against trade with Libya. United States persons are now permitted to conduct business with the Government of Libya, following the issuance of Department of Treasury General License 8a (September 19, 2011). The license followed passage of UN Security Council Resolution (UNSCR) 2009 (September 16, 2011), which partially lifted the asset freeze imposed by UNSCR 1970

(February 26, 2011) and strengthened by subsequent Resolutions. The modification of Department of Treasury and Department of Commerce rules relevant to Libya and the modification of the International Trafficking in Arms Regulations (ITAR) have further opened the way for U.S persons to trade with Libya.

U.S. Department of Commerce, Bureau of Industry and Security:

<http://www.bis.doc.gov/PoliciesAndRegulations/regionalconsiderations.htm>

U.S. Department of Treasury, Office of Foreign Assets Control:

<http://www.treasury.gov/resource-center/sanctions/programs/pages/libya.aspx>

U.S. State Department, Office of Defense Trade Controls:

http://www.pmdtc.state.gov/embargoed_countries/index.html

Distribution and Sales Channels

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In the past, the Libyan government controlled all imports, exports and pricing of commodities. Libya has undertaken significant privatization of its distribution system, but the government still maintains an active licensing and management role. Most imports are now handled by private entities, and there are a small number of privately-owned consolidated distribution centers. These centers are utilized by a diversified network of wholesale distributors which possess the connections to retail establishments. In general, retailers do not access these distribution centers directly, but instead rely on the wholesaler network. Larger U.S. businesses have sought to establish more direct distribution networks in Libya with mixed success. NASCO, the government importation body, now only directly imports a small number of cereals and other agricultural products (with exclusive rights to do so), while maintaining its oversight role.

Selling Factors/Techniques

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Price is an extremely important selling factor in Libya, as decades of subsidies and low-cost imports have enhanced the sensitivity of the Libyan consumer to price. The inclusion of training, education and after-sales support is of growing importance in the Libyan market, and is a component of many successful contract proposals.

Electronic Commerce

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Electronic commerce is under the purview of the Ministry of Economy, which has established a committee charged with drafting rules to regulate such activities in Libya. With a 200% increase in the internet users since the revolution, and commercial vendors reportedly awaiting the establishment of the regulatory structure, e-commerce is expected to significantly increase in Libya. There are already basic online sites for real estate, and resale of private automobiles and other goods – such as Open Souk (ly.opensooq.com) – that have been highly successful.

Trade Promotion and Advertising

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The advertising industry in Libya is still underdeveloped, although it has improved following the revolution. Most marketing is done through television, social media, and

even word of mouth, but corporate reputation also matters. American companies, especially those with a pre-1980 presence in-country, will find they have an advantage over “unknowns”, as Libyan consumers tend to consider U.S. products as having better quality than competitors. A de facto ban was in effect until 2004 on the public display of product logos that were written in a language other than Arabic or expressed an “untranslatable” concept. This “ban” has since been lifted; large posters of international brands are now commonplace in Libyan cities.

Foreign companies may advertise in the few English language newspapers, including the Libya Herald or the Tripoli Post, or in the many Arabic language newspapers that have appeared in the post-revolutionary period. Companies may also advertise on Libyan Business websites such as Libyaninvestment.com. Several new advertising agencies have also appeared in recent years.

Tripoli has hosted an increasing number of trade exhibitions and conferences of varying quality in recent years, including the Tripoli International Fair, which was certified by the U.S. Department of Commerce. See Chapter 9 for a listing of upcoming events, and the links below for exhibitors that have organized recent events in Tripoli.

General Board of Fair: <http://www.libyafairs.com>

ATEX Exhibitions: <http://www.atex.com.ly/>

Waha Expo: <http://www.wahaexpo.com/exhibitions.htm>

Montgomery Libya: <http://www.montgomerylibya.com/>

Pricing

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Though Libya is traditionally a price-sensitive market, quality often wins out over cost. Libyan consumers are used to low-cost goods that are subsidized by the government — such as sugar, cooking oil, tomato paste, flour, and gasoline. More recently the downturn of the economy, due mainly to disruptions in oil production, has forced prices upward. However, consumers will still demand the desired brand and quality if there is not a like product available at a lower cost. This goes for purchases acquired by the government as well, where quality and longevity of products and equipment is valued.

Income Tax Law No. 11 of 2004 increased personal tax exemption bands over those specified in Law No. 64 of 1973. A series of three GPC Secretariat resolutions (numbers 394-6) issued in early October 2006 called on Libyan citizens to openly declare their tax obligations and for the establishment of a high-level review of the tax declarations of senior-level government and private-sector officials.

Personal Income Tax (Foreign Nationals)

Foreigners' income is taxed according to its source. Tax on income from agriculture is levied at a flat 5 percent per year; income on commercial activities is 20 percent for the first LYD 10,000; 25 percent for the subsequent LYD 20,000; 20 percent for the subsequent LYD 30,000, and 35 percent on income above LYD 60,000. Tax on income from industry & crafts is levied at a 5 percent discount per bracket. Employees within Libyan-run companies pay 3.75 percent of gross income as Social Security Tax, while the employer contributes 11.25 percent. There is no VAT in Libya, no gift and inheritance tax, no locality taxes, and no tax on insurance premiums (i.e., these are

deductible expenses).

Corporate Income Tax

In a process that is far from transparent, foreign companies submit preliminary (self) assessments of their tax liabilities, which Libyan tax authorities then review against a theoretical (and rarely attainable) industry average. After a period of time, the tax authorities issue a final assessment, incorporating whatever additional information they believe relevant. A company may appeal this final assessment. In practice the tax payment process is something of a negotiation, in which smaller firms have an advantage over larger ones, as assessments are generally pursued with increasing vigor the higher the obvious asset base.

Double Taxation Agreements

Although Libya has double taxation agreements with several countries in the Middle East, it has no such agreements with the United States. A Presidential waiver signed in November 2004 allows credits to be claimed against U.S. income tax for taxes paid in Libya (U.S. Department of Treasury, Dec 28, 2004).

Stamp Tax Law

Law No. 12 of 2004 created a new Stamp Tax. This tax specifies the following tax rates on items procured in Libya by a foreign firm:

Taxable Item	Rate
Auditors Certificate & Reports, per Document	LYD 100
Accounting Books (registered), per page	LYD .250
Automobile invoices, on sale/purchase	3%
Invoices over 100 LD	2%
Rentals (housing)	1%
Contracts for supplies, services, public works, etc.	2%
Subcontractor on 1/10 value of Subcontract	1%
Opening of Letters of Credit	.2%
Guarantees, insurances, etc.	.5%
Receipts (general)	.5%
Amounts paid by any public body on behalf of recipients	.5%

Source: Dr. Abdussalam Sultan, Certified Accountant & Tax Consultant, drabdussalamsultan@yahoo.com

Miscellaneous Tax Regulations

- Export of goods to Libya is not subject to tax if the exporter's responsibilities end prior to customs clearance and the exporter/supplier is not registered in Libya.
- Contracts must be registered with the Tax Department within 60 days of signing, and 2 percent of the total amount plus 1 percent of the proportion that is sub-

contracted is payable upon registration. Fines are levied at a rate of 3 percent/month delay.

- Personal income tax (may) be up to 90 percent on salaries over LYD 200,000.

Sales Service/Customer Support

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After sales support is a growth industry in Libya, and is highly valued by Libyan authorities in their evaluation of proposed foreign investment projects and government contracts. Several U.S. and European brands have successfully used after-sales support as a marketing tool. High-end car dealerships (including Mercedes Benz, Ford, Chevrolet, Toyota, Audi, Volvo, and others) maintain showrooms, and agents for several major brands have opened substantial workshop and maintenance facilities. Since the revolution, many foreign brands – in the clothing, food, and other sectors – have opened branded retail outlets in larger cities, which have generally been successful.

Protecting Your Intellectual Property

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Protecting Your Intellectual Property in Libya

Several principles are important for the effective management of intellectual property (“IP”) rights in Libya. It is critical to have an overall strategy to protect your IP. IP is protected differently in Libya than in the U.S. IP rights must be registered and enforced in Libya under its laws. Your U.S. trademark and patent registrations will not automatically protect you in Libya. Protection against unauthorized use in a particular country depends on the national laws of that country, including Libya. Therefore, U.S. firms will benefit from engaging local counsel to determine how to most effectively protect their IP.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so please consider applying for trademark and patent protection even before selling your products or services in the Libyan market. It is vital that companies understand that IP is a private right and that the U.S. government generally cannot enforce rights for private individuals in Libya. It is the responsibility of the rights holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Libyan law. The U.S. Commercial Service can provide a list of local lawyers upon request. See also the following link: <http://libya.usembassy.gov/lawyers.html>

While the U.S. government stands ready to assist, please ensure that you have taken necessary precautions in protecting your IP rights. Moreover, in many countries, companies that delay enforcing their rights on the belief that the U.S. government can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations or unreasonable delay in prosecuting a lawsuit.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may

create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Libya require constant attention. Work with legal counsel familiar with Libyan laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working with trade associations and organizations to support efforts to protect IP and stop counterfeiting and piracy. There are a number of these organizations, both Libya and U.S.-based, including:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

Libyan IPR Environment

Trademark violations are widespread and violators are adept at producing seemingly credible fakes. U.S. brands remain vulnerable to such activity. Libya's Law of Consumer and Intellectual Property Protection is enforced by the Trademark Office within the Ministry of Economy, and the Customs Authority. In practice, enforcement generally requires a specific legal claim.

A competent local agent will keep an eye out for infringements. The Embassy has noted several cases in which foreign firms successfully pursued claims against trademark infringements by local (Libyan) companies. While Libya is in the process of applying for entry to the WTO, it is not currently a member, and thus is not a party to TRIPS (Agreement on Trade-Related Aspects of Intellectual Property Rights).

"Trademark agents" are typically responsible for registration of company trademarks with the Trademark Office. These agents must themselves either engage an authorized trademark registrar, or hold a registrar's permit. The Embassy does not provide due diligence or formal notary services in this regard.

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding IP include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the

U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**. The USPTO also has a regional IP Attaché for the Middle East & North Africa, Aisha Salem, available at Aisha.Salem@trade.gov. For more information on the IP Attaché program generally, please visit <http://www.uspto.gov/ip/global/attache/index.jsp>.

- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.
- For information on obtaining and enforcing IP rights and market-specific IP Toolkits as well as how to evaluate, protect, and enforce IP rights and how these rights may be important for businesses, visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

Due Diligence

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Performing due diligence on potential partners and local agents in Libya is available through the U.S. Department of Commerce office in Libya. This service, termed an International Company Profile, can be arranged through U.S. Export Assistance Centers in the United States. Companies seeking to enter the Libyan market are advised to conduct their own thorough due diligence measures whenever possible.

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Libya Chamber of Commerce: <http://libyachamberofcommerce.org/>

U.S.-Libya Business Association: <http://www.us-lba.org/>

American Chamber of Commerce Libya: <http://www.amcham.ly/>

Libyan Export Promotion Center (Arabic): <http://www.lepc.org.ly/>

General Board of Fair: <http://www.libyafairs.com>

ATEX Exhibitions: <http://www.atex.com.ly/?>

Waha Expo: <http://www.wahaexpo.com/exhibitions.htm>

Montgomery Libya: <http://www.montgomerylibya.com/>

Commercial Service in Libya: <http://export.gov/libya/index.asp>

U.S. Embassy: <http://libya.usembassy.gov/>

USAID: <http://www.usaid.gov/where-we-work/middle-east/libya>

Federal Business Opportunities: <http://www.fedbizopps.gov/>

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Chapter 4: Leading Sectors for U.S. Export and Investment

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Agricultural Sectors

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Architecture/Construction/Engineering Services

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Emerging from two decades of international sanctions, and the destruction caused by fighting during the uprising in 2011, Libya has extensive infrastructure development needs across the economy and in every region of the country. This pent up demand for infrastructure services can only be met through international contract management and engineering firms. In the coming years, as the political, security, and fiscal situation in the country stabilizes, contracting services and construction materials will be in great demand to support major road, large-scale office complex, hotel, and residential housing projects.

Nearly all major infrastructure projects, valued at approximately USD 108 billion, have been frozen since the overthrow of the former regime. Progress in the transition to a permanent government, under a new constitution, and capacity development within government institutions will help reduce challenges that have delayed the resumption of major infrastructure projects. Infrastructure projects have remained stalled due to:

- **Bureaucracy:** Decision making can be delayed through deferring to committees, often ad hoc, in which consensus is required. Decisions are also often elevated to senior officials, lengthening the time required for approval. Public contracts valued at LYD 5 million (USD 4 million) or greater, typically require the approval of the Auditing Committee (Diwan al-Muhasiba), which scrutinizes the integrity of procurement contracts for all Libyan ministries. After the signing of a contract with a Ministry, this agency may identify concerns that may need to be resolved prior to payment under the contract.
- **Corruption:** Contracts initiated during the Qadhafi regime lacked transparency. As a result, many contracts dating back to the former regime remain under review due to transparency concerns.
- **Security:** The unstable security situation adversely impacts the operating environment, deterring companies from traveling to Libya, and poses a barrier to financing.
- **Undeveloped private sector:** Due to stifling of the private sector under the Qadhafi regime, the nascent domestic private sector is unprepared to execute large-scale infrastructure projects.

Despite these challenges to completing infrastructure contracts, there are vast opportunities for U.S. companies to develop needed infrastructure in Libya. In December 2013, the Government of Libya announced its decision to resume a contract with AECOM to manage over USD 100 billion of Housing and Infrastructure Board (HIB), Ministry of Housing and Infrastructure, projects throughout the country. The resumption of this contract signals that the Government of Libya aims to embark upon a broad range of infrastructure projects, and seeks to accelerate the completion of contracts, although there were challenges to implementation. U.S. infrastructure and engineering firms that are prepared to operate in a difficult environment are well placed to support these housing and infrastructure projects as they resume.

Sub-Sector Best Prospects

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- Engineering services
- Architectural design
- Advanced construction techniques
- Specialized construction technology
- Major project management

Opportunities

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Major opportunities for U.S. companies exist in the following arenas:

Airport Construction Projects

There are 141 airports in Libya, 60 of which have paved runways. The capital is served principally by Tripoli International Airport. Mitiga-City Center, while sometimes used for domestic and international charter flights, is predominantly reserved for military and government use; various government plans to expand civil aviation at Mitiga have stalled due to opposition from the military. Benghazi is served by a single airport, Benina International. Most major cities maintain municipal airports. The government has announced plans for new airports in Tripoli, Benghazi, Sebha, Misurata, and Kufra.

Road and Bridge Construction

Libya's transportation infrastructure is weak. Paved roads and airline services link the major population centers; there are no railways, and few reliable marine transport services are available. Fifteen years ago it was estimated that there were 83,200 km of roads in Libya, including 47,590 km of paved roads and 35,610 km of unpaved roads. The government issued a number of high-profile road and road-improvement tenders in 2013, primarily to companies based in East Asia.

The Libyan government is seeking to address these shortcomings via an ambitious set of construction plans to upgrade and add facilities. In recent years, the Libyan Road and Bridge Authority signed contracts for 94 projects in road construction, including emergency road maintenance, removal of sand from the roads, and paving, as well as 9 projects to construct and maintain administrative buildings and service centers, plus 16 project studies, and the resumption of work on some suspended projects.

Seaport Construction

Major seaports and harbors in Libya include: Al Khums, Benghazi, Derna, Marsa al Burayqah, Misurata, Ras Lanuf, Tobruq, Tripoli, and Zuwarah. In late 2007, the government announced plans to construct new facilities in Tripoli, Benghazi, Misurata, Khoms, Tobruk, Sirte and Derna.

In 2013, the Ministry of Transportation identified the need for developing new port facilities and maintaining existing port facilities including the following ports: Harika Oil Port facilities in the City of Tobruk, east of Benghazi (and Tripoli), and at Mellitah and Zuwarah Ports, both west of Tripoli. The Ministry determined the need for preliminary studies to create new coastal seaports, and for the construction of piers and seawalls.

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American Chamber of Commerce Libya: <http://www.amcham.ly/>
Libyan Export Promotion Center (Arabic): <http://www.lepc.org.ly/>
Commercial Service in Libya: <http://export.gov/libya/index.as>

Aviation Services

Overview

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Unit: USD thousands

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	37	213	664	800
Total Local Production	0	0	0	0
Total Exports	0	0	0	0
Total Imports	37	213	213	800
Imports from the U.S.	0.728	.588	1.33	2
Exchange Rate: 1 USD	1.22	1.25	1.28	1.26

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources: Imports from U.S.: census.gov, Global Trade Atlas

In 2013 the Ministry of Transportation elaborated its vision and an action program for the sector in the upcoming years. In the area of civil aviation, the government plans a series of short and long term improvements, including the following projects and activities:

- Installation of navigation systems, calibration, and spare parts
- Installation of a communication systems, service and spare parts
- Development of substantive departments of the civil aviation authority
- Development of airport management and administrative services
- Construction of air traffic control systems and towers
- Rehabilitation of existing Libyan airports
- Introduction of new technologies to reduce environmental impacts

Additionally, in the field of meteorology, the action program calls for developing three aerial observations stations, and equipping and maintaining 18 weather stations. The first phase of the meteorological rehabilitation project calls for obtaining an international certificate of quality and networking the meteorological stations via satellite to the National Center of Meteorology. The meteorological control center planned for Benghazi will monitor the air traffic control of Tripoli International Airport and will be responsible for periodic maintenance.

Sub-Sector Best Prospects

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- Airport development and construction
- Engineering services

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Electrical Power Systems

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Unit: USD thousands

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	N/A	N/A	N/A	N/A
Total Local Production	6,000	6,200	6,400	7,000
Total Exports	N/A	N/A	N/A	N/A
Total Imports	200	200	200	200
Imports from the U.S.	7.5	10.7	134	323
Exchange Rate: 1 USD	1.22	1.25	1.28	1.26

Source: General Electric Company of Libya (GECOL), Census.gov

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Libya currently has electric power production capacity of about 7 gigawatts. The Libyan General Electric Company (GECOL) runs 23 generating plants, of which six are steam-powered and seventeen run on gas or diesel fuel. Power demand is growing rapidly (approximately 8-12 percent annually), and Libya has plans to more than double current installed capacity by 2020 at a cost of over USD 10 billion. About 60 percent of current power stations are oil-fired, although GECOL has made major efforts to switch to gas-fired turbines.

GECOL has completed a number of major contracts with international firms since the revolution, and is among the few institutions in post-revolution Libya that has a demonstrated ability to issue tenders and complete contracts with international firms. GECOL stands alongside the National Oil Company as the Libyan public institutions with the greatest technical capacity.

Libya's power generation and distribution sector requires substantial investment, and officials are looking at alternatives to public financing. Though the bid selection process has been slow and not sufficiently transparent, several large contracts have been awarded in recent years, including:

- In March 2014, GECOL awarded General Electric (GE) with a USD 135 million contract to expand the Zawiya and Tripoli power plants with 100 megawatts of additional power generation capacity.
- In August 2014, Turkish company Enka is expected to complete construction of a 4 turbine, 160 megawatts each, power plant in the southwestern town of Obari.
- In March 2013, GECOL awarded GE a contract to supply Zawiya and Tripoli with 4 mobile geothermal units, 3 of which were on the grid by early 2014.
- In May 2012, GECOL awarded U.S. based APR Energy a contract to supply Libya with gas turbines with a capacity to generate 250 megawatts of electricity. In June 2013, the contract was expanded to include supplying Libya with an additional 200 megawatts of generation capacity through diesel power modules.

Sub-Sector Best Prospects

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- Construction of new power generation plants
- Power plant upgrades
- Engineering services
- Design of power generation plants
- Major project management

Opportunities

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Despite the lack of broad reconstruction efforts to date in Libya, repairing the electricity infrastructure has been a priority for the interim government. Aspects of the electricity network repair have been executed; however additional energy demand will necessitate substantial increase in capacity over the coming years.

GECOL has reported that it expects to release tenders in late 2014 and early 2015 for major engineering, procurement, and construction contracts (EPC) at 3 power plants:

- The Bomba Steam and the Tripoli East Steam Power Plants will be the largest of these EPC tenders. They will each include construction of four 350 megawatt steam turbines. Bomba is on the Libyan coast, 100 miles west of the Egyptian border.
- GECOL has also indicated it plans to announce tenders for the Mellita Combined Cycle Project. GECOL intends to build two power generation facilities of 750 megawatts each at Mellitah, 60 miles west of Tripoli.

It is anticipated that there will be an array of opportunities for U.S. firms to support the construction of these facilities, whether through directly implementing the EPC contract, or supplying the primary contractor.

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Libyan Export Promotion Center (Arabic): <http://www.lepc.org.ly/>
Commercial Service in Libya: <http://export.gov/libya/index.asp>

Medical Equipment

Overview

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Unit: USD thousands

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	92	259	346	500
Total Local Production	0	0	0	0
Total Exports	0	0	0	0
Total Imports	92	259	346	500
Imports from the U.S.	4	13	18	22
Exchange Rate: 1 USD	1.22	1.25	1.28	1.26

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources: USA Trade Atlas, U.S. Census.gov

The Libyan healthcare sector suffered tremendously under the Qadhafi regime and Libya's hospitals and clinics largely do not meet international standards. Libyans with sufficient resources travel to Tunisia, Jordan, Turkey or Europe for anything but the most routine medical care, a trend that has led to the establishment of a 100+ mile "medical services alley" on the Tunisian side of the border.

The Libyan Ministry of Health establishes healthcare sector regulations and oversees public health, preventive medicine, medical institutions, and also controls pharmaceuticals and the practice of medicine. Decree 38 of 2012 provided for the direct regulation of central, special, general and rural hospitals by the Ministry of Health. Per Ministry of Economy Decree 103 of 2012, foreign companies with the necessary experience are permitted to open independent branch offices and install, commission, and maintain medical equipment and/or manage hospitals and medical institutions. Generally, importation of medical equipment and supplies into Libya is permissible, so long as the manufacturer is registered with the Ministry of Health.

Background

When Libya's National Health Services administration was decentralized in March 2006, the responsibility of overseeing government health services – including policy formation and implementation, strategic program development, budgeting, and financial management – was transferred to the General People's Committee for Health and Environment (GPCHE).

This change created conditions under which international trade and investment in the sector could expand. Prior to March 2006, the system was subject to chronic underfunding and financial corruption was rife, which led to a significant deterioration of basic medical equipment and a shortage of qualified staff. At the same time, Libyan hospitals and polyclinics were unable to attract and retain qualified healthcare professionals as low wages drove them overseas. So, for example, while equipment such as a MRI or CAT scan machines might be purchased by the local health authority for an urban hospital, there was no guarantee that qualified technicians could be found with the credentials to operate them.

Prior to March 2006, there were also no consolidated healthcare records. This dearth of information combined with a lack of computerization meant that there have been, until recently, huge gaps and contradictions in the nation's medical records. As a consequence, there remain significant gaps in the real comparable empirical data available to public sector health authorities and private consultants, impeding informed health services decision-making and planning.

The Public and Private Sectors

There are 179 hospitals in Libya, 100 of which are public sector-managed facilities primarily located in urban areas. Libya has achieved widespread coverage in most basic healthcare areas, including preventive, curative and rehabilitative services, all of which are provided to citizens free of charge. Public sector hospitals often operate at a very low occupancy rate, employ excess staff, and use resources inefficiently.

Libyan authorities have expressed a commitment to invest state funds and resources in the development of a modern, efficient and comprehensive national healthcare system. When developing health services in Libya, the Ministry of Health aims to employ comparable procurement models to those developed around the world. The widespread adoption of PPP and PFI-style projects are seen as key to the future of the Libyan healthcare system.

Medical Consumables and Pharmaceutical Supplies

The market for medical equipment and pharmaceutical products offers the most clearly available opportunities for businesses in Libya's healthcare sector. There are well-trained doctors in Libya; however the hospitals are in dire need of modern equipment, technology, healthcare products, and drugs.

In the absence of local production, imports have been growing at a rate of 30 percent per year since the revolution. In 2013, the total value of imported pharmaceutical products and medical devices and instruments was at USD 885 million, around 60 percent for pharmaceutical products, and 40 percent for medical devices and instruments. Further growth is forecast based on significant population growth and the government's stated plans to invest heavily in healthcare systems.

Libyan suppliers of healthcare products are mainly European, with UK Italian, Swiss, German and French companies at the forefront of the market. Government agencies, such as the Medical Supply Organization (MSO), are the main purchaser, though various organizations such as the Red Crescent and the expanding number of private clinics are increasingly active. Imports formerly were a state monopoly but, since the opening of and progress in privatizing this market, new import licenses have been granted to certain operators to supply pharmacies and private clinics.

The public sector currently accounts for approximately 60 percent of total demand. Companies that aim to take part in public procurements or distribute products in Libya through a local agent must be registered with the Food and Drug Control Center.

Tenders for public procurement conducted by the Ministry of Health are often protracted and unpredictable. Any public procurement contract valued at greater than LYD 5 million (USD 4.1 million) will require approval by the auditing committee (Diwan

al-Muhasiba), following the negotiation of a contract with the procuring Ministry. This committee will typically seek modification to the contract terms following the completion of negotiations with the procuring ministry.

Sub-Sector Best Prospects

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Medical equipment
IT technology

Opportunities

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The Ministry of Health has indicated that it plans to acquire MRI and CT scanners, nephrology/dialysis equipment, instruments for cardiological intervention, and possibly also a linear accelerator for cancer treatment.

The Government of Libya recognizes its need to upgrade its existing medical facilities and construct new ones. It will require substantial investment in new equipment, equipment upgrades, and better integration of modern equipment it already possesses.

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American Chamber of Commerce Libya: <http://www.amcham.ly/>

Libyan Export Promotion Center (Arabic): <http://www.lepc.org.ly/>

Commercial Service in Libya: <http://export.gov/libya/index.asp>

Libyan Auditing Bureau (Diwan al-Muhasiba): <http://www.raqaba.org.ly/>

Oil/Gas Exploration Services

Overview

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Unit: USD thousands

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	N/A	18,400	13,700	17,600
Total Local Production*	N/A	58,400	39,300	43,300
Total Exports	18,700	46,800	32,200	34,800
Total Imports	4,900	6,800	6,600	9,100
Imports from the U.S.	39	42	32	15
Exchange Rate: 1 USD	1.22	1.25	1.28	1.26

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources: National Oil Corporation (NOC) of Libya, Census.gov

*Natural gas production not included.

The Libyan economy is dominated by the energy sector, which accounts for as much as 95 percent of foreign currency earnings. About 80 percent of proven oil reserves are located in the Sirte Basin Province, accounting for 90 percent of Libya's oil output. Over the longer term, both oil and gas volumes are likely to increase beyond pre-revolution levels as new investment flows into under-explored areas - especially the offshore Sirte Basin.

The market is highly competitive with more than 40 foreign companies active in Libya; however, many of the international investors who left Libya in the wake of the 2011 revolution have yet to return due to security concerns. Libya produced an estimated 1.77 million barrels per day of light sweet crude oil before the 2011 revolution.

Libya's oil industry is controlled by the state-owned National Oil Corporation (NOC) and its subsidiaries, which include the Arabian Gulf Oil Company (Agoco), the Alzaweia Company, and the Sirte Oil Company (SOC), and NOC-IOC (International Oil Companies) joint venture companies, which include the Waha Oil Company, Zueitina Oil Company (ZOC), Alhoroj, and Melit.

In November 2012, the Libyan Oil Ministry revealed plans to relocate petrochemical and refining activities from the NOC to the newly formed National Corporation for Oil Refining and Petrochemical Production headquartered in eastern Libya, with a western division. The NOC would then be renamed the National Corporation for Exploration and Production of Oil and Gas and will have an operating branch in Benghazi.

Oil and gas production resumed surprisingly quickly after the revolution, reaching 1.55 mbpd in June 2012 and remaining at that level until mid-2013. However, the July 2013 seizure of oil export terminals by a local commander of the Petroleum Facilities Guard in eastern Libya, Ibrahim Jidran, caused production to fall to 1.24 bpd that month. Insufficient storage capacity at those terminals forced a halt to production at the oil fields supplying them. Combined with additional and pervasive disruptions to oil fields, pipelines, and terminals nationwide, production fell to 220,000 bpd in December 2013, and dipped to 150,000 bpd and lower as it fluctuated throughout the first half of 2014.

Political solutions and improved state security capacity will lead to stabilization in the sector. If achieved, the long-term outlook for the sector is positive. If, as estimates suggest, liquids production returns in 2015 to post-revolutionary peaks of 1.55 mbpd, planned investments could bring the level to 1.92 mbpd by 2019. Gas output is similarly forecast to increase from an estimate of 2967 million cubic feet per day (mcfpd) in 2014, to 3569 mcfpd by 2019.

Though Libya's vast oil and gas reserves were estimated at 48 billion barrels (bbl) and 54 trn cubic feet (tcf) respectively in 2013, international participation in the sector remains unclear despite repeated requests from the Libyan government for the return of international companies. Political risk, the introduction of new production sharing contracts (PSC), and a revised hydrocarbons law a committee of experts was drafting in 2013 and 2014 are all likely to affect the country's business environment and foreign investment.

Before the overthrow of Qadhafi, there was approximately 378,000b/d of refining capacity in Libya. Output dropped considerably in 2013 and 2014 as a result of the shutdown of the 220,000 b/d Ras Lanuf refinery, though the remaining four refineries (Albrega, Tobrug, Al Zawiya, and Alserer) were utilized inconsistently throughout that period.

Forecasts point to a gradual but complete restoration of refinery utilization, and a return to pre-revolution levels when the Ras Lanuf refinery has returned to operation. Oil and gas consumption levels are also expected to return to pre-revolution levels gradually. Over the longer term, reconstruction efforts are likely to drive economic growth and demand for oil higher.

Sub-Sector Best Prospects

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- Drilling and seismic equipment
- Pipeline technology
- Engineering and geology expertise
- Construction and environmental services
- Communications
- Refining services
- Personnel services and training

Opportunities

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The Libyan oil and gas industry suffers from years of underinvestment during the period of Qadhafi rule, resulting in pent-up demand for U.S. technology, equipment, and enhanced oil recovery techniques. Subsequent to the lifting of UN (2003) and U.S. (2006) sanctions and prior to the uprising against Qadhafi, International Oil Companies (IOCs) faced an extraordinarily challenging operating environment, limiting investment. The robust demand for equipment and oil and gas services cannot be met with extant domestic resources.

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Safety and Security Equipment

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Enhancing security is a key priority of the Libyan government. Resources needed to strengthen the capacity of Libyan security institutions will be sourced almost entirely from abroad. Demand for safety and security equipment stems from multiple dimensions of Libya's security vulnerabilities, including pervasive non-state or quasi-state armed

militias, weak border security, illegal immigration from African countries to Europe, security of government leadership and critical infrastructure, and oil and gas facilities.

The primary customers of U.S. supplied safety and security equipment will include the Ministries of Defense and Interior, Customs Authority, Civil Aviation Authority, the National Oil Corporation, and the Ministry of Oil and Gas.

Internal and border security is high on the agenda. This is vital not only for rebuilding and maintaining the internal stability of Libya but also for its lasting effect on North Africa, the Mediterranean and the Arab world. Libya's vast borders, positioning it to serve as a transit country for illegal migrants, magnify its strategic importance to Europe. Consequently, enhancing Libya's border security through technological tools and training will be supported by Libya and its European partners.

As Libya looks to develop a modern security and law enforcement infrastructure, the country's internal security challenges will require overseas technology and expertise in support of coherent and politically-supported state security sector reform. Equipment or technology requiring licenses under International Trafficking in Arms Regulations (ITAR) require effective safeguards on the part of the Libyan government end-user, which is often a challenge. Libya will nonetheless seek technology and expertise for public security forces; police; fire and emergency services; immigration; border control; coastguard and civil defense.

Sub-Sector Best Prospects

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- Communication and satellite equipment, including satellite phones
- Military vehicles
- Military uniforms
- Military handguns
- Marine equipment, including high speed boats
- Navigation communication equipment
- Surveillance systems
- X-ray, handheld metal detecting equipment

Telecommunications Equipment

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Telecommunications infrastructure development is the responsibility of the 100% state-owned holding company, the Libyan Post, Telecommunications and Informatics Company (LPTIC). It provides fixed, mobile, and Internet services, as well as operates the international connectivity and postal services market segments. Each segment of the market is managed by an LPTIC subsidiary. Although Government owned, LPTIC and its subsidiaries are run as commercial entities, with Boards of Directors overseeing operations. LPTIC's Board is composed of a number of ministries including the Ministry of Telecommunications, the Ministry of Planning and the Ministry of Economy, and acts as the General Assembly for all subsidiary companies. Companies which fell under the LPTIC's authority included fixed line incumbent Hatif Libya, wireless network operators Libyana and Al-Madar ("Orbit"), ISP Libya Telecom and Technology (LTT), and broadcaster/VSAT and wholesale provider Al-Jeel Al-Jaded. In the first part of 2014, new private sector internet service providers (ISPs) were granted authorization to operate in the sector.

The Telecommunications infrastructure countrywide sustained widespread damage and destruction during the 2011 revolution. Al-Madar recovered about 95% of its pre-war functionality, and Libyana about 97%, by mid-2014, with some destroyed towers remaining to be rebuilt. Libya's pervasive lack of security also affects the sector, for instance the theft of solar panels in some remote areas. Mobile operator infrastructure, the wire line network, fiber projects and government-run ISPs are all functioning as before the revolution. LPTIC and its subsidiaries have provided continuous service throughout a tumultuous revolutionary and post-revolutionary period, albeit with temporary disruptions.

Opportunities

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There were reportedly several ongoing projects to create a modern policy framework for the sector, including for broadband, e-government and the sector writ large. Most of these projects are part of the "e-Libya" initiative, which is attempting to modernize Libya and its telecommunications architecture, and build a knowledge based economy through smart internet and communications technology (ICT) applications. E-Libya has a number of initiatives including open government, e-government, electronic commerce, and e-education. Led by the Ministry of Communications, the e-Libya initiative includes nine working groups and is currently developing formal policies to articulate sector goals, coherent strategies, an institutional and regulatory framework, and guidelines for developing the sector.

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Water Resources Services

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Libya relies on groundwater, transported water and desalination for urban water supply. The General Water Authority (GWA) estimates, based on data gathered from municipalities through field visits and interviews (no flow metering is used), that groundwater supply is around 282 million cubic meters per year. The transported water supply, which comes from deep aquifers in the south of Libya via the Man Made River (MMR), is estimated to be around 286 million cubic meters per year.

The desalination supply is estimated to be around 35 million cubic meters per year, based on actual water deliveries made by the operators to the urban water network. This total quantity of water is delivered to consumers through a network of pipes, but Libya's water network coverage rates are not known.

Desalination plants

There are 10 working desalination plants across the country with an annual total design capacity of 73 million cubic meters, but the current actual output of these plants represents about 48 percent of the design capacity.

Well pumps

After the arrival of transported water (MMR water) to Tripoli and Benghazi, most of the local wells in these two large cities were closed. However, some regions still rely almost entirely on local wells for urban supply. When compared with other countries that have similar wealth per capita, and owing to the generous system of government subsidies, Libya has very low water tariffs. This situation and low bill collection rates do not allow recovery of investment and operating costs

Storage tanks

Storage tanks, which are located on the outskirts of large urban areas, are used to aggregate water supplies prior to distribution, feed into distribution networks, regulate water flow, and act as buffer supply. Most of these tanks are old and in poor condition because of lack of proper maintenance.

Transmission pipes and networks

Transmission pipes and networks connect storage tanks to consumers, with pipe diameters ranging between 100 and 1200 mm. The main trunk water lines in municipalities (600–1200 mm), which are made typically of ductile cast iron with internal cement coating and external bitumen coating, are generally considered to be in good condition. The municipal networks of 300–600 mm pipes, which are made typically of galvanized steel, are also considered to be generally in acceptable condition. The network of 100–300 mm pipes, which are made typically of uncoated cast iron, are considered to be in poor condition and the source of most leakage.

Organizational dimension

The supply side of the sector is represented by the General Water Authority (GWA); the General Man-Made Water Authority (GMMRA); and the General Desalination Company. The demand side includes the Ministry of Utilities (MoU); the Housing and Infrastructure Board (HIB); and the General Environment Authority (GEA). The General Water and Wastewater Company (GWWC) also has a role in the sector

Sub-Sector Best Prospects

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- Engineering and environmental services
- Advanced construction techniques
- Project management

Opportunities

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It is widely believed that, even with extensions to the MMR, there will be a large demand for desalination technology in Libya over the coming years. Over 60 percent of medium and large capacity desalination plants currently operating are more than 17 years old. Several hundred million US dollars' worth of water, wastewater treatment, and desalination contracts are expected to be awarded in the coming years.

Web Resources

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Challenges facing the urban water sector in Libya – Research by Mr. Khaled A. Rashed, Department of Civil Engineering, Tripoli University, k65rashed@yahoo.co.uk

Libya Investment Website: <http://www.libyaninvestment.com/>

Ministry of economy: <http://www.economy.gov.ly/>

Libyan Businessmen's Council: <http://www.lybc.org/>

Libya Chamber of Commerce: <http://libyachamberofcommerce.org/>

American Chamber of Commerce Libya: <http://www.amcham.ly/>

Libyan Export Promotion Center (Arabic): <http://www.lepc.org.ly/>

Commercial Service in Libya: <http://export.gov/libya/index.asp>

Agricultural Sectors

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Agriculture in Libya represents two percent of GDP and employs 17 percent of the labor force. Only two percent of the land is arable; Libya is mostly dry and arid and 95 percent of the land is desert. The scarcity of suitable arable land and water are the two major constraints to agricultural production in Libya. The large arid steppe and pasture has oriented agricultural activities mainly towards pastoral livestock production including sheep and goats, followed by cattle, camels, and poultry. Libya is relatively self-sufficient in meat and egg production and is an exporter of hide, wool, and cattle, sheep, and goat hair. Cultivation is sporadic and dependent on rainfall. The number of agricultural land holdings and cooperatives is small and more than 80 percent are less than 15 hectares in area. Principal crops produced include watermelons, tomatoes, wheat, potatoes, citrus fruits, dates, and olives. Although total agricultural production has increased as a result of irrigation and the use of fertilizer, Libya's agriculture performance is low and the country still depends on imports to meet its food needs.

U.S. exports of agricultural products to Libya have risen fairly rapidly in recent years, moving from about USD 3 million in 2005 to USD 80 million in 2007 and USD 190 million in 2013. While these exports were mostly bulk commodities (mostly rice, followed by wheat) in the past years, U.S. Census Bureau trade data shows a growth in intermediate and consumer products in CY2012 and CY2013.

The figures below show U.S. exports of intermediate agricultural products reaching USD 73 million in CY2013 consisting of vegetable oils, (USD 48.6 million), soybean meal (USD 15.5 million) and planting seeds (USD 7.9 million). Consumer oriented products consisted mostly of poultry meat and products (USD 21.1 million), dairy products (USD 15.9 million), tree nuts (USD 7.2 million) and beef and beef products (USD 2.5 million). Forest products represented 10 percent of the total exports (USD 19 million).

Sub-Sector Best Prospects

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U.S. Exports of Agriculture, Fish, & Forestry Products to Libya CY 2009-2013 (In USD millions)

U.S. EXPORTS	2009	2010	2011	2012	2013
Wheat	0.0	24.8	26.8	0.0	2.6
Coarse Grain	4.0	0.0	0.0	0.0	4.2
Vegetable Oil	11.0	17.5	16.8	45.3	48.6
Dairy Products	2.0	6.7	1.2	6.5	15.9
Soybean Meal	8.0	10.0	0.0	16.9	15.5
Rice	4.0	26.6	146.6	28.5	39.0
Beef & beef Products	0.0	0.0	0.0	0.0	2.5
Poultry meat & products	0.0	0.0	0.4	15.7	21.1
Planting Seed	0.0	1.5	2.0	3.5	7.9
Tree Nuts	2.0	1.8	1.6	5.4	7.2
Forest products	9.0	11.9	5.4	10.5	19.0
All Others	10	19.2	0.5	4.1	6.7
TOTAL	50.0	120.0	201.3	136.4	190.2

Data Source: U.S. Census Bureau, Trade Data

Import requirements

Imports of meat products and frozen beef, lamb and camel meat, as well as live animals and poultry chicks are regulated by the animal health administration at the Ministry of Agriculture; Animal and Marine Resources and subject to general sanitary and health requirements.

Best Prospects or Services

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- Agricultural equipment and inputs/fishing equipment
- Foodstuffs, vegetables and fruits
- Frozen meat (beef, lamb, camel) and live animals for slaughtering
- Live animals and birds for breeding and husbandry equipment
- Fertilizers, pesticides and planting seeds
- Forests products

Opportunities

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The government imposes restrictions on the importation of many agricultural goods in order to protect domestic industries and interests. However, opportunities do exist for U.S. exports, particularly for equipment.

Resources

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U.S. Foreign Agricultural Service

<http://www.fas.usda.gov>

Agriculture, Animal and Marine Resources Ministry

<http://www.agriculture.gov.ly/>

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Chapter 5: Trade Regulations, Customs and Standards

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Import Tariffs

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The Libyan Customs Administration cancelled duties on more than 3,500 product categories in 2000. A flat 5 percent tariff is levied on most imported products. Higher duties are reserved for specific products at the following rates:

- 30 percent - motorcycles
- 15 percent - cosmetics/perfumes
- 25 percent - tobacco products
- 10 percent - heavy machinery, heavy trucks, and tractor trailers

While customs duties have dramatically abated, “consumption” and “production” taxes apply to some imported goods — at rates of 25-50 percent and about 2 percent, respectively — often as a form of protection for local goods and companies. These taxes are borne by the importing agent (and frequently passed on to the consumer).

Equipment imported into Libya for use in the oil sector has traditionally been exempt from customs duties, under Article 16 of Law No. 25 of 1955 (the Petroleum Law). Additionally, as detailed in Chapter 6, duty rebates are available to foreign investors entering under the terms of Law No. 9. Temporary importation of equipment is also exempt, but subject to a deposit and substantial fines and penalties if breached.

Libya maintains a list of items prohibited for import (see “Prohibited and Restricted Items” below). Currently, alcoholic beverages, pornography, pork and pork-related products, as well as all goods manufactured in Israel, are prohibited for import. Products of at least 40 percent Arab origin content are exempt from customs duties.

Trade Barriers

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While tariff-based barriers to trade and investment have been eased in recent years, Libya’s non-tariff trade barriers remain high. Minimum capital investments

for establishing businesses ventures, an opaque, discretionary and ad hoc regulatory environment, and a lack of publicly-available information, among other challenges, inhibit trade and investment.

Import Requirements and Documentation

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Customs Clearance:

1. For project-related materials and full shiploads, one must obtain provisional pre-clearance prior to berthing. Estimated time-in-wait for final clearance is one week.
2. For general cargo (except food) no pre-clearance is available. Estimated wait for final clearance: at most one week from discharging in port.
3. For foodstuffs requiring health clearance, one may obtain a temporary clearance upon arrival. Estimated time-in-wait for final clearance is ten days.

Required Customs Documents

1. Original bills of lading
2. Certificate of Origin
3. Invoice, including value of merchandise
4. Delivery order
5. Health certificate (food commodities and other items for human consumption)

U.S. Export Controls

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Libya's designation as a state sponsor of terrorism was rescinded in 2006, lifting the broad U.S. sanctions prohibiting trade with Libya and Libyan nationals. While trade between the U.S. and Libya is now permitted, there are specific Libyan individuals, and Libyan entities, on the Department of Treasury's Specially Designated National (SDN) list with whom it is prohibited to conduct business.

U.S. companies may enter into and implement most industrial, commercial or government contracts with Libyan partners, as well as invest in-country. U.S. banks and other financial service providers may participate in and support transactions with Libya. Libyan students may study in the U.S. if they are accepted by a U.S. university and qualify for a student visa; however, Libyan students seeking aviation or nuclear training are not currently eligible for U.S. visas.

Exports of specific commodities to Libya, as with exports to other markets, may be subject to export controls, and therefore require a license. These commodity based controls typically hinge on the product's application, whether it may have a military or dual - military and civilian use.

Temporary Entry

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Libya is not a member of the TIR Convention (Convention on International Transport of Goods Under Cover of TIR Carnets). The ATA (Admission Temporaire) procedure is not allowed in Libya. Goods that have been imported into Libya on a temporary admission basis, on which customs duties and taxes have not been collected, must be re-exported

outside the country or to a Free Trade Zone. The Customs authority does on occasion allow for transshipment at the port of entry, but this agreement must be reached with Customs authorities upon arrival.

Labeling and Marking Requirements

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There are no specific packaging requirements for products entering Libya. Packaging should account for Libya's intense summer heat conditions, and the possibility that goods will be stored outdoors for a short period. Outer containers should bear the consignee's mark and port mark and be numbered (to accord with packing list) unless their contents are such that they can be otherwise readily identified. It is compulsory that all printed contents be in Arabic or English.

Required documentation includes:

- Pro forma invoice
- Commercial invoice
- Certificate of origin
- Bill of lading

Check with a local importer for required certificates for meats, food items, plants, live animals and medical goods.

Prohibited and Restricted Imports

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The list of prohibited items for import changes on a regular basis. The following list is current as of April 2014. Companies are advised to check with the Embassy or a local shipping agent for the latest information.

- 1) Pigs, pork and all pork products
- 2) Wines and alcoholic beverages of all kinds
- 3) Pornographic materials
- 4) Preserved meats and food prepared with preserved meats and animal fats for consumption, except halal meat
- 5) Live birds from countries with aviary diseases
- 6) [Libyan] men's and women's traditional capes
- 7) Bread enhancement products containing potassium bromides
- 8) Used spare parts, tires, and engines for vehicles

Customs Regulations and Contact Information

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Embassy Tripoli Contact List: http://libya.usembassy.gov/uploads/images/G024IOjMFU-hWc6VmqsIkW/0401008_CCGContactList_revision.pdf

Standards

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Overview

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At present, imports are covered by a loose patchwork of international standards. The National Center for Standardization and Metrology (LNCSM) is charged with creating a comprehensive, unified regime under ISO9000/90002 standards. As part of its preparation for WTO membership, Libya is working to accredit its Central Standards Bureau and to implement a network of certified national testing laboratories.

While Libya is now a party to agreements with other Arab states recognizing the certifying authority of the relevant national standards authorities (Tunisia is one example), no such agreement is currently in place between Libya and the U.S., meaning that the U.S. exporter must effectively wait for the results of testing of landed products, before knowing whether or not the product will be admitted into the country (even if the product is a trusted brand within the U.S., and/or on the international market). The approval process can be time-consuming and has in the past been subject to corruption. The best assurance against a negative outcome is to provide LNCSM with full details and product specifications before entering into an agreement with a local distributor. LNCSM is currently actively seeking U.S. partners and contractors to help implement ISO standards.

Standards Organizations

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The Libyan National Center for Standardization and Metrology (LNCSM) is responsible for setting standards.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries.

Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL:

<http://www.nist.gov/notifyus/>

Conformity Assessment

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LNCSM is developing these standards.

Product Certification

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LNCSM is developing these standards.

Accreditation

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LNCSM is responsible for accreditation in addition to its other functions.

Publication of Technical Regulations

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N/A

Labeling and Marking

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LNCSM is developing these standards.

Contacts

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Libyan National Center for Standardization and Metrology
(LNCSM) Program Coordinator Dr. Dia Eddin Sadek Abouhadra
Tel.: + 218 (0) 21 – 369 3072
Fax: + 218 (0) 21 – 369 30 71
E-Mail: info@lncsm.org
Web: <http://www.lncsm.org/> or <http://www.accreditation-libya.net/>

Trade Agreements

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Libya is not a member of the WTO. Libya's application was received by the WTO on June 10, 2004. The General Council established a Working Party on July 27, 2004, although it has not met to date.

Libya is a member of the 1989 Arab Maghreb Union (AMU) linking Tunisia, Algeria, Morocco, Mauritania and Libya. The AMU's stated objectives include the encouragement of free movement of goods and people, revision and simplification of customs regulations, and movement towards a common currency. Nominally, AMU mandates duty-free trade among its members. Disputes between AMU members have stood in the way of much concerted action.

Libya is also a founding member of the Community of Sahel-Saharan States (CEN-SAD). CEN-SAD's Secretariat and the CEN-SAD Bank for Investment and Trade are both headquartered in Tripoli. CEN-SAD is dedicated to creating an economic union among its 23 member states, although it has not made great progress toward this goal. Citizens of CEN-SAD member countries are afforded the use of dedicated immigration stalls upon arrival at Libya's major airports.

Libya is a part of the Greater Arab Free Trade Area (GAFTA, also called PAFTA, Pan Arab Free Trade Agreement) and the Euro-Med Partnership (EMP), also known as the "Barcelona Process," a dialogue between the European Union and 12 Mediterranean countries. The Barcelona Declaration of November 27, 1995 outlined goals of reducing

political instability and increasing commercial integration. In 1999, 27 EMP partners agreed to admit Libya contingent on Libya's accepting the Barcelona acquis. In February 2004, Libya announced its intention to join the Barcelona process in full, but no formal Libyan request has been made to date.

Web Resources

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Commercial Service in Libya: <http://www.export.gov/libya/>

U.S. Embassy: <http://libya.usembassy.gov/>

U.S. Department of Commerce, Bureau of Industry and Security:

<http://www.bis.doc.gov/index.htm>

U.S. Department of Commerce's Denied Persons List:

<http://www.bis.doc.gov/dpl/Default.shtm>

U.S. Department of Treasury's Specially Designated Nationals List:

<http://www.treas.gov/offices/enforcement/ofac/sdn/>

WTO Libya Site:

http://www.wto.org/english/thewto_e/acc_e/a1_libyan_arab_jamahiriya_e.htm

Libyan National Center for Standardization and Metrology:

<http://www.lncsm.org/>

<http://www.accreditation-libya.net/>

NIST Notify U.S. Service:

<http://www.nist.gov/notifyus/> Libyan Customs Forms/Procedures:

http://ec.europa.eu/agriculture/markets/export_refunds/forms/ly.pdf

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Chapter 6: Investment Climate

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- [Right to Private Ownership and Establishment](#)
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Openness to Foreign Investment

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Libya continues to present a challenging investment climate. The government has repeatedly expressed interest in receiving greater foreign investment, but there continue to be serious obstacles to realizing that goal. The government's inability to control armed groups across the country has led to seizures of critical infrastructure facilities, political and extremist violence, and difficulty in enacting security sector reform. While the government made progress in honoring some contracts signed prior to Libya's 2011 revolution, lingering ambiguity regarding its intention to honor all such contracts heightened investor concerns.

The Privatization and Investment Board (PIB), supervised by the Ministry of Economy, remained the primary governmental body for encouraging private foreign investment in Libya. Law Number 9 of 2010 provided the primary legal framework for foreign investment promotion. Passed prior to the 2011 revolution that toppled the Qadhafi regime, the law codified measures to encourage private investment, furthering a trend dating to the mid-1990s. Post-revolutionary governments have continued that trend, but no significant laws related to investment have been passed since the revolution. Under the Constitutional Declaration in place during the post-revolutionary period, Libya's General National Congress (GNC) arguably lacks the mandate to legislate on any matter unrelated to the country's transition to a permanent constitution and government. A Constitutional Drafting Assembly was elected in February 2014 but the timeline for it to complete its work, and for the mandated popular referendum to approve the new

constitution, remained unclear. As the prolonged political transition continued, elections were scheduled for June 2014 for a legislative body – the Council of Representatives (CoR) – to replace the GNC, with no change to the legislative mandate.

As a practical matter, deteriorating security, pervasive corruption, the lack of an independent and transparent regulatory framework and dispute settlement venues, ambiguous interpretation of laws regarding private ownership and property rights, and an opaque and difficult to navigate regulatory system limited potential foreign investment in Libya. State owned firms continued to dominate the Libyan economy—particularly the upstream oil and gas sector; high public sector wages impeded diversification of the economy, drained public resources, and resulted in high unemployment, especially among Libya’s large youth population.

The government, primarily through the PIB, lobbied to attract FDI. There were no laws that limited foreign investment in particular sectors, but the law required investment projects valued at less than five million Libyan dinars (USD four million) to be at least 51 percent Libyan owned and for the foreign investment to exceed two million dinars.

Libya has not undergone any recent investment policy reviews by the OECD, UNCTAD, WTO, or any other international body, and no public report on such reviews was available.

The country’s legal system was weak, like all institutions of government, and there was no independent judiciary. The primary law pertaining to incoming foreign investment was “Law No. 9 of the year 1378 PD (2010) Regarding Investment Promotion.” Though promulgated prior to Libya’s 2011 revolution, the law remains in effect.

While no specific programs existed to promote investment in particular industries, the PIB publicly encouraged foreign firms to invest in eight sectors: transportation, health, education, industry, agriculture, maritime/fisheries, tourism, and public utilities. As no specific information was available about opportunities, interested firms should contact the PIB directly.

Foreign investors were permitted to wholly own enterprises established in Libya as an investment project (as opposed to under prevailing commercial law, governed by resolution 207 of 2012) worth over 5 million dinars, provided the investments were not in “strategic industries.” In the case of “strategic industries,” which was not rigidly defined, foreign entities were reportedly required to enter a joint venture with a Libyan firm, with the Libyan firm enjoying a majority stake in the enterprise.

The PIB stated that all industries and sectors were open to privatization except those deemed strategic – in particular Libya’s upstream oil and gas sector, which is governed by dominated by the National Oil Corporation – but expressed openness to negotiation on what projects qualified as “strategic,” and welcomed, in principle, downstream oil and gas sector investment. The PIB allowed foreign investment at all stages of privatization, and prioritized firms with what it considers superior technological expertise and resources, foreign or domestic. The bidding criteria and process for investment were not published or transparent; it was therefore not clear whether foreign investors faced discrimination.

The screening process for incoming FDI to Libya was not clearly defined. The PIB stated that it reviewed bids or proposals for general consistency with Libya’s national security, sovereignty, and economic interest. The Minister of Economy must give final approval to all FDI projects, at the recommendation of the PIB. There was no information available on the timeline of the approval process or any potential outcomes of the process other than an affirmative or negative decision by the PIB or Minister of Economy. The PIB stated that it keeps all company information confidential. There was no information about U.S. firms’ specific views on this vetting process, but U.S. firms have repeatedly expressed general frustration about the slow pace by which the Libyan government makes business-related decisions. Despite these complaints, some U.S. firms have successfully invested in Libya, particularly in the country’s oil and gas sector.

There is no functioning law governing competition of local or foreign firms in Libya.

While no statistics were available regarding investment trends, persistent political instability including the ongoing transition to a permanent constitution and government; security risk posed by government-affiliated and other militia groups, as well as extremist and terrorist groups; and the seizure of key economic infrastructure including major oil and gas terminals from July 2013 severely hampered the country’s prospects for foreign investment.

TABLE 1:

Measure	Year	Rank or value	Website Address
TI Corruption Perceptions index	2013	(170 of 177)	http://cpi.transparency.org/cpi2013/results/
World Bank’s Doing Business Report “Ease of Doing Business”	2013	(187 of 189)	http://doingbusiness.org/rankings
World Bank GNI per capita	2012	12,930	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

Conversion and Transfer Policies

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Since 1986, the Libyan Dinar has been officially pegged to a Special Drawing Right (SDR), with a maximum float of 7.5%. The current exchange rate of 1.932400 was set in 2003. The Dinar-U.S. Dollar rate has remained relatively stable since 2006. Daily and Historical exchange rates can be found on the website of the Libyan Central Bank: <http://cbl.gov.ly/ar/cur/show.php>.

The 2010 Investment Law provides investors the right to open an account in a convertible currency in a Libyan commercial bank, to obtain local and foreign financing, to transfer net annual profits generated by an investment, and re-transfer foreign invested capital in

case of liquidation, expiration of the project period, or insurmountable impediments to the investment within the first six months. The Libyan Banking Law (Law No. 1 of 2005) allows any Libyan person or entity to retain foreign exchange and conduct exchanges in that currency. Libyan commercial banks are allowed to open accounts in foreign exchange and conduct cash payments and transfers (including abroad) in foreign currency. Commercial banks operating in Libya may grant credit in foreign exchange and transact in foreign exchange among themselves. Entities engaging in foreign exchange must be licensed by the Central Bank. Foreign exchange facilities are available at most large hotels and airports, and ATMs are becoming more widely available. The importation of currency must be declared at time of entry. The Central Bank's Decree No. 1 of 2013 regulates foreign exchange, including by specifying authorities for the execution of foreign transfers, and by prescribing limits on the transfer of currency abroad for different public and private entities.

Most firms seeking to receive payment for services/products in Libya operate using letters of credit (LOCs) facilitated through foreign banks (often based in Europe). Foreign energy companies remitting large sums often make arrangements for direct transfers to accounts offshore. There have been reports of difficulties arranging LOCs with Libyan entities, owing to a range of institutional inefficiencies that slow the closure of deals.

Expropriation and Compensation

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Article 23 of the 2010 Investment Law provides an express guarantee against the nationalization, expropriation, forcible seizure, confiscation, imposition of receivership, freeze or subjection of procedures of similar effect, except by virtue of a law or court ruling and fair and equitable indemnity, and provides such procedures be applied indiscriminately. Article 43 of executive regulation No. 449 of 2010 implementing the law reinforces those provisions. The Libyan government's history of state expropriation of private property, including the assets of foreign companies, most prevalent during the 1980s, had already been in decline since economic reforms began earlier in the decade. There have been no nationalizations or expropriations under current investment law. Enforcement of laws nonetheless remains a challenge for post-revolutionary interim governments, and the judicial system remains weak.

Dispute Settlement

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Article 24 of the 2010 Investment Law mandates disputes initiated by a foreign investor or the state be settled by competent Libyan courts, unless there is a bilateral or multilateral agreement between Libya and the state to which the investor is subject, that includes provisions for alternative arbitration procedures. Article 407 of the 1953 Code of Civil & Commercial Procedures outlines conditions under which foreign judgments and arbitral awards are recognized and enforced. The Libyan court system consists of three levels: the courts of first instance, the courts of appeals, and the Supreme Court, which is the final appellate level. Libya's justice system has remained weak throughout the post-revolutionary period, making enforcement of foreign judgments and arbitral awards through the Libyan courts challenging and lengthy.

Libya is not a signatory to the U.N. Convention on the Recognition and Enforcement of Foreign Arbitral Awards (The 'New York Convention'), and has not taken steps to

accede. In the case of commercial disputes, most foreign entities currently opt to try cases before the International Chamber of Commerce, whose judgments Libya has a history of respecting. Libya is a member of the 1983 Riyadh Convention on Judicial Cooperation, which facilitates recognition and enforcement of judgments and arbitral awards among the Arab member states.

Performance Requirements and Incentives

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Libya is not a member of the WTO. The WTO received Libya's application on June 10, 2004. The General Council established a Working Party on July 27, 2004, but no formal progress on Libya's application has been made.

Article 10 of the 2010 Investment Law exempts investment projects from income tax and project capital and operating goods from customs duties and import taxes for five years from the date the project is approved. It also provides exemptions from the stamp tax on legal documents, taxes on re-invested profits, and excise taxes and customs duties and fees for exported goods derived from the project.

Regarding visa matters, current U.S. and Libya visa policies are drawn within a framework of 'general reciprocity'. U.S. citizens traveling to Libya on business visas require an invitation from/sponsorship by a company operating in Libya. Obtaining a Libyan business visas regularly requires a wait of several weeks or months. Libyan Embassies in third countries have followed varying rules and procedures regarding the issuance of visas, but all visa applications require approval by the Libyan Ministry of Foreign Affairs. Libyan law prohibits using a tourist visa to travel to Libya for business purposes. The Government of Libya does not allow persons with passports bearing an Israeli visa or entry/exit stamps from Israel to enter Libya. Further information can be found in the Consular Information Sheet for Libya at the State Department website:

http://travel.state.gov/travel/cis_pa_tw/cis/cis_951.html.

The 2010 Investment Law grants investors the right to a residence permit for a period of five years, subject to renewal if the project continues.

Right to Private Ownership and Establishment

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Laws and regulations on investment and property ownership allow domestic and foreign entities to establish business enterprises and engage in remunerative activities. However, the regulatory and legal environment is complex, and there is a systemic bias which favors government sector companies and Libyan firms over foreign entities. Investment law and commercial law differ in their foreign ownership restrictions for business enterprises. The 2010 Investment Law specifies, in general accordance with standard international practice, conditions a project must fulfill in part or in full in order to qualify as an investment rather than a commercial concern. (Commercial law stipulates no more than 49% foreign ownership of an enterprise unless it is a branch of a foreign company, which the foreign company can then 100% own.) According to 2014 information from the Libyan Privatization and Investment Board (PIB), Libya has attracted more than \$23 billion in private investment under the provisions of the 2010 law and its operative predecessor, Law No. 5 of 1996. Of this amount, PIB reported more than \$8 billion is 100% foreign owned.

Foreign investors are allowed lease property from public holdings and private Libyan citizens, according to Article 17 of the 2010 Investment Law. The law does not grant foreign investors the right to own land. There is considerable ambiguity in both the public and private rental markets; many aspects of these arrangements are left to local officials.

Protection of Property Rights

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Libyan property rights are complicated by past government policy actions, and a weak regulatory environment. The Libyan government eliminated all private property rights in March 1978, and eliminated most private businesses later in the same year. The renting of property was illegal, and ownership of property was limited to a single dwelling per family, with all other properties being redistributed. Reduced rate "mortgages" were paid directly to the Libyan government, but many Libyans were exempted from these payments based on family income. This process, and destruction of official documents that followed several years later, has served to greatly complicate any subsequent effort to prove clear title to property throughout Libya. The post-revolutionary interim government has made little progress on improving the situation.

For intellectual property, trademark violations are widespread and violators are adept at producing credible fakes. U.S. brands remain vulnerable to such activity. The Law of Consumer and Intellectual Property Protection is enforced by the Trademark Office within the Ministry of Economy, and Customs. In practice, enforcement generally requires a specific legal claim.

While Libya is in the process of applying for entry to the WTO, it is not currently a member, and thus is not a party to TRIPS (Agreement on Trade-Related Aspects of Intellectual Property Rights). The IMF has called upon Libya to bring its IPR regime in line with international best practice, and the Ministry of Economy and Trade is reportedly making a renewed effort to deal with the problem, although clear evidence of progress is not apparent. The Embassy maintains a list of local lawyers, which does not constitute an endorsement or recommendation, at the following two web addresses:

<http://libya.usembassy.gov/doing-business-local.html>

<http://libya.usembassy.gov/lawyers.html>

Transparency of Regulatory System

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The Libyan regulatory system lacks transparency, and there is a general lack of clarity regarding the function and responsibilities of Libyan government institutions. Transparency International rank Libya 170 out of 177 countries ("1" indicates least corrupt) in its 2013 Corruption Perceptions Index. Libya's bureaucracy is one of the most opaque and amorphous in the Middle East region; its legal and policy frameworks are similarly difficult to navigate. The issuance of licenses and permits are often delayed for significant periods for unspecified reasons, and the adjudication of these applications is most often done in a subjective and non-transparent fashion. This has created an environment ripe for graft and rent-seeking behavior.

Accurate, current information on the Libyan market and key commercial regulations is difficult to obtain, and this situation serves as a deterrent to foreign investment. The post-

revolutionary period has seen a flourishing of civil society, and some non-governmental organizations have devoted themselves to transparency, most notably in the energy sector.

Transparency International: <http://www.transparency.org/>

Efficient Capital Markets and Portfolio Investment

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Libya has been attempting to modernize its banking sector since prior to the revolution, including through a privatization program that has opened state-owned banks to private shareholders. Currently, 21 banks operate nationally in Libya. Seven of them are wholly private, and four are state-owned Specialized Financial Institutions. The Central Bank owns the Libyan Foreign Bank, which operates as an offshore bank, with responsibility for satisfying Libya's international banking needs (apart from foreign investment).

The banking system is governed by Law No. 1 of 2005, as amended by Law No. 46 of 2012 on Islamic banking. In accordance with that amendment, Law No. 1 of 2013 would prohibit interest in all civil and commercial transactions from January 1, 2015 onward. It was not clear how or whether this provision will be implemented. The banking modernization program has also been seeking, among other components, to establish electronic payment systems and expand private foreign exchange facilities.

The availability of financing on the local market is weak. Libyan banks can only offer limited financial products, loans are often made on the basis of personal connections (rather than business plans), and public bank managers lack clear incentives to expand their portfolios. Lack of financing acts as a brake on Libya's development, hampering both the completion of existing projects and the start of new ones. This has been particularly damaging in the housing sector, where small-scale projects often languish for lack of steady funding streams. The World Bank ranked Libya 186 out of 189 economies on the ease of getting credit, impeded by weak collateral and bankruptcy laws, and 187 out of 189 on protecting investors.

Competition from State Owned Enterprises

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The Privatization and Investment Board has made progress in converting sectors of the economy to private ownership. All enterprises in Libya were previously state-owned. The food industry, healthcare, construction materials, downstream oil and gas, and education are sectors now partially or fully privatized. With the exception of the upstream oil and gas sector, no state-owned enterprise is considered to be efficient.

Corporate Social Responsibility

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Corporate responsibility and local staff training programs are common requirements for successful concession bids, and training programs in particular are generally essential to win bids on most Libyan government contracts. Large investments by international energy companies have typically involved more-extensive social and development requirements, but those requirements are not stipulated in the law.

Political Violence

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There is a significant recent history of politically motivated damage and seizure by force of economic infrastructure and installations, particularly in the oil and gas industry. Significantly, men loyal to militia leader Ibrahim Jidran seized oil terminals at Zueitina, Marsa Hariga, Sidra, and Ras Lanuf in Libya's East in July 2013, allegedly over claims the country's interim government had not paid security workers at the port and to advance an agenda seeking more transparency in the sector and more regional autonomy.

Civil disturbances were an almost daily occurrence, with rival militias, extremist groups, and terrorist elements jockeying for control over political institutions, economic resources, and geographical regions. These events significantly affected foreign firms' willingness and ability to invest in Libya.

Corruption

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Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International

Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>).

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco).

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department’s Advocacy Center and State’s Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center “Report A Trade Barrier” Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice’s (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department’s present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ’s Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Libyan law provides criminal penalties for official corruption, but the government did not implement the law effectively, and officials engaged in corrupt practices with impunity. There was a lack of transparency in the government's management of security forces, oil revenues, and national economy. The government encouraged companies to establish internal codes of conduct that prohibit bribery of public officials. While some foreign firms had internal ethics programs to prevent bribery, the continued dominance of state-owned firms in the domestic market rendered corruption and bribery a recurrent practice.

Libya has signed and ratified the UN Anticorruption Convention. It is not party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Foreign firms have identified corruption as an obstacle to FDI; corruption is pervasive in virtually all sectors of the economy, especially in government procurement and the oil sector.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business

Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.

- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

Bilateral Investment Agreements

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Libya has signed bilateral investment protection agreements with Algeria, Austria, Belarus, Belgium, Bulgaria, China, Croatia, Egypt, Ethiopia, France, Gambia, Germany, India, Iran, Italy, Kenya, Luxembourg, Malta, Morocco, Portugal, Qatar, Russia, San Marino, Serbia, Singapore, Slovakia, South Africa, South Korea, Spain, Switzerland, Syria, Tunisia, and Turkey. Some of these have yet to formally enter into force. Libya is part of the Greater Arab Free Trade Area (GAFTA), a Free Trade Agreement joining Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Morocco, Oman, the Palestinian Authority, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, the United Arab Emirates, and Yemen. Libya is also a member of the Arab Maghreb Union (AMU) Free Trade Agreement with Morocco, Algeria, Tunisia, and Mauritania.

Libya does not have a bilateral investment treaty, a Free Trade Agreement, or a bilateral taxation treaty with the United States but signed a Trade and Investment Framework Agreement (TIFA) with the United States in December 2013.

OPIC and Other Investment Insurance Programs

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OPIC is pursuing an Investment Incentive Agreement (IIA) with Libya to enable it to offer financial support for projects in Libya. While these discussions are underway and progress is being made toward allowing OPIC to operate in Libya, as of June 2014 OPIC had not begun to operate in Libya.

Labor

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Libya's labor market is characterized by a dominant public sector that employs 70 percent of formal sector employees in the Libyan economy, according to the World Bank. Just four percent of Libyans in the formal sector work for private firms. The Libyan labor market has many skilled workers with high levels of education, but high

public sector wages and benefits result in outsized expectations among job seekers, particularly among the highly-skilled. Official statistics put Libya's 2013 unemployment rate at 15 percent, but unofficial statistics suggest the rate may be as high as 30 percent—and as high as 50 percent among youth. Many unemployed Libyans hold university degrees. The World Bank also noted significant “mismatches” between the skills Libyan degree holders possess and those demanded by foreign and domestic employers in Libya. The 2010 Investment Law permits investors to hire foreign workers when national substitutes are not available.

The law does not provide the right for workers to form and join independent unions. Formal sector workers are automatically members of the General Trade Union Federation of Workers, but can opt out on request. Foreign workers are not permitted to organize. Workers are permitted to bargain collectively, but the law stipulates that cooperative agreements have to conform to the “national economic interest,” thus significantly limiting collective bargaining. There was no data available about the prevalence of collective bargaining, or about the effectiveness of labor dispute or arbitration services.

There were several strikes in Libya in 2013, but none posed a significant investment risk to foreign investors, and the government generally did not intervene in these strikes. In April 2013, teachers at state-run schools in Benghazi went on strike over late pay, and Libyan Airlines employees went on strike several times in 2013 over several different demands, including having their bonuses reinstated and moving the company's headquarters from Tripoli to Benghazi.

The law prohibits forced or compulsory labor, but the government does not effectively enforce the laws. There were reports of foreign workers subjected to conditions indicative of forced labor, including Filipinos, Bangladeshis, and sub-Saharan Africans working in the construction and domestic sectors. The law prohibits children younger than 18 from being employed except in a form of apprenticeship. It was unclear whether child labor occurred, and no information was available concerning whether the law limits working hours or sets occupational health and safety restrictions for children. It was not clear whether the government had the capacity to enforce compulsory or child labor laws; nor was it clear whether non-enforcement of these laws posed a commercial risk to investors.

Foreign-Trade Zones/Free Ports

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Libyan Law Number 215 of 2006 established the Zuwara Free Trade Zone (ZFTZ), and Law Number 495 of 2000 (amended by Law Number 32 of 2006) created the Misrata Free Trade Zone (MFTZ). Both the ZFTZ and the MFTZ are overseen by the Libya Free Trade Zone Board, created by Law Number 168 of 2006. By law, the ZFTZ and MFTZ are financially and administratively independent, and are free to legislate “within the boundaries of Libyan law.”

In March 2013, the MFTZ opened a new 804 meter-long dock, allowing the zone to berth medium-sized cargo vessels and for up to 19 ships to dock simultaneously. The MFTZ reportedly unloaded 208,339 20-foot equivalent units in 2013, a 30 percent increase from 159,634 units in 2012. The ZFTC is currently not in operation.

Foreign Direct Investment Statistics
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	Host Country Statistical source*		USG or international statistical source		USG or international Source of data (Source of Data: BEA; IMF; Eurostat; UNCTAD, Other)
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (Millions U.S. Dollars)	N/A	N/A	2009	62,360	http://www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (Millions U.S. Dollars, stock positions)	N/A	N/A	2012	2,315	(BEA) click selections to reach.

Contact Point at Post
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Ms. Stephanie Gilbert
 Economic/Commercial Officer
 Airport Road, Wali Alhaed Street, Tripoli, Libya
 Tel: +218 912203671
 Fax: +218 213622459
 Email: GilbertSS@state.gov

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Chapter 7: Trade and Project Financing

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How Do I Get Paid (Methods of Payment)

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The most commonly used method of payment is a Letter of Credit (LC). The Libyan Central Bank has made an effort to authorize Libyan bank branches to issue LCs on a more expedited basis, although the process remains relatively slow and may nevertheless require Central Bank approval. Payment intervals have improved for state-to-private sector deals; however, delays of six months or more are not uncommon.

A letter of credit may not be issued by a local bank without a minimum advance deposit of 20 percent of the value of the imported goods. U.S. firms have reported some delays in opening LCs due to a dearth of correspondent relationships, differing expectations between U.S. and Libyan financial institutions regarding procedure, and information requirements.

How Does the Banking System Operate

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The availability of financing on the local market is weak. The highly-centralized Libyan banking system can only offer limited financial products, loans are often made on the basis of personal connections (rather than business plans), and public bank managers lack incentives to expand their portfolios.

The Libyan banking system is currently undergoing a substantial modernization program to upgrade available services/products, deal with large numbers of non-performing loans, establish a functioning national payments system, facilitate the use of non-cash payment instruments and institute new standards of accounting and training. While foreign banks are technically able to enter the Libyan market under the Banking Law of 2005, the Central Bank has sought to delay their entry until the reform process has taken hold.

The following banks operate in Libya:

Libyan Central Bank: <http://www.cbl.gov.ly/en/>

Libyan Foreign Bank: <http://www.lafbank.com>

Umma Bank: <http://www.umma-bank.com>

Bank of Commerce and Development: <http://www.bankofcd.com/Default.asp>

Aman Bank for Commerce and Investment: <http://bk.abci.ly.com/en/index.aspx>

British Arab Commercial Bank: <http://www.bacb.co.uk/>

Wahda Bank: <http://www.wahdabank.org/english/index.asp>

Qatar National Bank: <http://www.qnb.com.qa>

HSBC: <http://www.hsbc.com/1/2/about-hsbc/international-network/middle-east-and-africa/libya>

Foreign-Exchange Controls

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Libya maintains a fixed exchange rate regime, with the Libyan Dinar (LYD) pegged to the International Monetary Fund's Special Drawing Right (SDR), the value of which is determined by a U.S. dollar and Euro-dominated basket of currencies. The official exchange rate stood at USD 1— LYD 1.21 in mid-2014.

Individuals with residence permits are permitted to hold foreign currency in Libyan accounts. Non-residents working in Libya may open domestic accounts, in which to hold earnings. Central Bank approval is required for all other credits to non-resident accounts. Per-transaction withdrawals are limited to USD 5,000 in cash and USD 10,000 in travelers' checks.

The right to open an account in a convertible currency in a Libyan commercial bank is provided for companies entering Libya under Law No. 9 of 2010. The Libyan Banking Law allows any Libyan person or entity to retain foreign exchange and conduct exchanges in that currency. Libyan commercial banks may open accounts in foreign exchange and conduct cash payments and transfers (including abroad) in foreign currency.

Commercial banks operating in Libya may grant credit in foreign exchange and transact in foreign exchange among themselves. Entities engaging in foreign exchange must be licensed by the Central Bank. Foreign exchange facilities are available at most large hotels and airports. The importation of currency must be declared at the time of entry.

U.S. Banks and Local Correspondent Banks

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There are no U.S. banks with branches in Libya. HSBC, through the British Arab Commercial Bank, has a representative office in Tripoli.

Project Financing

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Libya suffers from a lack of options for project finance. Project financing is available through a few foreign commercial banks, although terms and conditions are often difficult. Arab Banking Corporation (ABC), Amen Bank, Standard Bank Plc, the Islamic Banking Corporation, and APICORP have provided financing for projects in

Libya.

Feasibility Studies: The U.S. Trade and Development Agency (www.tda.gov) facilitates economic development and promotes U.S. exports in emerging markets by promoting US partnerships in high-priority overseas projects. During 2013 and 2014, USTDA conducted a series of Reverse Trade Missions (RTMs), bringing Libyan officials to the United States to pursue opportunities to source from the United States. Consult the Embassy for updates.

OPIC: Overseas Private Investment Corporation (<http://www.opic.gov/>) typically provides loan guarantees, trade financing as well as insurance against political and currency risk. OPIC is pursuing an Investment Incentive Agreement (IIA) with Libya to enable it to offer financial support for projects in Libya. While these discussions are underway and progress is being made toward allowing OPIC to operate in Libya, as of June 2014 OPIC had not begun to operate in Libya.

Ex-Im Bank: The U.S. Export-Import Bank does not currently offer financial support for exports to Libya. For further information, consult <http://www.exim.gov>.

Web Resources

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

African Export-Import Bank: www.afreximbank.com

The World Bank: <http://www.worldbank.org/>

Libyan Central Bank: <http://www.cbl.gov.ly/en/>

Libyan Banking Laws: <http://www.cbl.gov.ly/en/listview/index.php?cid=69>

Libyan Foreign Bank: <http://www.lafbank.com>

Umma Bank: <http://www.umma-bank.com>

Bank of Commerce and Development: <http://www.bankofcd.com/Default.asp>

Aman Bank for Commerce and Investment: [http://bk.abci-](http://bk.abci-ly.com/en/index.aspx)

[ly.com/en/index.aspx](http://bk.abci-ly.com/en/index.aspx)

British Arab Commercial Bank: <http://www.bacb.co.uk/>

Wahda Bank: <http://www.wahdabank.org/english/index.asp>

Qatar National Bank: <http://www.qnb.com.qa>

HSBC: <http://www.hsbc.com/1/2/about-hsbc/international-network/middle-east-and-africa/lib>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/ccs/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

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Business Customs

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Traditionally, the Libyan government handled all business transactions; however with the move toward greater privatization, business is increasingly being done by private citizens. English is widely understood and used in business circles, although all official documents are in Arabic as per government regulations. Appointments are necessary and business cards are useful though not necessarily widely used. Suits and ties are generally worn, although casual business attire is acceptable during the hotter months. For women, shirts and tops should ideally reach elbow-level or below. Dresses that show shoulders or legs are not considered appropriate business attire in Libya.

While the number of ATMs located in Libya has grown considerably in the past two years, they are still relatively few in number and can be unreliable. Most hotels, transportation companies, restaurants, businesses and many locally-operating airlines only accept cash payments. Travelers are advised to bring sufficient cash in U.S. dollars or Euros for conversion at a local bank to cover their stay in the country.

Some additional considerations for doing business in Libya

Relationships and front-dealing are key: The Embassy has seen many ventures fail because U.S. counterparts attempted to run a project remotely, and/or with limited resources. If you are serious about the market, consider assigning someone in Libya or have someone visit regularly to meet with clients.

Corruption: Despite high-profile campaigns attempting to draw attention to the issue, corruption remains common in Libya. Corruption frequently takes the form of openly solicited or thinly veiled requests for payoffs and/or valueless intermediation. This could include approvals for basic bureaucratic processes, including issuance of permits and access to scarce government services. While these types of transactions are generally viewed as a necessary part of doing business by local operators, Americans are reminded they must comply with the Foreign Corrupt Practices Act (FCPA). This tendency serves to reinforce the importance of personal connections and insider knowledge in the conduct of day-to-day business operations.

Gain a thorough knowledge of local business laws and requirements before making sales commitments: The Embassy typically recommends that those investigating market potential in Libya speak with a qualified local lawyer.

Visa: U.S. citizens routinely experience considerable delays in obtaining Libyan visas, from several weeks to months. U.S. businesses are advised to apply well in advance of travel. You may wish to consider employing the services of a visa expeditor.

Give forethought to method and timing of payments: While Libyan firms are becoming more timely and reliable with payment, one should not take it as given that payment will be made. Lump sum payments are notoriously difficult to amend.

Think carefully about your target market: Consider engaging one of a small number of high-quality market research companies and/or their Western affiliates to assist with market sizing and sales projections.

Begin official processes early: Most processes that require official sanction or approval have a lengthy gestation (2-24 months). If you know your business requires registration of a branch office, for example, start the process early, as you can always annul the application.

“Final” contracts: The Embassy is aware of numerous instances where an official Libyan government tender decision has been pulled back for additional review, delaying a final decision for months. Companies should try to exercise patience with this process and be prepared for additional negotiations on contract terms.

Be mindful of the limitations of local partners: There is a shortage of skilled workers, and many Libyan firms lack capacity, particularly in technical fields. Do not assume local partners have the capacity to support complex projects.

Small things may have large consequences: Business etiquette is very important in Libya. Respect for hierarchy is important, as expressed through the use of appropriate titles (from “Engineer” to “Doctor” or “Director”).

Start small, think long-term: Relationships take time to build, especially if your product has no prior brand-name recognition in Libya. Think about partnering with another foreign firm with a more established local presence, or entering into small-scale agreements to test the market. Lower, sustained investment of personnel and time tends to be more effective at generating business in Libya than larger sums and dramatic expressions of interest, managed from a distance.

Differentiation factors: Consider emphasizing sales techniques and services that are both suited to the local market, and long-absent. For example, several firms have found showrooms offering after-sale service an effective differentiator.

Advertising: There are regulations on the books governing advertising which are wholly foreign to Western businesses. Before spending on “conventional” advertising, look at what others in similar industries have been able to do, and think creatively.

Training is key: Government bodies (tender-issuers, most likely) are seeking means to re-tool and re-assign workers. Integrating well-considered training plans into bids is likely to generate good will and increase the appeal of submitted bids.

Consult the Embassy: The U.S. Embassy Commercial Section will do its best to respond to all serious inquiries in a timely manner.

Travel Advisory

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The Department of State warns U.S. citizens against all travel to Libya and recommends that U.S. citizens currently in Libya depart immediately. Please read the updated Travel Warning, dated May 27, 2014, or the subsequent update:

<http://travel.state.gov/content/passports/english/alertswarnings/libya-travel-warning.html>

Due to security concerns, the Department of State currently has limited staffing at Embassy Tripoli and is only able to offer very limited emergency services to U.S. citizens in Libya. All travelers are encouraged to consult the following website for information on passport and visa issues:

<http://travel.state.gov/content/passports/english/country/libya.html>

Business Visas: U.S. citizens traveling to Libya on business visas require an invitation from/sponsorship of a company operating in Libya. U.S. citizens who apply for Libyan business visas often experience significant delays, regularly waiting several weeks or months for their visas. All visa applications are vetted by Libyan authorities in Tripoli and are only issued by the appropriate Libyan Embassy upon receipt of approval by the Libyan Ministry of Foreign Affairs. There may be an additional wait for actual visa issuance once approval has been received by the Embassy.

Tourist visas: Travelers should contact the Libyan Embassy in the country in which they reside to obtain the latest information on visa application procedures. Visas for U.S. passport holders are not available at the port of entry. Under no circumstance should a traveler use a tourist visa for business travel to Libya. Using a tourist visa to travel to Libya for business purposes contravenes Libyan law, and places the traveler at risk of arrest.

Inquiries about obtaining a Libyan visa should be made through the Libyan Embassy in Washington, D.C. The Embassy is located at 2600 Virginia Avenue NW, Suite 300, Washington, DC 20037; tel. 202-944-9601, fax 202-944-9606.

State Department Visa Website: <http://travel.state.gov/content/visas/english.html>

U.S. Embassy Tripoli Consular Section Information for Travelers:
<http://libya.usembassy.gov/service/information-for-travelers.html>

Visas to the U.S.: <http://libya.usembassy.gov/visas.html>

Telecommunications

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There are a number of services available. Landlines are available in hotels and offices although public phone booths are not available at all. There are two mobile phone

networks, Madar and Libyana, and coverage is generally adequate, particularly in major urban areas. Internet, fax and international calls can be made at many hotels, and privately owned communications centers are available in most urban areas.

Transportation

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International Flights

Currently there are two European air carries operating flights to and from Libya. British Airways operates five days a week, and Alitalia operates daily. Also Turkish Air and Tunis Air operate three flights per day, Egypt Air and Royal Jordanian twice per day, and Royal Moroccan operates daily flights.

Internal Flights

There are four Libyan airlines, two of which are state-owned and operated: Libyan Airlines (LN) and Afriqiya Airlines (8U). For its punctuality and acceptable service Buraq, the sole 'private' airline, has been the darling of the Libyan private sector. Buraq took delivery of the first of its three new Boeing 737-800s in November 2006, marking the first purchase of newly-manufactured aircraft by a Libyan airline since 1979. The second privately owned company is Gadamis Ai. For many internal destinations, Libyan Airlines is the sole option. Various tour companies run charters to destinations such as Ghat and (occasionally) Ghadames, particularly during local festivals.

Road Transportation

While in a foreign country, U.S. citizens may encounter road conditions that differ significantly from those in the United States. The information below concerning Libya is provided for general reference only, and may not be totally accurate in a particular location or circumstance.

Driving in Libya can be hazardous, and there is a high accident rate. Enforcement of traffic laws is rare. As a result, it is often difficult to anticipate the actions of other drivers on Libyan streets and highways. Wind-blown sand can reduce visibility without warning. Road conditions are poor, and public transportation, which is limited to occasional bus service, is poor. Taxis are available, but many taxi drivers are reckless and untrained, and English-speaking drivers are extremely rare. The sidewalks in urban areas are often in bad condition and cluttered, but pedestrians are able to use them.

Paved roads in rural areas are satisfactory; however, many rural roads are unpaved (i.e., dirt roads). Also, major highways along the seacoast and leading south merge into single-lane highways once they are outside the cities. These roads are heavily trafficked and can be precarious to navigate, especially at night and during the winter rainy season. The presence of sand deposits, as well as domestic and wild animals that frequently cross these highways and rural roads, makes them even more hazardous.

The availability of roadside assistance is extremely limited and offered only in Arabic. In urban areas and near the outskirts of major cities there is a greater possibility of assistance by police and emergency ambulance services, although they are usually ill-equipped to deal with serious injuries or accidents. Very few streets are marked or have signage, and highway signs are normally available only in Arabic.

The U.S. Department of State issues consular information sheets, public announcements and travel bulletins which one can access by phone, toll free:1-888-407-4747, Email LibyaEmergencyUSC@state.gov or via the Internet: <http://travel.state.gov>

U.S. Embassy Switchboard Phone Number: +218 (0) 91-220-3239. For Visa or American Citizen Inquiries, call the Consular Section at +218 (0) 91-379-4560 between the hours of 12:00 pm and 4:00 pm, Sunday through Thursday. Or you can also reach us by email at Consulartripoli@state.gov.

In case of an emergency involving a U.S. citizen during working hours (Sunday to Thursday 9:00 am to 5:00 pm), call the American Citizen Services (ACS) phone number: +218 (0) 91-379-4560. If this is an after-hours emergency, call +218 (0) 91-220-5203.

Language

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Arabic is the official language, though some English and Italian are spoken. It would be helpful to learn few words in Arabic to break the ice with your clients. Some useful commonly used phrases are: Asalam Alaikoum (Peace be upon you) or Kef Alhal (How is everything?).

Health

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While some health care providers have been trained in the United States or Europe, basic modern medical care and/or medicines may not be available in Libya. Many Libyan citizens prefer to be treated outside of Libya for ailments such as heart disease and diabetes. A list of healthcare providers is available on the U.S. Embassy Tripoli's website at http://libya.usembassy.gov/medical_information.html.

Information on vaccinations and other health precautions, such as safe food, water precautions and insect bite protection, may be obtained from the Centers for Disease Control and Prevention's hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747) or via the CDC's Internet site at <http://www.cdc.gov/travel>. For information about outbreaks of infectious diseases abroad consult the World Health Organization's (WHO) website at <http://www.who.int/en>. Further health information for travelers is available at <http://www.who.int/ith>.

The Department of State strongly urges Americans to consult with their medical insurance company prior to traveling abroad to confirm whether their policy applies overseas and whether it will cover emergency expenses such as a medical evacuation. Please see our information on medical insurance overseas: http://travel.state.gov/travel/cis_pa_tw/cis/cis_1470.html

International product safety standards are not enforced in Libya. Many of the water sources (both tap and bottled) contain high levels of nitrates (a possible carcinogen), salts and heavy metals. Many pesticides used in Libya are banned in Europe and the U.S. As a result, long term (and short term) visitors are advised, when possible, to wash and peel fruits and vegetables thoroughly before eating, and to avoid consuming greenhouse-grown (off-season) fruits and vegetables. Hepatitis A & B and tuberculosis

are widespread in Libya; there are no reliable statistics on the rate of HIV infection. Many international companies use the Libyan-Swiss Diagnostic Center, Medi-Link Clinic or the St. James Clinic for routine care:

St. James Clinic: <http://www.stjameshospital.com/>

Libyan-Swiss Diagnostic Center: <http://www.lsdcm.med.ly/en/facilities/pharmacy.htm>

Medi-Link Clinic: <http://www.medilinkint.com/services/emertripoli.asp>

U.S. Embassy medical information is available at the following link:

http://libya.usembassy.gov/medical_information.html

Local Time, Business Hours, and Holidays

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Libyan secular and religious holidays for 2014 are as follows (*actual dates of religious holidays are based on the lunar calendar and vary from year to year):

January 13 (Lunar)	Monday*	Prophet's Birthday
February 17	Monday	Revolution Day
May 1	Thursday	Labor Day
July 29 (Lunar)	Tuesday (3 days)*	Eid Al-Fitr
September 16	Tuesday	Martyrs' Day
October 4 (Lunar)	Saturday*	The Day of Arafa
October 5 (Lunar)	Sunday (3 days)*	Eid Al-Adha
October 23	Thursday	Liberation Day
October 25 (Lunar)	Saturday*	Islamic New Year
December 24	Wednesday	Independence Day

Work Hours:

Private sector – Saturday-Thursday:

8:00 am – 3:00 pm & 5:00 pm – 8:00 pm

Public sector – Sunday-Thursday:

Summer (April 1 – September 30): 7:30 am – 3:30 pm

Winter (October 1 – March 31): 8:00 am – 3:30 pm

Working hours are shorter during July/August and Ramadan.

Local time is GMT + 2 hours (Fall-Winter); GMT + 1 (Spring-Summer)

Web Resources

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U.S. State Department's travel warnings/advisories/alerts:

http://travel.state.gov/travel/cis_pa_tw/pa/pa_5602.html

State Department Travel website: travel.state.gov

State Department Visa Website: <http://travel.state.gov/visa/>

Embassy Tripoli Travel Site:

<http://libya.usembassy.gov/service/information-for-travelers.html>

Embassy Visa Site: <http://libya.usembassy.gov/visas.html>

Embassy Health Site: http://libya.usembassy.gov/medical_information.html

St. James Clinic: <http://www.stjameshospital.com/>

Libyan-Swiss Clinic: <http://www.lsdcm.med.ly/en/facilities/pharmacy.htm>

Medi-Link Clinic: <http://www.medilinkint.com/services/emertripoli.asp>

U.S. Center for Disease Control – Foreign Travel: <http://www.cdc.gov/travel>

World Health Organization: <http://www.who.int/en>

US Embassy Medical information:

[Medical Information | Embassy of the United States Tripoli, Libya](#)

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Chapter 9: Contacts, Market Research and Trade Events

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Contacts

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The U.S. Commercial Service has a representative in Libya. Contact the Embassy Commercial service via email, tripolifcs@state.gov.

U.S. EMBASSY TRADE PERSONNEL:

Fathi Hamidan, Senior Commercial Representative
Airport Road, Wali Alhaed Road
Tripoli, Libya
Hamidanfa@state.gov
Fathi.Hamidana@trade.gov;
hamidanfa@state.gov
Tel: +218-91-3690681 (mobile)
Fax: + 218 (0)21-3622464
Website: <http://www.export.gov/libya>

Mohamed Shwehdi, Commercial Specialist
Airport Road, Wali Alhaed Road
Tripoli, Libya
Mohamed.Shwehdi@trade.gov;
Shuehdi@state.gov
Tel: +218913690683
Fax: +218 (0)21-3622464
Website: <http://www.export.gov/libya>

Ahmed Elgeriani, Commercial & Administrative Assistant
Airport Road, Wali Alhaed Road
Tripoli Libya
Ahmed.Elgeriani@trade.gov;
Elgerianiaa@state.gov
Tel: +218913690680
Fax: +218 (0)21-3622464
Website: <http://www.export.gov/libya/>

Ms. Ann Bacher, Regional Senior Commercial Officer, North Africa, Jordan, & Lebanon
Ms. Diane Jones, Deputy Senior Commercial Officer
8 Kamal El Din Salah St., Garden City, Cairo
Tel: +20 (2) 2797-2330
Tel: +20 (2) 2797-2340
Fax: +20 (2) 2795-8368
Email: cairo.office.box@trade.gov

Website: www.export.gov/egypt

U.S. Foreign Agricultural Service (FAS)
Ms. Sarah Hanson, Agricultural Counselor
2, Avenue de Mohamed El Fassi
Rabat, Morocco
Sarah.Hanson@fas.usda.gov
Tel: +21 (0) 537-668 022 x 022
www.fas.usda.gov

U.S. EMBASSY PERSONNEL:

U.S. Department of State

Economic Affairs
Ms. Stephanie Gilbert, Economic Affairs Officer
Airport Road, Wali Alhaed Street
Tel: +218 912203671
Fax: +218 213622459
Email: GilbertSS@state.gov

Public Affairs
Julia Fendrick, Public Affairs Officer
Airport Road, Wali Alhaed Street
Tel: +218 912203097
Fax: +218 213622459
Email: FendrickJC@state.gov

U.S. Agency for International Development (USAID)

Kenneth Spear, USAID/OTI Libya Country Representative
Airport Road, Wali Alhaed Street
Speard@state.gov
Kespear@usaid.gov
Tel: +218 912203236

WASHINGTON-BASED U.S. GOVERNMENT CONTACTS:

U.S. Department of Commerce

Chris Wilken
Libya Desk Officer
1401 Constitution Avenue, Room 2029B
Washington, DC 20230
Christopher.wilken@trade.gov
Tel: (202) 482-3752
Fax: (202) 482-0878
Website: <http://www.export.gov>

Ms. Janice Corbett

Executive Director, Europe, Middle East, and Africa (EMEA)
1401 Constitution Avenue, Room 1223
Washington, D.C. 20230
Tel: (202) 482-4836
Fax: (202) 482-5179
Website: <http://www.export.gov>

U.S. Department of Agriculture

Benjamin Bocian
North Africa Desk Officer
1400 Independence Ave., SW, Room 4939-S
Washington, D.C. 20250
Tel: (202) 720-6343
Fax: (202) 690-4374
Website: <http://www.fas.usda.gov/>
U.S. Department of State

Near East Affairs Bureau
2201 C Street NW
Washington, DC 20520
Tel: (202) 647-4261
Fax: (202) 736-4458
Website: <http://www.state.gov/p/nea/>

U.S. Export-Import Bank (EXIM Bank)

Benjamin Todd
Business Development for Africa
811 Vermont Avenue NW
Washington, D.C. 20571
Tel: (202) 565-3946
Tel: (800) 565-3946
Fax: (202) 566-7524

Website: <http://www.exim.gov/>
Overseas Private Investment Corporation (OPIC)

Ms. Elizabeth Littlefield
President and CEO
1100 New York Avenue, NW
Washington, D.C. 20527
Tel: (202) 336-8400
Fax: (202) 336-7949
Website: <http://www.opic.gov/>

U.S. Small Business Administration (SBA)

740 15th Street NW, 3rd Floor
Washington, D.C. 20005-3544
Tel: (202) 272-0345
Fax: (202) 272-0344
Website: <http://www.sba.gov/>

U.S. Trade and Development Agency (USTDA)

Heather Lanigan
Country Manager, North Africa
1000 Wilson Blvd., Suite 1600
Arlington, VA 22209
Tel: (703) 875 4357
Fax: (703) 875 4009
Website: <http://www.ustda.gov/>

LIBYAN GOVERNMENT MINISTRIES AND AGENCIES:

Acting Prime Minister
tawasol@pm.gov.ly
www.pm.gov.ly

Central Bank of Libya
Trek Elshat, Tripoli Libya
Tel: +21821 3333591-99
Fax: +21821 4441488
Email: WebSite.Dept@cbl.gov.ly

Ministry of Justice
Omar Elmokhtar Road, Tripoli
Tel: +218214808253
Tel: +218214808251
Email: Mofjustice@aladel.gov.ly
www.aladel.gov.ly

Ministry of Interior
Janet Alaref Area, Tripoli, Libya
Tel: +218213339665
Fax: +218213338242
Email: info@moi.gov.ly
www.Moi.gov.ly

Ministry of Defense
Buabet Aljebes, Suani Road, Tripoli
www.defense.gov.ly
Tel: +218214800169
Tel: +218214800734
Fax: +218214800168
Email: Info@defense.gov.ly

Ministry of Communications

Zawia Street, Tripoli, Libya
Tel: +218 21 361 8-9811
Fax: +218 21 3622452
Email: info@cim.gov.ly
<http://www.cim.gov.ly/>

Ministry of Foreign Affairs
Trek Elshat, Tripoli
Tel: +21821 340 2921 +21821 340 2922
Fax: +21821 340 0461
www.foreign.gov.ly

Ministry of Tourism
Tel: +218213364621
Fax: +218213364605
Email: Info@tourism.gov.ly
www.tourism.gov.ly

Ministry of Transport
Aldahra Area, Tripoli, Libya
Tel: +21821 3341670
Fax: +21821 3335896
Email: info@ctt.gov.ly
www.mot.gov.ly

Ministry of Finance
Trek Elska, Ben Asor area, Tripoli Libya
Tel: +21821 6410263
Fax: +21821 6410269
www.mof.gov.ly

Ministry of Oil
Bashier Sadawi Street
Tripoli Libya

Ministry of Economy
Saraj Area, Tripoli Libya
www.ect.gov.ly

Ministry of Health
Tel: +218 21 463 0704
Email: Taftesh-malomat@health.gov.ly
www.health.gov.ly

Auditing Bureau (Diwan al-Muhasiba)
General National Maritime Company Building
Ahmed Al-Shrief Street
Tripoli, Libya
Chairman
Ibrahim Khaled Balkher
Director

Mohamed Elzetrini
Tel: +218 (0) 91 999 2793
Tel: +218 (0) 91 370 5764
Khaled Elnaili
Tel: +218 (0) 91 383 1311

LIBYAN Private Sector Business Groups and Key Individuals:

Libyan Businessmen Association
Mahmoud M. Elmufti
President
Libyan Businessmen Association
Benghazi - Libya
Tel: +218 92 510 0560
Tel: +218 91 329 4813
info@libyanbusinessmenassociation.org

Ghanem Bashir Elshaiky
Establishing Committee Member
Libyan Businessmen Association
Benghazi - Libya
Tel: +218 61 909 0827
Tel: +218 91 374 0670
Tel: +218 91 851 2782
exect@libyanbusinessmenassociation.org
www.libyanbusinessmenassociation.org

Libyan Businessman Club (LBMC)
Walid H. Elmogassbi
General Manager of Libya Businessman Club
Airport Road – Almadar Co. Building
Second Floor – Office No. 10
Benghazi – Libya
Tel: +218 61 472 2543
Tel: +218 91 426 0038
Tel: +218 91 382 4342
Tel: +218 92 511 6596
wwmgsbi@yahoo.com
lbmc.2011@yahoo.com
info@lbc.com.ly
www.lbc.com.ly
Mr. Abobaker El Ghawi
Tel: +218 91 353 1007
elghawi5078@yahoo.com

Libyan Businessmen's Union
Mahmoud Elmufti
Benghazi - Libya
Tel: +218 92 5100560
info@libyanbusinessmenassociation.org

Awad Ali Saheim
Head Manager
Alnaeem For Food Import Co.
Benghazi – Libya
Tel: +218 91 326 2267
Tel: +218 92 441 0673
Fax: +218 61 337 2755
Al_naeem_company@yahoo.com
Aa_as_aa_as_@yahoo.com

Libyan Businessmen Council
Isa Iyad Babaa
Executive Director
Libyan Businessmen Council
Dat El-emad Complex
Tower 5, First Floor
P.O. Box 91491
Tripoli – Libya
Tel: +218 21 335 0213/15
Tel: +218 21 335 0373
Fax: +218 21 335 0374
I_babaa@hotmail.com

Eng. Khalid Ben Otman
Member
Libyan Businessmen Council
Tel: +218 21 340 5194
Tel: +218 91 215 2624
Ch_k@bhc-ly.com

Libyan Businessmen Council (unrelated Misrata-based group)
Bashir Eltrabelsi
Chairman
Libyan Businessmen Council
Misrata – Libya
Tel: +218 91 320 7446
chairman@lbc.ly

Libyan Business Women Committee
Enas Al Ghablawi
Tax Consultant
Head of Libyan Business Women Committee
P.O. Box 5745
Hay Al-Andalus
Tripoli – Libya
Tel: +218 91 215 6104
Tel: +218 21 477 8962
Tel: +218 21 477 6387
E_elgablawi@yahoo.com

Misrata Chamber of Commerce

Mohamed Raid
Chairman, Board of Directors
Alnaseem Dairy
President, Misrata Chamber of Commerce
Heavy Transportation Road – Km 6
Misrata – Libya
Tel: +218 91 212 6819
Mohamed@alnaseemdairy.com

Tripoli Chamber of Commerce
Khalil Masoud Mahfud
Chairman, Board of Directors
Tripoli Chamber of Commerce, Industry & Agriculture
Tel: +218 91 340 1849
Tel: +218 91 373 6018
Kalil-ma@yahoo.com
Ahmed M. El Faghi
General Manager, Tripoli Chamber of Commerce
Tel: +218 21 333 3706
Tel: +218 91 370 2362
Tel: +218 92 426 2990
ahmedfaghi@yahoo.com

Young Libyan Businessmen Association
Eng. Mohammed Karim
Chairman
Young Libyan Businessmen Association
Tripoli – Libya
Tel: +218 91 338 0083
Tel: +218 21 717 4245
kraimus@yahoo.com
lybianbusinessmen.org

U.S. – LIBYA TRADE ORGANIZATIONS:

U.S. – Libya Business Association (U.S.-LBA)
Chuck Dittrich
Executive Director
1625 K Street NW, Suite 200
Washington, DC 20006
Tel: (202) 464-2038
cdittrich@us-lba.org

American Chamber of Commerce in Libya
Richard Griffiths
Executive Director
Tel (Libya): +218 924 354375
Tel (U.S.): (917) 348 7833
Corinthia Bab Africa
Al Kurnish Road

Tripoli, Libya

MULTILATERAL INSTITUTIONS ABROAD:

African Development Bank
15 Avenue du Ghana
P.O. Box 323-1002
Tunis-Belvédère, Tunisia
Tel: (+216) 71 103 450
Fax: (+216) 71 351 933
<http://www.afdb.org/en/>

International Finance Corporation (IFC)
Headquarters
International Finance Corporation
2121 Pennsylvania Avenue, NW
Washington, DC 20433 USA
Tel: (202) 473-3800
Fax: (202) 974-4384
Website: <http://www.ifc.org/>

World Bank
Office of the U.S. Executive Director
1818 H Street, N.W.
Washington, D.C. 20433
Tel: (202) 477-1234, (202) 477-1000, (202) 473-1000
Fax: (202) 477-6391
Website: <http://www.worldbank.org/>

MULTILATERAL INSTITUTIONS IN LIBYA:

African Development Bank
Temporary Relocation Agency (TRA)
15 Avenue du Ghana
P.O. Box 323-1002, Tunis-Belvédère, Tunisia
Tel: (216) 7133-3511/7110-2065
Fax: (216) 7110-3743
Director, Mr. Jacob Kolster
International Finance Corporation
Nada Shousha
Country Manager
Tel: + 20 (2) 2461-9140 / 45 / 50
Fax: + 20 (2) 2461-9130 / 60
NShousha@ifc.org

United Nations Development Program (UNDP)
Abujaila Ben Taleb Street (near to the Ben Othman School)
Al-Noffiien Area, Tripoli, Libya (P.O. Box 358 Tripoli).
<http://www.undp.org/content/libya/>

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

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Chapter 10: Guide to Our Services

The President's National Export Initiative marshals Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities** and **support them once they do have exporting opportunities.**

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E).**

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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