

Introduction

Libya is a country located in North Africa. Bordering the Mediterranean Sea, Libya is surrounded by Egypt, Sudan, Chad, Niger, Algeria, and Tunisia. More than 90% of the country is desert or semi-desert, and there are limited natural freshwater resources. The government system is in a state of transition; the chief of state is the president of the General National Congress, and the head of government is the prime minister. Libya is transitioning to a more market-based economy in which the prices of goods and services are determined in a free price system. Libya is a member of the League of Arab States (Arab League) and the Common Market for Eastern and Southern Africa (COMESA).



Location: Northern Africa

Capital City: Tripoli (+2 GMT)

Chief of State: Chairman, Presidential Council, Mohammed Al Menfi

Head of Govt.: Prime Minister Abdul Hamid Dubaybah

Currency: Libyan dinar (LYD)

Major Languages: Arabic (official), Italian, English (all widely understood in the major cities); Berber (Nafusi, Ghadamis, Suknah, Awjilah, Tamasheq)

Primary Religions: Muslim (official; virtually all Sunni) 96.6%, Christian 2.7%, Buddhist 1%, Hindu 1%, Jewish 1%, folk religion 1%, other 1%, unaffiliated 1% (2020 est.)

Calling Code: 218

Voltage: 127

Key Websites

Main Government Page: pm.gov.ly

Export Promotion Agency: lepc.org.ly

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$159.24 billion (2022)
GDP growth (annual %):	-1.24% (2022)
GDP per capita, PPP (current international \$):	\$23,374.99 (2022)
Manufacturing, value added (% of GDP):	2.91% (2019)
Current account balance (BoP, current US\$):	-\$4.78 billion (2020)
Inflation, consumer prices (annual %):	2.61% (2013)
Labor force, total:	2,318,929 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	20.68% (2022)
Imports of goods and services (current US\$):	\$16.10 billion (2020)
Exports of goods and services (current US\$):	\$7.24 billion (2020)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	170 / 178
International Logistics Performance Index (LPI)	154 / 160
Inward FDI Potential Index	35 / 139
KOF Index of Globalization	113 / 185

Risk Assessment (Provided by Coface)

Country rating: E - The highest-risk political and economic situation and the most difficult business environment. Corporate default is likely.

Business Climate rating: E - The highest possible risk in terms of business climate. Due to a lack of available financial information and an unpredictable legal system, doing business in this country is extremely difficult.

Strengths

- Gas and oil reserves (the largest in Africa)
- Very low external debt and surplus accounts
- Large foreign exchange reserves and sovereign wealth fund
- Strategically positioned in the Mediterranean, close to Europe

Weaknesses

- Dependence on hydrocarbons: around 60% of GDP, 90% of budget revenues and 95% of export value (2023)
- Hydrocarbon sector development hampered by political strife and insecurity
- West-East division of the northern part of the country against a backdrop of power struggles with foreign powers
- Far south vulnerable to the proliferation of trafficking (human, arms, drugs) and animosity between Tuaregs, Toubous and Arabs, exacerbated by porous borders with unstable neighbours.
- Political and institutional duality, corruption, insecurity, poor public services
- Road, water, sanitary, educational and electrical infrastructures
- Selective access to foreign currency for importers, with a flourishing parallel foreign exchange market
- International sanctions have frozen most (80%) of the sovereign wealth fund's assets since 2011

U.S. Embassy

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