

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

- Large oil and gas reserves (the largest in Africa)
- Very low external debt
- Large foreign exchange reserves, sovereign wealth fund
- Strategic position in the Mediterranean, proximity to Europe

Weaknesses

- Extreme dependence on hydrocarbons (48% of GDP)
- Economic and financial fragmentation against a backdrop of political and tribal divisions, fuelling insecurity
- Significant insecurity with the presence of armed groups, including mercenaries (Russian, Sudanese, Serbian, Ukrainian, Syrian). These groups are often manipulated by foreign powers (Turkey, Russia, Emirates, Egypt) with conflicting economic and/or strategic interests
- The south-west of the country (Fezzan), which suffers more from poverty than other regions, is having to deal with a rise in trafficking (human, arms, drugs) and tensions between Tuaregs and Toubous
- Non-compliance with UN arms embargo
- Oil smuggling, especially with Tunisia
- Poor business environment (186/190 in the Doing Business 2020 ranking): corruption, bad governance, poor public services
- Destruction of much of the country's infrastructure, especially health and education
- Lack of electricity supply
- Selective currency access for importers

U.S. Embassy

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