

IOA — 2019 — ACBR

AFRICA COUNTRY BENCHMARK REPORT



Libya Profile



Torn by decades of dictatorship and civil war, Libya's forward progress is a testimony of defying difficult circumstances to progress in unexpected ways, such as wind farms producing clean energy in a country that is a major oil producer.



Image courtesy of Aldo Bergsma



LIBYA

#46

LIBYA



OVERVIEW ANALYSIS

The chaos wrought by warring factions that has split Libya into spheres of control began with the overthrow of dictator Muammar Gaddafi in 2011. There is hope that this chaos may find resolution in the national elections in 2019. Neighbouring Algeria, Egypt and Tunisia are worried about the regional instability caused by conflict-torn Libya. Contesting each other are two rival governments: the House of Representatives also known as the 'Tobruk government', elected in 2014; and the General National Congress (GNC) that then refused to accept the election results. However, the second Libyan Civil War was instigated and intensified by Field Marshal Khalifa Haftar, who made military advances in 2019. Their position deteriorated further in ACBR 2019, descending three ranks to 46th place.

KEY OPPORTUNITIES

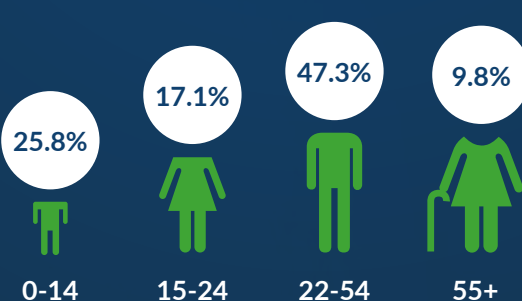
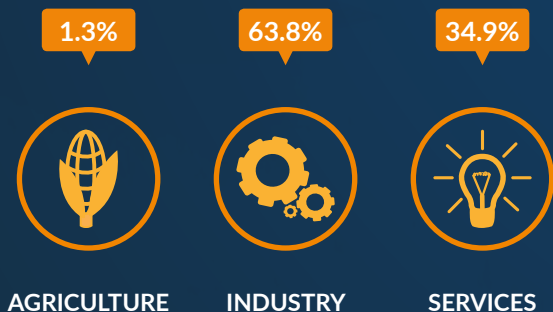
- Libya's oil reserves remain large and lucrative
- National reconstruction of all economic sectors will require years of work
- Large capital infrastructure projects await technical support

KEY CONCERNS

- The civil war has left the country fragmented, leaving sections ungoverned
- Terrorist groups have filled the power vacuum in places, particularly ISIS
- Principally using Libya, the Africa-to-Europe migrant crisis continues

COUNTRY HIGHLIGHTS

PREDOMINANT RELIGION Islam	PREDOMINANT LANGUAGE Arabic	POPULATION WITHOUT ELECTRICITY 1.5% (#7) ▾ ¹	LITERACY RATE 91% (#5) ▾ ¹	PRIMARY ELECTRICITY SOURCE Oil
IMPORT/EXPORT Machinery/ Petroleum	EXTERNAL DEBT US\$ 2.927 billion (#31) ▾ ³	ACTIVE CONFLICT Yes	LAND SIZE 1,759,540 km ² (#4)	INTERNET PENETRATION 20.3% (#26) ▾ ²



Term:
30/03/2016 - present
N/A

Political Party:
Government of National Accord

Recent Electoral Information:
N/A
N/A
N/A
N/A



Chairman of the Presidential Council
Fayez al-Sarraj

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

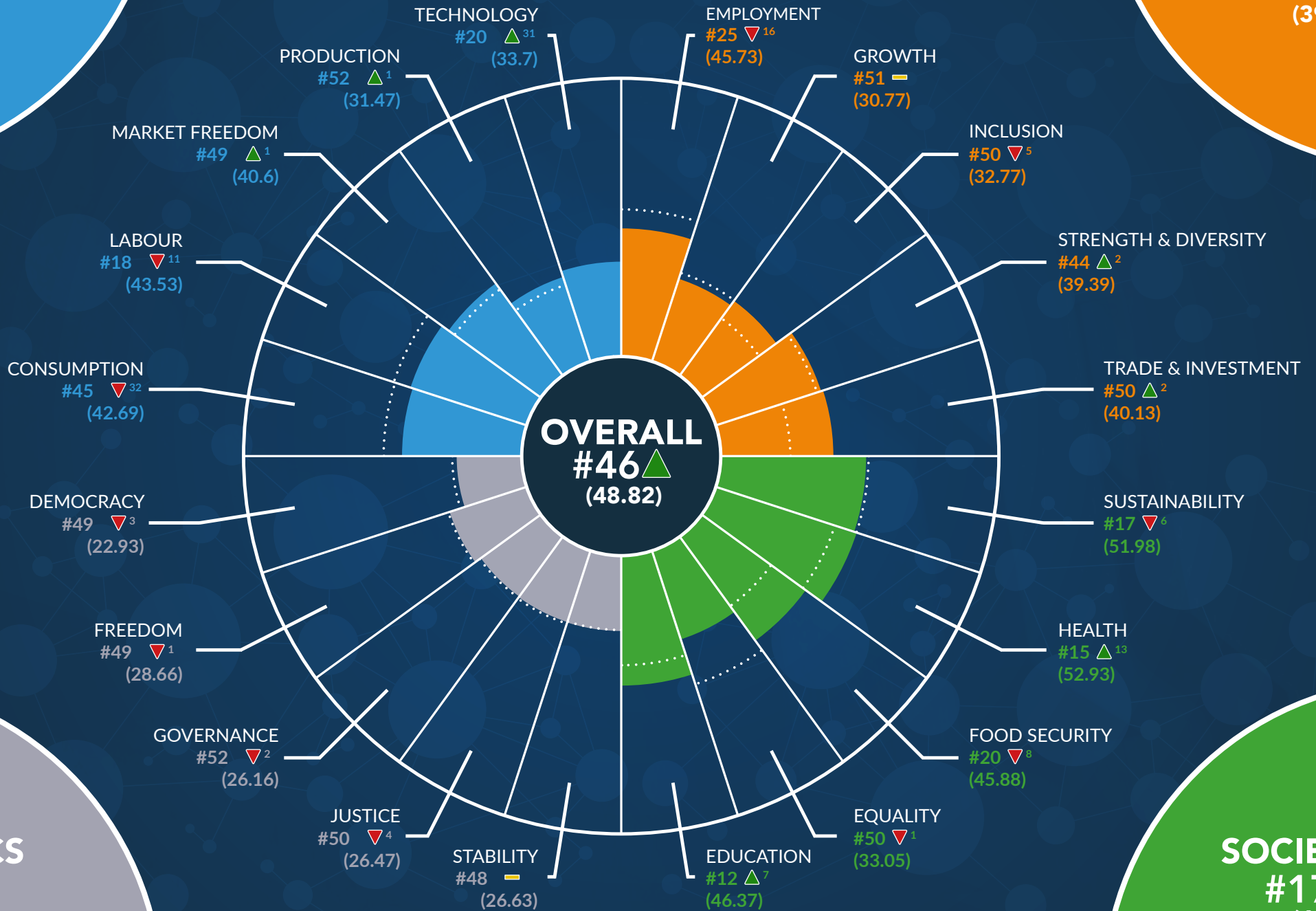
BUSINESS

#47
(38.4)

LIBYA PERFORMANCE OVERVIEW

ECONOMICS

#46 ⁵
(39.76)



▲ Increase from 2017

▼ Decrease from 2017

▬ No change

..... 2017 Score

POLITICS

#50
(26.17)

SOCIETY

#17 ²
(49.64)

LIBYA BUSINESS ANALYSIS



BUSINESS OVERVIEW

When business is allowed by the civil war crisis on an approximately normal basis, activity focuses on the nation's energy industry. Even electricity is dependent on oil, with 99.2% of electricity production created from fossil fuels. Despite Libya's ample sunshine, the country is not in the position now to follow Morocco's lead of utilising North Africa's solar energy generation capacity. Only 0.2% of electricity is from renewable sources of energy. Libya has 48.36 billion barrels of proven oil reserves, the 9th-highest of any country in the world. How much is exported on any given month depends on the security situation at the main oil terminals at Az Zawiyah and Ra's Lanuf.

resumed their pre-civil war level of activity. However, all commercial enterprises await a unified country-wide government to enable a return to normal business life. North Africa's road infrastructure is good relative to Sub-Saharan Africa, and of Libya's 100,000 km of roads, 57% is paved, although security concerns inhibit travel in many areas.

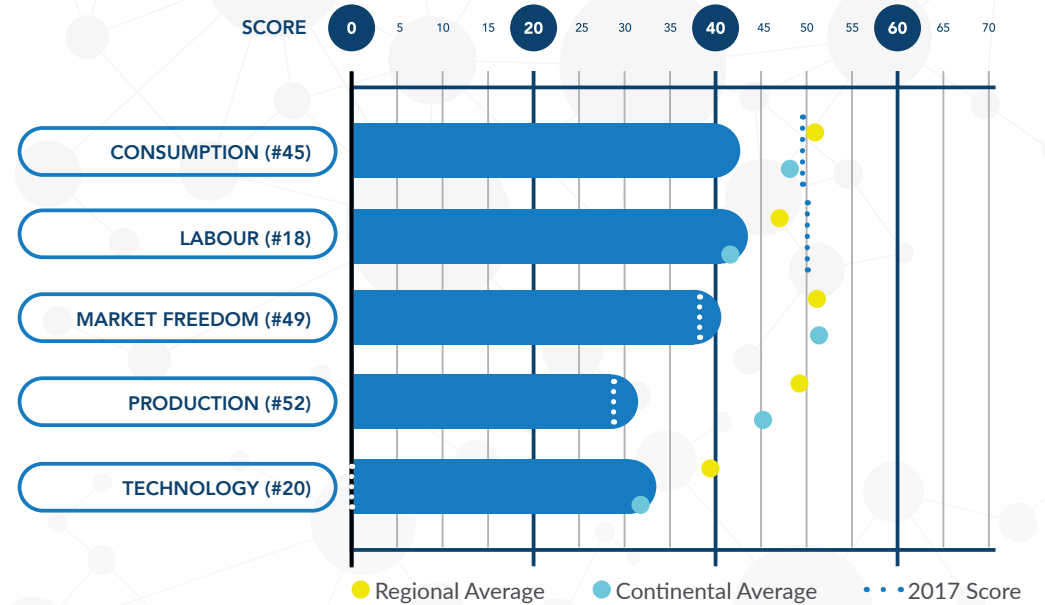
Libya experienced one of the most extreme position drops of any country in ACBR 2019, descending 21 positions in the Business quadrant to 47th place. This descent places Libya in Africa's bottom 10 in this quadrant. The shock of businesses from Libya's deteriorating security situation during the period of review are reflected in the lowering score.

A complex of industrial sites and educational centres at Brega have

BUSINESS DATA COMMENTARY

<p>Libya data availability 47.25%</p>	<p>REGIONAL AVERAGE 87.69%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #49</p>
	<p>At present, business data availability is quite low in Libya, with a current score of 47.25% and a corresponding continental rank of 49th. This falls far short of both the regional average for Northern Africa, which currently stands at 87.69%, as well as the continental average of 77.78%. One of the primary reasons for this underperformance is the ramifying volatility issuing from Libya's ongoing security dilemmas, thus impeding commercial growth and limiting reliable business coverage.</p>		

BUSINESS SCORES & RANKINGS



BUSINESS STATISTICS

<p>% POPULATION IN URBAN CENTRES</p> <p>80.1% (#2)</p>	<p>LABOUR FORCE IN MILLIONS</p> <p>1.114 million (#41)</p>	<p>INDUSTRIAL PRODUCTION GROWTH</p> <p>76.5% (#1)</p>	<p>PRIME LENDING RATE</p> <p>7.3% (#7)</p>
<p>% ADULTS WITH A BANK ACCOUNT</p> <p>65.67% (#5)</p>	<p>ANNUAL AIR PASSENGERS</p> <p>1.19 million (#11)</p>	<p>MOBILE SUBSCRIPTIONS</p> <p>94.4 per 100 (#19)</p>	<p>NATIONAL 3G COVERAGE</p> <p>78.1% (#17)</p>

LIBYA ECONOMIC ANALYSIS



ECONOMIC OVERVIEW

Gas and oil exports continue to be the backbone of the economy. A combination of civil war and steeply declining oil prices created a revenue crisis for the Government of National Accord (GNA) in 2015. However, prices have stabilised, and oil production has increased. Production depends on security, with interruptions such as on 2 July 2018 when the National Oil Corporation had to suspend crude oil loadings at Hariga and Zueitina oil terminals. However, after production that averaged 700,000 barrels per day in 2017, which was more than double the production of 2016, 2018 saw production rising to 1.3 million barrels a day. This was close to the 1.6 million barrels per day produced during the Gaddafi regime. Libyan oil exports to China reached US\$ 3.5 billion in 2018.

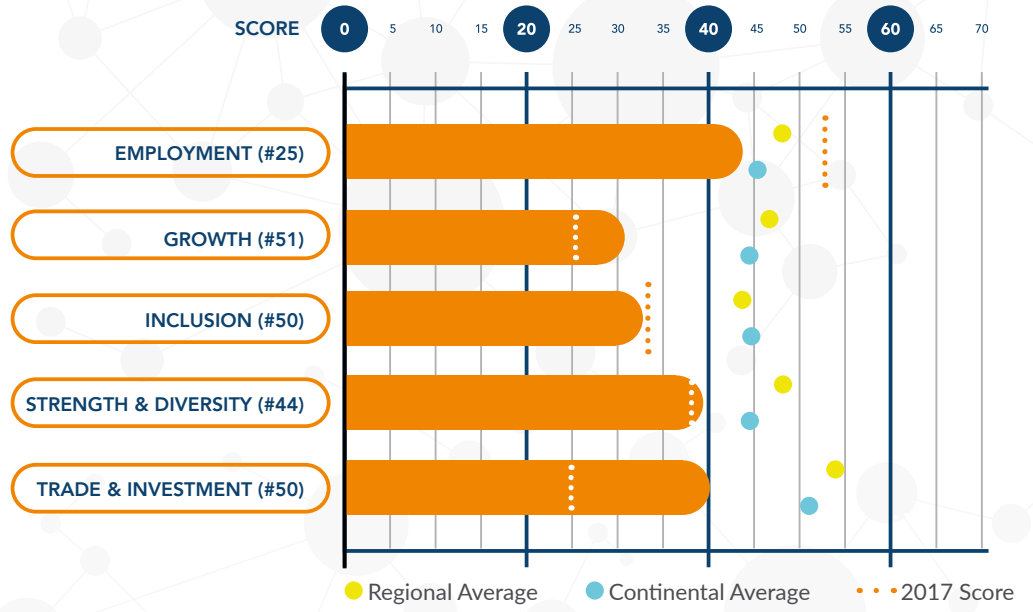
In the vast desert interior that comprises the 91% of Libya's land, rural residents live traditional lives as herders and small farmers that collectively contribute the agricultural sector's small 1.9% of GDP. A large 90% of Libyans live along the 1,700-km-long Mediterranean coast, working in the industrial sector that makes up 43% of GDP, or services, which largely supply the oil sector and accounts for 55% of GDP.

Because Libya has essentially a one-industry economy, oil, and that industry did better in 2018, Libya recorded a five position climb in the ACBR 2019 Economics quadrant, rising from a near-bottom position of 51st to 47th place, the same as the country's Business quadrant position.

ECONOMIC DATA COMMENTARY

<p>Libya data availability 53.85%</p>	<p>REGIONAL AVERAGE 88.38%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #45</p>
	<p>Improving slightly upon the previous quadrant, Libya presently scores 53.85% for economic data availability, thus ranking 45th continentally. However, this too falls considerably short of the respective regional and continental averages of 88.38% and 77.78%. As recently as 2016, concerted efforts have been made to enhance state capacity by drafting a National Strategy for the Development of Statistics (NSDS), but this has yet to yield noteworthy results, thereby necessitating further development.</p>		

ECONOMIC SCORES & RANKINGS



ECONOMIC STATISTICS

<p>GDP PER CAPITA</p> <p>US\$ 9,800 (#12)</p>	<p>UNEMPLOYMENT RATE</p> <p>17.7% (#47)</p>	<p>TRADE BLOC MEMBERSHIP</p> <p>AFTZ, AMU, COMESA</p>	<p>INFLATION RATE</p> <p>32.8% (#52)</p>
<p>GDP AT PPP</p> <p>US\$ 64.4 billion (#18)</p>	<p>CURRENCY AND GOLD RESERVES</p> <p>US\$ 69.35 billion (#2)</p>	<p>FDI NET INFLOWS</p> <p>US\$ 493 million (#24)</p>	<p>BUDGET SURPLUS (+) OR DEFICIT (-)</p> <p>-18% (#54)</p>

LIBYA POLITICAL ANALYSIS



POLITICAL OVERVIEW

National reunification and reconciliation between warring factions has not yet succeeded. The international community recognised the GNA as an interim government into which the two civil war antagonists agreed to form when they signed the Libya Peace Agreement in 2015. The Tobruk government was elected in a 2014 national polling, while the largely Islamic GNC was the pre-2014 government that then refused to accept the election results or depart Tripoli. Haggling between the two governments has given ISIS the opportunity to occupy the areas where there is a power vacuum.

Presidential and parliamentary elections set for August 2019 may be the impetus needed for national reunification, if political parties can control violent members.

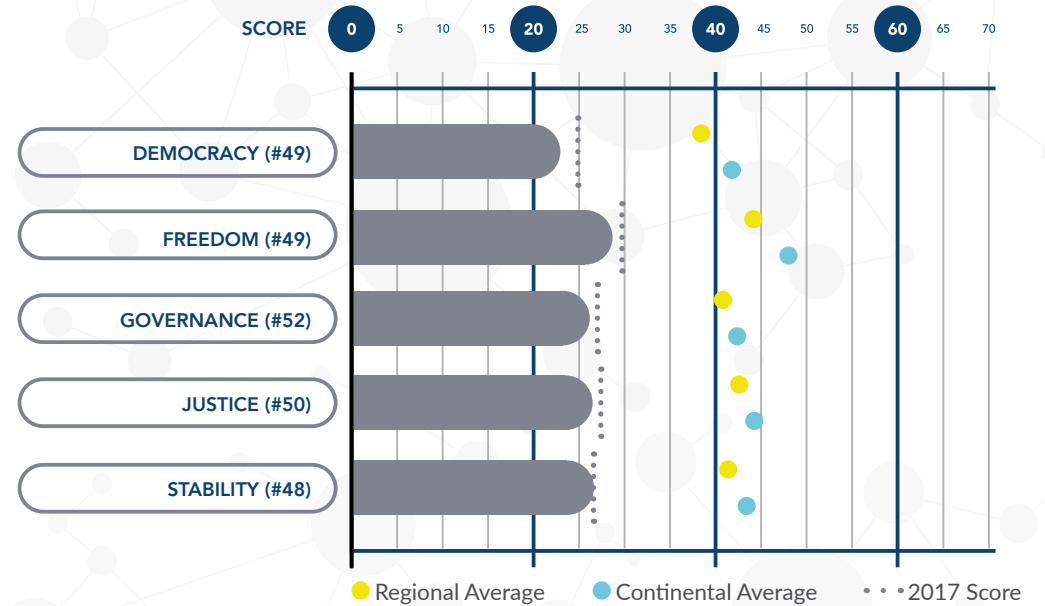
However, the stepping up of aggressions by Field Marshall Khalifa Haftar in Libya's second civil war makes less certain any 2019 elections. Haftar heads the Libyan National Army that has thus far replaced nine elected municipal councils with military administrators. The UN Security Council has made Libya subject to the jurisdiction of the International Criminal Court (ICC). UN efforts to encourage peace received a set-back in May 2019 when the US announced support of Haftar's aggressions against the UN-backed Tripoli government.

Libya dropped four positions in the Politics quadrant to a very low 50th place. The descent is attributable to the deteriorating political and security climate as civil war conditions persist.

POLITICAL DATA COMMENTARY

<p>Libya data availability 73.05%</p>	<p>REGIONAL AVERAGE 92.34%</p>	<p>AFRICAN AVERAGE 82.86%</p>	<p>CONTINENTAL RANK #41</p>
	<p>Since the deposition of Mu'ammar al-Qadhafi in 2011, Libya has been deeply embroiled in political crisis, thus attracting ample interest from the international community. In this manner, Libya's score for political data availability is the highest of all quadrants, currently standing at 73.05% and ranking 41st continentally. Despite this, however, Libya still falls short of the respective regional and continental averages of 92.34% and 82.86%, hence requiring improved political coverage for future growth and stability.</p>		

POLITICAL SCORES & RANKINGS



POLITICAL STATISTICS

<p>NUMBER OF POLITICAL PARTIES</p> <p>N/A (#N/A)</p>	<p>MILITARY EXP AS % OF GDP</p> <p>N/A (#N/A)</p>	<p>REFUGEE INFLOW</p> <p>43,743 (#15)</p>	<p>NUMBER OF RIGHTS</p> <p>N/A (#N/A)</p>
<p>DATE OF INDEPENDENCE</p> <p>24/12/1951</p>	<p>NET OFFICIAL DEVELOPMENT ASSISTANCE</p> <p>US\$ 179 million (#38)</p>	<p>WOMEN IN PARLIAMENT</p> <p>16% (#34)</p>	<p>CAPITAL PUNISHMENT</p> <p>Special Cases</p>

LIBYA SOCIETAL ANALYSIS



SOCIETAL OVERVIEW

Of Libya's 6.8 million people, immigrants make up 12% of the population, particularly migrant labourers who work in the oil industry. The population is in flux, with 200,000 Libyans internally displaced due to civil war.

A vast majority of Libyans reside on the Mediterranean coast because the country's harsh desert interior is nearly uninhabitable. Climate change is a long-term threat for the narrow and fragile human habitat available in Libya. However, mitigation efforts cannot be implemented nationwide until a central governing authority is installed. Other social welfare improvements have also been stymied by civil war.

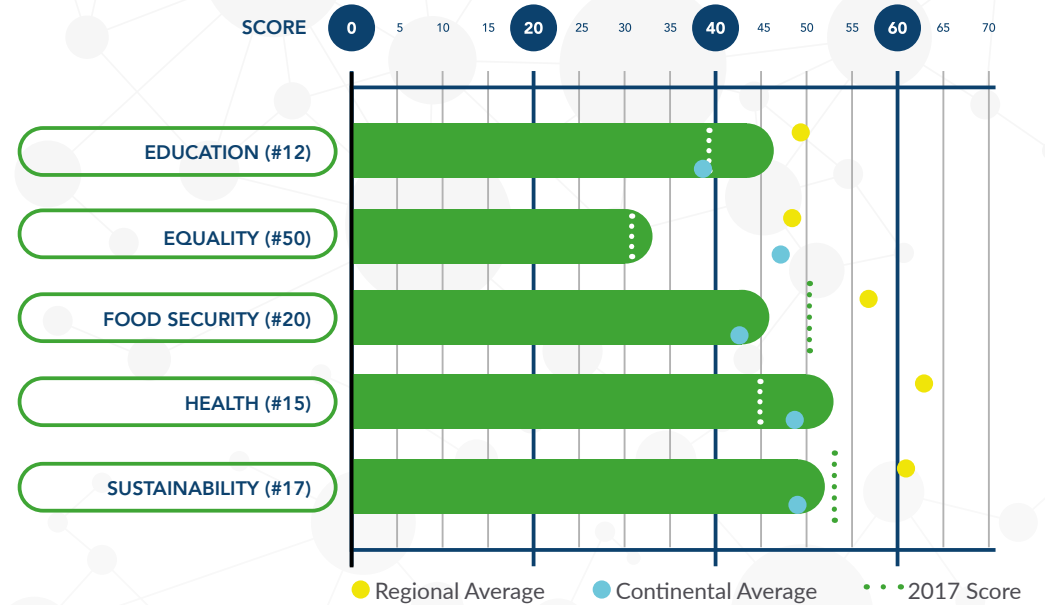
Libyans live 76.9 years on average, which is lengthy by African standards. Obesity is a national health problem, and one-third (32.5%) of Libyans suffer from this malady. Access to clean drinking water is another public health concern. Only 54% of the population drinks from an improved water supply. The level of education is high, reflected in a literacy rate that finds 91% of Libyans able to read and write. Despite education levels, nearly half of Libyan youth are unemployed.

Libya recorded a drop by two ranks in the Society quadrant to 17th place. This position is good, relative to many African countries, and represents dramatically higher scoring segments than in the other quadrants.

SOCIETAL DATA COMMENTARY

<p>Libya data availability 43.88%</p>	<p>REGIONAL AVERAGE 84.08%</p>	<p>AFRICAN AVERAGE 75.28%</p>	<p>CONTINENTAL RANK #46</p>
	<p>Of all quadrants, Libya scores the lowest for societal data availability, with its current score standing at 43.88% and ranking 46th continentally. Once again, this falls far short of the respective regional and continental averages of 84.08% and 75.28%, thereby reinforcing the overall statistical deficit currently exhibited by Libya. Due to the high levels of volatility resulting from political instability and security threats, extensive societal data coverage proves challenging even for international organisations.</p>		

SOCIETAL SCORES & RANKINGS



SOCIETAL STATISTICS

<p>POPULATION SIZE AND GROWTH RATE</p> <p>6,653,210 at 1.58% p.a (#34)</p>	<p>LIFE EXPECTANCY</p> <p>76.7 years (#3)</p>	<p>HIV PREVALENCE</p> <p>N/A (#N/A)</p>	<p>SEXUALITY TOLERANCE</p> <p>Illegal</p>
<p>ACCESS TO DRINKING WATER</p> <p>54.4% (#47)</p>	<p>HEALTH EXPENDITURE (% OF GDP)</p> <p>N/A (#N/A)</p>	<p>PRIMARY EXPENDITURE (% OF EDU. TOTAL)</p> <p>N/A (#N/A)</p>	<p>SOCIAL MEDIA PENETRATION</p> <p>50% (#4)</p>

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