



#### Libya – a brief overview

Economic and political sanctions on Libya were lifted in 2003 after their imposition in 1992. Unrest that began in several Middle Eastern and North African countries in late 2010 erupted in Libyan cities in early 2011. After months of fighting between government and opposition forces, the Qadhafi regime was toppled in mid-2011 and in 2012 Libya formed a new parliament and elected a new prime minister.

#### Economy of Libya

Libya's economy is structured primarily around the nation's energy sector, which generates about 95% of export earnings, 80% of GDP, and 99% of government income. Substantial revenue from the energy sector coupled with a small population give Libya one of the highest per capita GDPs in Africa.

Libya faces a long road ahead in liberalizing its primarily socialist economy, but the revolution has unleashed previously restrained entrepreneurial activity and increased the potential for the evolution of a more market-based economy. The service and construction sectors, which account for roughly 60% of GDP, expanded over the past five years and could become a larger share of GDP if Tripoli prioritizes capital spending on development projects. Climatic conditions and poor soils severely limit agricultural output, and Libya imports about 80% of its food. Libya's primary agricultural water source is the Great Manmade River Project.

#### Key Industries of Libya

Major Industries of Libya are petroleum, petrochemicals, aluminum, iron and steel, food processing, textiles, handicrafts, cement. The agriculture products include wheat, barley, olives, dates, citrus, vegetables, peanuts, soybeans; cattle.

#### Libya's major trading commodities and partners

Libya's major export commodities are crude oil, refined petroleum products, natural gas, chemicals. Main export partners are Italy 23.5%, Germany 12.5%, China 11.3%, France 9.7%, Spain 7.6%, UK 4.7%, US 4.5%. Major import commodities are machinery, semi-finished goods, food, transport equipment, consumer goods. Main import partners are China 13.7%, Turkey 12.3%, Italy 8.7%, Tunisia 7.3%, South Korea 6.2%, Greece 5.4%, Germany 4.9%.

#### Economic Relations between Pakistan and Libya

Libya–Pakistan relations remain friendly and bonded throughout the history as both countries share similar religious identities, cultural links, particularly their Islamic heritage. Libya has shown its interest in Pakistan's cooperation in trade, industry, agriculture and other potential areas. Libyan government has invited Pakistani investors to explore investment opportunities in construction and infrastructure development including roads, bridges, buildings and other ongoing project as Libya prefers Pakistani investors compared to other countries.

#### Bilateral Trade Relations between Pakistan and Libya

Pakistan had inked agreement and on extradition and Memorandum Of Understandings (MoUs) on higher education, culture and information, employment, human resource development, bilateral political consultations and abolition of visa for diplomatic and official passport holders in May 2009. The bilateral trade between Pakistan and Libya is not very significant owing to the low levels of trade volume. The commodities exported by Pakistan in FY14 were worth \$ 10.23Mn with import of goods recorded at \$ 0.27Mn resulting in a trade surplus of \$ 9.96Mn.

#### Trading Commodities between Pakistan and Libya

Textile, rice, mango pulp, leather and marble are the most frequently exported items to Libya while Pakistan makes irregular imports of oil's bi-products and chemicals.

#### Potential for enhancing bilateral trade relations between Libya and Pakistan

-Libya imports wheat, cement, furniture, jewellery, corn from international market. Pakistan can export all these items to Libya through which bilateral trade can be enhanced between the two countries.

The govt. officials can identify various fields of economic cooperation in order to enhance the trade volume.

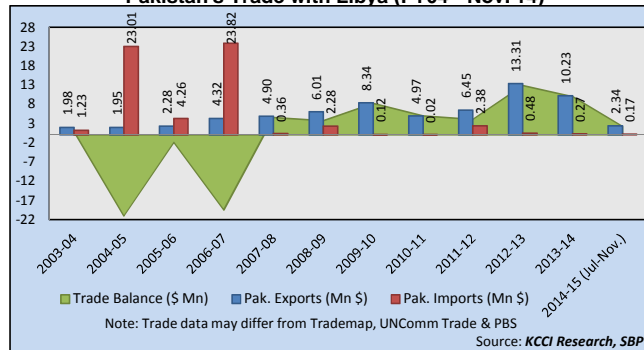
- There are plenty of opportunities for Pakistan to export professionals who are trained in areas such as information technology, telecom, engineering and medicine.

#### Economic Indicators

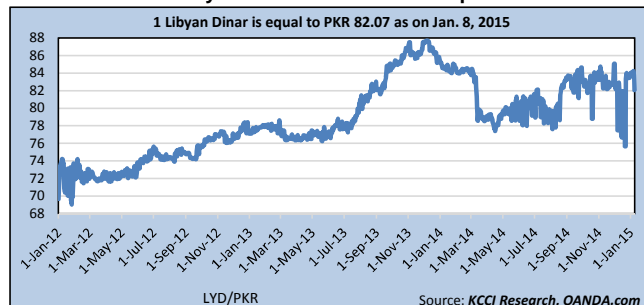
Indicators	Unit	2012	2013	Change
GDP (PPP)	\$ Bn	77.57	73.60	-5.12%
GDP per Capita	\$	12,100	11,300	-7%
GDP growth	%	104.5	-5.1	-110%
Forex Reserves	\$ Bn	118.60	120.90	1.94%
External Debt	\$ Bn	5.28	6.32	19.72%
Exports	\$ Bn	52.02	38.45	-26%
Imports	\$ Bn	18.10	27.15	50.00%
Trade Balance	\$ Bn	33.92	11.30	-67%
Current Account	\$ Bn	27.17	2.73	-90%
CPI	%	6.1	3.2	-2.9%
Unemployment	%	NA	NA	N/A
Discount Rate	%	NA	NA	N/A

Sources: KCCI Research, CIA Factbook

#### Pakistan's Trade with Libya (FY04 - Nov.'14)



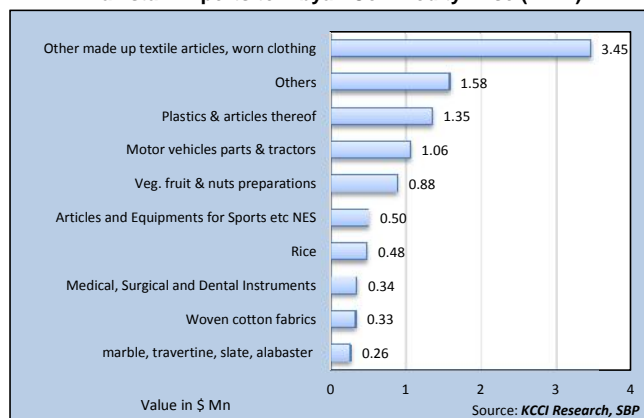
#### Libyan Dinar Vs. Pakistani Rupee



#### Key Memberships

FAO, G-77, IAEA, IBRD, IDB, IFAD, IFC, IFRCS, ILO, IMF, Interpol, OIC, OPEC, UN, WHO, WTO (observer)

#### Pakistan Exports to Libya - Commodity Wise (FY14)



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