

Business Report, May 2019

Update from Omran Abusahmin, Local Consultant, LBBC, Tripoli, Libya

Business and trade continue two months on from the start of the battle for Tripoli on 5 April. The World Health Organisation (WHO) reports that 607 people have been killed, including 40 civilians, and 3261 wounded, including 117 civilians. Both sides have deployed military equipment supplied by external supporters in spite of the UN arms embargo.

Trade continues nevertheless, with increasing volumes and variety of products reaching Libyan ports (including Tripoli). Imports include food & beverages, household appliances and other electrical and mechanical products for agricultural and industrial use. A significant share of this demand comes from the Libyan private sector, demonstrating the private sector's purchasing capacity. The total value of imports is reported locally as several hundred million dollars. These will have included some £35 million (\$44 million) UK visible exports in the first quarter of 2019 (and the UK has not generally been among Libya's leading suppliers).

Libya's non-oil exports increased during the first few months of 2019, including the reported supply of tens of thousands of tons of Libyan dates to Turkey, Holland and Morocco. The Libyan Iron & Steel Company has increased its exports to Egypt and Algeria. Aluminium and copper products have been exported in large quantities to Turkey and Italy. These are remarkably good numbers in the current circumstances and suggests strong potential once that situation is resolved.

Livestock imports continue from various parts of the world. Tripoli Port has recently received 10,000 head, Benghazi Port 4,900 head and Alkhoms Port 18,000 head. However, the price of meat continues to be relatively high and the authorities are coming under pressure to increase price controls. Demand will have been particularly high during late Ramadan, ahead of the Eid al Fitr.

The Libyan Oil Construction Company has reportedly signed a co-operation agreement with the German company Ferrostaal. The co-operation will focus on the Oil & Gas sector, and will most probably include financial investment, human capacity building and other development plans.

The NOC is intending to develop the North Hamada Oil Field, which is located in the western part of the country, around Ghadames. A technical team held a workshop on 20 May to discuss ways of proceeding and overcoming geological challenges. The workshop was attended by Mr. Belgasem Shengheer and other NOC senior members, as well as the Chairman of Nafusah Oil Operation's Management Committee.

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