

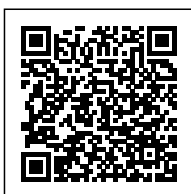
# RICCARDO BICCIATO ON FOREIGN INVESTORS OPPORTUNITIES IN LIBYA

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With Suzan Taha

Investment opportunities are finally opening up for foreign investor in Libya. Several laws were enacted to provide investors with various benefits, offering several investment incentives, which stem from the country's desire to make Libya a more attractive investment destination.

LegalcommunityMENA sits down with one of **Riccardo Biciato** (pictured), partner at [BonelliErede](#), Cairo, Egypt; who sheds some light on the investment opportunities for foreign investors in Libya.

**The Libyan Investment Law is designed to encourage the investment of national and foreign**

## **capital in Libya. What are the incentives for foreign companies under this law?**

Incentives granted to foreign companies under Law No. 9 provides various exemption including but not limited to an exemption on government charges on exports, a five-year exemption from income tax on all activities related to an investment project, another from government fees and charges on returns on shares and equities, as well as from taxes, customs duties, import fees, service charges and other fees and taxes of a similar nature for machinery and all types of equipment used in a project.

## **What are the most prominent sectors foreign investors should focus on in Libya?**

The most prominent by far are infrastructure and energy.

As to the first, it is crucial for Libya to improve the road and highway system, the port facilities, the telecoms infrastructure and the electricity network.

As to the energy sector, the priority for Libya is to rehabilitate the oil and gas infrastructure/pipelines and to secure sufficient, stable power sources for urban centres, factories and plants.

## **The financing needed to advance SDGI requires special actions and programmes by government institutions to mobilize private sector investments. What is Libya's plan?**

The Ministry of Planning has established the National Committee for Sustainable Development. The committee has been tasked with carrying out a series of activities and programmes to support the Libyan House of Representatives achieve established sustainable development goals.

That said, no clear plan exists and no real action has yet been taken by the government to advance SDGI.

## **What advice do you give to investors looking into establishing a business in Libya?**

It has been reported that the Libyan market will be offering investment opportunities worth up to USD 200 bn in the next 10 years, but this is highly dependent on the political situation. Libya's road to political stability has been rocky and is still fluid. But now is the time for companies interested in Libya to be ready to seize the immense opportunities on the horizon.

Ready means identifying the business model that best fits their needs and carrying out preliminary due diligence on the legal framework applicable to the sector they want to invest in. As part of their due diligence process, I also suggest investors fully understand the requirements under Libyan law to be able to bid for a project and to perform the work in the sector of interest.

Identifying the right business model and performing appropriate due diligence is never a quick and easy task; nor is weighing up the various risks and taking appropriate steps to mitigate them. But timing will be crucial if investors don't want to miss out on a good run of extremely high-value investments.