

# COUNTRY PROFILE

## LIBYA

### Arab Business Legislative Frameworks

#### Libya Profile



Shared Prosperity Dignified Life





Shared Prosperity **Dignified Life**



## **VISION**

ESCWA, an innovative catalyst for a stable, just and flourishing Arab region

## **MISSION**

Committed to the 2030 Agenda, ESCWA's passionate team produces innovative knowledge, fosters regional consensus and delivers transformational policy advice. Together, we work for a sustainable future for all.



Economic and Social Commission for Western Asia

# Arab Business Legislative Frameworks

## Libya Profile



**UNITED NATIONS**  
Beirut

© 2021 United Nations  
All rights reserved worldwide

Photocopies and reproductions of excerpts are allowed with proper credits.

All queries on rights and licenses, including subsidiary rights, should be addressed to the United Nations Economic and Social Commission for Western Asia (ESCWA), e-mail: [publications-escwa@un.org](mailto:publications-escwa@un.org).

The findings, interpretations and conclusions expressed in this publication are those of the authors and do not necessarily reflect the views of the United Nations or its officials or Member States.

The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Links contained in this publication are provided for the convenience of the reader and are correct at the time of issue. The United Nations takes no responsibility for the continued accuracy of that information or for the content of any external website.

References have, wherever possible, been verified.

Mention of commercial names and products does not imply the endorsement of the United Nations.

References to dollars (\$) are to United States dollars, unless otherwise stated.

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

United Nations publication issued by ESCWA, United Nations House, Riad El Solh Square, P.O. Box: 11-8575, Beirut, Lebanon.

Website: [www.unescwa.org](http://www.unescwa.org).



# Country Profile

## LIBYA



©iStock-pchbanks

## Summary



Libya's legal system has been influenced by Ottoman, French, Italian and Egyptian laws, and has heavily incorporated sharia law.

## Competition



- Libya **DOES NOT HAVE A FORMAL COMPETITION LAW**;
- **LAW NO. 23 OF 2010** regarding commercial activities is the **only law available** that manages all commercial activities within and outside the country, whether by persons or entities. The law also allows for the **establishment of a Competition Council**, notes **general prohibitions** of certain commercial activities and **illegal competitive acts**, and provides a **general measure** for a controlling or dominant position.

## Foreign Direct Investment



- **LAW NO. 9 OF 2010** on **Investment Promotion**, **Law No. 9 of 2000** regarding **Transit and Free Zones** and **Law No. 23 of 2010** on **Commercial Activities** are the main legislations to **govern FDI** in Libya;
- However, **CONFLICT AND INSTABILITY**, a **weak centralized government**, continued **strong presence** of **state-owned enterprises**, and **ineffective institutions** and **enforcement capabilities** have **limited the strength** of the legislation in Libya.



## Anti-Corruption



- Libya **LACKS A GENERAL ANTI-CORRUPTION LAW**. Consequently, Libya relies on its **Criminal Code** and other legislations, such as **Law No. 2 of 1979** on **Economic Crimes**, **Law No. 3 of 1986** on **Illicit Wealth**, and **Law No. 11 of 2014** on **Establishing a National Authority to Fight Corruption**;
- However, much of Libya's **LEGISLATIONS ARE UNCLEAR** on **implementation** and **enforcement mechanisms**.

## Consumer Protection



- Libya **DOES NOT HAVE A FORMAL CONSUMER PROTECTION LAW**. A **draft law**, created in **2017**, is still **pending**.

## Main Headings

● Very Strong
● Strong
● Developed
● Moderate
● Basic
● Weak
● Very Weak

### COMPETITION

● MODERATE

Anti-Trust and Competition Laws	● Strong
Anti-Dominance and Monopolisation Laws	● Developed
Cartels and Anti-Competitive Agreements	● Developed
Competition Enforcement Practices	● Strong
International Trade Agreements	● Very Weak
Liberalisation and Competition Intervention in Regulated Sectors	● Moderate
Merger Regulatory Regime	● Basic
Labor Protection	● Weak



### FOREIGN DIRECT INVESTMENT (FDI)

● MODERATE

Banking Regulations	● Developed
Macroeconomic Policies	● Developed
Investment Regulatory Framework	● Strong
Incentivisation Schemes	● Basic
Bi-lateral Treaties	● Very Weak





### ANTI-CORRUPTION

● N/A



Anti-Corruption and Integrity in Public Sector	● N/A
Anti-Bribery and Whistle Blow Laws	● N/A
Budgeting and Public Expenditures	● N/A
Digital Government	● N/A
Open Government and Transparency	● N/A
Public Procurement Standards	● N/A

### CONSUMER PROTECTION

● WEAK



Physical Safety Regulations	● Moderate
Protection of Consumers' Economic Interests	● Moderate
Measures Enabling Consumers to Obtain Redress	● Very Weak
Promotion of Sustainable Consumption	● Weak

## Sub-categories

● Very Strong
● Strong
● Developed
● Moderate
● Basic
● Weak
● Very Weak

### COMPETITION

Laws/Decrees (i.e. national legislations/regulations)	● Strong
Definitions (i.e. legal definitions within legislation/treaties)	● Developed
Institutions (i.e. bodies/authorities)	● Developed
International Agreements (regional/international conventions, treaties, trade agreements)	● Weak
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Strong
Exemptions	● Basic
Accessibility/Transparency	● Moderate



### FOREIGN DIRECT INVESTMENT (FDI)

Laws/Decrees (i.e. national legislations/regulations)	● Developed
Definitions (i.e. legal definitions within legislation/treaties)	● Moderate
Institutions (i.e. bodies/authorities)	● Moderate
International Agreements (regional/international conventions, treaties, trade agreements)	● Basic
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Strong
Exemptions	● Very Weak
Accessibility/Transparency	● Moderate



## ANTI-CORRUPTION



Laws/Decrees (i.e. national legislations/regulations)	●	N/A
Definitions (i.e. legal definitions within legislation/treaties)	●	N/A
Institutions (i.e. bodies/authorities)	●	N/A
International Agreements (regional/international conventions, treaties, trade agreements)	●	N/A
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	●	N/A
Exemptions	●	N/A
Accessibility/Transparency	●	N/A

## CONSUMER PROTECTION



Laws/Decrees (i.e. national legislations/regulations)	●	Very Weak
Definitions (i.e. legal definitions within legislation/treaties)	●	Basic
Institutions (i.e. bodies/authorities)	●	Moderate
International Agreements (regional/international conventions, treaties, trade agreements)	●	Very Weak
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	●	Weak
Exemptions	●	Developed
Accessibility/Transparency	●	Weak



