



# Winning Business in Libya

# Winning business in Libya - together

**Tina McGeachan**

Market Development Director

SECBE Limited

# Programme

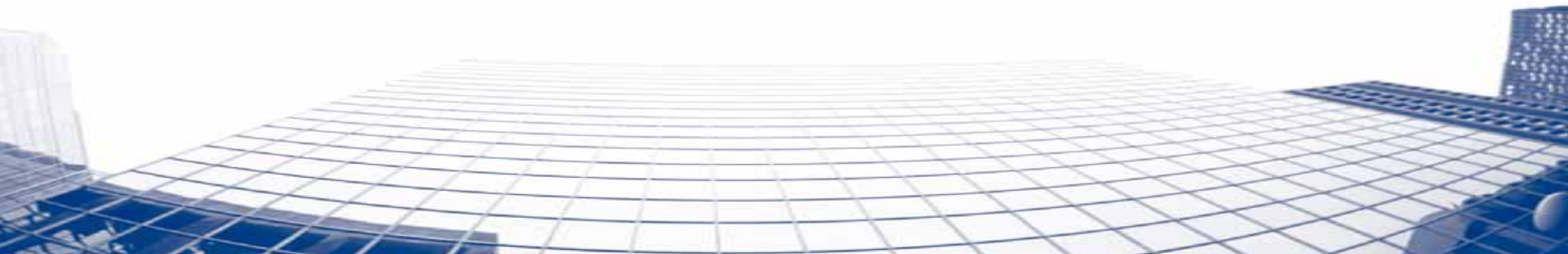
- Introduction to Libya
- Major Government Departments
- Industry Sector Opportunities
- Major Developments Overview
- Business visits to Libya
- Case Studies
- UK Construction Consortium - Libya



# UK Construction Consortium – Libya

The SECBE Construction Consortium represents UK skills and expertise across the supply chain. We help companies to win work by:

- Sharing the risks and costs of business development
- Providing competitive advantage
- Promoting collaborations



# How

- Raft of market intelligence and support services
- Springboard for new work and new companies
- Strong cohort of UK companies winning work
- BDD in Libya at least one week every month

# **Winning business in Libya - together**

**John Ellis**

Business Development Director

SECBE Limited

## **Introduction to Libya**

# Geography

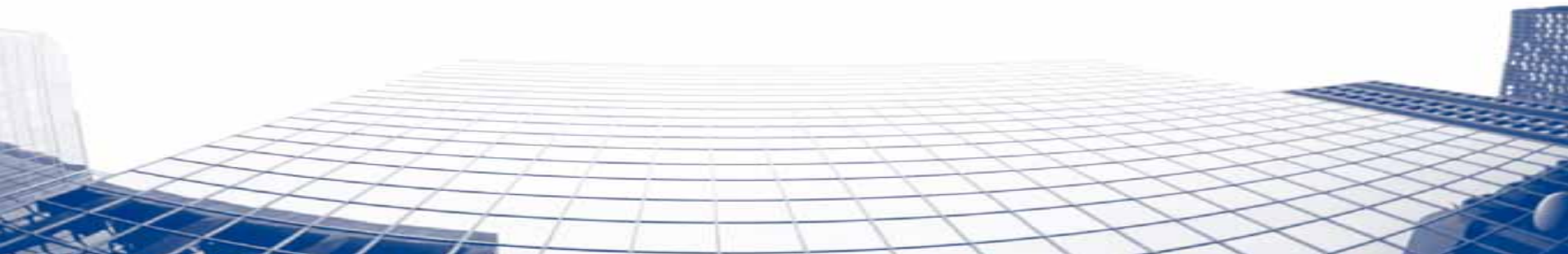


Libya consists mostly of huge areas of desert. It shares borders with Tunisia and Algeria in the west and Egypt in the east, while the Sahara extends across the southern frontiers with Niger, Chad and the Sudan.



# Major Cities

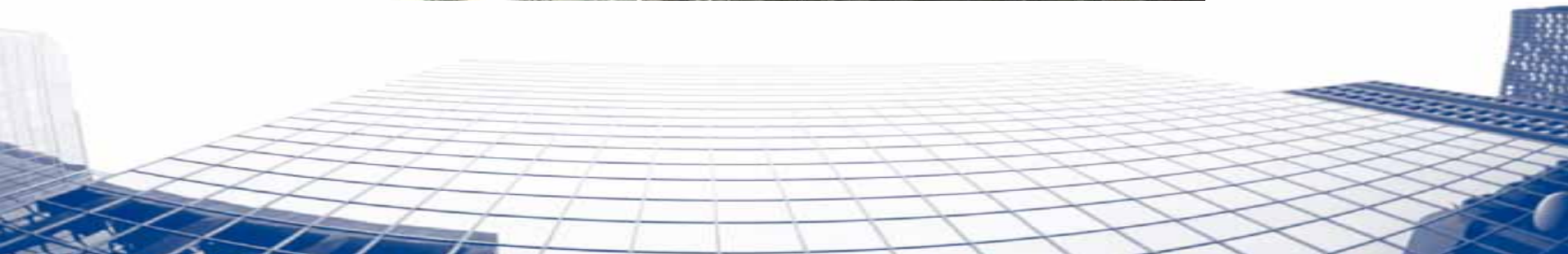
## Tripoli





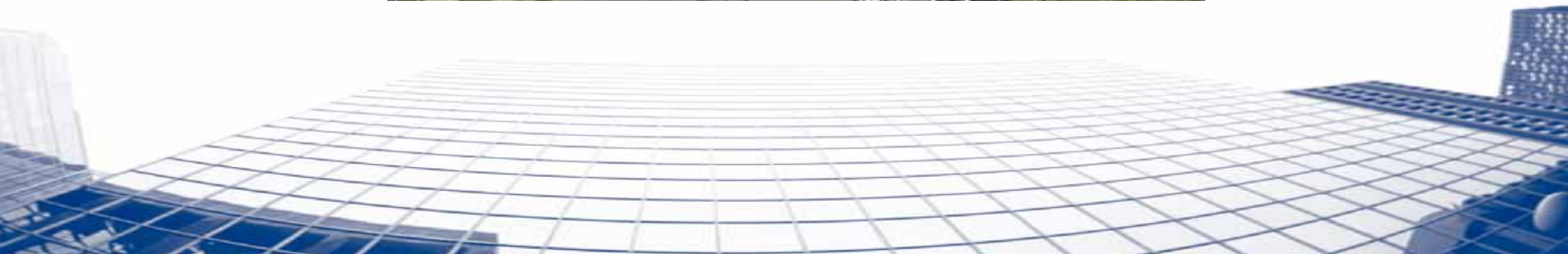
# Major Cities

## Benghazi



# Major Cities

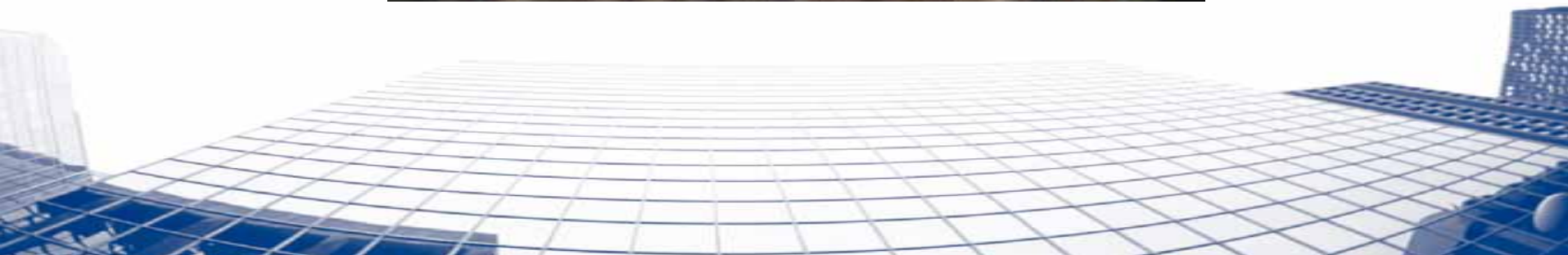
## Al Bayda



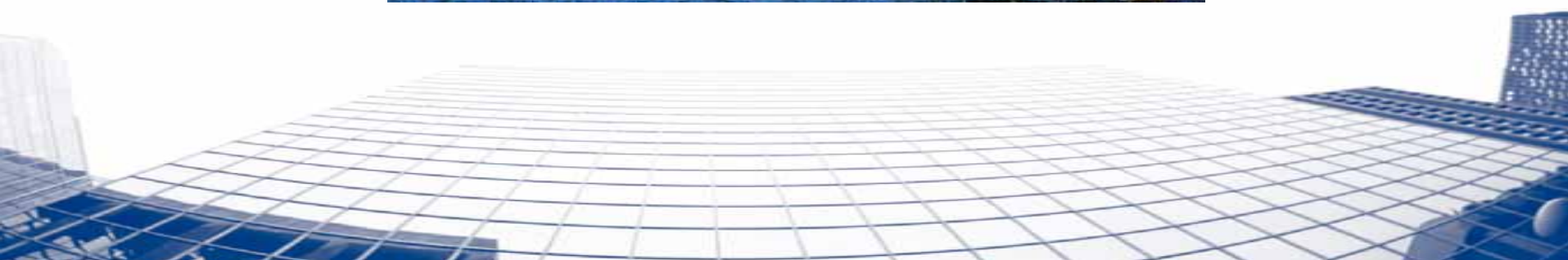


# Major Cities

## Misurata



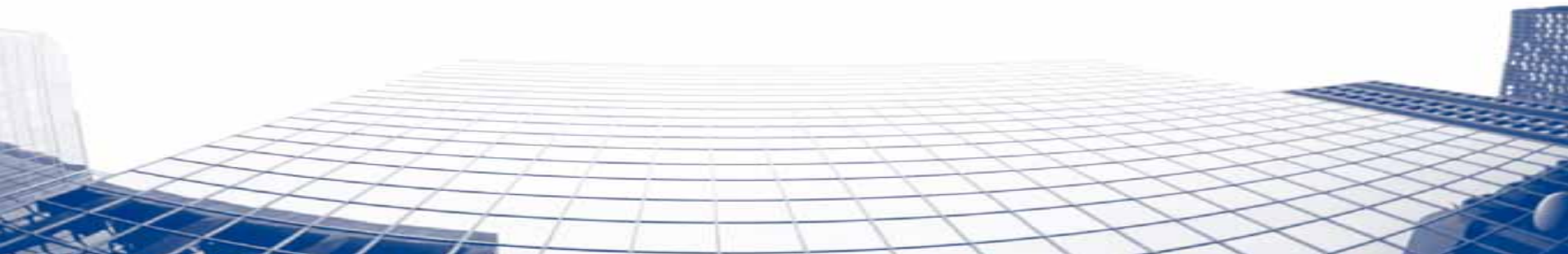
# Major Cities Darnah





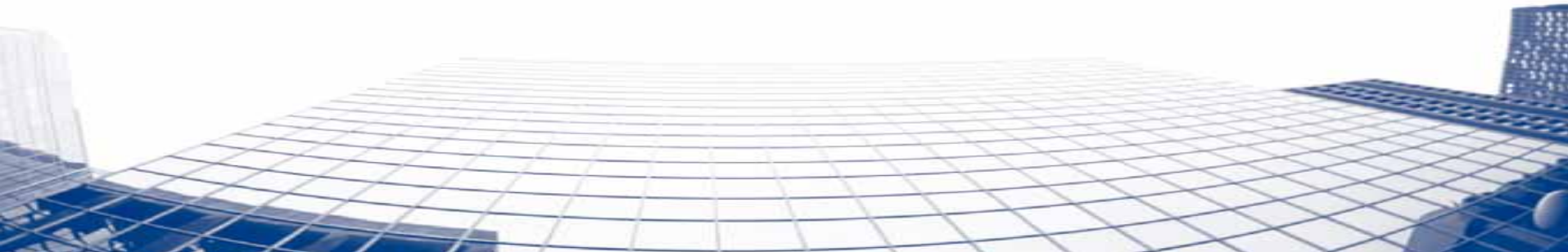
# Major Cities

## Tobruk



# Major Cities

## Sirt



# Key Statistics

- 6.1 Million People
- Gaddafi 41<sup>st</sup> Year
- 3½ Hours Away
- 1.7 Billion Barrels of Oil
- Africa 2<sup>nd</sup> Largest Oil Supplier

# Key Statistics

- Largest Gas Supplier
- No Debt
- 136 Billion US Currency Reserves
- 165 Companies from UK Active



# Key Statistics

- 4000 Libyan Students in UK
- 2000 Doctors on Training Courses

# Political System

- Politically stable
- No Democracy
- No political parties
- General Peoples Committee with 2,700 representatives from all local Peoples Committees and 25 Municipalities

# History

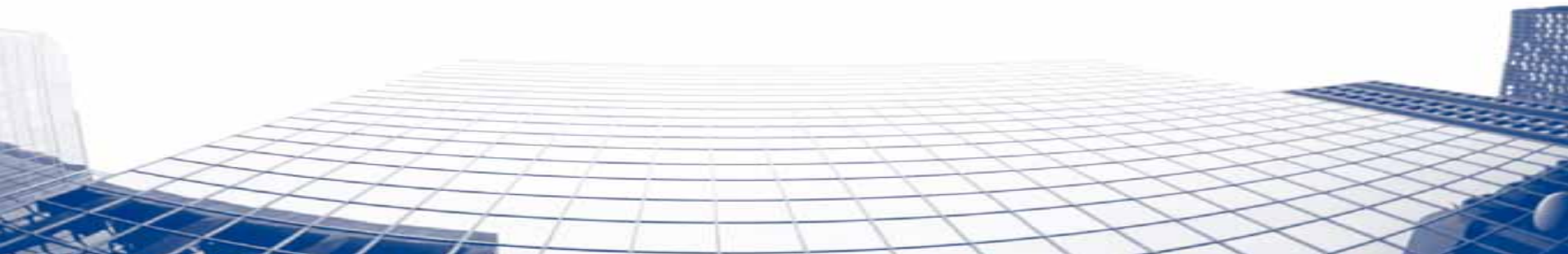
- 46 BC Part of Roman Empire
- 642 Invaded by Arab Forces
- 16<sup>th</sup> Century Ottoman Empire
- 1911 Italy troops occupy Tripoli
- 1949 UN appoint Libyan Independence
- 1958 Oil Discovered

# History

- 1969 Gaddafi a Captain in the Army carries out a bloodless coup and overthrows the King to take power
- 1986 Berlin Disco Bombing
- 1986 America bombs Libya
- 1988 Lockerbie Air Disaster
- 2003 Gaddafi announces giving up weapons of mass destruction



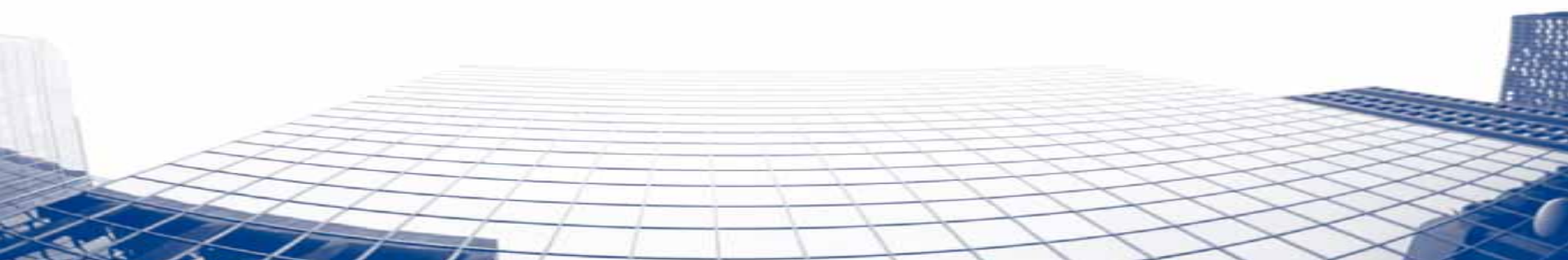
# **Major Government departments for winning business**



- **HIB** Housing Infrastructure Board
- **ODAC** Organisation for Administrative Centres
- **ESDF** Economic Social Development Fund
- **SSFI** Social Security Fund for Investments
- **UDHC** Urban Development Holding Company
- **LIDCO** Libyan Investment Development Company
- **ECOU** Engineering Consulting Office
- **NCB** National Consulting Bureau

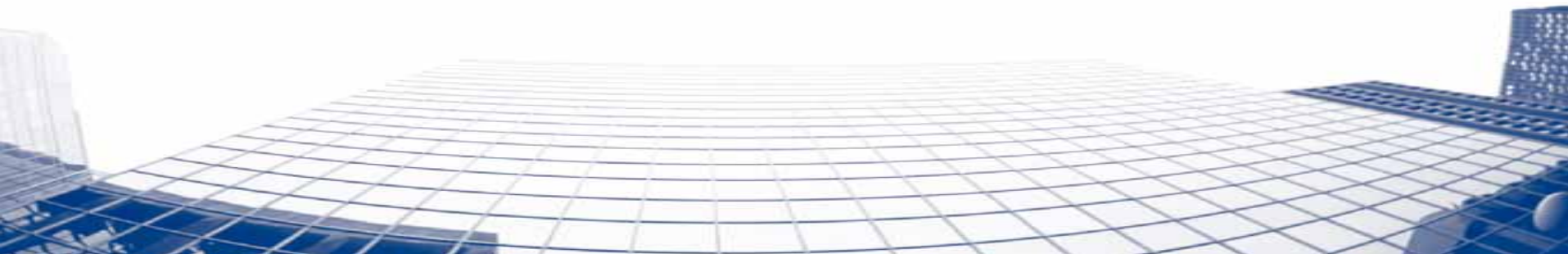
# The Industrial Authority

- 50x New industrial zones across Libya
- 3800 Projects
- 10 Billion investment
- 220,000 Jobs created



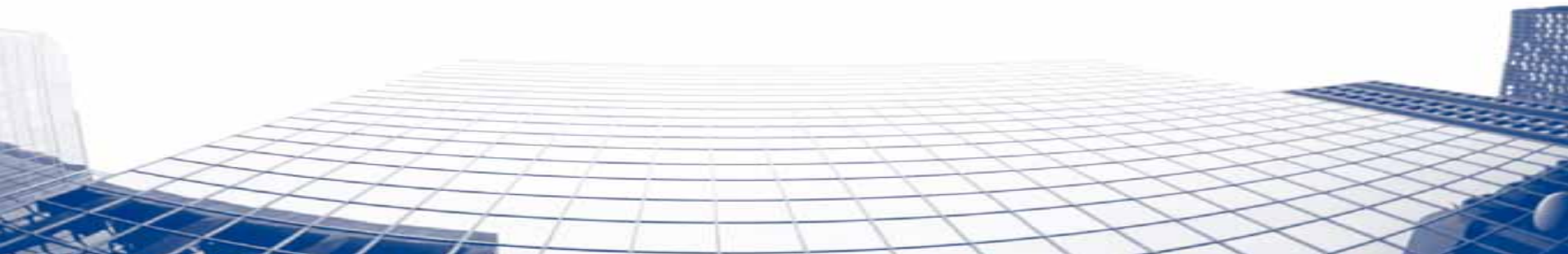
# New Factories

- 331 Food processing
- 89 Textile and weaving mills
- 23 Building materials
- 58 Chemical
- 176 Timber
- 484 Misc





# Industry Sector Overview



# Housing



- 500,000 Homes
- Ex-Pat Developments

# Education



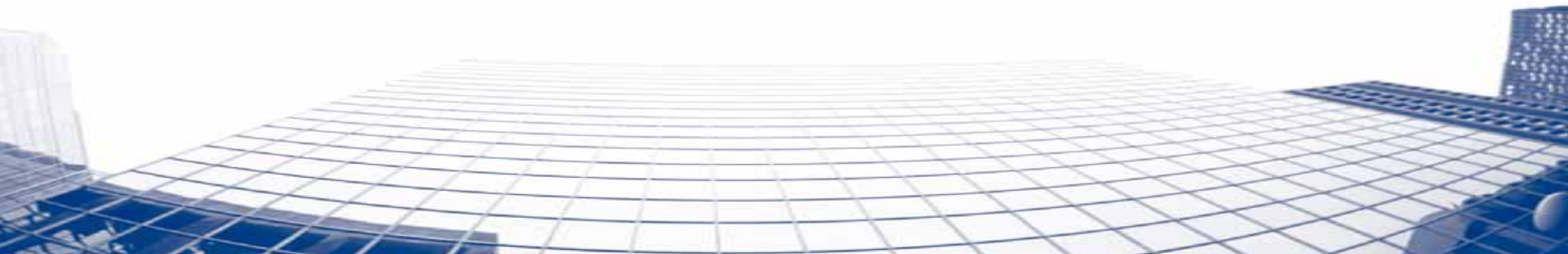
- 28 Universities
- 17 University Upgrades
- 350 Schools



# Airports



- 13 Modernisation
- 16+ New





# Rail



- New Rail System
- New Metro System

# Hospitals/Health



- Insurance Schemes
- 43 New Hospitals

# Tourism



2000km of  
Coastline for  
Development

# Water



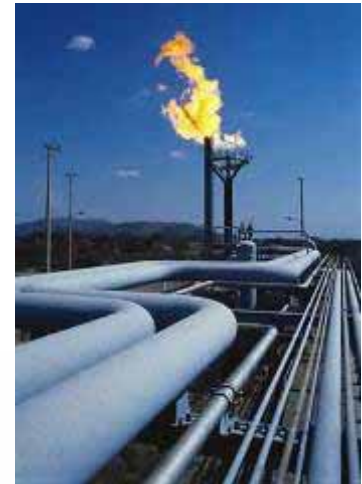
- Great Man Made River
- Sewage
- Water Treatment



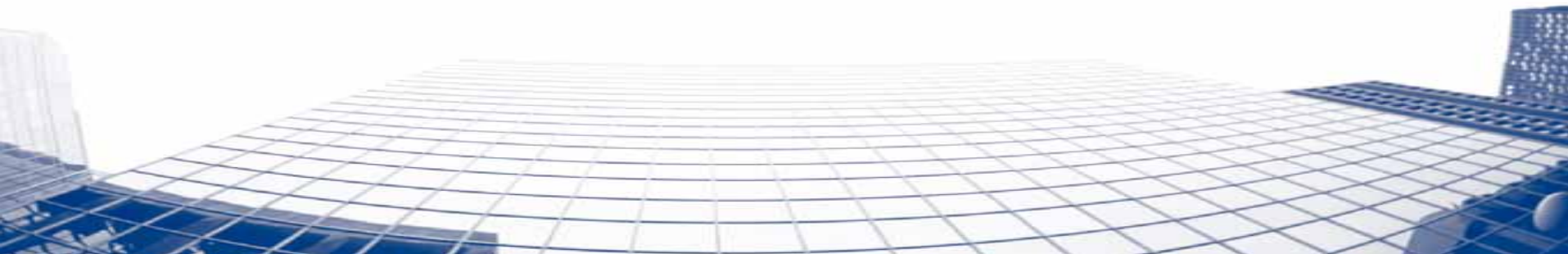
# Infrastructure



- Telecommunications
- Gas
- Electricity



# Major Developments Overview



# Energy City





# Entertainment City





# Equestrian City



# Green Mountain

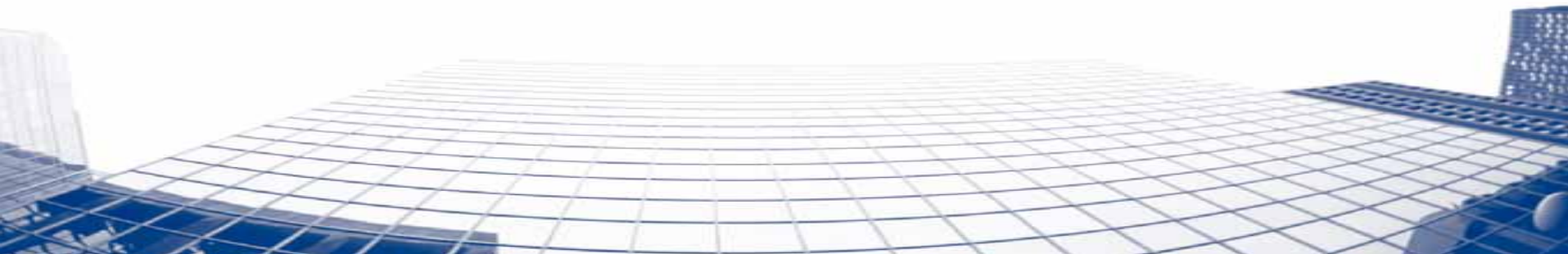




# Man Made River



# Zwara Project





# Business visits to Libya

- Flexibility
- Patience
- Persistence

## 3-3-3

- Face to Face meetings
- Develop Relationships
- Do Not Rely on Phone Calls and Emails

- Deal only with the most senior people
- Choose partners/agents wisely
- You will meet many intermediaries (fixers) who will claim of their connections at the highest possible level

- Be respectful at all times and do not criticise anyone or any organisation no matter how confidential you think your discussions may be



# Tenders

- Once a project has gone out to tender it's often too late to win the tender as the company will already be chosen
- Most of your success will be by finding niche areas and to be in a position with no competitors at the pricing stage
- You will be asked to provide costings often with no specification of works and by very vague requirements

# Payment Issues

- Use a lawyer Libyan/British for all contracts at the earliest possible stage
- Understand the entire process for receiving payment
- Understand the sign-off level of the person you are dealing with
- Understand the involvement of others for receiving payment
- Take action immediately if any scheduled payment date is missed

# Case Study



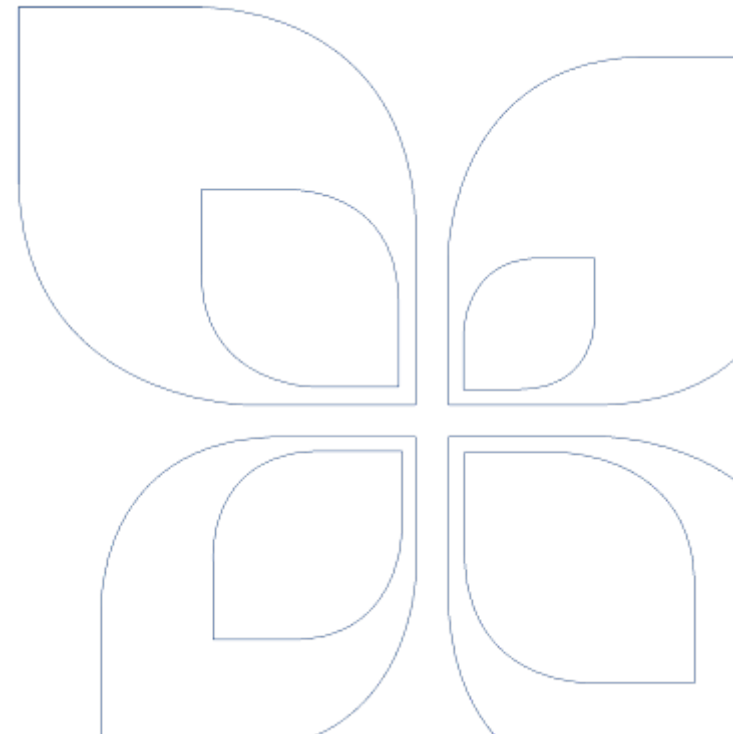
- First visit summer 2008
- First success before legal entity
- A Joint Stock company with a Libyan partner which received approval on 30th July 2009
- Appointed project managers for the Ubari Hotel and Conference centre in Southern Libya

- \$250 million development of the Al Ghazala Investments Hotel and Leisure complex in Tripoli
- The local office now has a staff of 17 high calibre UK and Libyan professionals with a workload assured already for the next two years.



# Northcroft

a business built by **people**



# Starting in Libya

**November 2009**

**First Visit to Tripoli with SECBE.**

**Met Government Clients, Consultants and Contractors all working  
In Libya.**

**Gave a great overview of the economy, opportunities and  
how to do business in Libya.**

**December 2009**

**Second visit to Tripoli to follow up with contacts.**

**Met design teams working in Libya and supported them in  
bidding.**

**January to March 2010**

**Follow up visits to Tripoli.**

**Bidding work to Clients.**

**April 2010**

**First three projects won. 3 Eco-Hotel Stage C reports.**



# Operating in Libya

- Set up as a branch office/foreign company
- Set up a Government/Northcroft JV
- Set up a private Libyan company/Northcroft JV
- Set up a private Libyan company/Northcroft and other UK design team JV
- Work under another company
- Possibility of a Government agency buying a share of

options 3 and 4



Eco-Hotel  
proposed for  
Ghat,  
Al Kufra  
and Ubari



# Future of Northcroft Libya

JV Company with Libyan partner – Joint Stock

- New office
- Country based manager
- Visiting professional team
- Training of local teams

First major project for developer – Mansourah Plaza 15.5ha site

Continuing to market to local contacts and UK based teams.



Early images of  
Mansourah Plaza







Northcroft

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# Case Study

## UK Consultancy Partnership

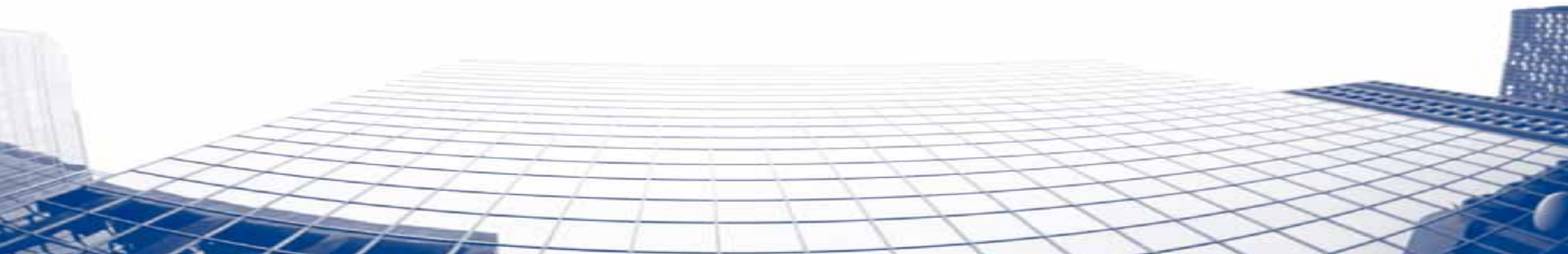


- Joined SECBE and made first trip to Libya in May 2010
- Made several trips in rapid succession
- Potential for work so great had to involve other practises
- Options on work with schools, hospitals, office buildings
- First orders now being signed for 2 hotels

# **SECBE UK Construction Consortium**

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**[www.building-libya.org.uk](http://www.building-libya.org.uk)**



# UK Construction Consortium – Libya

The SECBE Construction Consortium represents UK skills and expertise across the supply chain. We help companies to win work by:

- Sharing the risks and costs of business development
- Providing competitive advantage
- Promoting collaborations



# Share the risks and costs of business development

- Ongoing market development
- Shared market intelligence
- Database of clients and projects
- BDD in Libya at least one week every month

# Collaborations

- Powerful mechanism for identifying/bidding for work
- Brings together supply chains offering turnkey solutions
- SECBE works closely with UKTI, British Expertise and other MEA organisations
- Catalysis for new projects

# Competitive advantage

- Brand recognition with significant public and private sector clients
- Established relationships with local business community
- Guidance and support to companies new to market
- Networks

# Membership - Key benefits

## **Detailed Bespoke Review**

Analysis as to your suitability to enter the market and specific opportunities identified for your company

## **Accompanied Market Assessment Trips**

Feel more confident entering the market alongside our experienced BDD

## **Introductions to potential clients and projects**

Save time finding the right companies and the right people to meet with



# **Membership - Key benefits**

## **Association with the SECBE Consortium**

Shortens the time it takes to build a relationship and trust with a new client

## **Help with visa and travel arrangements**

Deals with the vagaries of Libyan administration

## **Collaboration with other members**

Opportunities to 'make the network work' to your best advantage

# **SECBE UK Construction Consortium**

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**Membership: £1,000 per month**

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