Tripoli - the Mediterranean's African gateway

The possibility of a visit by US Secretary of State Condoleezza Rice, the holding of UN-sponsored talks on Darfur and the positioning of the country as a force for peace and unity in the region have all brought Libya back into the international spotlight. With oil reserves estimated at 36.7 billion barrels and prices hitting an all time high, Libya's ambitions for economic development are coupled with improved diplomatic relations both regionally and internationally. Though the country's copious hydrocarbon resources remain 75% unexplored, Libya's new vision is one of sustainable development.

EU foreign ministers were earlier this week finalising a common declaration calling for quick talks on a cooperation agreement covering a broad area from trade to migration, according to Reuters news agency. After the lifting of UN sanctions in 2003, diplomatic relations were re-established and the American embassy was reopened in Libya in March 2006, coinciding with the opening of the Libyan embassy in Washington on the same date. Additionally, the World Centre for Research and Studies of the Green Book, which carries out policy analyses on political, economic, social and security issues, has recently hosted several lectures attended by American diplomats. The centre's representatives will in turn attend a Libyan-American Chamber of Commerce seminar on November 5th. Further dialogue will take place at the National Press Club in Washington on November 27th, in conjunction with the Middle East Institute under the banner 'Libyan Relations with Africa and the West.'

There is a Greek-period Libya, as well as Roman, Islamic, Ottoman and an Italian colonial period.

The government in Tripoli initiated an economic reform programme in 2004, which included the privatisation of some 70 companies by the General Board of Ownership Transfer, for a total price tag of $750 million. "What we mean by modernisation is a process of a widening of the base of ownership," says Mohamed El Huwej, secretary of the general people's committee for finance. "This is not exactly a common process of privatisation, but rather one in which all Libyans can own shares in Libyan companies." The Social Economic Development Fund represents Libya's lowest income investors, distributing the shares of privatised companies among them. Shares can then be traded on the Libyan Stock Market and these people brought into the investment fold. Change management is being carried out by the recently established Libyan Economic Development Board, which will work towards slashing bureaucracy as well as providing training and retraining for workers in both the private and public sector.

Libya is now seen as a force of integration in North Africa. "The objective," says Mr El Huwej, "is to integrate the Libyan domestic economy with economies throughout the region. This is part of our economic modernisation." Western firms still invest mainly in oil and gas, which accounts for 94% of Libya's export earnings.

As in any transitional economy, there will be ups and downs. The dilemma for Farhat Bengdara, central bank governor and a graduate of Sheffield University, is to maintain a stable inflation rate, currently at 3%, while fostering growth. Proof that his policies have gleaned official backing is the hiring of McKinsey, a business consultancy, to develop a strategy for international banks to enter the Libyan market. Sahara is the first opening of a Libyan bank to foreign investors and BNP Paribas has already assumed a management role. 120 further initiatives are underway to modernize Libya's other commercial banks. Most recently, an announcement was made by the Central Bank that in early 2008 Umma Bank, Libya's largest state-owned bank, will merge with the fifth-largest, Joumhouriya Bank, resulting in combined assets of $6.5bn

A latecomer, Libya is a virgin market for foreign investors. Law Number 5, issued in 2002, provides the framework and the Libyan Foreign Investment Board

Continued on page 2

Continued from page 1

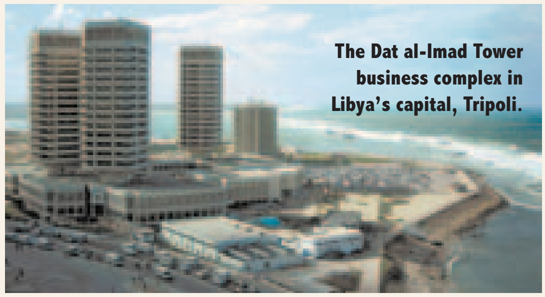
provides institutional support for foreign companies eager to participate in the Libyan economy. Apart from its ubiquitous oil and gas sector, industries such as tourism, services and trade show great potential. Only recently did western tourists learn of the ancient ruins dotting the Libyan coastline. There is a Greek-period Libya, as well as Roman, Islamic, Ottoman and an Italian colonial period. All are unspoiled and enjoy the temperate Mediterranean climate. Mr Bengdara knows that a well-functioning banking sector will help jumpstart Libya's non-oil economy. The National Payments System Reform Project, worth 70 million Libyan dinars ($56.3 million) is an example of how IT has penetrated commercial banks. The goal is to make interbank connections entirely efficient by the end of the year.

"No economy can ever improve and develop without a parallel growth of its banking system. We have a clear vision for the sector's development and believe that in 5 years it will have grown substantially", says Mr El Huwej. The challenge is to build capacity and train employees. A bureaucracy-orientated mindset is no longer required. Instead, self-motivated employees and those with creative thinking are more likely to prosper. For years, international sanctions cut the country's aspirations short. Farhat Bengdara is eager to underline that things can't change overnight. "We are doing what we can and simply need more time. The international community has to be patient in order for Libya to transform its economy." While catching up will take time, the vision of both the public and private sectors will ensure progress.

One of the first confidence-building measures was to set up a stock market. In 2004, an office at the central bank began trading shares. Now, with locations in Tripoli and Benghazi, the Libyan Stock Market (LSM) has been in operation since mid-2006, serving two key objectives. "First, to help finance some economic activity and second, to facilitate the transfer of shares between the people, thus helping to expand the sector", explains Mr El Huwej.

According to Suliman Alshahomy, its chairman and general manager, the stock exchange has already signed several MOUs with other markets in the region. "What we have done is to choose the best aspects of world stock markets. We don't work exclusively with one vision. That enables us to be more flexible and to take an innovative approach." Recently returned from a conference at the Securities and Exchange Commission (SEC) in Washington DC, Mr Alshahomy has taken a highly cooperative outlook, learning from the experience of markets such as the Singapore, New York and London stock exchanges, in order to foment the development of Libya's capital markets.

"I believe now is the moment to ensure the development of a high quality and well-connected banking system. This is a crucial process," says Mr Alshahomy. Regional competition is important and investors will want to see concrete results. Ideally, Libyan banks will be able to bridge the gap with their western counterparts by letting more foreign investors into domestic capital markets. Mr Alshahomy says a change in management style is already eroding old-school thinking at financial institutions. Staff overhauls are inevitable. "The best way to do this is for foreign investors to acquire some shares in domestic banks and then to carry out training programs," he comments.



The Dat al-Imad Tower business complex in Libya's capital, Tripoli.

Cooperation between banks and nations is for mutual benefit, according to the general manager of Umma Bank, Abdulfattah Ghaffar. Founded in 1907 by the Italians as Banca di Roma, Umma Bank is a paradigm of adaptability. Owned by the central bank, it boasts a balance sheet of 5 billion dinars ($4.02 billion) and has a network of 60 branches. Assets have doubled in the last couple of years. Its board of directors is now aligning bank policy with Basel II criteria. Its merger with Joumhouriya Bank will constitute one of Africa's 10 largest banks. The network of this new institution will extend to almost 150 branches.

Upgrading is one of the mandates at Umma Bank. Although state-owned, the bank has taken full advantage of Libya's new phase of economic liberalisation. Most of its banking services are dictated by the market and are service-orientated. "We want to cater to every type of customer, separating our strategies so all can benefit from the progress underway," explains Mr Gaffar. "We have services for the average customer and special branches for our bigger customers. Aware that our customers' time is precious, we are increasingly providing more services through mobile phones, the internet and the installation of ATM machines."

As the economy shifts further away from the public sector, Mr Ghaffar sees new opportunities. His main priority is to educate his staff and invest in IT. Groups of bank employees have studied in the UK to gain proficiency in English. Mr Ghaffar has also expanded cooperation with regional banks. "This year we have allocated 600% of the amount over the past two years for training purposes," says Mr Ghaffar.

Libya is not only adding value to its resources. It is also learning how to market its stability, strategic position and cultural assets. Deepening the country's financial markets are upstarts like Tuareg Capital, a small private equity firm with bold ideas for North Africa. Chairman and CEO Adel Saudi believes that Libya is, "probably one of the last economic frontiers in the MENA region" and wishes "to provide an opportunity for investors who are not familiar with this market, but who are aware of its many opportunities." ●

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MISURATA FREE ZONE

Unrivalled regional facilities, unparalleled location

The first Libyan National Free Zone, Misurata Free Zone is a one-stop shop, operating at the Mediterranean gateway to the African continent.

Misurata is Africa's fastest growing free zone.

Since 10 B.C., Misurata Port has been welcoming foreigners. Oringinally a Phoenician trading centre - later named Tubartis by the Romans - Ptolemy recorded her as Cape Misurata after the tribe of the same name. A supply stop for desert caravans by 7 A.D., the area derived its importance from being at the crossroads of vital trade routes.

This strategic location continues to define the port today. It is now the site of Misurata Free Zone (MFZ), North Africa's fastest growing free zone, attracting global interest to Libya's repositioning as the gateway to Africa.

MFZ's current, expanded capacity of 3539 hectares is a response to international demand that saw the it six times oversubscribed in January 2007. The simplicity of MFZ's procedures and its provision of the lowest energy and operating costs in the Mediterranean Basin and North Africa have allowed many regional operators to be more competitive by being based at MFZ.

MFZ offers warehousing, office space and land, while the current port capacity of six million tons per year is at the disposal of operators within the free zone. A second port encompassing 110 hectares has been approved, allowing for several million containers to be handled annually, and there is capacity to build further ports for MFZ's use, in line with future demand. With 20,000 hectares available for the free zone's future expansion, MFZ has an unrivalled regional advantage in both land and sea space, in addition to its status as a one-stop shop for investment-related legal requirements.

> **'The African markets are coming alive and European investors are lining up to get involved'**

"The process is simple," states Engineer Ibrahim Sigoutri, general manager of MFZ. "When an application for the hire of space at MFZ is approved, the only remaining detail is to set the terms of international arbitration to be used and where it is to be carried out, in the case of a dispute. For us, what is important is that the procedure for operation within the free zone starts and ends with MFZ."

These unique advantages are enhanced by Libya's geographical position. "The location of Libya at the centre of North Africa is advantageous for the country in general and for MFZ in particular. The Port of Misurata has historically been used to import goods from Europe to Africa as well as for exportation from Africa to Europe," states Mr Sigoutri.

He concludes, "MFZ is especially beneficial for companies located far from Europe, such as in South East Asia or North America. Opening a branch at MFZ enables them to save on many of the expenses they would face in Europe, whilst still being very close."

Libya intends to extend its relationship with Africa to develop trade links. Road construction is underway linking Algeria to Niger that will allow goods to be shipped into Lagos, Nigeria and points further south such as Namibia. Another axis is being developed that will cut through eastern Libya and continue into Sudan and Ethiopia. Mr Sigoutri comments, "Libya has established a good reputation and earned credibility amongst African countries. We believe that by developing our trade links, we can act as an intermediary between Africa and the rest of the world."●

TELECOM AND ICT

Getting connected to the global village

Investment in the telecoms and information technology sector, overseen by the General Post and Telecommunications Company, is considered a priority in Libya and the key to the country's economic development. The backbone of Libya's telecoms network is an optical fibre highway which links the main cities along the coast, facilitating the transfer of telecommunications, voice, data and video – everything you would expect of a cutting-edge communications network. But for a country with large aspirations, this is merely the beginning. Libya is keen to be recognized as a leader in the telecoms field. Hopes to emulate new technology and also to pioneer new inventions exist, and are the next intended steps on the path to success. Currently, expansion of this plan is unfolding across the country, bouncing from points scattered across Libya's 1.8 million square kilometre compass. The population is not large, but the terrain must be covered. A mirror of the first optical fibre highway is almost in place, and the host of microwave, V-Sat and satellite telecommunications projects will provide Libya's citizens and the rising number of expatriates with the leading edge to support their future prosperity.

FLOUR MILLS

Growth from the ground up

"We aim to become one of the largest producers of flour, pasta and animal feed in Libya and possibly in North Africa as well," states Abdul Fatah A. Shewiref, secretary of the People's Committee of the General National Company for Flour Mills and Fodder. The state-owned company aims to further tap African export markets basing its expansion on the quality of its products and cost competitiveness.

The company has been increasingly orientating itself toward free market practices to build consumer awareness and brand loyalty, as well as to capitalise on the expertise of its staff. "We are working to achieve ISO certification and improve our working environment. We have also had training programmes in Libya, Italy, Germany, Belgium, and Morocco," he remarks.

Although the oil and gas sectors still form the cornerstone of the economy, efforts are underway to optimise agriculture's contribution. Mr Shewiref adds: "We have land but limited water resources. However, the Great Man-Made River Project has brought Libya closer to its agricultural objectives by making more water available for crops."

GECOL

A regional high voltage hub

With electrical demand growing at a rate of 8% a year, Libya needs to expand its power generation infrastructure and its transmission networks

In the scheme of Libya's ambitious development agenda, fulfilling the inherent increase in energy needs is the responsibility of the General People's Committee for Electricity, Water and Gas, and the General Electricity Company of Libya (Gecol) falls under the ministry's responsibility. The country's annual growth in electrical demand is approximately 8%, not accounting for expanding projects such as those within Misurata Free Zone, as well as new factories, half a million residential units now being being built as part of government housing projects, and the new construction of private sector towers and residential developments. Studies undertaken by Gecol indicate that these projects alone will require a further 5,000 MW in energy. Accordingly, the company is expanding both power generation and its transmission networks.

Libya's peak demand currently stands at 4400 MW. Gecol, which has had sole responsibility in Libya for electricity generation, transmission and distribution since 1986, currently operates around 30 power plants with a total installed capacity of 5500 MW. It is the first company in Libya to have developed an Enterprise Resource Planning System, running on the country's recently developed fibre optics communication network and interlinking all of its premises across the country.

> "Gecol's activities increase Libya's importance in the regional electricity market"

The utility aims to establish 8,000 MW of additional generation capacity between 2008 and 2015 via mixed generation options, namely steam and combined cycle power plants running on natural gas – fortunately an abundant and comparatively cheap resource in Libya. Engineer Omran I. Abukraa, secretary of the General People's Committee for Electricity, Water and Gas, states that this extra capacity will be supplied through a number of new contracts, some of which have already been awarded while the remainder are still under tender. "The electricity sector is passing through a very challenging chapter. We are operating almost without any spare reserves. For this reason we have carried out a number of studies about the demand for electricity from the new projects," he remarks. "The total investment in new power generation will be approximately 8,000 MW. If those investments are delayed then we will surely face a difficult situation. Even now we are experiencing shortages, but we will surely face challenges in the future given the ambitious development programme for all sectors of the Libyan economy."

In the past, Gecol has collaborated with most of the leading international industry players. Companies such as Siemens, ABB (Asea Brown Boveri), and France's Alstom and Areva have all carried out projects in different fields of Libya's electricity sector, such as engineering services and the construction of control centres, in addition to the maintenance and building of gas and steam power plants.

While Libya's electricity market will not be open to foreign investors until Libyans can afford more competitive prices (the country's electricity market is heavily subsidised and currently produces electricity for three cents of the dollar, selling it to Libyan consumers for two), the main focus of the country, and of Gecol, is on transference of know-how. Meanwhile, Gecol's foreign partners have the opportunity to further understand the Libyan market while being encouraged to participate in larger projects in the future.

"From an economic standpoint, the government is investing significantly in this sector until the Libyan people are able to face unsubsidised costs," explains Mr Abukraa. "At that point it will be possible to talk about opening the market and the opportunities for investors."

The opportunity for joint ventures with Gecol does, however, exist right now. The number of projects available will only increase along with Libya's heightened local and regional interconnection, via the high voltage 400kV transmission grids that Gecol is currently implementing throughout the country, upgrading from the country's 220 kV grid.

This new grid will reinforce the country's interconnection between neighbouring Egypt and Tunisia. Libya is also part of the regional, synchronised electrical network, stretching from its borders in the west to Syria and Lebanon in the east, in addition to being part of the Maghreb networks. These networks are already interconnected via the 400 kV submarine cable which links Morocco to Spain. Further development of regional interconnection is underway via 400 – 500 kV networks between Egypt and the Maghreb countries, while Libya and Italy are currently studying the feasibility of electrical interconnection between their systems using a submarine DC cable link. Such activities increase Libya's importance in the regional market.

Efforts made in recent years to increase the efficiency of Gecol's administrative and financial systems, in addition to the training of its staff, are bearing fruit. The company's restructuring has led to improvements, and the "inefficient cost control that stemmed from running in a heavily subsidised sector" has been minimised. The focus is now on management, various programmes of which are in differing stages of execution.

Company management is in a phase of modernisation, in terms of systems and manpower. "We have a very high number of employees. One of the plans is to utilise part of this manpower to operate new companies in the sector," says Mr Abukraa. "This presents a very good opportunity for Gecol."

MINING

Investors digging into diversification

Of all Libya's natural resources, oil is king; it provides 90% of the nation's export revenues, yet there is further economic potential still buried in its abundance of minerals, low costs and ease of extraction

There's a long list of largely untapped mineral resources in Libya, including iron ore, gypsum, salt and limestone. They're all resources that are now a priority for the General People's Congress and its ambitions to develop and diversify the economy. As Ali Yousuf Zekri, Secretary of the General People's Committee for Industry and Minerals, states: "Libya is in possession of vast quantities of raw material that need to be further utilised and exploited in order to increase the contribution of the mineral sector to GDP."

The National Mining Corporation (NMC), an independent entity given the job of managing the development of the non-petroleum mineral industry, is leading this renaissance. Geological mapping has been carried out across 80% of the country by the Industrial Research Centre in order to confirm the nature and potential of all mineral reserves in Libya, as well as the feasibility of their exploitation, thus heightening opportunities for immediate exploration, eventual commercialisation and value-adding processing services.

Mr Zekri sees value addition as a major goal. "We are currently focused on this process of value addition and have partners from abroad. We will be increasingly maximizing the value addition from these raw material and mineral resources, and our goal is also to establish transitional industries for these projects."

Emulating the operational structure of the National Oil Corporation and using its involvement in the commercialisation of the oil and gas sector as an example, part of NMC's brief is to form partnerships with international companies. Technology transfer and modernisation are two key areas for collaboration. "We are looking for major international companies to come on board," says Chairman Khalifa Abdullah, "with the skills and experience to train our people in the mining sector and the processing of minerals."

Opportunities for both partnerships and individual contracts will also arise. "Investors will be able to undertake their own assessment of the minerals in question, followed by open bidding rounds for mining licenses based on a negotiable contract model," confirms Mr Abdullah.

Low costs and ease of extraction are just two of the benefits that investors can take on board when deciding whether to develop in Libya. "We are sure that via direct negotiation with us and their travels to Libya, foreign investors will decide to pursue further opportunities in our country," asserts Mr Abdullah. Through Law No.5, which underlines the rights of foreign investors in Libya, outside companies can provide much needed know-how. For Mr Zekri the benefits are clear: "Libya is looking for cooperation that will provide long-term opportunities and satisfaction for all parties on an equal basis."

The Libyan Mining Company, a subsidiary of the NMC, was established to further the exploitation and treatment of the minerals that can be extracted from Libyan soil. A range of raw materials fuel the LMC's activities and Mohamed Saleh El Abaag, Chairman of the LMC, says his company is ready for foreign investors.

"After the discovery of a number of different minerals and regarding the potential commercialisation of the resources, the LMC has composed different mining activities in granite, gypsum, calcium carbonate and gold projects to encourage foreign investors to work on these schemes. We will actively assist and welcome them," he comments.

PHOTO: INDUSTRIAL RESEARCH CENTRE

A sandstone formation in southern Libya.

Resources are vast. A particular interest of the LMC is salt mining, an industry which produces 30,000 metric tons each year. Libya also enjoys large iron ore deposits at Wadi Shatti, while in the south of the country the sand has been studied and declared potassium and sodium class and suitable for use in the electronics industry.

Plans for major infrastructure development will be greatly supported by the large quantities of silica, limestone, gypsum and kaolin. "We will be expanding the construction materials industry for which we feel the raw materials are available as well as the proper environment," says Mr Zekri.

Libya has some of the world's largest reserves of gypsum and a healthy supply of limestone. "The limestone used in the cement industry is found in huge quantities in Libya, yet currently only a small percentage of it is being utilized," informs Mr Zekri.

Ahliya Cement Company is just one of the businesses taking part in the construction revolution. Chairman Saleh F Elzerzah, looks positively to the future: "Up until now Libya has been importing many building materials. Now the prices have become increasingly high and we believe that the cement industry will contribute greatly to the Libyan economy." Nevertheless, technological upgrades will need to take place at Ahliya and across the country before the true potential of the industry is realised.

After years of underusing its mineral resources, economic development is at last forcing the government and business community to put minerals first.

FOREIGN INVESTMENT PROJECT

An experience of distinction

An oasis of peace awaits the visitor in Tripoli. Outstanding hospitality and facilities are the formula for excellence at the Corinthia Bab Africa Hotel

Among the dunes of the Sahara desert, oases such as Gabar-Awon bring welcome relief from an environment of potentially searing heat and infinite, rolling sandscapes. Located in the central Tripoli business district, the Corinthia Bab Africa Hotel is also an island of calm and relaxation for the weary traveller. Each of its 300 rooms and suites affords sweeping views of the city's Mediterranean coast. Bestowing the renowned hospitality of the Libyan people to an atmosphere of relaxed opulence that caters to business and cultural visitors alike, increasingly frequent flights and the issue of tourist visas upon arrival mean the experience of Libya is now at its most accessible. Within sight of the historic Medina walls, the Corinthia Bab Africa Hotel boasts all of the facilities associated with an international five-star hotel. Blending luxurious elegance with tradition and technology, the hotel is afforded a touch of individuality that stands out in an age of soporific chain franchises. Restaurants with an international flavour fuse with the warmth and tradition of Libya and attention to every detail is subtly exercised.

A world-class hotel with a local eye for luxury.

"The originally Maltese Corinthia Group was founded in 1962, upon a culture of excellence which remains the overriding philosophy of our operations," explains Joseph Pisani, director of the hotel. "In 1974, the Libyan Foreign Investment Co. acquired a 50% stakeholding which is maintained to this day. The Bab Africa is a foreign investment project and working under Law No. 5 [the legal framework for foreign investment in Libya's non-oil sectors] has been an extremely positive experience for the company. "Our objective is that our guests come here to feel at home, feel welcome and that they will come back and stay with us again." The Corinthia is the first international hotel in Libya. The close proximity and long-standing good relations between Libya and Malta have afforded the Corinthia Group knowledge of the opportunities that exist in developing Libya's beautiful and unique location.

As Libya accommodates rising numbers of foreign visitors and residents, so the country's treasures are increasingly appreciated by the world outside. Few countries in the world have such a cultural sequence, and evidence of the influence of Roman, Phoenician and Greek civilizations are available to see across the nation. "Libya is where one enjoys culture and history," states Salvinu Farrell, the hotel's general manager. "Strategically, the next step would be to develop this rich historical element." The Roman cities – now UNESCO World Heritage Sites – of Sabratha and Leptis Magna and the Greek ruins at Shahat, together with the unique Tuareg architecture at the desert towns of Ghaddames and Ghat, offer dramatic scenery against Mediterranean and Saharan backdrops – a spectacular visual experience. "In terms of attractiveness from a cultural and historic point of view, Libya has unquantifiable potential. Also, Libya's temperate climate, short winter and dry and pleasant summer heat provide all the natural ingredients for an excellent tourism destination," remarks Mr Pisani.

Libyan nationals account for 80% of the workforce at the Bab Africa Hotel and staff development is at the forefront of the hotel's success. "The group offers a good career structure with the potential for advancement," explains Mr Pisani. "Our staff could work anywhere in the world as they have been trained and developed in our industry to international standards. We are very proud of this achievement. We have channelled the genuine hospitality of the Libyan people throughout the hotel; for this reason it carries a very special atmosphere. All of the values were there, we just had to apply our management to help redirect it. We encourage anyone investing in our country to do so in partnership with a Libyan partner, thereby enabling the Libyan people to be involved in the development of their own country."●

LIBYA'S COAST

Live in style on the Mediterranean

Though few western tourists know it, investors from Europe and the Middle East are already busy building a new Riviera

The Palm City complex, 15 minutes from Tripoli, is one of the largest developments currently underway.

In the summer of 2006, thousands of people from all over the world travelled to Libya's desert to witness the spectacular solar eclipse. From the magnificent ancient Roman and Greek heritage sites of Leptis Magna, Sabratha, Cyrene and Appolonia, to the country's pristine beaches, the historical medina of Tripoli, the desert towns of Ghadames and Ghat, as well as the encompassing awe of the Sahara, Libya is enchanting. Western travellers are increasingly experiencing one of the few remaining undiscovered jewels of the Mediterranean. It is unsurprising that tourism developments are emerging across the country, in particular around Tripoli. A British company is building a new tower with a five-star hotel in the heart of the capital and the largest Gulf investment in North Africa is taking place on the outskirts of the city.

One of the largest projects underway is the Palm City upmarket residential complex of Janzour, a few kilometres west of the capital, set to open in December 2008. The project is being developed and will be run by Palm City Limited, a wholly owned subsidiary of Mediterranean Investments Holding Limited (MIH), the 50/50 joint venture between Malta-based Corinthia Palace Hotel Company Limited (CPHCL) and the Kuwaiti National Real Estate Company Limited (NREC). The Corinthia Group has property ownership interests in the Czech Republic, Hungary, Libya, Malta, Tunisia, Portugal, Russia and Turkey. NREC has property investments in the United Arab Emirates, USA and Lebanon, and is finalising a number of investments in Jordan, Morocco, Algeria, Tunisia, Pakistan, and Bahrain.

Palm City will be a luxurious residential complex featuring 408 units, comprised of apartments, bungalows and villas – all with sea views. Set around a central piazza, it will boast a host of amenities including a 1,000-square-metre supermarket, a laundry, boutique retail stores and cafes as well as a bank, travel agent and a medical and beauty centre. The complex will also offer a multi-purpose clubhouse, incorporating a health and fitness centre, sauna, squash court, kids' play area, a number of treatment rooms and an indoor swimming pool. A restaurant will open on Palm City's private beach and a large landscaped pool has been carefully carved into the rock formation nearby. Palm City Ltd has engaged a team of architects and engineers of international repute to design and manage the construction of the high-security complex. Fifteen minutes from Tripoli by car, it is set upon a scenic and tranquil stretch of the Mediterranean and will soon be home to more than 1,200 tenants – mainly expatriates working in the rising number of new businesses in the capital city.

Palm City is one of the first projects MIH will develop in Libya

In addition to service at the touch of a button, Palm City promises to offer the residents seamless communication via the latest technologies, including wireless internet connectivity and versatile digital TV systems with a full range of satellite options.

Managing director Reuben Xuereb comments, "We have always believed in the unique characteristics that Libya is adorned with. Beyond the investment potential and the stable economic climate, which have now become widely accepted, Libya is truly a jewel that many are just starting to discover. Palm City is one of the first projects that Mediterranean Investments Holding will be launching in Libya, venturing further into creating landmark retail and commercial developments as well as other residential properties. Ultimately, we are very proud to be one of the pioneers in developing a project that will enable outsiders to appreciate the beauty of this land and what it has to offer." ●

ELECTRONICS GENERAL CO

Partners in production excellence

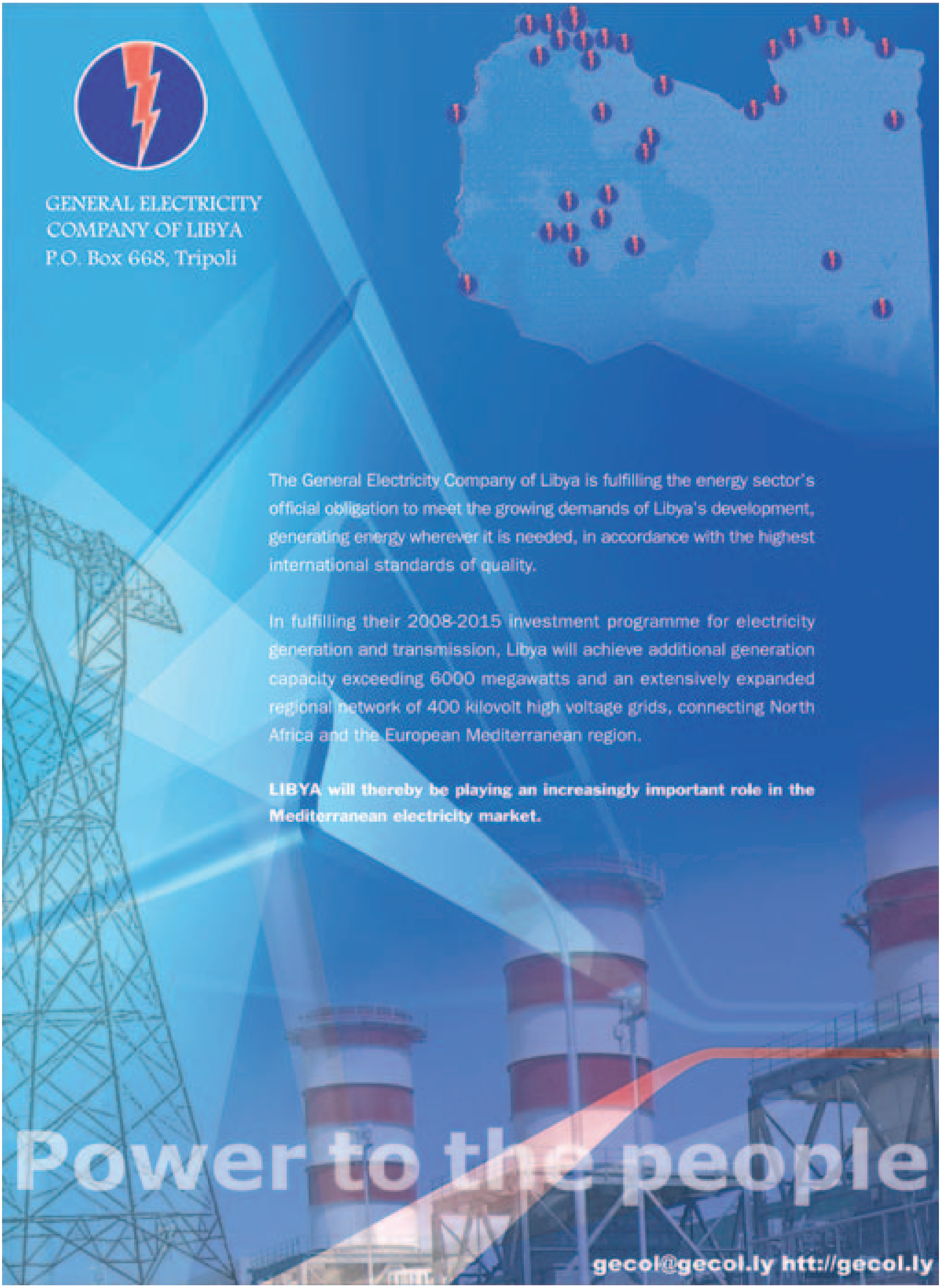
Being one of the first Libyan companies to achieve ISO 9001:2000 certification certainly sets a standard, and Electronics General Co (EGC) is reaping the benefits. "Compliance gave us the means to operate consistently and to improve efficiency, making us more productive, reducing waste and controlling costs," says Idris A Almagarbi, Chairman of EGC.

With over 1800 employees and its six production plants, EGC manufactures a range of consumer electric products, from television monitors to communications equipment. The company also provides services to government agencies and, as Mr Almagarbi points out, EGC "helps government entities deliver citizen-centric services and superior public value, by providing expertise in areas critical to government projects of all kind."

Good customer service and constant product development means that EGC is an industry leader both nationally and regionally, but growth remains a priority. "The company has great plans to expand in the region and to become a leading provider of enterprise solutions and professional services to contribute in the transformation stage," says its chairman.

Meanwhile, as Mr Almargarbi underlines, EGC's human resources remain one of the company's biggest assets. "At EGC we believe that our human resources are the most valuable asset of our business. We endeavor to make sure that organizational excellence is achieved."

Electronics General Company Tajura Industrial Complex
P.O. Box 12580,
Tripoli-Libya


GENERAL ELECTRICITY
COMPANY OF LIBYA
P.O. Box 668, Tripoli
The General Electricity Company of Libya is fulfilling the energy sector's official obligation to meet the growing demands of Libya's development, generating energy wherever it is needed, in accordance with the highest international standards of quality.
In fulfilling their 2008-2015 investment programme for electricity generation and transmission, Libya will achieve additional generation capacity exceeding 6000 megawatts and an extensively expanded regional network of 400 kilovolt high voltage grids, connecting North Africa and the European Mediterranean region.
LIBYA will thereby be playing an increasingly important role in the Mediterranean electricity market.
Power to the people
gecol@gecol.ly http://gecol.ly