

# LIBYA

## INSURANCE MARKET OVERVIEW



### Official Name:

*Libya.*

*The country's full formal name is State of Libya.*

*Under the Gaddafi government the country was known as the Great Socialist People's Libyan Arab Jamahiriya.*

### Location:

*Libya is located on the Mediterranean coast of north Africa. The country is bordered by Egypt to the east, Sudan to the south-east, Chad and Niger to the south, and Algeria and Tunisia to the west.*

### Surface Area:

*1,759,540 km<sup>2</sup>.*

### Time Zone:

*UTC+2 (EET)*

### Income Category:

*Medium income*

### Religion:

*Sunni Islam is the dominant religion in Libya, practised by 97% of the indigenous population.*

*Berbers in some of the western rural areas practise Ibadi Islam.*

### Language:

*Arabic is the official language. European languages are not widely spoken, but the older generation and workers in the commercial sector may speak some English, Italian or French.*

### Government:

*Unitary republic under a provisional unity government.*

### Climate:

*The climate is mostly extremely dry and desertlike in nature. However, the northern regions enjoy a milder Mediterranean climate.*

### Natural Hazards:

**Earthquake:** *Libya has an exposure to earthquake damage and there have been a number of substantial earthquakes in the country over the years.*

**Storm:** *Libya is not particularly exposed to storm damage other than occasional sandstorms.*

**Flood:** *The area is not generally susceptible to flood damage, although there is some exposure to flash flooding at the start of the wet season.*



by Hussein Elsayed

## (I) LIBYA: Socio-Economic Information

|   |                      |                                 |                        |
|---|----------------------|---------------------------------|------------------------|
| Region                                    | Northern Africa      | UN membership date              | 14 December 1955       |
| Population (000, 2023)                    | 6 812 <sup>a,b</sup> | Surface area (km <sup>2</sup> ) | 1 676 198 <sup>c</sup> |
| Pop. density (per km <sup>2</sup> , 2023) | 4.1 <sup>a,b</sup>   | Sex ratio (m per 100 f)         | 102.4 <sup>a,b</sup>   |
| Capital city                              | Tripoli              | National currency               | Libyan Dinar (LYD)     |
| Capital city pop. (000, 2023)             | 1 160.9 <sup>d</sup> | Exchange rate (per US\$)        | 4.8 <sup>b</sup>       |

| <b>Economic indicators</b>  | <b>2010</b> | <b>2015</b>          | <b>2023</b>           |
|---|-------------|----------------------|-----------------------|
| GDP: Gross domestic product (million current US\$)                | 75 381      | 48 718               | 39 006 <sup>c</sup>   |
| GDP growth rate (annual %, const. 2015 prices)                    | 5.0         | - 0.8                | 28.3 <sup>c</sup>     |
| GDP per capita (current US\$)                                     | 11 611.4    | 7 867.5              | 5 791.3 <sup>c</sup>  |
| Economy: Agriculture (% of Gross Value Added)                     | 1.6         | 3.9                  | 3.6 <sup>c</sup>      |
| Economy: Industry (% of Gross Value Added)                        | 69.0        | 31.2                 | 44.4 <sup>c</sup>     |
| Economy: Services and other activity (% of GVA)                   | 29.3        | 64.9                 | 52.0 <sup>c</sup>     |
| Employment in agriculture (% of employed) <sup>e</sup>            | 17.3        | 19.3                 | 16.3 <sup>c</sup>     |
| Employment in industry (% of employed) <sup>e</sup>               | 22.0        | 17.5                 | 19.3 <sup>c</sup>     |
| Employment in services & other sectors (% employed) <sup>e</sup>  | 60.7        | 63.2                 | 64.4 <sup>c</sup>     |
| Unemployment rate (% of labour force) <sup>e</sup>                | 19.3        | 19.5                 | 20.5                  |
| Labour force participation rate (female/male pop. %) <sup>e</sup> | 33.9 / 61.4 | 33.9 / 61.1          | 34.8 / 60.8           |
| CPI: Consumer Price Index (2010=100)                              | 100         | 126 <sup>f</sup>     | ...                   |
| Agricultural production index (2014-2016=100)                     | 106         | 101                  | 106 <sup>c</sup>      |
| International trade: exports (million current US\$)               | 36 440      | 10 200 <sup>e</sup>  | 46 483 <sup>e,b</sup> |
| International trade: imports (million current US\$)               | 17 674      | 13 000 <sup>e</sup>  | 20 936 <sup>e,b</sup> |
| International trade: balance (million current US\$)               | 18 766      | - 2 800 <sup>e</sup> | 25 547 <sup>e,b</sup> |
| Balance of payments, current account (million US\$)               | 16 801      | - 9 346              | - 4 780 <sup>g</sup>  |

| <b>Major trading partners</b>               | <b>2022</b> |      |       |      |         |      |
|---|-------------|------|-------|------|---------|------|
| Export partners (% of exports) <sup>e</sup> | Italy       | 29.3 | Spain | 9.9  | Germany | 9.4  |
| Import partners (% of imports) <sup>e</sup> | Türkiye     | 13.5 | Italy | 11.7 | China   | 11.3 |

| <b>Social indicators</b>   | <b>2010</b>                | <b>2015</b>      | <b>2023</b>                |
|--|----------------------------|------------------|----------------------------|
| Population growth rate (average annual %)                        | 2.1                        | 1.5              | 1.1 <sup>a,b</sup>         |
| Urban population (% of total population)                         | 78.1                       | 79.3             | 80.4 <sup>d</sup>          |
| Urban population growth rate (average annual %) <sup>h</sup>     | 1.5                        | 0.5              | ...                        |
| Fertility rate, total (live births per woman)                    | 2.6                        | 2.7              | 2.4 <sup>a,b</sup>         |
| Life expectancy at birth (females/males, years)                  | 74.9 / 70.2                | 75.4 / 68.5      | 74.8 / 69.7 <sup>a,b</sup> |
| Population age distribution (0-14/60+ years old, %)              | 29.9 / 5.9                 | 31.6 / 6.7       | 28.3 / 7.7 <sup>a,b</sup>  |
| International migrant stock (000/% of total pop.) <sup>i,j</sup> | 687.2 / 11.1               | 771.1 / 12.0     | 826.5 / 12.0 <sup>g</sup>  |
| Refugees and others of concern to the UNHCR (000)                | 11.2 <sup>k</sup>          | 471.7            | 218.9 <sup>b</sup>         |
| Infant mortality rate (per 1 000 live births)                    | 14.2                       | 11.9             | 9.1 <sup>a,b</sup>         |
| Health: Current expenditure (% of GDP) <sup>l,m</sup>            | 3.6                        | 6.1 <sup>n</sup> | ...                        |
| Health: Physicians (per 1 000 pop.)                              | 1.9 <sup>o</sup>           | 2.0              | 2.2 <sup>p</sup>           |
| Education: Primary gross enrol. ratio (f/m per 100 pop.)         | 106.6 / 111.3 <sup>q</sup> | ... / ...        | ... / ...                  |
| Education: Lowr. sec. gross enrol. ratio (f/m per 100 pop.)      | 103.0 / 103.6 <sup>q</sup> | ... / ...        | ... / ...                  |
| Education: Upr. sec. gross enrol. ratio (f/m per 100 pop.)       | 108.8 / 77.3 <sup>q</sup>  | ... / ...        | ... / ...                  |
| Seats held by women in the National Parliament (%)               | 7.7                        | 16.0             | 16.5 <sup>r</sup>          |

| <b>Environment and infrastructure indicators</b>                  | <b>2010</b>       | <b>2015</b>       | <b>2023</b>             |
|---|-------------------|-------------------|-------------------------|
| Individuals using the Internet (per 100 inhabitants) <sup>e</sup> | 14.0              | 17.8 <sup>s</sup> | ...                     |
| Threatened species (number)                                       | 44                | 54                | 92 <sup>b</sup>         |
| Forested area (% of land area)                                    | 0.1               | 0.1               | 0.1 <sup>g</sup>        |
| CO <sub>2</sub> emission estimates (million tons/tons per capita) | 51.2 / 8.2        | 45.7 / 7.0        | 39.8 / 5.7 <sup>g</sup> |
| Energy production, primary (Petajoules)                           | 4 310             | 1 453             | 1 334 <sup>g</sup>      |
| Energy supply per capita (Gigajoules)                             | 134               | 123               | 102 <sup>g</sup>        |
| Tourist/visitor arrivals at national borders (000)                | 34 <sup>t,u</sup> | ...               | ...                     |
| Important sites for terrestrial biodiversity protected (%)        | 0.0               | 0.0               | 0.0 <sup>b</sup>        |
| Net Official Development Assist. received (% of GNI)              | 0.01              | 0.32              | 0.81 <sup>c</sup>       |

**a** Projected estimate (medium fertility variant). **b** 2022. **c** 2021. **d** 2019. **e** Estimate. **f** 2013. **g** 2020. **h** Data refers to a 5-year period preceding the reference year. **i** Including refugees. **j** Refers to foreign citizens. **k** Data as at the end of December. **l** Estimates should be viewed with caution as these are derived from scarce data. **m** Data based on calendar year (January 1 to December 31). **n** 2011. **o** 2009. **p** 2017. **q** 2006. **r** Data are as at 1 January of reporting year. **s** 2014. **t** Non-resident tourists staying in hotels and similar establishments. **u** 2008.

## (II) LIBYA: Insurance Market

### KEY HIGHLIGHTS

- *The insurance industry of Libya is regulated by the Insurance Department of General People's Committee for Economy, Trade and Investment.*
- *Up to 49% FDI is permitted in the Libyan insurance industry.*
- *Composite insurance is not permitted in Libya.*
- *Motor third-party liability insurance and health insurance are the key compulsory classes of insurance.*
- *Non-admitted insurance is permitted with a few exceptions.*

## (A) LIBYA: Insurance Market - Historical Landmarks and Regulatory Environment

### ➤ Historical Landmarks

- 1930s** Several Italian insurers had agencies in Libya.
- 1940s** British insurers became involved in the market.
- 1959** The *Supervision and Control Law No 7* was issued.
- 1964** Libya Insurance Company was established.
- 1967** Sahara Insurance Company was established.
- 1968** El Mukhtar Insurance Company was established.
- 1969** North Africa Insurance Company was established.
- 1970** A ministerial order stopped the activities of branches and agencies of foreign companies operating in Libya. All insurance companies operating in Libya were nationalized.
- 1970** The *Supervision and Control of Insurance Companies Law No 131* was introduced.
- 1971** Sahara Insurance and North Africa Insurance were merged with El Mukhtar Insurance Company.
- 1981** El Mukhtar Insurance Company was merged with Libya Insurance Company thereby confining insurance activity in Libya to one state-owned entity, Libya Insurance Company.
- 1997** United Insurance Company, jointly owned by the public and private sectors, commenced operations.
- 2003** The *Resolution of the Secretariat of the People's General Committee No 213* of 2003 introduced a table of bodily injury and death compensation.
- 2005** *Insurance Law No 3 of 2005* (replacing the *Supervision and Control of Insurance Companies Law No 131* of 1970) was introduced, permitting a relatively free private insurance market, increasing minimum paid-up capital for insurance and reinsurance companies, and establishing minimum solvency margins.
- 2007** Seven insurance companies were licensed to operate in the market, of which one was state-owned, two partly state-owned and the rest private.
- 2009**
- A new insurance company has come to increase the insurers on the market. *Qafela Insurance* (the caravan) has started underwriting as of September 1, 2009.
  - A new company specialized in health insurance has been established: "*Libya Insurance Medical*".
  - An assistance company is being established in Libya. The main shareholders of this new body are Mapfre Assistance and the African Insurance Company, one of the key stakeholders on the Libyan market. Lib Assist will be providing motor assistance and travel insurance policies
  - Nine insurance companies were operating in the market of which one remained state-owned, two partly state-owned and the rest private.
- 2010** The principle of compulsory health insurance for all residents in the country was introduced; according to market sources PMI became compulsory in 2012.
- 2012** After the election of the General National Congress (GNC) in July the supervisory authority remained in place and is still the likely future source of insurance legislative proposals.

- New rules regarding the conduct of takaful business were issued by the regulator.
- 2013** Following the change of regime in Libya, the authorities decided to suspend the activities of *Libo Insurance*.  
A new insurance company, *International Insurance Company*, has been established in Tripoli, Libya. The company is endowed with a share capital of 10 million LYD (7.9 million USD).  
A new insurance company has just been established in Libya. Called *Tibesty Insurance*, this company, whose capital is detained by private shareholders
- 2014** Damage to some 90% of the aircraft on the ground at Tripoli airport was reported to have occurred on 14 July due to fierce fighting between rival militia attempting to take control of the airport. At least 47 fatalities resulted and the airport was seriously damaged.  
Ongoing hostilities between the entities competing as separate governing authorities has meant that new legislation, in respect of the insurance industry, has not been a priority. This unrest has also meant the industry has not been able to grow, during this period.
- 2015** The conflict for the takeover of Tripoli airport since July 13 has caused enormous damage to the airfleets parked on the tarmac. A total of 20 aircrafts would have been damaged, for an estimated total amount between 200 and 400 million USD according to a research note from Barclays Bank. 13 planes would be the property of Afriqiyah company, and the rest belonging to Libyan Airlines.
- 2022** *Umbrella Re* launched its operations in Tripoli.
- 2023** - Storm "Daniel", accompanied by torrential rain, struck eastern Libya on 10 September 2023, causing severe flooding and the bursting of two dams upstream of the coastal town of Derna. This city, home to over 100000 inhabitants and located 900 kilometers east of Tripoli, was subsequently declared a "disaster city" by the government. The Libyan Red Crescent has estimated the death toll at over 11300. The disaster also caused extensive damage to private property. The United Nations (UN) estimates that over 880000 people have been affected and 2200 buildings damaged.

## ➤ Regulatory framework

### ▪ Insurance Law:

Insurance [law No 3 of 2005](#) on Supervision and Control of Insurance Business.

### ▪ Insurance Supervisory Authority:

The Libyan insurance industry is governed by [Libyan Insurance Supervisory Authority](#).

It functions in accordance with the guidelines stipulated in the Insurance law No 3 of 2005 on Supervision and Control of Insurance Business.

The Supervisory Authority of Libya in the supervision of insurance companies performs tasks that should ensure the preservation and strengthening of financial stability of the insurance market, as part of a modern, efficient and stable financial sector, in order to protect the rights and interests of policyholders and other insurance beneficiaries. The insurance supervisory body carries out activities through: issuing and revoking licenses for performing insurance activities, performing control, ie supervision over the performance of those activities and other related activities.

Supervision includes assessment of: legality of performing insurance activities, management system in the company, market behavior, investment activities, accounting and reporting, actions of administrative bodies, as well as compliance with the rules of insurance and actuarial profession, good business practices and business ethics.



هيئة الإشراف على التأمين

Libyan Insurance Supervisory Authority

<https://lisa.gov.ly>

The task of supervision is also to ensure that insurance companies are at all times financially capable and ready to fulfill their obligations to policyholders, insurance beneficiaries and third parties injured, and that persons performing insurance sales are adequately prepared to meet the needs of citizens and businesses for insurance.

#### ▪ Insurance Association:

[Libyan Association of Insurance Companies](#); which established in 2004 under the provisions of the Commercial Code and Law No. 131 of 1970

*The Association aims to:*

1. Study the technical foundations of tariffs and prices, and develop legislation to suit market needs.
2. Preparing various insurance policies and presenting them to members for guidance.
3. Conducting studies to reduce losses in insurance branches, and analyzing information about the Libyan market
4. Cooperation with experienced arab and international markets
5. Supporting technical cooperation between its members through the exchange of experiences and information.
6. Strengthening ties with regional and international insurance markets, bodies and unions.

#### ▪ Foreign Ownership

Foreign ownership is permitted subject to Central Bank approval up to a maximum of 49% of the total shares issued in respect of joint stock companies.

#### ▪ Types of Licence

- Composite licences are available. A company already holding a life or non-life licence would apply to add a life or non-life branch to its activities, and therefore would not need to make a fresh licence application, in order to become a composite. There are no specific asset separation rules between life and non-life business.
- Separate permission is required to obtain a licence to transact each individual class of business. There are no restrictions on the choice of classes of business to be transacted by composite insurance companies or by composite takaful operators.
- Health insurance is treated by the regulator as a specific class of business.
- Direct insurance companies do not need a separate licence to transact inwards reinsurance.

#### ▪ Capital Requirements

The Insurance Law No 3 of 2005 stipulates that insurance companies must have a paid-up capital of not less than LYD 10mn (USD 7.41mn), with no distinction between life, non-life and composite companies.

Reinsurance companies require a minimum paid-up capital of at least LYD 30mn (USD 22.22mn). These regulations apply equally to conventional insurance companies and takaful/retakaful operators.



#### ▪ Solvency Margins

Assets must exceed liabilities by a margin of 20% of net premium or 25% of net outstanding claims for the previous financial year, whichever is the greater. No allowance is permitted in respect of the solvency margin calculation for reinsurance ceded.

The same requirements apply to reinsurers.

## Reserve Requirements

The Insurance Law No 3 of 2005 specifies the following reserve requirements:

- Motor third party liability - 47% of the preceding year's premiums
- Other classes (excluding marine cargo, goods in transit and aviation, but including life) - 40% of the preceding year's premiums
- Marine cargo, goods in transit and aviation - 25% of the preceding year's premiums.

## Compulsory Insurances

List of Compulsory Insurances

- Motor third party legal liability in respect of bodily injury.
- Professional indemnity insurance for the medical profession.
- Workers' compensation (entirely dealt with by the state social security system).
- Health insurance for all citizens and residents.
- Shipowners' liability for marine oil pollution (financial guarantee or insurance).



Supplementary Information on Compulsory Insurances:

- Law No 28 of 1971 dealt with compulsory insurance against civil liabilities resulting from vehicle accidents. This law has been amended over the years by various decrees including the General People's Committee Decree No 195 issued in August 2001 and the Resolution of the Secretariat of the People's General Committee No 213 of 2003.
- Professional indemnity insurance for the medical profession used to be dealt with by the state-owned Libya Insurance Company, but is now open to all companies. The minimum limit is LYD 100,000 (USD 74,080).
- Law No 20 of May 2010 introduced compulsory private healthcare insurance. In 2012 private medical insurance (PMI) became compulsory.
- There is a requirement under the International Convention on Civil Liability for Oil Pollution Damage, 1969, renewed in 1992 to give evidence of an insurance or other financial guarantee in respect of oil pollution.
- Libya was a signatory to this convention in 2005. The convention requires owners of ships carrying more than 2,000 tonnes of oil in cargo to maintain "insurance or other financial security" sufficient to cover the maximum liability for one oil spill.

## Insurance Tariff :

Resolution of the Minister of Economy and Trade No. 120 of 2023 regarding setting the tariff for compulsory insurance prices arising from accidents of insured motor vehicles.

## Non-Admitted Insurance:

Non-admitted insurance is not permitted because the law provides that insurance must be purchased from locally authorized insurers to which 100% of the gross premium must be paid locally. The regulator may grant an exemption to the non-admitted rules but this would be extremely rare.



## Intermediaries

- Intermediaries (brokers or agents) have to be authorized to do insurance business.
- Intermediaries are not allowed to place business with non-admitted insurers.
- All brokers and agents are expected to comply in full with the non-admitted insurance regulations.

## (B) LIBYA: Insurance Market Statistics & Performance

### LIBYA: Market Structure:

According to data published on Libyan Insurance Supervisory Authority website, the market; in 2022; includes:

|                                       |  |                         |
|---------------------------------------|--|-------------------------|
| 30 Insurance companies                |  | 2 Reinsurance companies |
| 6 Surveyors and loss adjuster experts |  | 5 Actuarial experts     |
| 5 Insurance Brokers                   |  | 19 Insurance agents     |



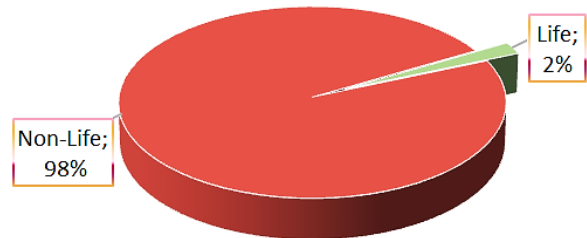
### LIBYA: Market Statistics

#### LIBYA: Life and non-life GWP premiums 2020-2022

*Figures in US\$m*

| 2020 | 2021 | 2022 |
|------|------|------|
| 336  | 147  | 151  |

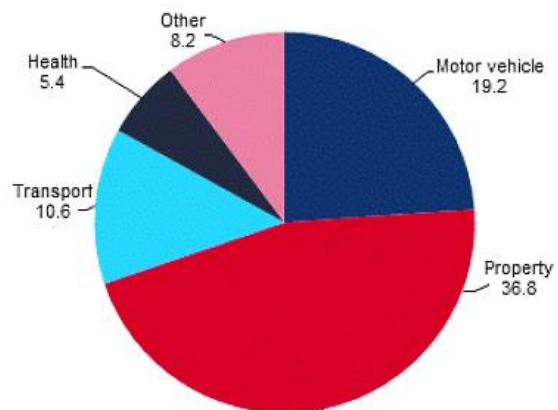
#### LIBYA: Market Segment by Life & Non-Life in 2022



Sources: GAIF & Fitch Solutions

#### LIBYA: Composition of GWP portfolio per class of business in 2022

|                 |       |
|-----------------|-------|
| Property -----  | 36.8% |
| Motor -----     | 19.2% |
| Transport ----- | 10.6% |
| Health -----    | 5.4%  |
| Other -----     | 8.2%  |



Source: Fitch Solutions

#### LIBYA: Life and non-life Claims 2020-2022

*Figures in US\$m*

| 2020 | 2021 | 2022 |
|------|------|------|
| 32   | 47   | 90   |

Sources: GAIF & Fitch Solutions

LIBYA: Insurance Companies Indicators 2020 -2022

2020

Figures in thousands of US\$

| Rank | Company Name | Premium Written 2020 | Premium Written 2019 | Assets 2020 | Assets 2019 | Shareholders Equity 2020 | Shareholders Equity 2019 | Net Profit 2020 | Net Profit 2019 | ROE % |
|------|--------------|----------------------|----------------------|-------------|-------------|--------------------------|--------------------------|-----------------|-----------------|-------|
| 1    | LIBYA        | 82000                | 90000                | 320600      | 350000      | 61500                    | 65000                    | 5400            | 7000            | 8.78  |
| 2    | TRUST        | 52400                | 55350                | 192400      | 210410      | 10250                    | 11570                    | 1700            | 1910            | 16.59 |
| 3    | AFRICAN      | 49100                | 49100                | 60600       | 60600       | 10550                    | 10550                    | -               | -               | -     |
| 4    | SAHARA       | 32400                | 37100                | 46100       | 49300       | 10800                    | 11020                    | -               | -               | -     |
| 5    | UNITED       | 18200                | 20350                | 109350      | 114950      | 13220                    | 14350                    | 2100            | 1910            | 15.89 |
| 6    | TAKAFULY     | 14250                | 16100                | -           | -           | -                        | -                        | -               | -               | -     |
| 7    | LIBO         | 13800                | 16000                | 32100       | 36100       | 7560                     | 9990                     | 2010            | 2630            | 26.59 |
| 8    | QAFELA       | 8800                 | 6350                 | 17100       | 15100       | 1320                     | 600                      | -               | 350             | -     |
| 9    | ALETEHADIYA  | 3920                 | 3450                 | 5320        | 6700        | 4250                     | 5200                     | -               | -               | -     |
| 10   | TIBESTY      | 3610                 | 3330                 | 3100        | 2850        | 1750                     | 1300                     | -               | -               | -     |
| 11   | AMIC         | 1850                 | 1380                 | -           | -           | -                        | -                        | -               | -               | -     |

2021

Figures in thousands of US\$

| Rank | Company Name | Premium Written 2021 | Premium Written 2020 | Assets 2021 | Assets 2020 | Shareholders Equity 2021 | Shareholders Equity 2020 | Net Profit 2021 | Net Profit 2020 | ROE % |
|------|--------------|----------------------|----------------------|-------------|-------------|--------------------------|--------------------------|-----------------|-----------------|-------|
| 1    | LIBYA        | 77200                | 82000                | 301090      | 320600      | 57350                    | 61500                    | 4100            | 5400            | 7.2   |
| 2    | TRUST        | 54100                | 52400                | 193000      | 192400      | 10100                    | 10250                    | 1900            | 1700            | 18.8  |
| 3    | AFRICAN      | 49100                | 49100                | 60600       | 60600       | 10550                    | 10550                    | -               | -               | -     |
| 4    | SAHARA       | 25100                | 32400                | 44300       | 46100       | 10200                    | 10800                    | -               | -               | -     |
| 5    | UNITED       | 19100                | 18200                | 110000      | 109350      | 14400                    | 13220                    | 2250            | 2100            | 15.6  |
| 6    | TAKAFULY     | 15100                | 14250                | -           | -           | -                        | -                        | -               | -               | -     |
| 7    | LIBO         | 14200                | 13800                | 32000       | 32100       | 8100                     | 7560                     | 2000            | 2010            | 24.7  |
| 8    | QAFELA       | 4000                 | 8800                 | 16000       | 17100       | 5000                     | 11320                    | 100             | -               | 0.5   |
| 9    | ALETEHADIYA  | 3900                 | 3920                 | 5450        | 5320        | 4460                     | 4250                     | -               | -               | -     |
| 10   | TIBESTY      | 3800                 | 3610                 | 3300        | 3100        | 1900                     | 1750                     | -               | -               | -     |
| 11   | AMIC         | 1900                 | 1850                 | -           | -           | -                        | -                        | -               | -               | -     |

2022

Figures in thousands of US\$

| Rank | Company Name | Premium Written 2022 | Premium Written 2021 | Assets 2022 | Assets 2021 | Shareholders Equity 2022 | Shareholders Equity 2021 | Net Profit 2022 | Net Profit 2021 | ROE % |
|------|--------------|----------------------|----------------------|-------------|-------------|--------------------------|--------------------------|-----------------|-----------------|-------|
| 1    | LIBYA        | 82000                | 77200                | 308800      | 301090      | 59440                    | 57350                    | 5500            | 4100            | 9.3   |
| 2    | TRUST        | 56000                | 54100                | 193000      | 193000      | 11000                    | 10100                    | 2000            | 1900            | 18.2  |
| 3    | AFRICAN      | 49100                | 49100                | 60600       | 60600       | 10550                    | 10550                    | -               | -               | -     |
| 4    | SAHARA       | 26000                | 25100                | 45250       | 44300       | 11320                    | 10200                    | -               | -               | -     |
| 5    | UNITED       | 21200                | 19100                | 112220      | 110000      | 15150                    | 14400                    | 2400            | 2250            | 15.8  |
| 6    | LIBO         | 14850                | 14200                | 33100       | 32000       | 8250                     | 8100                     | 2150            | 2000            | 26.1  |
| 7    | TAKAFULY     | 14000                | 15100                | -           | -           | -                        | -                        | -               | -               | -     |
| 8    | QAFELA       | 5820                 | 4000                 | 19580       | 16000       | 5780                     | 5000                     | 140             | 100             | 24    |
| 9    | ALETEHADIYA  | 3930                 | 3900                 | 5550        | 5450        | 4700                     | 4460                     | -               | -               | -     |
| 10   | TIBESTY      | 3870                 | 3800                 | 3420        | 3300        | 2250                     | 1900                     | -               | -               | -     |
| 11   | AMIC         | 2100                 | 1900                 | -           | -           | -                        | -                        | -               | -               | -     |

Source: "MENA Insurers, Reinsurers and Reinsurance Brokers Ranking" [Albayan Magazine, Dec 2023](#)



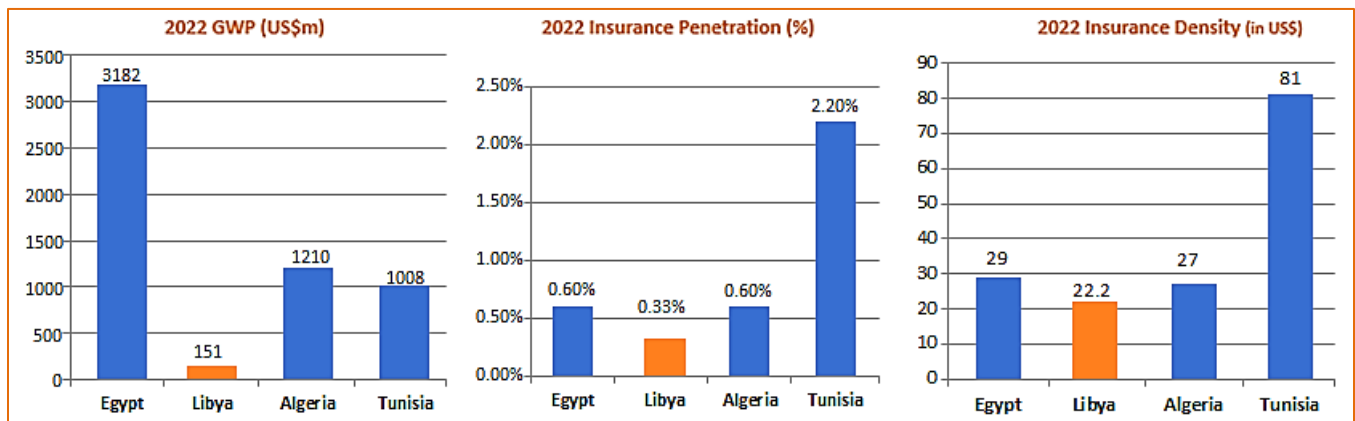
## (C) LIBYA - Insurance Market: Regional Comparison

### MIDDLE EAST AND NORTH AFRICA INSURANCE RISK/REWARD INDEX

|                         | Industry Rewards | Industry Rewards Non-Life | Industry Rewards Life | Country Rewards | Rewards      | Industry Risk | Country Risks | Risks        | Insurance Risk/Reward Score | Rank |
|-------------------------|------------------|---------------------------|-----------------------|-----------------|--------------|---------------|---------------|--------------|-----------------------------|------|
| UAE                     | 45,00            | 52,50                     | 37,50                 | 64,18           | 52,67        | 70,00         | 59,96         | 63,97        | 56,06                       | 1    |
| Bahrain                 | 27,50            | 32,50                     | 22,50                 | 69,79           | 44,42        | 85,00         | 50,93         | 64,56        | 50,46                       | 2    |
| Saudi Arabia            | 32,50            | 50,00                     | 15,00                 | 65,63           | 45,75        | 60,00         | 55,29         | 57,17        | 49,18                       | 3    |
| Oman                    | 26,25            | 35,00                     | 17,50                 | 63,67           | 41,22        | 65,00         | 59,00         | 61,40        | 47,27                       | 4    |
| Morocco                 | 37,50            | 37,50                     | 37,50                 | 46,14           | 40,96        | 70,00         | 51,23         | 58,74        | 46,29                       | 5    |
| Kuwait                  | 25,00            | 27,50                     | 22,50                 | 67,62           | 42,05        | 50,00         | 59,01         | 55,41        | 46,05                       | 6    |
| Jordan                  | 23,75            | 27,50                     | 20,00                 | 54,90           | 36,21        | 70,00         | 48,90         | 57,34        | 42,55                       | 7    |
| Qatar                   | 25,63            | 46,25                     | 5,00                  | 70,21           | 43,46        | 55,00         | 21,00         | 34,60        | 40,80                       | 8    |
| Egypt                   | 27,50            | 27,50                     | 27,50                 | 42,74           | 33,60        | 60,00         | 43,50         | 50,10        | 38,55                       | 9    |
| Lebanon                 | 16,25            | 17,50                     | 15,00                 | 48,84           | 29,29        | 65,00         | 36,88         | 48,13        | 34,94                       | 10   |
| Tunisia                 | 22,50            | 27,50                     | 17,50                 | 43,97           | 31,09        | 55,00         | 33,47         | 42,08        | 34,39                       | 11   |
| Iran                    | 18,75            | 22,50                     | 15,00                 | 41,47           | 27,84        | 20,00         | 45,10         | 35,06        | 30,01                       | 12   |
| Algeria                 | 12,50            | 17,50                     | 7,50                  | 27,12           | 18,35        | 50,00         | 37,11         | 42,27        | 25,52                       | 13   |
| Yemen                   | 13,75            | 15,00                     | 12,50                 | 33,59           | 21,68        | 60,00         | 6,06          | 27,64        | 23,47                       | 14   |
| Libya                   | 3,75             | 5,00                      | 2,50                  | 35,88           | 16,60        | 15,00         | 21,11         | 18,66        | 17,22                       | 15   |
| <b>Regional Average</b> | <b>23,88</b>     | <b>29,42</b>              | <b>18,33</b>          | <b>51,72</b>    | <b>35,01</b> | <b>56,67</b>  | <b>41,90</b>  | <b>47,81</b> | <b>38,85</b>                |      |

Note: Scores out of 100; higher score = lower risk. Source: Fitch Solutions

Source: UAE Insurance Report Q2\_2023 - by Fitch solutions, February 2023



Source: SwissRe Sigma Explorer (<http://www.sigma-explorer.com>)



## (D) LIBYA: Insurance Market SWOT Analysis



|  |                      |   |
|--|----------------------|---|
|  | <b>Strengths</b>     | <ul style="list-style-type: none"> <li>Local insurance providers continue to provide services in the face of very challenging conditions.</li> </ul>  |
|  | <b>Weaknesses</b>    | <ul style="list-style-type: none"> <li>Recent political and economic uncertainty continues to undermine consumer spending and demand for non-essentials, such as insurance.</li> <li>The fragmented security situation has resulted in politics and commerce being dominated by mafia-style militias in some urban centres, making normal business almost impossible to conduct.</li> <li>Low household incomes, a lack of job security and rampant inflation are tempering demand for personal insurance products.</li> <li>There is a lack of trust in the institutions necessary to support life insurance.</li> </ul> |
|  | <b>Opportunities</b> | <ul style="list-style-type: none"> <li>A recovery in oil and gas output will boost economic growth and create some renewed demand for a range of insurance services.</li> <li>Extremely low levels of insurance penetration and density allow potential for long-term growth should Libya's political and security situation improve.</li> <li>A return of political stability would boost the economic and regulatory environment, bolstering the sector's fortunes.</li> </ul>  |
|  | <b>Threats</b>       | <ul style="list-style-type: none"> <li>Despite Islamic State being pushed out of Sirte, overall insecurity shows few signs of substantially abating, making it extremely difficult to carry out normal insurance business.</li> <li>A significant deterioration in Libya security environment, prolonged oil blockades to gain leverage in negotiations over the holding of national elections, would negatively impact both the oil and non-oil economy.</li> </ul>  |

Source: Business Monitor International - 29 September 2023

## (E) LIBYA - Insurance Market Forecast by Fitch

- We expect that life premiums will grow by 6.5% in local currency terms in 2023, to LYD7.0mn (USD1.5mn). We see premiums rising by an average of 4.1% per annum in local currency terms during the remainder of the forecast period, taking the value of premiums to LYD8.0mn.
- In 2023, we expect that non-life premiums will grow by 6.0% in local currency terms to LYD276.9mn (USD58.2mn). Over the forecast period (2022-2027), we expect premiums to rise by an annual average of 4.1% in nominal dinar terms, taking the value of premiums to LYD319.7mn (USD66.1mn) in 2027.
- In 2023, the insurance sector will benefit from relative political stability which will support a rebound in oil exports, feeding through higher government spending, with positive spillovers for private consumption and investment activity.

