## INVESTMENT OPPORTUNITY

Investment Opportunity(1005)

# Establishment of an Integrated Petrochemical Industries Complex

### Project Overview

The Ministry of Investment presents a strategic investment opportunity for the establishment of an integrated petrochemical industries complex in the city of Ajdabiya, aiming to maximize the added value of Libyan oil and natural gas, develop high-value downstream industries, enhance industrial exports, and diversify sources of national income away from exporting raw materials.

**Project Location:**

- **Location:** City of Ajdabiya – State of Libya.
- **Type of Activity:** Petrochemical Industries and Downstream Industries.
- **Nature of the Project:** Integrated Strategic Industrial and Export Project.

**Target Markets:**

- The Libyan Market.
- North African Countries.
- Arab Gulf Countries.
- European Markets.
- African Markets.
- Asian Markets.

**Land Area Requirements**

| Item | Area |
|---|---|
| Total Area | 5,000,000 $m^2$ |
| Industrial Operations Area | 3,000,000 $m^2$ |
| Storage and Logistics Facilities | 1,000,000 $m^2$ |
| Future Expansion Areas and Supporting Services | 1,000,000 $m^2$ |

## Estimated Investment Capital

| Item | Value in USD |
|---|---|
| Infrastructure and Civil Works | 1.5 – 2.0 Billion |
| Petrochemical Production Units | 6.0 – 8.0 Billion |
| Storage and Logistics Facilities | 1.0 – 1.5 Billion |
| Utilities, Power, and Supporting Services | 1.0 – 1.5 Billion |
| Working and Operational Capital | 1.0 – 2.0 Billion |
| **Total Investment** | **10.5 – 15.0 Billion USD** |

## Project Components

- Ethane and Naphtha Cracking Units.
- Ethylene and Propylene Production Units.
- High and Low-Density Polyethylene Production Units.
- Polypropylene Production Units.
- Methanol and Industrial Ammonia Production Units.
- Aromatics and Intermediate Chemicals Production Units.
- Gas and Energy Recovery Systems.
- Power Generation and Water Desalination Plants.
- Storage, Shipping, and Export Facilities.
- Advanced Research, Development, and Quality Control Laboratories.
- Technical Training and Qualification Centers.
- Integrated Administrative and Service Facilities.

**Core Products**

- Polyethylene (HDPE / LDPE).
- Polypropylene (PP).
- Ethylene.
- Propylene.
- Methanol.
- Industrial Ammonia.
- Benzene and Paraxylene.
- Intermediate Chemicals and Raw Materials for Downstream Industries.

**Product Applications**

- Plastics and packaging industry.
- Chemical industries.
- Pipes and tanks industry.
- Electrical and electronic industries.
- Textiles and synthetic fibers industry.
- Fertilizers and agricultural products industry.
- Pharmaceutical and packaging industries.
- Various engineering and downstream industries.

## Estimated Production Capacity

- Total production exceeding 2.5 million tons per annum of petrochemical products.
- Production of more than 1.2 million tons per annum of polymers.
- Production of hundreds of thousands of tons of basic and intermediate chemicals.
- Potential for future expansion to increase production capacity by more than 50%.

## Financial Indicators

| Indicator | Value |
|---|---|
| Expected Annual Revenues | 8 – 15 Billion USD |
| Annual Net Profit | 1.0 – 2.5 Billion USD |
| Rate of Return on Investment (ROI) | 12% – 20% |
| Capital Payback Period | 6 – 9 Years |
| Operating Profit Margin | 18% – 30% |

## Competitive Advantages

- Local availability of natural gas and crude oil as raw materials.
- Strategic location connecting ports with local and regional markets.
- High global demand for petrochemical products.
- Low feedstock costs relative to competing markets.
- Feasibility of integration with energy and downstream projects.

Benghazi - Libya | +218 940 204 207 +218 920 204 207 | Cmo@mi-gov.ly | www.mi-gov.ly

- Support for non-oil industrial exports.
- Transfer of advanced technology and localization of heavy industries.
- Realization of high added value for Libyan natural resources.

**Employment Opportunities**

- Direct Jobs: 3,000 – 5,000 jobs.
- Indirect Jobs: More than 15,000 jobs.
- Jobs during the Construction Phase: 8,000 – 12,000 jobs.

**Contractual Frameworks Available**

The Ministry of Investment offers investors the possibility of contracting under one of the following models:

- Direct Investment.
- Partnership with the Libyan Private Sector.
- Partnership with the Public Sector.
- Joint Venture (JV).
- Public-Private Partnership (PPP).
- Build-Operate-Transfer (BOT) System.
- Build-Own-Operate (BOO) System.
- Management and Operation Contracts.

## Investment Incentives and Advantages

The project enjoys the advantages and exemptions prescribed pursuant to the Investment Promotion Law No. 9 of 2010, foremost among which are:

- Exemption from customs duties on equipment, machinery, and industrial production lines.
- Tax exemptions prescribed for strategic projects and heavy industries.
- Facilities for the allocation of industrial plots and infrastructure.
- Freedom to transfer profits and capital in accordance with legislation in force.
- Facilitation of procedures for governmental licenses and approvals.
- Support for projects linked to industrial development and diversification of the national economy.
- Eligibility to grant additional incentives for major strategic and export projects.

## Technical and Economic Feasibility Study Services

Should the investor wish to obtain a comprehensive technical, economic, and financial feasibility study for the project in accordance with approved international standards, specialized consultative offices capable of preparing the final studies for the project are available through the Ministry of Investment and its partners. The cost of preparing the final study shall be 1.5% of the total investment value of the project.

**Invitation to Invest**

The Ministry of Investment hereby invites local and international investors, companies specialized in the petrochemical industries, energy, and chemical industries sectors, investment funds, and financing institutions to participate in this strategic project, which represents one of the most promising investment opportunities in Libya. It contributes to maximizing the added value of oil and gas resources, enhancing industrial exports, transferring advanced technology, and supporting the path of sustainable economic development, thereby strengthening Libya's position as a regional hub for petrochemical industries in the Mediterranean and North Africa regions.

**MINISTRY OF INVESTMENT** -*State of Libya*