Insights for Rebuilding and Developing Libya

Based on Catalyst Managerial Services' on-the-ground work in Libya

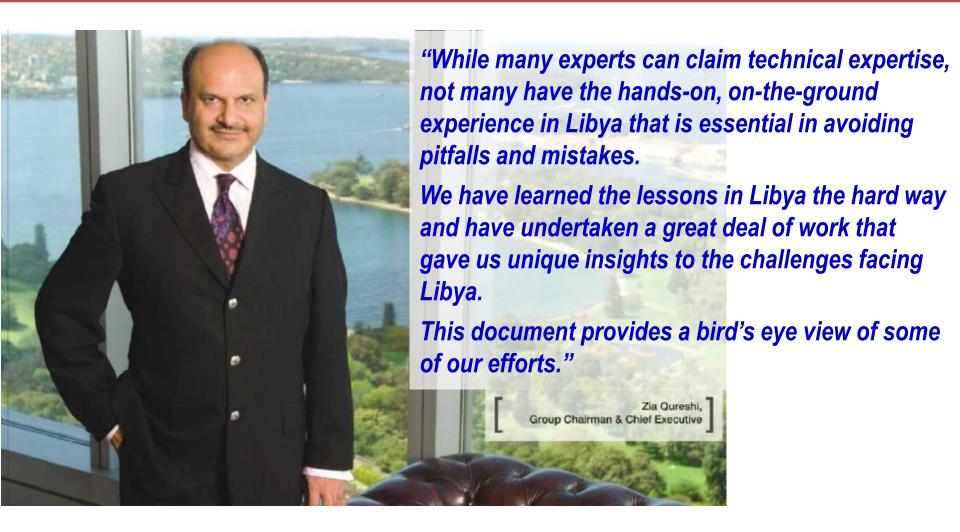
Prepared for The Honourable Prime Minister of Libya & Chairman , LIA







Zia Q Qureshi, Chairman & Chief Executive, Catalyst









Implementing the foundations of economic and business development in new Libya

Catalyst is honoured to present this document to the new Libyan Government to assist Libya in achieving rapid economic and social development. Libya is capable of fast tracking its development through international collaboration and leveraging capabilities of people and organisations who not only have the expertise but also an in-depth understanding and knowledge of the Libyan business environment and the unique challenges it presents.

While many experts can claim technical expertise, not many have the handson, on-the-ground experience that is essential in avoiding pitfalls and mistakes. We have learned the lessons in Libya the hard way and have undertaken a great deal of work that gave us unique insights into the Libyan challenges; the good and bad aspects of business practices, how to avoid a false sense of comfort that things are changing when they are not, and most importantly, what it will take to achieve success.

This document highlights the insights and work of the Catalyst Group based on our experience through hands-on consulting, management and advisory work in Libya since 2008. Due to our work and presence becoming a big barrier to the previous regime's corrupt business practices, our work came to a stand still some 6 months prior to the revolution. We suffered great hardship at the hands of the previous regime but post revolution rolled up our sleeves to assist the NTC through both formal and informal requests for assistance and advice with a view to building a longer term relationship with Libya.

Hence, we, an Australian originated Firm, and its partners in the MENA region and internationally, have a unique understanding of Libya and the challenges it faces in achieving business and economic development.

It was our unique approach of only using highly experienced management and industry experts that resulted in our selection to transform some of the Libyan institutions to a world class standard and it was our honesty and integrity that resulted in our problems with the previous regime.

As this document highlights, through selected examples, we have undertaken a great deal of development work that is ready for implementation. We also understand clearly that in undertaking the implementation, one of the most important objectives is the knowledge transfer to the Libyan people on a fast-track basis along with creating Libyan owned and operated professional services businesses. Such factors are critical for ongoing development to reduce reliance on outside parties and to enable Libyans with the right decision making capabilities and controlling their own destiny.

We support the new Libya and believe that through our hard work, lessons learned through hardship suffered and our investment to date in improving Libya, we are a stakeholder in new Libya's success. All this combined with our credentials make us an ideal partner in change for you.

Chairman and Chief Executive Catalyst Managerial Group

April 2013

Jim Warren, Operations Director, Catalyst



After a lifetime in business in Australia and internationally, with assignments for multinationals and others in around 20 countries, and after living and working in China as a participant in its tremendous growth, I can tell you there is no substitute for experience and wisdom.

The depth of experience found in the Catalyst Management Group is quite remarkable. It is not surprising that so many leading corporations are leveraging Catalyst's talent pool to achieve success.

Jim Warren, Group Operations Director

In his former career, Jim Warren held partner-in-charge positions for PricewaterhouseCoopers offices in Australia, Papua New Guinea, China and commanded various global leadership roles.

"Libya has huge potential. It is a wealthy country, not only because of its oil but its untapped human and other natural resources and its strategic positioning in the region.

I enjoyed working in Libya in many ways and we welcome the opportunity to finish what we started with our Libyan friends."





SENATOR THE HON BOB CARR

MINISTER FOR FOREIGN AFFAIRS CANBERRA

Mr Zia Qureshi
Catalyst Managerial Group
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1 JUN 2012

Dear Mr Qureshi

Thank you for your email of 16 April regarding your business activities in Libya. I was interested to read about your efforts, particularly in the fields of development and reconstruction. Thank you also for conveying a copy of your generously-worded article!

As a strong supporter of democratic transition in the region and Libya's third largest humanitarian aid contributor, the Australian Government follows developments in Libya closely. Through this difficult period of conflict and transition, Australia has provided A\$44.6 million in funding to meet Libya's most urgent humanitarian needs.

I agree that while the environment in Libya remains difficult, there are opportunities to participate in Libya's reconstruction and further development. As conditions improve the Government is working to build stronger relations with Libya, including our commercial and educational links.

I trust that the information above is of assistance and I wish you well in your business endeavours.

Yours sincerely

Bob Carr

In 2011, the National Transitional Council (NTC) declared Libya to be officially 'liberated' and pledged to turn Libya into a pluralist, democratic state. A transitional government took charge and had the challenge of imposing order, disbanding the former rebel forces, rebuilding the economy, creating functioning institutions and managing the pledged transition to democracy and the rule of law.

Elections for a General National Congress were held in July 2012, the country's first free national election in six decades. In August 2012, the NTC handed over power to Libya's newly elected parliament, the General National Congress. The congress appointed, Ali Ziedan, as the Prime Minister who formed an interim government tasked with preparing the ground for a new constitution and fresh parliamentary elections in 2013.

Simultaneously, a decade into the 21st century, the world has faced major economic, social and environmental challenges. Libya is part of this story and is forging a new future – filled with hope, security and prosperity.

The road to stability, economic and social development can only be achieved through genuine international cooperation.

While the political challenges ahead are significant, Libya also needs to rethink the management of its economy and growth platforms, especially of its energy resources, to maximise the benefit to its citizens, reduce corruption, and enable private enterprise to flourish in other areas. Libya needs sustained assistance, to deal with the challenges of employment, infrastructure, health, education and national development on a coordinated basis.

To achieve all this successfully, Libya needs to urgently strengthen its management expertise and governance framework that so badly lacks.

Summary of Catalyst work in Libya

- 1. National development and transformation, a roadmap to sustained economic and social development
- 2. A strategic business plan for industry development and value creation
- 3. Libyan Development & Management Corporation to support economic and management development
- 4. Transformation of key industries
- 5. Turn-key utility-scale solar energy venture
- 6. A major IT services company to fast-track efficiencies and kick start Libya's IT industry

National Development and Transformation

The Catalyst Group has worked on-the-ground in Libya since 2008.

Over 20 experts in business and industry gained first-hand experience of the problems, the weaknesses, the opportunities, what is practical to achieve and how to implement in Libya.



Catalyst has been engaging with Libya business and leaders in Nation Building Initiatives. Some of the critical success factors for economic and social development include:

- Economic and Social Development planned and coordinated along the World Economic Forum's Global Competitiveness Index indicators
- Drive the national development agenda through a National Development Commission with international support and cooperation
- National building programs and infrastructure development through turn-key solution approaches with joint venture partners.
- Youth engagement through youth employment, sports programs, improved health and education programs
- SME stimulus, industry diversification and income equality
- Grow national talent pool, improved and targeted education, international management training and capability
- Improved governance, government services, anti-corruption practices and powers, international standards and best practice management
- Stronger institutions judicial, regulatory, financial
- Oil & Gas industry transformation, renewal energy opportunities
- SWF and investment management practice improvement
- Leverage business opportunities in Africa in a risk managed way

