

Wealth Management

Libya SWF probes \$5 billion losses in Africa portfolio

Libya's sovereign wealth fund, the Libyan Investment Authority (LIA), which is conducting a review of all investments made by the toppled Muammar Gaddafi regime, has uncovered potentially large losses in its \$5 billion Africa portfolio, its acting chief executive, Rafik Nayed, told Reuters.



Nayed said that its investment operations are on hold while it looks through \$65 billion in assets to examine dealings with people tied to Gaddafi.

He told Reuters that the LIA had no "visibility on the exact state of these investments" and the portfolio, which has investments in Africa's telecommunications sector, had not been audited in three years.

A team of Libyan financial experts, tasked by the ruling National Transitional Council (NTC) with putting the North African state back on its feet, have been combing through the LIA's books.

The fund was set up in 2006 to manage the country's oil revenues and is seen as key to post-conflict reconstruction in the North African state.

Aside from its Domestic Investment Fund, which has \$7.8 billion in cash, and a further \$19.2 billion deposited with the Libyan central bank, Nayed said the fund has about \$16 billion in equities and \$3 billion in fixed income products.

Among LIA's assets are stakes in Italian bank Unicredit, British publisher Pearson and Juventus Football Club in Italy.

The LIA is slated to get new management "within weeks" once a cabinet is formed, Nayed said.