



Whispering Bell

Libya Daily Report



Strictly Confidential & Exclusive for ConocoPhillips Libya

KEY DEVELOPMENTS



07 July 2023

Tripoli

- Nothing Significant To Report (NSTR)

Nationwide / General

- PC forms Supreme Financial Committee
- Al-Ajaylat: Transmission lines damaged during skirmishes
- Al-Zawiya: Shooting
- Nalut/Jadu: Security directorates reject Mol decision
- CBL expenditure & revenue report

Oil & Gas Update

- Crude output at 1.201 M bpd

CONTENTS

| | |
|-----------------------------|----------|
| SUMMARY | 2 |
| TRIPOLI | 3 |
| NATIONWIDE / GENERAL | 3 |
| OIL & GAS UPDATE | 5 |
| VERACITY SCALE | 6 |

SUMMARY

Key Points

- LNA ready to use oil card in negotiations
- Haftar supports oil revenue committee
- HCS to propose new roadmap for next week

Political

Whispering Bell continues to assess presidential elections are unlikely in 2023, despite momentum towards the polls. In the current context, Libya stands at the political crossroads of new government announcements. Political divisions over the way forward in Libya remain centred around the need to form a new government, and whether this must be a brand new executive to supervise the elections, or a government formed via a Government of National Unity (GNU) cabinet reshuffle and/or merger with the parallel Government of National Stability (GNS).

Multiple proposals and roadmaps are now making the rounds after the 6+6 committee's failure to break the political deadlock and produce electoral laws that are unanimously approved. High Council of State (HCS) Head Khaled Al-Mishri announced that the HCS and HoR will issue a political roadmap aimed at holding elections next week, which will include the formation of a new government and electoral laws on 02 July. Al-Meshri provided a new election timeline, stating that elections will be held no later than mid-March 2024. In addition, Al-Meshri stressed that if GNU Prime Minister Abdul Hamid Dbeibah fails to hand over power to the newly-elected government, alternative measures will be taken. Further, Al-Meshri stated a new head for the High National Election Commission (HNEC) must be elected due to the court rulings issued against the current head. Al-Meshri's comments corroborate the diminishing relevance of the 6+6 Joint Committee and the consensus it reached in Bouznika regarding the electoral laws, while also confirming that elections by the end of this year are no longer feasible in the current political climate.

Security

Stable atmospherics prevail across the country. An uptick in tensions was recorded along the coastal road westwards from Al-Zawiya to Ras Ajdir. Travellers are advised to exercise caution and factor potential disruptions in journey management plans. Reports indicate armoured vehicles (AVs) affiliated with Al-Sel'a and Al-Kabowata armed formations mobilised towards the Rass Youssef Gate and closed off the Coastal Road near the Mellitah Industrial Complex at approximately 0500hrs on 04 July in protest of the arrest of Al-Kabowar armed formation commander Abdo Al-Kabou (Al-Zawiya) at the orders of the Attorney General on several charges including murder, drug trafficking, and smuggling. The arrest was conducted at the LibyanTunisian Ras Ajdir border crossing point (BCP) on 04 July. Reports indicate an armed formation from Zuwara intercepted the convoy carrying the suspect and managed to release him. The tensions have led to rumours the GNU is planning to seize control of the Ras Ajdir border crossing.

Oil & Gas

The threat of an LNA-induced oil blockade has significantly increased across all scenarios and is now assessed a likely in the next three months. Against the backdrop of mounting political tension, backchannel negotiations to form a new government, and diplomatic pressure, the LNA may be compelled to utilize the "oil card" to raise its bargaining leverage in the medium term (3-6 months). The LNA is unlikely to directly sanction a blockade but may instead do so by exploiting local grievances to restrict oil exports and exert pressure on the GNU.

TRIPOLI

- **Report n°6489:** Nothing Significant To Report (NSTR)

Analysis/Comment: N/A

Location: N/A
Incident Date: N/A
Timestamp: N/A
Source: N/A
Veracity: N/A
Actors: N/A
Impact: N/A

Recommendations:
 N/A

NATIONWIDE / GENERAL

- **PC forms Supreme Financial Committee**

The Presidential Council (PC) issued a decision on 06 July to form an 18-member Supreme Financial Committee under the chairmanship of PC Head Mohamed Menfi and Vice President National Oil Corporation (NOC) Chairman Farhat Ben Guedara, tasked with monitoring government spending and ensuring the fair distribution of the state's wealth to create a fair economic environment paving the way for elections. According to the decision, the committee will seek the support of specialised international and local institutions for the purpose of financial development, policy-making, and transparency promotion. The committee's decisions will be passed by a two-thirds majority of its members, and any expenditure or allocation of funds that takes place in violation of the provisions of the decision will be deemed an infringement of public funds.

Comment: The fact that Menfi formally issued the decision establishing the Supreme Financial Committee a day after he proposed the initiative to GNU Prime Minister Abdul Hamid Dbeibah, Central Bank of Libya (CBL) Governor Al-Siddik Al-Kabir, and Ben Guedara suggests that the proposal was possibly green-lighted by the aforementioned individuals. The latter could prove true as the PC alone does not possess the required political weight on the ground to implement such measures without the buy-in of Tripoli's main powerbrokers. If successfully implemented, the PC-sanctioned initiative could ease the eastern region's calls for an oil blockade in protest of Tripoli's misuse of energy revenue.

- **Al-Ajaylat: Transmission lines damaged during skirmishes**

Reports indicate skirmishes erupted between the two local families of Al-Fahri and Al-Kour in Al-Ajaylat's Al-Shebika area at night on 06 July, which resulted in at least one injury. The General Electricity Company of Libya (GECOL) reported a power outage in areas surrounding Al-Ajaylat as a result of damage to the electricity transmission lines during the skirmishes. The Company stated that maintenance work will commence as soon as tensions subside.

- **Al-Zawiya: Shooting**

Local reports indicate unidentified gunmen shot dead a local man in the Jaddiam area, east of Al-Zawiya, on 06 July. There are no further details available.

- **Nalut/Jadu: Security directorates reject MoI decision**

Wisemen and notables from Nalut announced the closure of Nalut Security Directorate in protest of the decision by the GNU Ministry of Interior (MoI) to restructure the security directorates in the western mountain region and integrate them into three districts instead of nine in a video statement issued on 06 July. In the same context, various social components announced the closure of the Jadu Security Directorate on 06 July.

- **CBL expenditure & revenue report**

The Central Bank of Libya (CBL) issued its monthly report documenting public revenue and spending covering the first half of 2023 on 06 July. Public revenue amounted to 49.5 billion Libyan dinars (LYD) and total spending amounted to 45 billion LYD. Among notable statistics, the CBL reported the GNU Foreign Affairs Ministry spent 1.077 billion LYD, the Ministry of Interior spent 2.274 billion LYD, and the Ministry of Defense spent 2.152 billion LYD. In addition, the Ministry of Oil spent 1.840 billion LYD, the House of Representatives (HoR) and its affiliated bodies spent 893.788 million LYD and the High Council of State (HCS) spent 21.03 million LYD.

OIL & GAS UPDATE

Terminal Status

| | |
|-----------|-------------|
| Es-Sider | Operational |
| Ras Lanuf | Operational |
| Mellitah | Operational |
| Zawiya | Operational |
| Zueitina | Operational |
| Marsa | Operational |
| Brega | |
| Marsa | Operational |
| Hariga | |
| Bouri | Operational |
| Jurf | Operational |

Es-Sider: Stable terminal operations and security atmospheric reported as of 1700hrs LT.

- **Report n°6490:** Crude output at 1.201 M bpd

The National Oil Corporation (NOC) reported crude production levels stood at 1.201 million barrels per day (bpd) and condensate production amounted to 54k bpd as of 06 July.

Analysis/Comment: No further information.

Location: N/A
Incident Date: 06 July
Timestamp: N/A
Source: NOC
Veracity: A
Actors: NOC

Impact: N/A

Recommendations:
 Continue to monitor Libya's oil and gas output levels.

VERACITY SCALE

A – Reliable:

This information is almost certainly true. A is Reliable, "No doubt of authenticity, trustworthiness, or competency; has a history of complete reliability". It is reported by one or more credible publications, and if an author is listed we have no reason to suspect them to be biased. The reporting is sourced based on widely available or verifiable information. The information is consistent with everything our team knows about this subject.

B – Fairly Reliable:

This information is probably true. This information is possibly true. B is "Fairly Reliable" for "minor doubt". It is reported one or more mostly credible publications, and if an author is listed we have no reason to suspect them to be biased on this subject. The reporting is primarily based on verifiable information. The information is mostly consistent with everything our team knows about this subject, but may contain new or surprising information given credibility on the strength of the publication or author.

C – Unreliable:

This information is probably false. This information is almost certainly false. "not usually reliable" for "significant doubt," and "unreliable" for "Lacking in authenticity, trustworthiness, and competency; history of invalid information". It appears in social media or an unreliable publication, and may be written by an author that is not known to us or is known to be less reliable. The reporting is thin, largely dependent on anonymous sources or unverifiable accounts from social media or limited access areas. The information is consistent enough with our knowledge of the subject to be possible, but contains sufficient discrepancies to make it seem unlikely. The information is mostly or entirely inconsistent with our knowledge of the subject.

ACRONYM LIST

| | |
|--------|--|
| AQ | Al-Qaeda |
| BAM | Al-Bunyan Al-Marsous |
| BCP | Border Crossing Point |
| BEN | Benghazi International Airport |
| BDB | Benghazi Defence Brigade |
| BPMC | Brega Petroleum Marketing Company |
| BRSC | Benghazi Revolutionary Shura Council |
| CBL | Central Bank of Libya |
| CESF | Constitution and Elections Support Force |
| CNI | Critical National Infrastructure |
| CDA | Constitutional Drafting Assembly |
| DACOCT | Deterrence Apparatus for Combating Organized Crime and Terrorism |
| DDR | Disarmament, demobilising and reintegration |
| DF | Direct Fire |
| DMSC | Derna Mujahideen Shura Security Council |
| GACS | General Administration of Central Support |
| GASO | General Administration of Security Operations |
| GECOL | General Electricity Company of Libya |
| GMMR | Great Man-Made River |
| GNA | Government of National Accord |
| GNC | General National Congress |
| GNS | Government of National Stability |
| GNU | Government of National Unity |
| GTUC | Greater Trpoli Union Council |
| HCS | High Council of State |
| HNEC | High National Election Commission (HNEC) |
| HoR | House of Representatives |
| IDF | Indirect Fire |
| IED | Improvised Explosive Device |
| IDP | Internally Displaced Persons |
| IOC | International Oil Company |
| IS | Islamic State |
| JMC | Joint Military Commission |
| LAB | Libyan Audit Bureau |
| LIFG | Libyan Islamic Fighting Group |
| LNA | Libyan National Army |
| LPA | Libyan Political Agreement |
| LPDF | Libyan Political Dialogue Forum |
| LROR | Libyan Revolutionary Operations Room |
| MJI | Mitiga International Airport |
| MoD | Ministry of Defence |
| MoF | Ministry of Finance |
| MoFA | Ministry of Foreign Affairs |
| MOGC | Mellitah Oil and Gas Complex |
| MoI | Ministry of Interior |
| MoJ | Ministry of Justice |
| MoO | Ministry of Oil |

| | |
|--------|--|
| MoT | Ministry of Transportation |
| MRA | Misrata International Airport |
| NEE | No Expected Exposure |
| NIEE | No Immediate Expected Exposure |
| NFDK | No Further Details Known |
| NGO | Non-Governmental Organisation |
| NOC | National Oil Company |
| NSTR | Nothing Significant To Report |
| P3+2 | France, Germany, Italy, UK, US |
| PC | Presidential Council |
| PFG | Petroleum Facilities Guard |
| RASCO | Ras Lanuf Oil and Gas Processing Company |
| RPG | Rocket-Propelled Grenade |
| RTA | Road Traffic Accident |
| SAF | Small Arms Fire |
| SSA | Stabilisation Support Agency |
| SDF | Special Deterrence Force |
| TPF | Tripoli Protection Force |
| UNSRSG | United Nations Special Representative of the Secretary General |
| UNSMIL | United Nations Support Mission in Libya |
| UXO | Unexploded Ordnance |
| WOC | Waha Oil Company |