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| **DELEGATION OF THE EUROPEAN UNION TO LIBYA** | | |
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|  | **Classification:**  UNCLASSIFIED |  |

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**To: *Fernando GENTILINI, Managing Director for Middle East and North Africa***

**Subject: Libya – Weekly of 06/06/2022 – Key issues**

1. **SUMMARY**

* ***Three weeks before the expiry of the current international road map for Libya’s political transition, the parallel Government of National Stability (GNS), appointed by the Parliament (HoR) and headed by PM Bashaga, officially established itself in Sirte, which remains under control of General Haftar’s forces (LNA).***
* ***The HoR Presidency fully endorsed the choice of Sirte as the seat of the GNS and pledged to pass Libya’s first budget law since 2014, in a move to increase pressure on the Government of National Unity (GNU) headed by PM Dbeiba, and more importantly, the country’s sovereign institutions, such as Libya’s Central Bank (CBL).***
* ***Against this backdrop, pressure is also mounting on the upcoming UN-sponsored talks in Cairo between representatives of the HoR and Libya’s High Council of State (HCS) on a constitutional framework for elections as a way forward from the current political stalemate.***
* ***With political tensions on the rise, and their consequences starting to perturb the lives of Libya’s citizens by frequent power cuts and rampant fuel shortages, meetings between LNA actors, their political allies, and commanders of Tripolitanian armed groups continued to explore avenues for compromise, with a view to ending the oil blockade and ideally overcoming the budget impasse, which is negatively affecting the availability of funds for all actors.***

1. **ASSESSMENT**

Libya’s parallel government situation entered yet another stage, illustrated by the GNS’s official temporary settlement for Sirte, with full backing by the HoR Presidency for its choice to establish itself outside the capital. The idea to approve the country’s first budget law ever since 2014 aims to increase pressure on the GNU and in particular Libya’s sovereign institutions, as well as the international community. Although there is much scepticism among observers that the HoR could reach the required quorum to pass the budget and follow due process in the necessary consultations with the HCS, the HoR Presidency might once again prove to be creative in passing the budget without further ado, and present another questionable parliamentary fait accompli, which would bear the risk of further cementing Libya’s existing political divisions (de-facto partition).

All Libyan stakeholders are currently busy positioning themselves for the period after 22/6/2022, when the existing international road map will expire. Tripolitanian security actors, who refused to recognize the GNS and have so far supported the GNU under PM Dbeiba, are getting increasingly involved in their own negotiations with HoR Presidency and LNA command, as well as their regional supporters, in order to explore ways to end the current political stalemate and oil blockade, as well as the contested budget situation, all of which threatens to substantially reduce the availability of funds.

Against this backdrop, the idea of an alternative small caretaker government to organize elections within a year under the Presidential Council (PC), and tolerated by HoR and HCS, is apparently gaining traction. However, for the time being, it is only natural that such talks are publicly denied, in order to hedge everyone’s bets. Therefore, all involved actors are expected to stress their current focus on the constitutional framework for elections. It appears that stakeholders have realized that the political stalemate in the run-up to the international road map expiry on 22/6/2022 bears many risks of violent escalation, especially owing to the uncertainty regarding their access to funds. Therefore, negotiations are held to create a viable perspective for the next few months. However, given the history of the Libyan crisis, it is rather likely that most actors, including the HoR/LNA coalition and its regional supporters, are not seriously pursuing the idea of a sustainable compromise, but will continue to hedge their bets. This will most likely also apply to the upcoming UN-sponsored Cairo talks. All are expected to pursue their ultimate objective of installing themselves at the helm of the Libyan government as soon as there will be an opportunity to sideline their opponents.

**III. DETAIL**

* + - 1. HoR-Speaker Saleh convened a meeting between MPs, PM Bashaga with GNS cabinet members and officials of Libya’s sovereign institutions (Central Bank, Audit Bureau, National Oil Company, etc.) to announce the official inception of GNS activities from Sirte, and to discuss the budget law for the GNS, which would be the first in Libya since 2014. Participation from the GNU-controlled sovereign institutions remained at non-executive levels. The meeting resulted in pledges to pass the budget within days, and for the GNS to exercise its activities peacefully from Sirte in order to avoid any violent reactions against the GNS trying to seize central government institutions in Tripoli. HCS Rapporteur Alkala, who previously had supplied the HoR Presidency unilaterally with acclamatory statements from HCS members for GNS PM Bashaga, publicly supported the HoR motion to pass the GNS budget.
      2. During a recent diplomatic briefing, UN SASG Williams expressed hope that the upcoming expiry of the existing international roadmap on June 22nd could encourage participants in the next round of Cairo talks to achieve progress in finding a viable compromise on the remaining contested issues between HoR and HCS negotiators on a constitutional framework for elections.
      3. Influential Tripolitanian stakeholders, namely Presidential Guard Commander Buras and HCS Chairman Al-Mishri, re-iterated their refusal to recognize the legitimacy of the GNS without any credible perspective for elections, and for its unbalanced composition in favour of General Haftar’s LNA.
      4. HoR Speaker Aqilah Saleh and prominent Tripolitanian militia leaders, including SSA leader Alkikli (Ghneiwa) reportedly held consultations in Cairo, also involving LNA and regional actors, on possible ways forward in the protracted parallel government situation.
      5. The security situation didn’t witness any major clashes, but remained tense with limited skirmishes between militia, and several troop re-deployments in the greater Tripoli area, particularly on its southern flank around the strategic town of Al-Shwayrif.
      6. On 3/6/22, the United Nations Security Council (UNSC) passed a resolution extending the relevant authorizations for Operation IRINI for an additional period of 12 months, requesting the Secretary General (UNSG) to report after 6 months and 11 months on its implementation. With 14 votes in favour of the resolution, Russia abstained, criticizing IRINI for a lack in effectiveness and transparency.
      7. The ongoing oil and gas blockade of approx. 35% of Libya’s production capacity led to a sharp rise in power outages and a lack in fuel supplies in Tripolitania, with ubiquitous long lines of vehicles in front of local petrol stations. In an attempt to contain this issue, the GNU decreed that all petrol stations in greater Tripoli have to remain opened around the clock, and reportedly called on the PC to take action in order to end the oil blockade. The public debate engaged on the question whether the current electricity and fuel problems could erode the PM’s popularity in Tripolitania. An unusually large demonstration in Tripoli against a PM decision on the administrative transfer of Ministry of Interior employees to another institution, which would have reduced relevant benefits, led to the imposition of a one month ban on demonstrations in the capital, and forced the GNU to withdraw its contested decree.
      8. The Russian Oil company Tatneft announced that it would begin oil production on Libyan soil by the end of 2022.
      9. The number of migrant departures from Libya during 2022 to date is estimated at around 19,000. This compares to 20,972 departures for the same period in 2021. Minister of Interior Mazen and DCIM Director Khoja inaugurated a new “Deportation Center” in Tripoli that is to serve a as hub to deport migrants located in the west of Libya. The operational details of the facility are still unknown and it remains unclear whether the international community will be able to influence or monitor the relevant procedures. The Government of Niger continued to refuse new flights of refugees to ETM Niger, because of the overload at the facility, as resettlement countries failed to honour their pledges to receive refugees from said ETM.

*Signed-off: José Antonio SABADELL, HoD*