|  |  |  |
| --- | --- | --- |
| **DELEGATION OF THE EUROPEAN UNION TO LIBYA** | | |
|  | | |
| *Author: Liliane Anjo* | | **Date:** 04/07/2022 |
|  | |  |
|  | **Classification:**  UNCLASSIFIED |  |

🞏 To be shared with MS via CORTESY

🞏 To be shared with the EP

**Number of pages: - 2 -**

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

**Subject: Libya – Weekly of 04/07/2022 – Key issues**

1. **SUMMARY**
   * + - ***Persevering in their disagreement, the heads of both legislative chambers failed to deliver a legal framework paving the way for elections. With the last-ditch mediation efforts reaching a stalemate, the UN SASG must now return to the drawing board.***
       - ***Beyond a reaction to deteriorating living conditions, youth-led protests have boiled over into nationwide civil unrest. Whilst only isolated acts of violence have been reported so far, sustained gatherings could lead to an escalation prompting the intervention of security forces.***
       - ***The SASG and the broader international community supporting UNSMIL have also been the target of protestors for their perceived role in the protracted political crisis.***
2. **ASSESSMENT**

The persisting disagreement between the leaders of the High Council of State (HCS) and the House of Representatives (HoR) marks the failure of the UN-led mediation efforts to break the electoral impasse. In the absence of an alternative internationally-backed roadmap, the SASG has no other option but to return to the drawing board. Moreover, the separate executive crisis could last for as long as Bashagha’s Government of National Stability (GNS) fails to dislodge Dbeibah’s Government of National Unity (GNU) from Tripoli – either by further expanding his support base among Tripolitanian armed groups or by caving in to impatient voices within the GNS-HoR-LNA coalition tempted to take over the capital by force.

The ongoing civil unrest has unfolded with a perceptible shift in tone compared to demonstrations observed in recent years. Whereas frequent power cuts in summer have sparked protests in the past, popular discontent over living conditions and the exasperation with the political deadlock have brought forth common messages despite an extremely polarised context. The apparent coordination of the protestors increases the significance of the movement. Even though video footages show it remains relatively limited in numbers and mainly composed of young males, comments expressing support on social media signal the mobilisation echoes a widespread sentiment of rejection of the incumbent political class.

Exploiting popular grievances, most political actors have immediately tried to instrumentalise the events, either to blame their rivals for the hardship endured by the population or to co-opt the demands of the protest movement. LNA Commander Haftar could take advantage of the calls to overthrow both legislative chambers and the arson attack on the HoR building to retain upper hand in his alliance with Speaker Saleh. Tripolitanian armed actors too are likely to leverage the unrest to increase their influence. With supporters of Saif Al-Islam Qaddafi visible among the demonstrators, the proponents of the former regime, which many associate with stability and service provisions, could also be gaining followers.

The Chairman of the Presidency Council (PC) is likewise trying to capitalise on the movement by claiming his institution is now the political body representing all Libyans. However, he fell short of persuading the protestors of his ability to achieve the change they aspire to. Accused of playing into the political elite’s perceived agenda to remain in power, the UN SASG has also been targeted by the protestors who consider the international community shares responsibility for letting the political crisis drag on.

Beyond the endeavour to frame the events in a narrative consistent with their own rhetoric, some political forces could eventually attempt to utilise civil unrest in a potential destabilisation scheme. In a security environment teeming with armed actors, isolated acts of violence could easily spark counter-violence. Besides the risk of being entangled in political competition, protesters could then also end up being caught in fights for territorial control between armed factions.

**III. DETAIL**

* + - 1. Prolonged Geneva-hosted consultations between the President of the HCS and the Speaker of the HoR failed to deliver an agreement on a constitutional framework for elections. Whilst both legislative chambers agreed on most outstanding points of contention, **discord over eligibility requirements** of presidential candidates prevailed. Notwithstanding their decision that an agreed draft would still need to be submitted to a referendum, SASG Williams (whose assignment was extended for at least another 30 days) has continued to urge both leaders to overcome their differences as soon as possible. She finally declared recommendations on alternative ways forward will be presented to the UNSG**.**
      2. Ahead of the inconclusive talks, HCS President Meshri declared elections would need to be conducted by a unified government administrating the entire territory. Even though the stalemate opposing two rival PMs was officially not on the agenda of the high-level meeting, informed sources confirmed the **executive crisis** was discussed on the margins and in the absence of UNSMIL officials.
      3. Multiple reports indicate GNS PM Bashagha is considering a **reshuffle** of his cabinet to facilitate a takeover of the capital. Adopting a more aggressive tone since the presumed expiry of the Libyan Political Dialogue Forum (LPDF), he warned rival GNU PM Dbeibah a safe exit of Tripoli remains possible provided government headquarters are handed over.
      4. Following his first overnight visit to Libya, the US Ambassador mentioned the need for key political actors to use the influence and control they exert over different parts of the country to lead to national polls. Despite the recent P3+2 statement explicitly calling for a single Libyan government to deliver countrywide elections, the US comment was widely criticised as the backing of future **elections potentially being held without a unified executive** in place.
      5. Demonstrations in reaction to recurrent power outages and overall **deteriorating living conditions** tied in with political discontent have spread to multiple neighbourhoods in the capital, as well as other regions across the country. Calls for nationwide protests on 01/07 were followed by relatively large gatherings in Libya’s main cities. Demands including the dissolution of incumbent political bodies and the holding of elections, boiled over into **civil unrest** when protestors stormed the HoR and set the building on fire. In Misrata and Sabha, government buildings were partially damaged. In Tripoli, where demonstrators blocked several crossroads with burning tyres, the rallies have not escalated into violence. *Baltrees*, a youth movement involved in organizing the protests, declared it would continue to mobilize people to the streets after the Presidency Council failed to convince it can address their grievances.
      6. The LNA dispatched **military reinforcements from Cyrenaica towards Fezzan** in the wake of alleged calls by a local association to independently secure the Southern region. In addition to military autonomy, the organisation labelled “South Forum” purportedly asks for the holding of elections enabling former regime leader’s son Saif Al-Islam Qaddafi to run for office. Whereas the movement’s popularity is unclear, the LNA reacted by reaffirming its authority in the area with additional patrols and checkpoints.
      7. The National Oil Corporation (NOC) declared **force majeure on additional export terminals** (Ras Lanuf and Sidra) citing an inability to feed power stations as a result of a further reduction in oil production and associated natural gas. In addition to the financial loss already exceeding 3 billion USD (about 16 bn LYD), the partial oil blockade has negatively impacted electricity generation. Trading blame with the GNU Ministry of Finance whom it accuses of failing to transfer the funds required to import fuel, the NOC Chairman warned the current electricity crisis will worsen. Moreover, with fuel stocks reportedly depleted, supplies to vital facilities (*e.g.* General electricity company, but also desalination plants and hospitals) could be affected.
      8. Rival branches of the Central Bank of Libya (CBL) are blaming each other for the liquidity crisis in the East. The Eastern CBL claimed it received insufficient cash from the Tripoli branch and suggested it may have to resort to alternative solutions – a statement understood by many as a threat the East could be tempted to resume the printing of currency it used to perform in Russia. CBL Governor Kabeer responded by releasing official figures showing the various amounts delivered. Accusing the Eastern branch of failing to distribute funds, Kabeer warned the Tripoli-based CBL could be forced to provide liquidity directly to commercial eastern banks – thus effectively bypassing the Benghazi-based CBL in a **further setback to the reunification process**.
      9. After months of consultations and advocacy aiming at renewing the **UN Fact-Finding Mission’s mandate**, Libya agreed to table a resolution at the Human Rights Council seeking a 9 months extension.

*Signed-off: José Antonio SABADELL, HoD*