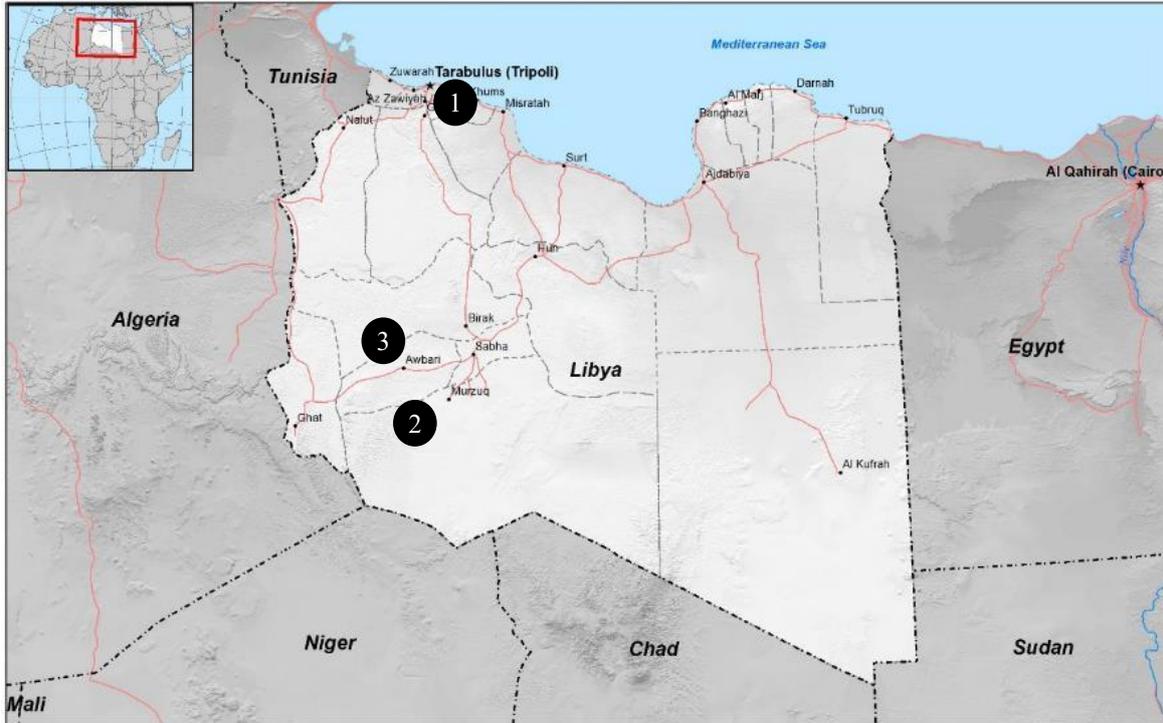


EU LIAISON AND PLANNING CELL LIBYA
Weekly Report 31MAR – 11APR 2022

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SUMMARY

There are no indicators that the current political instability would spill over to an escalation of violence. Both Governments are trying to gain support by hosting and paying visits that will approach and affect the other. This not only concerns high-level Officials from the IC, but also religious dignitaries in the context of the current Holy month, and independent parties.

The Libyan economy, that relies primarily on oil revenues, has made this income flow a crucial and vulnerable asset. However, as European customers rely heavily on a constant distribution of crude during the Ukraine conflict, the control of the oil industry is no longer solely of internal Libyan interest.

The JMC, which normally did not interfere in the political dispute, remains split, with the Eastern delegation urging the GNU PM Dbeibah to withdraw. This strong position appears aimed to increase the pressure.

1 CURRENT SITUATION

1.1 GNU-GNS competition for recognition

GNS and the GNU are continuously putting strenuous efforts to seek recognition, struggling to gain domestic and international backing. Concerning the GNS, no noticeable progress has been remarked. On the other hand, the GNU - noticing a progressive loss of geographical influence - is reacting by tempting to gain internal support by leveraging on people's religious conscience. The GNS stubborn aim at peacefully establishing offices in Tripoli does not seem achievable in the short term, until internal and international conditions would permit.

Following, the main events of interest:

- on 31 march, PM (GNS) Bashagha stated again that his government's settlement in Tripoli would be in a few days and completely peacefully;
- on the same day, PM GNS Bashagha again indicated that he would not look to remove the heads of the Central Bank or National Oil Corporation (NOC) and would be supported by a budget approved by the HoR. Bashagha acknowledged that the East of Libya opposes the Turkish military presence and suggested that any deal previously signed by the former government (GNA) could be cancelled;
- on the same day, pro GNS-HCS members issued a statement affirming their support for Bashagha's government and denouncing foreign intervention in Libya's political affairs. In the statement they criticised the UNSMIL of holding counterproductive policies that serve to polarise the political landscape;
- on 01 April, Libya's Mufti Sheikh Sadiq El Gharyani addressed the issue of the general elections and he called on the GNU to uphold its commitment to conduct the elections as planned. In his talking, he accused UNSMIL of seeking to reproduce the Egyptian scenario in Libya, which lead to have a military ruling the country;
- on 03 April , a report claimed that members of the GNS arrived in Zawiyah;
- on the same day, reports indicated that the Joint Operations Room in the Western Region, under the command of LTG Osama Juwaili, established several checkpoints apparently to avoid any entrance by force during the night;
- on 04 April, in an interview with ERM News, the GNS Minister of Interior (MoI) Essam Abu Zreiba stressed that the delay in the GNS assuming its duties from Tripoli is due to Fathi Bashagha's insistence on not resorting to the use of force. Abu Zreiba emphasised the challenge of handing over and receiving power;
- in the same interview, the GNS MoI stated he is in contact with all the armed formations in Tripoli and confirmed no issues with the capital's security directorates;
- on 05 April, a French media outlet reported that Turkey has abandoned GNU PM Dbeibah and was putting pressure on him to step down. This came from the latest GNS delegation visit to Ankara on 22-24 March.

Comment

Concerning Mufti Sheikh Sadiq El Gharyani, it has to be remarked that he is a very controversial figure who took office in February 2012. In 2014, the HoR attempted to remove him from his post by, because of his political fatwas against that same HoR.

GNU PM Dbeibah reportedly visited the Grand Mufti's home in Tajura on February 24, while the GNU Oil Minister Mohamed Aoun used the Grand Mufti's TV channel to announce his attempt to remove the Head of Libya's National Oil Corporation, Mustafa Sanalla, from his post.

Assessment

It is highly likely that the GNU military leadership is supporting PM Dbeibah's intent to seal off the GTA and its Western coast in order to keep his stronghold. Although the GNS can be considered as the dominant party in two-thirds of the country, it is likely that without the control of Tripoli the GNS will not be perceived as the legitimate government. That means that most of the roadmaps leading to new legislative and presidential elections will likely be delayed.

UNSMIL is currently not fully supported by all parties; it is very likely that until the GNS has the control of the institutions the UN mission will not receive the sustain of the HoR and the PC.

The scenario in which the two governments are able to reunify in one seems complex. In principle, it is very likely that the militias will accept the reunification only if their areas of control and their means of financing are not withdrawn. However, adjusting a secondary role to the GNU seems difficult, after having secured support at social, military and international level, so that it is very unlikely that it will give up and leave the scene before June.

The less dangerous scenario would be that GNS PM Bashagha keeps his promise not to use violence and let the GNU finish its mandate until the end of June.

1.2 Weaponization of the oil sector

Both Libyan parties have been using the oil production as a tool not only to pressure the other but also to finance their political campaign and to gain/purchase the loyalties of militias. This situation is now emphasised by the Russian/Ukrainian war as the IC is trying to find alternative sources.

Key events and statements related to this topic are:

- on 31 March, National Oil Company (NOC) Chairman Mustafa Sanalla called on the Heads of Management Committees and all NOC-affiliated entities to maintain production levels and not to comply with any communication from the GNU Oil and Gas Minister, Mohamed Aoun described as Aoun's "irresponsible behavior";
- on the same day, Tripoli-based Central Bank of Libya (CBL) Governor Siddiq Al-Kabeer and "Deputy Governor"/ Governor of Eastern Region-based CBL Ali Salem Al-Hibri convened the second meeting of the CBL reunification Steering Committee. The attendees discussed the progress towards CBL reunification, as well as delivery of liquidity to the Eastern Region;
- on the same day, NOC Chairman Mustafa Sanalla met with GNU Deputy Prime Minister Ramadan Abu Janah, discussing the challenges to the oil sector, including i.a. the need for budget allocation and inadequate funding for projects in the Southern Region;
- on 01 April, Kabeer and Hibri met with United States (US) Ambassador to Libya Richard Norland, briefing the latter on the reunification process;
- on 02 April, the Tuareg movement announced that they would be giving the government a month to fulfill their demands. This comes after the group lifted their road blockade from Awbari towards the El Sharara oilfield;
- on 02-03 April, localized sources informed of Tripoli-based CBL Governor Siddiq Al-Kabeer, "Deputy CBL Ali Salem Al-Hibri, and NOC Chairman Mustafa Sanalla, holding dialogue in Tunis, aiming to implement a budget for the oil and gas sector. The dialogue was said to come in consultation with i.a. US Ambassador to Libya Richard Norland, SASG Stephanie Williams, EU Ambassador to Libya/ Head of Delegation Jose Sabadell, and Egyptian Ambassador to Libya Tamer Mustafa;
- on 04 April, Petrol Facilities Guards (PFG) Cdr, Ali Al-Deeb met Western Military Region Cdr, and Joint Operations Room of the Western Region, LTG Usama al-Juweili at the 7 April Military Camp in South-West Tripoli. According to the PFG, the meeting talked about joint cooperation and coordination, and problems facing PFG operations, including those of the PFG South-Western Branch;

SENSITIVE – LIMITE UE/EU LIMITE

- on 05 April, GNU oil and gas Minister Mohamed Aoun rejected the US proposal to distribute oil revenues evenly until a stable political agreement is reached. Furthermore, he stated that in order to prevent any conflict in Libya based on the wrong distribution of oil revenues, it is mandatory that foreign states would not interfere in Libyan affairs. Finally, Minister Aoun underscored the need to upgrade the oil sector infrastructures if the oil production is to increase;
- on 06 April, Ministry of Economy laid out new measures to monitor oil distribution;
- on 07 April, he Head of the Libyan Audit Bureau Khalid Shakshak said blocking oil revenues by the NOC in the last months was unusual and against state laws.

Comment

- Both Libyan parties have a great interest in controlling the oil production and their related revenues. Since the beginning of the Russian/Ukrainian war, the oil production has become a major concern for Libyan political leaders and for the international community. The struggle to control the oil benefit (representing 90% of the country's incomes) is at the centre of the political tensions;
- from an international perspective, Europe represents 80% of Libya's oil exportation constituting 11% of the total European oil consumption;
- Libyan authorities remain pessimistic about the sector's ability to invest and modernize its infrastructure in the short term, due to the lack of budget;
- Libyan oil production could easily reach 1.5 M b/d, but the company currently only has 11% of the funds needed to maintain and operate the infrastructure.

Assessment

From a Libyan perspective:

- as long as tension between PFG and the government continues, the oil production will remain unsecured, and uncertain;
- Libyan authorities will increase action in order to limit oil product trafficking, and will take additional measures to control/monitor the process from the production to the delivery to gas station;
- the PFG will continue to use the threat of closure of the sites to enforce their demands for higher wages and identification numbers. This was already taken up by GNU PM Dbeibah with him pledging to set up a committee to process the requests (Weekly report 17-22 DEC 2021 and 06-12 JAN 22);
- in this volatile context, the oil production is vulnerable to social movements;
- in the Eastern region, where 80% of Libya's oil fields are located, the LNA will likely continue to attempt to illegally export crude oil, in order to fund Eastern side activities and balance the reduced public fund allocations by the GNU;
- both GNU and GNS will continue to use the oil as leverage to gain their interests.

The aim of the IC is to grant a steady and increasing Libyan oil production to compensate Russian energy supply. To do so, it is likely that the IC will intensify the mediation aimed to reduce the risks that Libyan domestic frictions, such as unpaid salaries, lack of funds for maintenance of oil infrastructure and security of the installation would jeopardize the production of oil and gas.

1.3 Terrorism threat

Several events of interest have been reported during the last 2 weeks:

- on 31 March, Islamic State (IS/ Daesh) Libya Province released video footage claiming a pledge of allegiance to the group's new caliph, Abu al-Hassan al-Hashemi al-Quraishi. In the video footage, at least

17 militants are pledging allegiance to the new IS/Daesh caliph. In the video, the group identifies “Abu Thabit Al-Muhajer” as IS/Daesh Libya leader;

IS/Daesh announced the new leader of the terrorist group after the death of his predecessor Al-Qurayshi who died in a US raid in February 2022. On 13 March, a small group of militants based in Libya published a pledge of allegiance to the new caliph. The latest video footage was published by IS/Daesh itself, unlike previous content published via IS/Daesh-affiliated news agencies such as A'ma. The new Libyan leader adopted the name of Abu Thabit Al-Muhajer who was an Egyptian foreign fighter that fought in Afghanistan and died in the Bosnia war in 1992;

- on 01 April, Local Libyan Tuareg sources reported of increasing Daesh attacks, including killings and kidnappings, targeting Tuareg groups in Niger, Mali, and Burkina Faso, and warned of possible spread of violence to North African countries, including Libya;
- on the same day, a source claimed IS/Daesh had attacked a medical facility in the Murzuk area;
- on 03/04 April, overnight airstrikes were reported in the South-West of Libya, whose execution is unclear (allegedly US- AFRICOM or LNA). Local reports claim that the airstrikes targeted IS/Daesh elements and were the second round within three days in approximately the same area.

Comment

A constant increase of terrorist actions attributed to IS/Daesh, and Counter Terrorism (CT) reactions, mainly performed by LNA, has been reported since last year.

Assessment

The presence of fighters belonging to Violent Extremist Organisations (VEOs) affiliated with IS/Daesh is a reality. Despite the fact that terrorists maintain a presence in the form of small units, support cells or even sleeper cells; and despite the fact that they intend to fight and carry out violent attacks or terrorist actions, it is highly unlikely that they have the capacity to carry out complex attacks. Therefore, it can currently be inferred that terrorist actions are being successfully contained.

Nevertheless, if the political instability persists it is possible that terrorist sleeper cells can be activated either to provoke more instability or to increase their logistic/training activities. However, due to lack of resources/capabilities the range of these actions will likely be limited.

2 OTHER SIGNIFICANT SECURITY RELATED EVENTS

- a. On 31 March, LNA Field Marshal Khalifa Haftar ordered the subordination/transfer of the 218th Bn from the Sabha Military Region to the 128th Bde. 218th Bn is a tank battalion. The 128th Bde is commanded by Hassan Matouq al Zamda. The Bde structure has been modified frequently, tailoring it for specific operations.
- b. On the same day, Algerian President Abdelmadjid Tebboune met with US State Secretary Antony Blinken. Prior to the meeting, the Algerian president stated that elected representatives in Libya only represents themselves and that foreign interferences complicates the Libyan problems.
- c. On the same day, EUNAVFOR MED “IRINI” Cdr, Rear Admiral Stefano Turchetto said that he is currently planning measures to combat oil smuggling in Libya.
- d. On 01 April, the US Department of State, alongside the US Agency for International Development (USAID), released a joint statement announcing the five countries/sub regions under its US Strategy to Prevent Conflict and Promote Stability, including, among others, Libya (see **Annex**).
- e. On 02 April, 444th Combat Bde informs of counter fuel smuggling operations in the Central Region, including the seizure of three fuel trucks carrying 100,000 litres smuggled in the desert area South of Bani Waled. A new system to follow fuel trucks via GPS has recently been announced.

- f. On 03 April, an assailant shot and killed Shoaib Boumediyen, a captain in the LNA's Al-Saiqa Special Forces in Benghazi. Evidence from CCTV footage indicated that the incident was initiated by a dispute between the two motorists. Deputy Interior Minister Faraj Aqim confirmed the incident was not a pre-meditated assassination and that the suspect had no affiliation to security forces.
- g. On 04 April, reportedly, a dispute between the Nawasi Bde and the Stabilisation Support Agency (SSA) about an illegal Nawasi checkpoint escalated into clashes on Al-Sarim Street, downtown Tripoli, at night. Reports indicate that five Nawasi Bde members, one SSA unit and one civilian were killed. After the 444th Bde forces intervention, the tension deescalated.
- h. On 05 April, as a continuation of the previous event, SSA HQ was attacked by a Nawasi Bde member with an RPG. In response, SSA-affiliated gunmen fired in the direction of the highway.
- i. On the same day, reports indicate the Security Directorates' Support Force, in cooperation with the Internal Security Agency (ISA) and Municipal Guard, carried out an arrest campaign targeting vendors across vegetable markets in Tripoli's Airport Road and Al-Kremiya areas for inflating prices.
- j. On the same day, armed clashes between LNA Tarik Bin Ziyad (TBZ) and Abdul Kafi Bde North of Sabha. The skirmishes occurred allegedly due to TBZ forces entering into the area without coordinating with local factions.
- k. On 07 April, Counter Terrorism Force (CTF) moved a convoy from Misrata directed towards Tripoli after raising its state of alert. Reports stated that the deployment was due to the 6 April arrest of Ahmed Melitan, a high ranking government official in the GNU Health Ministry accused of misusing funds.
- l. On 09 April, 444th Bde released 195 migrants illegally detained by human smugglers. The operation led also to the arrest of the nine members of the criminal organization.
- m. On the same day, the five members of the Eastern delegation of the 5+5 Joint Military Commission (JMC) released a statement with which they suspended their activity within the Commission. At the same time, they invited the LNA General Command to enforce an oil' blockade, close the Coastal Road from East until Sirte and restrict all flight routes between the Eastern and Western region. On 10 April, MG Mustafa Yahya, Head of the Western delegation of the JMC, replied he was well aware of the political pressure exerted on Eastern JMC members and expressed hope that the Eastern JMC members would preserve the impartiality of the Committee.

Comment: 5+5 JMC was considered the only unified institution able to coalesce a joint forum for discussion. It was created with the objective, amongst others, to create operation rooms and monitor the ceasefire. **Assessment:** It is unlikely that the 5+5 JMC can currently play any unifying role between East and West. It is likely that in a system with two no collaborative Governments the 5+5 JMC should set apart. However, it is possible that the Western delegation within the JMC will maintain its mandate for further negotiations.

- n. On the same day, the Spanish Ambassador to Libya praised the decision of the Libyan Representative to the UN to vote in favour of the Russian suspension from the UNHR. Libya was the only Arab country to express its vote against the Russian actions while on 10 April, Libya's former Permanent Representative to the UN, Ibrahim Dabbashi, said that the Libyan decision to vote in favour of suspending Russia from the UN Human Rights Council is "shameful".

3 CONCLUSION

The stalemate between the two Governments has consolidated, with the GNS PM Bashagha seemingly accepting the idea that setting foot peacefully in Tripoli is not an easy task and let the GNU naturally expire in June, while leveraging on the control of critical national infrastructure and financial resources.

The statement of 5+5 JMC Eastern Delegation declaring to suspend their work confirms the hints that the Commission was already in crisis, as well as the achievement of the conditions considered in the Ceasefire Agreement. Without a common political roadmap, the military unification appears unlikely and national elections are impossible.

On the other hand, GNU PM Dbeiba has embraced the strategy to leverage on religious sentiments of the populace, exploiting the atmosphere of the Holy month of Ramadan and extend the stalemate. However, tensions are not appeased as demonstrated by the LNA proclaim to block the oil production as well as to close the Coastal Road, while isolated skirmishes in Tripoli among opposing factions continue.

Pursuing its goal to gain control on the South and East of the country, the LNA is trying to increase its influence in Sirte, which is still considered a military combat zone because of the hostile armed groups presence in the city's western side.

The prolonged conflict in Ukraine means that the IC is readjusting their actions in Libya accordingly.

At the same time, the US intensifies its strategy to appease tensions in amongst others Libya, with its “*10-years Strategy to Prevent Conflict and Promote Stability*”. That, with the aim to re-gain control of this relevant geostrategic region and countering the Russian influence in the area, with the Turkish privileged presence as a consolidated needed support, while NATO and Europe are united in the Eastern flank.

Sign-off for release: Brig. Gen. STELLA, V.

Disclaimer: This report is based on security events and reports from multiple open sources, whose accuracy may not always be verified. Therefore, the information and conclusions expressed are subject to change without notice.