



INSIDE LIBYA

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FOREWORD

The Regional Program Political Dialogue South Mediterranean (PoDiMed) of the Konrad-Adenauer-Stiftung (KAS) in cooperation with LIBYA DESK™ is delighted to continue our monthly reports on Libya for 2021. This format examines the most important political, economic and social developments of the previous month, which are of central importance for understanding the situation in Libya. The report is based on reliable Libyan sources and provides a summary and a contextualisation of developments in the wider Libyan context. The report is usually being published every first week of each month.

While much attention has been paid to the external and geopolitical dimensions of the situation in Libya, voices from within Libya are central to understanding local developments and the evolution of the Libyan conflict as well as its impact on the wider Mediterranean region. As an inclusive Libyan-led and Libyan-owned mediation with regards to the political, economic and military tracks are without alternative, these monthly reports emphasise the most important events within Libya and aim to give a better picture of what happens “Inside Libya”.

Based on existing KAS-PoDiMed formats such as the Libya Brief and the Libya Task Force, we consider it necessary to shed light on the dynamics within Libya and to emphasise the importance of continuing and facilitating a national dialogue process in the spirit of the UN-led Berlin process.

We hope that these monthly reports will give our readers a better picture of the dynamics of the ongoing Libyan conflict, its actors and multiple dimensions.

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EXECUTIVE SUMMARY

- 1.** With no compromise reached for the 2021 budget, east-west divides becoming more palpable, and weakening investor confidence, the political situation in Libya is taking a turn for the worse.
- 2.** Relations between key political actors who maintain the current status quo are quickly eroding with the spectre of a new parallel government in eastern Libya becoming more likely by the day.
- 3.** While it is increasingly unclear whether Libyans will be able to vote in December, preparations for elections are progressing well and reflect voters' enthusiasm for changing the country's political scene.
- 4.** Faced with growing criticism regarding its management of public affairs and ulterior motives, the Government of National Unity (GNU) has sought to offer reassurances to the public that it will hold elections on time and provide Libyans with better services.
- 5.** Now that the Government of National Unity only has four months to govern, investors are starting to postpone plans until after the December 24 elections to ensure that their money does not fall hostage to instability.
- 6.** Minister of Oil and Gas Mohammed Aoun has sought to unseat National Oil Corporation (NOC) Chairman Mustafa Sanallah. It remains to be seen whether this political move will hamper developments in the oil sector.
- 7.** Now that domestic political dynamics have escalated, the international community is unlikely to find solutions to pressure local spoilers and ferry Libya toward timely and peaceful elections.
- 8.** The breaking down of political relations has also snowballed into the military realm with the 5+5 Joint Military Commission (JMC) being accused of politicisation and threats of war becoming more palpable.
- 9.** The executive authority has not been able to rein down the numerous militias controlling Libya's western coast. Now that the government's mandate comes to a close, competition between these militias is intensifying.
- 10.** Libya is in desperate need of a properly mediated solution to preserve the political roadmap and ensure that a smooth political transition is made in December.

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POLITICAL TENSIONS REACH A BREAKING POINT IN LIBYA

Relations between key political actors who maintain the current status quo are quickly eroding with the spectre of a new parallel government in eastern Libya becoming more likely by the day.

Two months have passed since the High National Elections Commission (HNEC) ascribed its initial deadline to establish a legal basis for elections. Yet, no real progress has been recorded as neither the electoral law nor the constitutional basis have been confirmed by Libya's national institutions. This prolonged stalemate has reached critical levels as criticism against the Government of National Unity (GNU) and the United Nations Support Mission in Libya (UNSMIL) are at an all-time high in the country. In fact, UNSMIL has been accused, notably by Libya's former ambassador to the United Nations Ibrahim Dabbashi, of putting the country's political roadmap reached in November 2020 up for debate, thus allowing self-serving politicians and Libyan Political Dialogue Forum (LPDF) members to put the upcoming general elections at risk. This criticism takes particular aim at the fact that UNSMIL allowed the LPDF's Proposals Bridging Committee, also known as Consensus Committee, to bring forward four draft proposals to the LPDF's plenary on August 11, including at least two which contradicted the roadmap's principles for direct and general elections as well as UNSC Resolution 2570 and the outcomes of the Berlin 1 and 2 Conferences. Sticking to its logistical and technical role, UNSMIL was unable to bring LPDF members to a consensus as the plenary ended with an inconclusive outcome, which is exactly what the UN Envoy Ján Kubiš was looking to avoid.

In late August, a majority of LPDF members called upon the UN Envoy to convene an emergency session to address serious breaches putting the roadmap's implementation at risk. However, it has increasingly become apparent that UNSMIL is not adequately equipped to put Libya's growing political fragmentation to rest. Instead, another key stakeholder, House of Representatives' (HOR) Speaker Agila Saleh, has jumped on the occasion to warn that Libya would return to chaos without general elections in December 2021 and that his legislative apparatus was ready to adopt a legal basis for such elections. Relations between the HOR and High Council of State (HCS) have broken down over the latter point since Agila Saleh has made it clear he will bypass the HCS' Chairman Khaled al-Mishri and use the Transitional Constitutional Declaration (TCD) of 2011, which was incorporated in the HOR's Resolution 5 of 2014, to push for direct presidential elections. This amounts to a greater breakdown in Libya's legal and legisla-

tive environment, as key stakeholders are referencing laws whose legitimacy and current relevance remain dubious. Countering Agila Saleh's claims, al-Mishri claimed that the HCS would resort to the Constitutional Court should the HOR follow through with its plans to utilise the TCD, a law that precedes the 2015 Libyan Political Agreement and the 2020 LPDF. In turn, Saleh indirectly accused the HCS of obstructing the holding of elections in view of satisfying personal interests and avoiding a scenario in which its members would have to leave the political scene.

The HOR Speaker has not only escalated his rhetoric against the HCS but also taken aim at the GNU over several files, particularly the 2021 draft budget. On August 17 the GNU presented its third budget draft to the HOR for approval, with only cosmetic changes from the previous rejected draft. As such, the GNU has asked for a budget worth 111.4bn LYD (€21bn) when a good share of MPs expected a draft worth between 75bn to 82bn LYD (€14.1-15.4bn). This latest episode in a game of table tennis between parliamentarians and the government has further shown that neither side is interested in finding common ground. Instead, there is a growing view, shared by Agila Saleh, that Prime Minister Abdulhamid Dabaiba simply does not want the budget to be adopted as his government has been nonetheless able to disburse funds via his own version of the 1/12th rule which takes into account his own budget proposal and has spent well over 40bn LYD (€7.5bn) since March 2021. In turn, Dabaiba has called the HOR a "failure" for not adopting any budget in the past eight years, implying that MPs are overpaid and interested in their own benefit such as maximising allocations for their own constituency at the expense of others.

Again, this amounts to a full breakdown of relations between the GNU and the HOR. On the one hand, the Tripoli-based GNU is able to function more or less effectively without legislative backing as it has access to the resources of national institutions such as the Central Bank of Libya (CBL), the National Oil Corporation (NOC), and the Audit Bureau. On the other hand, the HOR and its Speaker are increasingly going back to their distributive rhetoric through which they accuse whoever is governing from Tripoli of theft and refusal to share the country's wealth evenly. As such, the HOR would like to pass its own version of the 2021 budget without the GNU's views being taken into consideration. Moreover, its Speaker threatened the GNU that he would ask the HOR to withdraw its vote of confidence from the government should the PM fail to answer questions in Tobruk on August 30. Unable to join as he was on an official visit to Jordan, the PM could now see greater challenges to his legitimacy, with the emergence of a parallel government in eastern Libya becoming a greater likelihood by

the day. Although it is unlikely for the HOR to form a quorum on removing its vote of confidence given to the GNU, there are about 30 MPs aligned with the Libyan National Army (LNA) who are likely to support Agila Saleh's position. The LNA Commander, Khalifa Haftar, has himself made several changes and appointed the former PM of the eastern-based interim government, Abdullah al-Thani, as head of the LNA's political administration. LNA-GNU relations have also seemingly regressed as recent moves by the LNA show that its commander has decided to no longer cooperate with the GNU in the territories under its control, i.e. eastern and southern Libya. In late August, the GNU's Deputy PM in eastern Libya Hussein al-Qatrani was not allowed to hold a press conference in Benghazi whilst the head of the Presidential Council Mohammed al-Menfi had to cancel his three-day visit to the southern city of Sebha due to the actions of LNA elements in control of the Sebha airport.

PREPARATIONS ARE ADVANCING FOR UNCERTAIN ELECTIONS

While it is increasingly unclear whether Libyans will be able to vote in December, preparations for elections are progressing well and reflect voters' enthusiasm for changing the country's political scene.

Disputes between the HOR and HCS have spiralled into the electoral scene as HCS Chairman al-Mishri has also accused the head of HNEC, Emad al-Sayeh, of abusing his position and has threatened to take legal action to prove such claims. In turn, al-Sayeh dismissed these allegations and criticised the HCS for its obstructionist stance that impedes the work of his organisation and endangers Libyans' opportunity to directly vote for their president. Importantly, legal attacks from political actors to ensure their opponents would not be able to participate in elections are increasing in number. Pursuant to clauses included in the LPDF Consensus Committee's drafts, actors such as Tripoli-based deputy Military Prosecutor Mohammed Gharouda have brought back to the surface several arrest warrants from 2019 targeting figures like Khalifa Haftar, who has US citizenship, and have adopted a new arrest warrant against Saif al-Islam Gaddafi. Since it is likely that an electoral law would require candidates to only have Libyan nationality and have a clean criminal record, the country will be faced with a choice between risking the wrath of powerful actors should they be rejected as candidates or deal with the consequences of court cases and arrest warrants being ineffectual in a country in dire need of a strong judiciary.

Nonetheless, preparations for elections are going well with 2,8 million Libyans having registered to vote – nearly 500,000 more than previous elections in 2014. Libyans residing abroad have between August 18 and September 15 to register in consulates. In the latter days of domestic voter registration which ended on August 17, about 30,000 Libyans were registering daily, which proves that citizens are hungry for a change and for being actors in their country’s democratic fate. In terms of logistics and security, the Ministry of Interior has also informed that as much as 35,000 servicemen would be available to secure polling stations on December 24, whilst the HNEC informed having been paid 43 million LYD (€8m) by the GNU, which brings its total elections budget to 93 million LYD (€17.5m). Steps are likely to be taken in the following weeks to establish ties between HNEC, civil society bodies, and international organisations to organise election monitoring. Furthermore, HNEC will have to take on the difficult task of distributing electoral cards to voters and ensure that this large logistical operation is carried out properly so as to minimise the risk of voter fraud in upcoming elections.

LIBYA’S EXECUTIVE AUTHORITY SEEKS TO KEEP AFLOAT

Faced with growing criticism regarding its management of public affairs and ulterior motives, the GNU has sought to offer reassurances to the public that it will hold elections on time and provide Libyans with better services.

Cognizant of his weak position, PM Dabaiba has reminded the public of his government’s achievements and objectives so as to shield himself from further criticism. The GNU’s latest efforts and initiatives include social expenditure, increased efforts to curb the Covid-19 pandemic, and a few administrative reforms. On the social front, Dabaiba announced the implementation of previously-made promises such as a 100% increase in the salary of retirees, the activation of the Benghazi and Derna Reconstruction Fund with a budget of 1.5bn LYD (€283m), and a fund worth 1bn LYD (€188.6m) to support youth marriage. According to a UN report published in 2020, about 900,000 people are in need of humanitarian aid in post-conflict cities throughout Libya and the reconstruction funds for Sirte and Murzuq have not yet been activated. On the front against coronavirus, Libya has so far received 3.6 million vaccine doses out of its 12 million doses ordered, with about 15% of the population having received at least one dose. Sports Cities in both Tripoli and Benghazi have been converted into vaccination stations and Egypt has provided about 1 million litres of medical grade oxygen to

cover the deficit faced by Libya's medical sector in the past weeks. Several Memoranda of Understanding (MoUs) were also signed with Turkish, Italian, and French health providers in addition to the World Health Organisation (WHO) to improve Libya's fleeting health infrastructure. Dr. Badr al-Din al-Najjar, who was at the helm of the National Centre of Disease Control (NCDC) at the outset of the epidemic, was replaced by Dr. Haider al-Sayeh due to the large increase in cases that occurred in July. Efforts to curb the epidemic seem to have at least stabilised the situation by the end of August, but there remains a lot of skepticism toward the GNU's ability to continue stepping up efforts as the 2021 budget has not yet been approved. There is also doubt around the capability of public actors such as the Libyan Iron and Steel Company (LISCO) or the Economic and Social Development Fund (ESDF) to deliver on their promises to domestically produce enough oxygen and even Covid vaccines in the future.

In terms of the administration, a ministerial committee has been formed to prepare a unified salary schedule for state employees by October 2021 whilst another committee was announced to increase the synergy between universities and the labour market, in a country where the unemployment rate is close to 20%. Coupled with the GNU's criticism of the HOR as the main body obstructing the country's development, the Libyan government is seeking to retain legitimacy through such statements, but it remains to be seen whether it will be able to deliver now that it only has 130 days before the end of its mandate. Figures from the Libyan executive authority also made trips to eastern and southern Libya, where its grip is quickly eroding. For instance, PC Head Mohamed al-Menfi visited Tobruk whilst his deputy Musa al-Koni travelled south to advance the files of reconstruction and stalled projects. Likewise, Deputy PM Ramadan Abu Janah visited Murzuq and also reiterated calls to develop the southern region. However, it seems that the GNU's credentials as an effective developmental state are faltering with increasing criticism from various local actors about broken promises, past deadlines, and a divided public administration.

Now that the Dabaiba-Menfi ticket is facing its toughest challenge to date, with several voices calling for an early election, both Dabaiba and Menfi seem to have put most of their disagreements to the side so as to survive politically. However, it remains to be seen whether the executive authority will perform better under pressure as most of its issues are now out of its control and linked to the tug of war between the HCS and HOR. When it comes to the PC, Mohammed al-Menfi has failed to carve an independent space for himself and push forward the national reconciliation file. Apart from 17 prisoners released by the LNA this month, there has been little progress in

terms of fostering reconciliation and improving human rights. The UN's Fact Finding Mission, which effectively started its work in June 2021, is set to deliver a report on human rights violations committed since 2016 next October, but its members have already revealed that witnesses are afraid about their security and do not wish to disclose information. Growing concerns are also palpable regarding freedom of speech as more and more journalists and public officials criticise Minister of State for Communication and Political Affairs Walid al-Lafi of indirectly threatening them over articles that are critical of the GNU's actions. Furthermore, several free speech organisations such as the Libyan Organisation for Independent Media and the Libyan Institution for Investigative Journalism have asked for the removal of GNU decision 301/2021, which was adopted on August 11, to safeguard independence of the media. Building on its decision to dissolve the Libyan Media Corporation in June 2021, the new decision would allow further supervision of media and tighter regulation for the granting of media licenses. With regards to voting on December 24, the PM has explained that his greatest objective is the timely holding of elections, but there are several behind the scenes developments which hint at the fact that Dabaiba might still be interested in prolonging his government's mandate.

INVESTOR APPETITE BECOMES LUKEWARM IN LIBYA

Now that the Government of National Unity only has four months to govern, investors are starting to postpone plans until after the December 24 elections to ensure that their money does not fall hostage to instability.

In spite of foreign delegations visiting Libya to identify potential avenues for investment, the overall business sentiment has veered toward caution as economic actors are growing uncertain about the country's future stability. For instance, the head of the Egyptian-Libyan Commerce Chamber confirmed this month that negotiations between Libyan officials and Egyptian companies over the reconstruction file were postponed to 2022 so as to ensure that Egyptian investments in Libya do not fall victim to a worsening political situation. Equally, there is a growing understanding among Libyan officials that the country will not receive much foreign direct investment in the short to medium term as investors remain wary of a return to war or the establishment of a parallel government which would further complicate issues of wealth distribution and capital expenditure. For now, Libya has mainly its oil revenues to depend on and those are likely to reach €21bn this year according to CBL Governor Sadiq al-Kabir. Nonetheless, the Governor has also explained

that targets of 1.5 million barrels per day by the end of year would still fall short of covering the budget deficit as he believes that Libya can only break even if output reaches unforeseen levels of 1.8 million barrels per day.

Contrary to hopeful signs of improvement raised in [Inside Libya's thirteenth issue](#), there is currently no step being taken toward the unification and consolidation of economic institutions in Libya. Sadiq al-Kabir is still in command of the CBL despite heavy criticism from major business figures and the general public, which has been told by the HOR and HCS that sovereign positions would be shifted since late last year. Members of the Benghazi-based CBL also continue to criticise the CBL Governor for wrongly depriving some eastern banks of foreign exchange operations and lines of credit such as Bank of Commerce & Development due to money laundering and terror financing as well as for being non-transparent in its financial dealings with consecutive Libyan governments. As explained in the previous issue of Inside Libya, PM Dabaiba has like his predecessor Fayez al-Sarraj struck a mutually beneficial bargain with al-Kabir in that financial arrangements are made to finance the GNU's spending without a budget approved by the HOR, including initiatives such as salary increases or marriage funds that are outside the scope of a bare-minimum budget.

This is particularly unnerving for many Libyan economic actors as there are indirect tools available to both the government and the CBL to improve living conditions in Libya, including gradually reducing the exchange rate, unifying the CBL so that eastern banks enjoy the same cheque clearance system as western-based banks, introducing new taxes, improving businesses' access to loans by drafting new default/bankruptcy laws, reviewing Islamic Banking laws, and activating the Credit Guarantee Fund as is currently under consideration by the Ministry of Economy. Despite all these options, it is unlikely that far-reaching economic reforms will be taken by the GNU or even its successor in 2022 as short-term policies that present the state as benevolent to the public are always preferred by powerholders. The problem remains that such policies depend on political linkages between the government and CBL, and this restricts the policy toolbox of the government to face issues such as inflation, unemployment, or corruption. For instance, the Minister of Economy recently called on traders to fix the price of basic commodities and medicines in appreciation of the current situation in which many Libyans struggle to cover their basic needs. This appeal to traders' goodwill and dependence on the state's coercive power to manage inflation is unlikely to reap much benefits.

COMPETITION OVER NATIONAL OIL CORPORATION LEADERSHIP

Minister of Oil and Gas Mohammed Aoun has sought to unsit Mustafa Sanallah from his chairmanship position at the National Oil Corporation. It remains to be seen whether this political move will hamper developments in the oil sector.

Compared to the reconstruction sector, Libya's oil sector has been particularly dynamic with International Oil Corporations (IOCs) such as Shell and Repsol announcing their renewed interests in Libyan oil fields, whilst long-term players such as TotalEnergies and Eni are in talks with the GNU for investment proposals worth as much as €10bn. In fact, PM Dabaiba announced that two oil conferences would be held before the end of year, one being in Tripoli and another in Texas, where the NOC has a branch. Positive news such as all-time revenue records by al-Jowfe Oil Company and the gradual repumping at Zuweitina's Zalla oilfield bring reassurances to the country's goal of reaching 1.5 million barrels per day of output by end of December. Nonetheless, current political tensions are likely to interfere with such planning as local companies continue to suffer from the lack of funds to pursue operations and maintenance, particularly the Arabian Gulf Oil Company (AGOCO). As aforementioned, financial difficulties are mainly derived from the lack of an approved government budget and the fact that the oil sector has disbursed almost all of its funds allocated by the GNU for maintenance. The same situation applies to the General Electricity Company of Libya (GECOL) which has already spent 70% of its funds for maintenance. Overall, it is believed that without a proper budget, Libya will not reach its end of 2021 targets for either oil or electricity production.

This particular issue is made worse by the fact that the Ministry of Oil and Gas and the NOC are currently in a tug-of-war as Oil Minister Mohammed Aoun has for a few months sought to reshuffle the NOC's Board of Directors and replace its Chairman Mustafa Sanallah. The two figures have a history of opposing one another's positions and Aoun has recently escalated his rhetoric against Sanallah by implying that he was supported by foreign embassies, particularly the United Kingdom and the United States. According to Aoun, the NOC Chairman has disregarded hierarchies and carried out foreign travels or discussions without prior approval from the ministry. This situation has also given the opportunity to key actors in the oil sector, such as the Oil Syndicate, to bring to the fore old grievances against Sanallah such as ignoring labour regulations. As a result, on August 24, the Minister of Oil

and Gas issued a decision appointing Jadallah al-Awkali as the new Chairman of the NOC but al-Awkali turned down the proposition by saying that Sanallah was continuing his work even if he was abroad – at that time, the NOC chairman had travelled to Italy to meet with representatives from Eni. Sanallah continues to argue that he will not leave his position as long as the decision to replace him does not come from the GNU's cabinet. Although the various replacements considered by Aoun would not bring any drastic change to the management of the NOC, the current politicisation of the oil sector could have negative consequences and slow down the country's production goals as Sanallah had managed to establish good relations with many IOCs whilst the current rhetoric coming from the Ministry of Oil and Gas reflects a more chauvinistic stance that could hamper such ties.

THE INTERNATIONAL COMMUNITY HAS LITTLE LEVERAGE IN LIBYA

Now that domestic political dynamics have escalated, the international community is unlikely to find solutions to pressure local spoilers and ferry Libya toward timely and peaceful elections.

At a time when political fragmentations have accelerated in Libya, the international community has not been able to bring any tangible solution to give greater chances of occurrence to the country's elections. Further consultations between the United States and Turkey, as well as between Germany, Italy, and Russia were made to see whether Ankara and Moscow could show more goodwill in removing their troops from Libya. Whilst both capitals are now publicly supporting general elections and issued statements warning spoilers, none of the two have applied much pressure on their respective allies in Libya to abate their obstructionist or threatening stances. As reflected by Mohammed Aoun's rhetoric, the domestic environment has become highly distrustful of foreign mediation and involvement, something that was further displayed when U.S. Ambassador Richard Norland acknowledged Khalifa Haftar's influence and the role he could have in unifying the military institution. This statement was particularly abhorred by former officials and soldiers of the Volcano of Rage anti-LNA coalition and portrayed as evidence that the United States has a particular candidate in mind for elections. Partisan politics aside, this shows that it is becoming increasingly difficult for international actors to manoeuvre in Libya without being put into boxes and without their intention being misread.

Libya's relations with southern neighbours was once again an important part of Libyan officials' agenda in August, with Musa al-Koni meeting the deputy head of Sudan's Sovereignty Council Mohammed Hamdan Dagalo to discuss the return of Sudanese migrants to their home country. The Undersecretary

for Foreign Affairs, Mohammed Khalil Issa, also visited Khartoum to discuss bilateral relations and proposed the activation of a quartet agreement signed in 2018 between Libya, Chad, Niger, and Sudan to secure their common borders. From August 30-31, Algiers was the host of a conference gathering the foreign ministers of Algeria, Chad, Egypt, Libya, Niger, Sudan, and Tunisia to help Libya find a peaceful solution to its current quagmire. However, Algiers is itself unlikely to become an effective mediator, particularly among Arab countries, as it has broken diplomatic relations with Morocco, been accused of supporting Turkey, and is fearful of Egyptian influence in Libya. Relations between Tunis and Tripoli have also deteriorated considerably in recent weeks. Indeed, several statements came from Tunisia against the fact that Libya has for the past decade become a breeding ground for terrorists. These statements were opposed by PM Dabaiba who reminded that Tunisia was the country which “exported” the most terrorists to Libya, a statement which was tempered by his Foreign Minister Najla Mangoush who affirmed Libya’s full support to Tunisian security and stability. Finally, German Ambassador Oliver Owczar and British Ambassador Nicholas Hopton have respectively been replaced by Michael Ohnmacht and Caroline Hurndall. It remains to be seen whether this change of guard will impact Germany and Britain’s diplomatic efforts as it usually takes a few months before ambassadors get a good grasp of political realities in their new positions.

EAST-WEST MILITARY FRACTURES COME BACK TO THE FORE

The breaking down of political relations has also snowballed into the military realm with the 5+5 Joint Military Commission (JMC) being accused of politicisation and threats of war becoming more palpable.

At a time when the Joint Military Commission was planning to deploy local observers alongside those sent by the United Nations to monitor the ceasefire, the political tensions opposing the LNA to GNU, HCS to HOR, and GNU to HOR have snowballed into the military realm to slow down progress on the military track. In fact, the JMC held a meeting in mid-August in which it called upon the executive authority to freeze all military agreements and MoUs with foreign countries including Turkey as well as appoint a Minister of Defence, and reminded the LPDF that it would be liable for any development that lead to ceasefire violations. These unusual statements reflect the country’s current dire situation in that military officers felt the need to remind politicians of their duties so as to avert a return to conflict. Nonetheless, these statements were seen, particularly in western Libya, as the JMC crossing a line

and becoming beholden to the views of the LNA. This is a very dangerous development in that the JMC could become ineffectual and seen as one-sided by one of the two Libyan factions, thus putting a stop to recent positive developments such as the demining and reopening of the Coastal Road.

In fact, both the HCS and the western-based Libyan Army Chief of Staff Mohammed al-Haddad were quick to reject such calls and to condemn the JMC's "deviation from its duties and interference in politics." Al-Haddad went even further by accusing the JMC of wanting to dissolve the security and military apparatus of western Libya without taking into consideration their role in the fight against terrorism and crime. This view can be substantiated in that the JMC also called for the reorganisation of the country's security and military organs by listing several groups, most of them being western Libyan, to be reordered so as to avoid insecurity and the overlapping of functions. This further validates the view that the majority of JMC officers have come to agree with the view that the LNA remains a more professional military force in comparison to western groups such as the Western, Central, and Tripoli Military Regions in addition to the Special Deterrence Force, the Joint Forces of Misrata and the Counter-Terrorism Force. This could therefore lead to a scenario in which western forces no longer attach importance to the military track, thus raising the risk of a return to conflict.

This threat has become particularly salient as communication is unlikely to improve between the Tripoli-based executive authority and the LNA. Khalifa Haftar seems less and less willing to allow the executive authority to govern in eastern and southern Libya, and he has issued statements on the 81st anniversary of the founding of Libya's Army which made it clear the LNA would not be subject to the current civilian authority. In turn, PM Dabaiba launched one of his staunchest indirect attacks on Haftar by reminding that the military institution cannot be affiliated with a particular person and that "the army cannot point the barrel of its gun at the chests of the people of the country" as done by Haftar in his war against Tripoli. In total disregard to the PC's newly issued decision stipulating that decisions to promote officers, appoint commanders or establish military units were only its remit, Haftar made several changes to the LNA's structure. These appointments not only make a mockery of the PC but also reflect the LNA Commander's will to further tighten ranks of his forces in the case of renewed conflict. Osama al-Juwaili, the Commander of the Western Military Zone's Joint Operations Room, also reminded that his forces were ready to wage war should his opponents, i.e. the LNA, see conflict as their best option.

Under these tense circumstances, it is unlikely and probably undesirable for Turkish and Russian troops and mercenaries to leave Libya. In fact, there is

a sense that the two forces represent a de facto obstacle to the renewal of conflict as neither Haftar nor his western Libyan opponents are ready to take on another war with international dynamics. Reports have continued to come from Libya showing that foreign mercenaries, be they Turkish-backed Syrians or Russian-backed Syrians, are continuing to make entries into the country.

THE SECURITY SITUATION CONTINUES TO WORSEN IN WESTERN LIBYA

The executive authority has not been able to rein down the numerous militias controlling Libya's western coast. Now that the government's mandate comes to a close, these militias double down on competition.

There has been an escalation in violence, particularly in western Libya, where semi-state affiliated militias are vying for control of resources and political influence. Clashes which erupted in late July between Mohammed Bahroun "al-Far" and Muammar al-Dhawi have continued to destabilise Zawiyah, where the two groups are competing for a larger share of the fuel smuggling black market. Unfortunately, this city, rich in resources, is turning into a warzone due to constant kidnappings and heavy inter-militia clashes. Al-Far has also clashed with forces from the PC-affiliated Stability Support Apparatus (SSA), which is controlled by Abdel Ghani al-Kikli, the head of the Ghnewa militia. The SSA has now become one of the prime militias to contend with in Tripoli, and it even stormed the Ministry of Interior this month to display its power and scare off Interior Minister Khaled Mazen who did not comment on any of the instances of violence occurring under his purview. The SSA also recently came into conflict with the militia group controlled by Sulaiman al-Shanti who guards the Tripoli-based Administration Control Authority (ACA) and is affiliated to Misrata's Joint Force. Such clashes display the lack of progress in terms of Security Sector Reform as each Tripoli-based institution has struck a security deal with a particular militia and the state has failed to rein in the proliferation of armed groups in Libya's western coast. This is mainly due to the fact that politics and money are heavily interrelated in the country. The fact that aforementioned militias are always linked to a powerful Tripoli-based stakeholder shows that political tensions within the executive authority are already being dealt with through weapons in an oblique way. Figures such as al-Kabir have used such militias to shield themselves from criticism or threats to his position in a similar way to some MPs and even the PM at times.

This has led to a growing sentiment of insecurity in western Libya, with several individuals found dead in cars or dumped on the side of the road this

August in an apparent liquidation operation carried out by armed groups in Tripoli's Janzour city, Zawiya, and al-Ajaylat. Likewise, armed groups continue to kidnap individuals, including state officials such as the eastern-based Deputy PM's Chief of Staff Rida Fritis who was abducted with a colleague whilst on a visit to Tripoli. Finally, armed groups, be they militiamen or from tribal affiliations, continue to represent a threat to Libya's critical infrastructure, including the Great Man-Made River (GMMR). For instance, the Mgerha tribe issued a warning on August 14 and went on to close parts of the GMMR, which cut access to water for about 3 million people over a few days. This action was the result of grievances held by the Mgerha against the holding of one of their own, former Gadaffi-era official Abdullah al-Senussi, who was refused advanced medical care by his captors. This episode was solved after negotiations and a decision to create a joint force between the western-based 166th Battalion and the eastern-based Tareq bin Ziyad Brigade to secure the GMMR. Although not much should be read into this development, cooperation between opposed camps to ensure the security of vital infrastructure shows that all hope is not lost for a peaceful resolution of current tensions.

CONCLUSION & FORECASTS

The month of August was eventful and saw a consistent breakdown of relations between key political actors upon whom the current stability of Libya depends. Deadlines and ultimatums given for national institutions to establish a legal basis for elections, pass a budget that gives proper funds to the LNA, change the heads of sovereign institutions as well as appoint a Defence Minister have all passed and current tensions do not bode well for stability or for finding a solution to the current impasse. Be it on the political, economic, or military level, cooperation between eastern and western Libyan actors is abating and confidence in the likelihood of elections being held on December 24 is also fleeting.

Each important stakeholder such as the GNU, HOR, HCS, and LNA seem to take their own path and suggest their own self-centered solutions. For instance, after not being able to directly question the PM, the HOR informed that it created new committees to grill Abdulhamid Dabaiba, liaise with the Ministry of Finance to monitor the GNU's past expenditure, and move forward with its own version of the budget and electoral law. Each and every actor is accusing the other of obstructing the path to elections and there are renewed risks of having a parallel government resurface in eastern Libya as both the LNA and HOR want to use this threat to corner the GNU into accepting their requests. With the risk of losing legitimacy four months before the end of its mandate, the GNU is facing its greatest challenge yet and will have to deal with greater criticism and plans to replace it before the elections.

Likewise, the former ambassador to the United Nations, Ibrahim Dabbashi even called for the Chief of the Supreme Court to become interim president now and organise general elections in the next 60 days so as to oust Abdulhamid Dabaiba from power before he finishes his mandate. The more tensions will escalate, the more we are likely to hear unusual propositions to deal with the current situation and drive Libya through another uncertain political transition. The United States is currently believed to be liaising with European partners to see whether staggered elections would manage to save the day in Libya, such as by having parliamentary elections on December 24, 2021 and presidential elections in mid-September 2022.

Libya is entering the month of September with less clarity on its future. Status quo actors such as PM Abdulhamid Dabaiba and HCS Chairman Khaled al-Mishri have left no stone unturned in their efforts to ensure elections do not take place on time. The LPDF has become as dysfunctional as the domestic legislative bodies it was created to counter as spoilers within the fo-

rum have succeeded in derailing the process. LPDF spoilers affiliated with the GNU have utilised legitimate concerns such as due process, the constitutional basis and the legal framework for elections to weaken the arguments in favour of elections. Far from mediating the discussions in order to find a middle ground, UNSMIL's mismanagement of the political process has led national and international actors to lose faith in the LPDF and launch a frenzy of alternative proposals. In fact, many countries have launched their own initiatives to establish new political coalitions that could stand a chance of taking up power after 24 December 2021. Others have begun putting forward proposals to salvage elections while national actors have begun preparing for the failure of the political process to ensure their continued survival.

Alongside PM Dabaiba, CBL Governor Sadiq Al-Kabir has been working to establish a new military coalition in western Libya that can ensure their capacity to maintain control after the election deadline passes, as well as to counter political and military opponents in western Libya and the LNA in eastern Libya. Meanwhile, LNA commander Khalifa Haftar has once again become a kingmaker in Libya's political scene as all alternative proposals to elections are centred around him. In this context, time is on his side as the international community awaits to see how he responds to events. Although Dabaiba has failed to gain strong support within the west, he is hoping that the United Arab Emirates (UAE) will deliver on its promises to help him reach a power-sharing agreement with Khalifa Haftar that ensures his position in power. Turkey, one of the GNU's closest allies, has so far held back on providing Dabaiba the full support he needs as Ankara waits for more pressure to mount on the PM in order to get more in return for its support.

Furthermore, symbolising how Libya's political dynamics have come full-circle since 2019, the Swiss-based private diplomacy organisation Centre for Humanitarian Dialogue (HD) has begun holding consultations and organising meetings once again in Tripoli, Benghazi, Cairo and Istanbul in preparation for a conference in mid-September in Geneva as an effort to salvage Libya's elections in December. Similar processes have led to the ongoing LPDF and to the build-up of the Ghaddames Conference spearheaded by Ghassan Salamé in 2019, which at the time was cancelled due to the LNA's offensive. Meanwhile, UNSMIL is reportedly under immense pressure with UN Envoy Ján Kubiš reportedly putting forward a last ditch proposal to Libyan actors in order to salvage the political process. This comes as UNSMIL's mandate is to be renewed in September 2021.

Serious discussions should be held going forward to ensure that the worst-case scenario of a return to war is avoided as the political process continues

to unravel. Furthermore, the international community should start striking a more sober and realistic tone regarding the future of Libya. Public statements insisting that elections are to be held on time – even when they are looking more unlikely by the day – will only fuel expectations that are unlikely to be met. So far, over 200 political parties have registered in Libya within the last year and campaigning has begun on local levels across the country. The focus should therefore shift towards striking a more realistic tone and seriously outlining current issues hampering the political roadmap. It is at times of crisis that actions such as the reform of the LPDF and applying targeted sanctions against spoilers could prove useful and bring solutions to the current quagmire. Libya cannot afford another failed peace process and the international community cannot afford further hits to its reputation in post-intervention arenas like Libya.

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