



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 2022. 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.** From countrywide protests against the political class to urban warfare in Tripoli and a covert understanding to lift the oil blockade, July saw significant developments to Libya's political scene that are unfortunately negative for the country.
- 2.** Nationwide protests erupting at the start of the month reflect widespread exasperation with Libya's stagnating living standards and the political manoeuvring of key actors.
- 3.** A covert deal between the Dabaiba and Haftar families saw Mustafa Sanalla, the Chairman of Libya's National Oil Corporation (NOC), being replaced by Farhat Bengdara, a former Governor of the Central Bank of Libya (CBL) during the Gaddafi era. The move has dragged Libya's energy sector into the political quagmire.
- 3.** Whilst regaining access to oil revenues, Abdulhamid Dabaiba's latest political transaction does not set him on a better path to maintain power since his dealings with the Haftar camp remain highly controversial in western Libya.
- 4.** Despite the dealings between Khalifa Haftar and Abdulhamid Dabaiba, Fathi Bashagha feels emboldened to widen his coalition and to exploit the Government of National Unity's (GNU) vulnerabilities.
- 5.** The legitimacy vacuum in Libya and growing rivalry between the GNU and Government of National Stability (GNS) is throwing the country into disarray, with Tripoli witnessing the most intense clashes since the October 2020 ceasefire.
- 6.** The security situation in western Libya, be it rooted in political rivalry or militia competition, is becoming uncontrollable and could give the Libyan National Army (LNA) reasons to renege on its deal with Dabaiba.
- 7.** With the failure of the constitutional track, the international community is increasingly ill-equipped to deal with Libya, apart from calling for presidential and parliamentary elections.
- 8.** No temporary political deal on Libya's energy sector can pretend to bring long-term solutions to the country's economic woes and the derelict state of its electricity sector.
- 10.** Libya is driven further into instability as incentives on the ground are for political stakeholders to ignore dialogue and raise up the ante to undercut their rivals.

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TOBRUK PARLIAMENT BUILDING TORCHED BY PROTESTERS

Nationwide protests erupting at the start of the month reflect widespread exasperation with Libya's stagnating living standards and the political manoeuvring of key actors.

On the first day of July, Libyan protesters took to the streets of Tripoli, Benghazi, Misrata, Sebha and other towns across Libya to protest stagnating living standards and the ineffectiveness of their political class. In Tobruk, a group of demonstrators enraged by Libya's corrupt political class managed to break into the headquarters of the House of Representatives (HOR) and set fire to parts of the building. Footage posted online was dramatic, with demonstrators chanting criticisms against what is seen as a dysfunctional and corrupt parliament and thick columns of smoke surrounding the building due to burnt tires and cars on fire. The protesters, angered by what they see as perpetual political opportunism by the HOR and wanting to condemn the parliament's eight years of disservice to Libya's democratic transition, entered the building and its archive rooms to snatch official documents, some of which were later published online to further discredit the HOR and justify the attack on the building. Roadblocks and damages to public buildings were also recorded in several other cities such as Tarhuna, Sebha and Garabuli. In Misrata, protesters tipped a truckful of soil at the door of the city's municipal building while a few thousand marched in Tripoli. Protesters in the capital first congregated in Martyr's Square and later marched to Siqqa Road, where the Government of National Unity (GNU) buildings are located, and chanted "Dabaiba, where is our electricity and money, you thief." Such nationwide protests reflected widespread exasperation with politicians' inability to bring elections, control rising prices and solve the ever-existing electricity crisis. Social networks were used as platforms for movements such as "Friday of the Youth's Cry" to call out political bodies for their incompetence and demand their suspension by whatever means, including asking the Presidential Council (PC) or Supreme Judicial Council (SJC) to dissolve the HOR, High Council of State (HCS) and GNU led by Prime Minister Abdulhamid Dabaiba. The Government of National Stability (GNS) headed by Prime Minister Fathi Bashagha was not immune to criticism as protesters chastised this parallel government for exacerbating Libya's political deadlock and initiating yet another transitional period without popular sovereignty. In summary, all key political actors, in addition to Libyan National Army (LNA) Commander Khalifa Haftar, were targeted by protesters' wrath as many Libyans simply do not believe in any of the political initiatives and dealings brought up by such domestic actors since the failure of the Libyan Political Dialogue Forum's (LPDF) roadmap and the lack of general elections initially planned for December 2021.

The response of Libya's political class to such protests can be summarised as paying lip service to Libyans' demands and grievances whilst utilising public anger as a way to get to rivals and dismiss their own responsibility in the country's current legitimacy crisis. Despite having his face crossed on several posters held by protesters, Dabaiba sought to ride the wave of public discontent with political bodies by tweeting that he agreed with protesters' demand that "all institutions should leave, including the government." This way, the GNU Prime Minister hopes to raise his image as a pro-elections politician who is engaged in a battle with status-quo institutions such as the HOR which have played a large role in cancelling the December general elections. The GNU Interior Minister, Khaled Mazen, asserted the right of Libyans to demonstrate peacefully and said that crowds gathering in Tripoli's Martyrs' Square had applied for a permission through non-governmental organisations like the "Beltrees Youth Movement" and added that investigations would be conducted to bring to justice "saboteurs and spoilers who infiltrated protests" across the country. On his part, HOR Speaker Agila Saleh was far more aggressive in his comments regarding the protests that targeted his institution's headquarters in Tobruk and was quick to frame the incident as a conspiracy by claiming that demonstrators "were driven by suspicious parties." Saleh not only blamed the GNU for inflaming public opinion against the HOR by holding it responsible for Libya's political impasse, but also lashed out at the PC Head Mohamed al-Menfi and his brother Sami by accusing them of mobilising the protests.

This stance against the PC comes after unsuccessful talks to bring the executive authority to the side of the HOR-sanctioned GNS and reflects Saleh's anger towards the institution for failing to categorically condemn protests. In fact, the PC only issued a brief and vague statement which conveyed Libyans' desire for change. The PC seems to believe it can benefit from protests and still push for its desire to freeze the HOR and HCS to form a mini-government and organise elections. However, this plan lacks any realism considering the political weaknesses of the PC and its inability to get strong international support, but the institution has made sure to echo the calls of some political parties and civil society groups for it to suspend the legislative authority. Equally, the HOR Speaker further sought to dodge criticism by reminding that the GNU was technically the authority responsible for providing basic services to Libyans, and also tried to spin the assault on the parliament building as an attempt to overthrow the legislative authority from former regime supporters and protesters "without specific demands." These comments show that Saleh sought by any means to discredit protesters and cut them out from the rest of the Libyan public. Saleh's Media Advisor, Fathi al-Marimi, was more careful in his statements, reminding that the HOR supports peaceful protests and bringing up inter-tribal ties across eastern Libya to tone down grievances and pacify the situation. The LNA, through its spokesperson Major General Ahmed al-Mismari reflected Saleh's comments by saying that "some political currents and enemies of the homeland" were

trying to exploit demonstrations in Libya and turn them into armed clashes. Yet, he also stated that the LNA was committed to restraint and stood by demonstrators “as long as they preserve public security.”

The security response to protests was mild considering fears in both Tripoli and al-Rajma that casualties could make protests spiral out of control. In most cases, security forces stood by but there were exceptions in which arrests were made, crowds were dispersed and gunshots were heard. Threats to violence and against the continuation of protests were also recorded in both Tripoli and cities controlled by the LNA such as Ajdabiya and Sebha. The difference between the two western and eastern authorities is that whilst the LNA enjoys a unified command structure, armed groups in Tripolitania adopt their own stance toward protesters and have a greater propensity toward arbitrary violence. The Constitution Support and Elections Force recently formed by the GNU clearly warned it would use deterrent measures and would not tolerate anyone demonstrating while the Stability Support Authority (SSA) adopted a less categorical approach, rejecting acts of vandalism but expressing its understanding of citizens’ grievances. In other words, militias are also acting as political actors, seeking to not only police public behaviour but also trying to gain popular sympathies. In Tobruk, security services affiliated to the LNA made sure to go after those it thought involved in the storming of the parliament building, including minors such as 17-year-old Sanad Yusuf al-Zarrouq, who according to the Libyan Crimes Watch was abducted from his home instead of his activist father who is accused of participating in protests but was not at his home when the squad stormed it. Overall, threats and the securitised environment around protests resulted in the cancellation of further demonstrations, including in Tripoli with the “Beltrees Youth Movement” which decided not to hold a second day of protests so as to avoid escalation.

Acts of vandalism across the country during the nationwide protests underscore Libyans’ lack of hope for any realistic initiative to improve their living standards and change the political scene. Whilst demonstrations were rallied by civil society actors, the latter were not able to control them and failed to organise mass demonstrations that could be held over a number of consecutive days to extract concessions from political actors. Instead, riot-like behaviour from disaffected youths reflects a failure of democracy as there is currently no platform for Libyans to direct themselves to and peacefully voice their grievances in a way that leads to tangible change. The early July protests may have been short, but they are not unprecedented as many similarities can be drawn between them and the nationwide protests of August 2020, which were covered by [Inside Libya’s first issue](#) (September 2020). Then and now, Libyans are grappling with long power cuts, rising prices, insecurity, the use of oil as political leverage, no sense of political progress and two parallel governments that are locked in political rivalry instead of pursuing effective governance. The main difference between the

two time periods is that in August 2020 Libyans could have sensed their country was going toward more security with the end of the LNA's war on Tripoli, but today, recent developments give the sense that the country may lose the security it gained through the October 2020 ceasefire. Should there be no more demonstrations to pressure politicians this year, the failure of the July protests may be proof that such figures no longer fear the streets and will continue to ignore people's irritation. On another note, Saif al-Islam Gaddafi also sought to utilise the protests as a means to project himself as a pro-elections figure and to undercut his rivals. In fact, the figurehead of former regime supporters has called for the assignment of a neutral party to prepare the ground for prompt general elections and demanded of all current political figures to withdraw from the electoral race to make way for new personalities and remove obstacles to polls. Naturally, this far-fetched initiative fell into deaf ears but Gaddafi nonetheless feels he has proven a point through it.

POLITICAL BARGAINING ON THE NATIONAL OIL CORPORATION

The Dabaiba-Haftar deal saw Mustafa Sanalla, the Chairman of Libya's National Oil Corporation (NOC), being replaced by Farhat Bengdara, a former Governor of the Central Bank of Libya (CBL) during the Gaddafi era. The move has dragged Libya's energy sector into the political quagmire.

As explained in the [twenty-third issue of Inside Libya](#), the GNU Prime Minister Abdulhamid Dabaiba had acquiesced to Oil Minister Mohammed Aoun's request to replace the National Oil Corporation's (NOC) Chairman, Mustafa Sanalla. In July, the Oil Minister reiterated his accusations that Sanalla was incompetent and that he was purposely withholding crucial information on oil production at a time when oil blockades and unplanned maintenance of infrastructure make it hard to know Libya's exact output, which was around 560,000 barrels per day in early July according to NOC data. Considering the many squabbles between Aoun and Sanalla and previous attempts to replace the NOC's board of directors, there was little initial expectation that Dabaiba would actually keep his word. However, the GNU's Council of Ministers issued Decision No.642/2022 sacking the NOC's board of directors on 12 July and replacing Sanalla with Farhat Bengdara, a former Central Bank of Libya (CBL) Governor (2006-2011). Hitting the ground running and demonstrating the LNA's tacit support of the deal, the NOC's new leadership immediately announced the lifting of the force majeure on Zueitina and Brega oil ports and the resumption of exports, saying that it managed to reach an agreement with eastern Petroleum Facilities Guard (PFG) to ship condensate to solve Cyrenaica's gas shortage crisis in exchange of the oil blockade's lifting with the resumption of operations from the Waha Oil Company (WOC)

Militias affiliated to the GNU escorted the new board of directors to the NOC's Tripoli headquarters and dispersed company employees who were unhappy with the leadership change. The sudden replacement at the NOC created much confusion as it was not clear whether the corporation's subsidiaries would agree to the ministerial decision, with some companies voicing their support on Twitter before deleting their message. This was especially concerning considering that Sanalla warned a parallel oil organisation could emerge to counteract the NOC's takeover. Nonetheless, the leadership replacement was carried out smoothly despite its sudden nature, hinting at longer behind-the-scenes preparations. Furthermore, oil sector employees had many grievances toward the former Chairman and Bengdara sought to utilise such grievances to sanction his arrival at the NOC by promising salary increases and adopting a professional tone promising a quick return to normality - including a return to Libya's 1.2 million barrels per day of output within a few weeks. He also pledged to prevent "political interference" in the oil sector, better coordination with the Oil Ministry, and said the NOC would receive its 35 billion Libyan Dinars (€7bn) that were promised to it by the GNU when Sanalla was at the helm of the corporation. The new Chairman added the NOC would abide by all contracts with partners and shared an ambitious goal of reaching 3 million barrels per day of oil within two years if funding is secured. He also explained that such funding would not solely rely on state funding but also on the issuance of bonds, borrowing from international institutions and the Libyan private sector. Whilst exports did not occur immediately after Bengdara's lifting of force majeure announcement, a demi-dozen tankers were loaded at Libyan ports like Zueitina and Sidra and Ras Lanuf over the last ten days of the month. Production also resumed at El Feel, thus enabling Mellitah Oil and Gas Company to restart operations at its coastal processing complex. As of 31 July, the country managed to get back to its 1.2 million barrels per day of production according to the Oil Ministry, a welcome improvement after a three-month decline in production.

Having been Chairman since 2014, Sanalla refused to let go of his position without a fight and on 13 July he counter-attacked with a speech criticising the move against him while he was performing Hajj in Saudi Arabia and accused Dabaiba of having struck a deal with the United Arab Emirates (UAE) to control Libyan oil. He went on to personally attack the GNU Prime Minister by inferring he had wasted public money provided by the NOC and used it for his family's interests, and later promised "to submit a complaint to the Attorney General against the expired government." This led Dabaiba to preemptively file his own complaint with the Attorney General, accusing Sanalla of "insulting, defaming, refusing to carry out orders to hand-over the NOC's chairmanship" and harming the status of the state and its foreign relations. Sanalla's accusations about the UAE were a careful way of pointing the finger at an understanding the Dabaiba and Haftar families have pursued over the last few months. In fact, Abu Dhabi - and to a lesser extent Jordan - has been the primary intermediary between Ibrahim Dabaiba, the

Prime Minister's cousin, and Saddam Haftar, son of the LNA Commander, to bring the two sides closer to a power-sharing agreement. Whilst a deal to share power is still a far cry from current dynamics, the two aforementioned figures managed to convince their family members that they would benefit financially from better ties and gain greater leverage over Libyan politics. This is why Dabaiba eventually sacked Sanalla as a preliminary step to gain Haftar's attention and get him to lift the oil blockade in exchange for installing a few influential people friendly to the LNA at the NOC and its subsidiaries. Although much of the understanding remains to unfold, the prime idea is that Dabaiba would regain access to oil revenues and agree to transfer a part of it to the cash-strapped LNA. Naturally, none of the parties publicly announced the understanding and Dabaiba has claimed that the changes at the helm of the NOC came through negotiations and consensus-building among many parties, and not a political deal.

It is important to remember that, despite the successful leadership change at the NOC, the decision remains highly controversial both internationally and domestically. This is particularly true in Tripolitania considering that a rapprochement between Dabaiba and Haftar would be perceived as treason for many GNU supporters. Equally, the HCS Chairman Khaled al-Mishri opposed the ministerial decree but was quickly rebutted by Dabaiba who told him he had no authority over the matter. Mobilisation by armed groups was also recorded following the decree as a few hundred vehicles belonging to Zawiya-based militias were driving toward Tripoli where GNU-affiliated militias awaited them, but no clashes occurred thanks to mediation. Whilst Haftar has had a longstanding strife with Sanalla, Bashagha was far more supportive of the NOC Chairman and has shared his concerns with the American ambassador and Special Envoy to Libya, Richard Norland. The latter, along with other Western actors and the United Nations, has shown discomfort at the idea that Haftar is poised to gain even more influence over the oil sector from his covert understanding with Dabaiba due to his ties to Russia. The U.S. Special Envoy to Libya defended Sanalla as making the NOC "politically independent and technically competent" while the UK embassy called for the "independence and integrity of the NOC to be protected and respected." The new NOC Chairman falsely claimed that such concerns had been answered following consultations with foreign embassies, and the Libyan General Oil Syndicate criticised foreign statements as "flagrant intervention in the management of Libyan oil sector and the state's sovereignty." Yet, the U.S. diplomat has made it clear his embassy was closely following court proceedings regarding the NOC and called for non-interference in judicial affairs. In fact, Sanalla and other parties have filed at least three legal challenges to the GNU decision, which Libyan courts are expected to rule on in August. Considering previous court rulings by the likes of Tripoli's Administrative Tribunal, it is likely that judges will cancel the GNU decree as having no jurisdiction due to the fact that the Tripoli-based government is no longer recognised by the legislative authority since October 2021.

LOSING POPULAR CREDENTIALS TO SHARE AND KEEP POWER

Whilst regaining access to oil revenues, Abdulhamid Dabaiba's latest political transaction does not set him on a better path to maintain power since his dealings with the Haftar camp remain highly controversial in western Libya.

Dabaiba is known to be an astute deal-maker and has once again shown that a transactionary mindset can transcend long-term political divisions through his covert understanding with the Haftar camp. Managing to have the oil blockade lifted at a time when political actors and observers believed Libya would lose a significant portion of its oil revenues throughout the year is an important victory. Through this accomplishment, the GNU Prime Minister has brought a bit more stability to the international oil market and set his government on a better financial trajectory. As is usual with his populist politics, Dabaiba was quick to promise salary increases and bonuses for some public sector jobs as well as the release of delayed payments, including those from “non-operating companies.” The GNU Prime Minister said that marriage and housing grants will resume by 12 August, and added that other allowances to retirees and students would be distributed. Many of these policies are not new and constitute promises that the Prime Minister could not hold, partly because of the difficulty in accessing oil revenues due to the blockade. Regarding electricity cuts, Dabaiba ensured he was focusing on the issue and took measures to boost the General Electricity Company of Libya's (GECOL) maintenance of infrastructure.

Politically, Dabaiba continues to portray himself as a pro-elections figure as he repeated this month that he was ready to hold elections once the High National Elections Commission (HNEC) announces its readiness. The GNU Prime Minister made sure to focus on public anger against political bodies like the HOR to deflect attention toward his rivals and assign responsibility for the failure of national reconciliation and general elections on them. In this way, he continues to reinforce his narrative that his transitional government was benevolent but could not achieve its duties due to “some parties monopolising decision-making” in Libya, adding he does not want political bodies to be continuously extended since 2014. However, this narrative misses the point that Dabaiba was also central in spoiling the LPDF's roadmap, with numerous critics pointing the finger at his corruption and behind-the-scenes dealings to stay in power, as recently explained by LPDF member and MP Sayyeda al-Yakoubi who said the Dabaiba family sought to gain MPs' support to indefinitely postpone elections in exchange for ministerial positions. Criticism against Dabaiba is poised to become more potent as a result of his covert dealings with the Haftars. Even though Dabaiba appeared on TV to call such allegations “delusions” and deny any

political dealing in regard to the NOC, the unpopularity of the decision in western Libya is driving many currents, including militias which were friendly to the GNU, to reconsider their ties to Dabaiba. Some hardcore GNU supporters might still believe the Prime Minister, but many others now see that Dabaiba's business-like political transactions is leading him to betray their cause and no longer be an anti-Haftar figurehead. Much of the security chaos gripping cities like Tripoli and Misrata over the latter part of July can be attributed to a sense of disbelief and desire to see the GNU finally go from power due to the GNU's transactional nature which saw it eventually making under the table deals with Khalifa Haftar's sons in an attempt to weaken the coalition that backs Fathi Bashagha. Even if it is unlikely for any tangible power-sharing agreement between Dabaiba and Haftar to see the light of day, the episode around the NOC's leadership change has seriously dented Dabaiba's credentials in his home ground. The GNU Prime Minister has had to act more anti-LNA, by for instance distancing himself from the LNA Chief of Staff Abdulrazaq al-Nadhouri's visit to Tripoli, but there is no doubt that his political zig-zagging will not be sustainable for long.

In brief, as seen in the previous section, the Presidential Council has further considered going it alone by suspending political bodies, even if there is little chance that any influential domestic or foreign actor backs this initiative in an efficient way. The PC deputy head Abdullah al-Lafi has sought discussions with various political parties to end Libya's political deadlock and the other deputy Mussa al-Koni has even called for an international conference akin to the two Berlin Conferences (January 2020 and June 2021) when meeting with the German ambassador, but there are no signs that Berlin is willing or able to do so.

TRIPOLI IS ONCE AGAIN IN BASHAGHA'S CROSSHAIRS

Despite the dealings between Khalifa Haftar and Abdulhamid Dabaiba, Fathi Bashagha feels emboldened to widen his coalition and to exploit the Government of National Unity's (GNU) vulnerabilities.

At first sight, the idea of a rapprochement between Dabaiba and Haftar, even if only transactional, could seem like a heavy blow for GNS Prime Minister Fathi Bashagha, whose main key ally has been the LNA. Around the time of Dabaiba's NOC announcement, rumours popped up on social media claiming that several GNS ministers including the Minister of Foreign Affairs Hafez Gaddour had resigned, but such hearsay was later dismissed by the people in question. As explained earlier, the covert understanding around the NOC is preliminary and any step-up toward a power-sharing agreement between Dabaiba and Haftar remains unlikely. Instead, this is an attempt by the LNA to further gain leverage on Libyan politics and put its eggs in

different baskets so as to reap more benefits. The understanding is purely transactional as it focuses on finances and even then, there is not much indication that it will lead to financial gains on the LNA's part since oil revenues still go to the CBL and Dabaiba is probably not in a position to provide parts of such funds. Furthermore, the covert understanding does not enjoy consensus within the LNA and Bashagha has reportedly been assured by Haftar's sons that such dealing was made as a gamble not to be missed, and that their coalition remained intact. Indeed, the LNA is poised to come out as the winner from this gamble since the two potential scenarios are that Al-Rajma gains financially by having some or all of its dues disbursed, or that the deal falls through but the aforementioned hit to Dabaiba's credentials is seen as a win that could help the GNS take power. Even so, there might be some uneasiness within the pro-Bashagha coalition regarding the NOC changes. As a matter of fact, the LNA has also not talked about the understanding and Agila Saleh has told media that he doesn't think Haftar would engage in dialogues with the GNU.

On the one hand, Bashagha stands to lose should the NOC understanding become a long-term arrangement as there is no indication that the financial gains sought by the LNA include funds for the GNS' 2022 budget. On the other hand, the Sirte-based Prime Minister can utilise the current situation to further destabilise Dabaiba and take advantage of his vulnerabilities. In fact, Bashagha has doubled down on his criticism of the GNU and its Prime Minister, for instance telling the Foreign Affairs Committee of the British House of Commons that Dabaiba was in Tripoli by the protection of a handful of armed groups that include members of "international terrorist groups", in reference to remnants of the Benghazi and Dura Mujadhideen Shura Councils and figures such as Mahmoud Bin Rajab of Zawiyah who support the coalition of armed groups that backs Dabaiba, as well as criticising his rival for being unable to tame inflation and solve the electricity crisis despite his large budget. In Sirte, Bashagha described GNU members as "illegitimate occupiers of Tripoli government headquarters" and most importantly went back on his word that he would not enter Tripoli unless conditions are entirely favourable. Pointing at the fact that inaction would be criminal in the face of current dangers and sufferings faced by Libyans, Bashagha said he would enter Tripoli soon to exercise the duties of his government and indicated that some forces previously aligned with Dabaiba had told him they had changed their stance and invited him to come to the capital. Osama al-Jeweili, a Libyan military commander in the Western Region who fell out with Dabaiba, also clearly stated that force may be used to secure the work of the GNS and that armed groups should themselves make sure Dabaiba leaves the capital to "spare Tripoli the war."

Whilst such claims were made in the past and were not enough to tip the balance in Bashagha's favour, there are new developments that explain why the GNS Prime Minister may have a better chance this time. As a matter of fact, his coalition-building skills are improving and helping him to reach out to more western Libyan actors. Detente between Zawiya's key militias and the pro-Bashagha camp seems in full-swing as seen with their detachment of vehicles to Tripoli to protest Sanalla's sacking and the release of an LNA pilot, Amer al-Jaqm, who had been detained since December 2019 by Mohamed Bahroun's militia after his MiG-23 fell due to a technical defect during the war on Tripoli (2019-2020). GNS ministers such as the Interior Minister Essam Abuzriba and Health minister Othman Abdeljalil were invited for the first time to western Libya where they visited Warshafena, southwest of Tripoli, and are awaited in Zawiya for a similar visit to a hospital. According to the HOR Spokesperson Abdullah Blaiheg, consultations are being made with Ankara which gradually veers toward the idea of backing Bashagha or at least attenuating the GNU-GNS feud. Importantly, the GNS Prime Minister made a visit to Misrata on 21 July, where he managed to finally gain greater signs of support despite his hometown's divided politics. In fact, his arrival was met by violent opposition from the Dabaiba-affiliated Joint Military Force (JMF) as they sought to arrest him, which then angered the city's leadership as they had not given the GNU permission to police their guests. The city's Municipal Council and Security Directorate were later notified by elders and notables that they should not let anyone, i.e. Dabaiba's forces, disrupt the city's peace and impose a securitised environment. A statement was even issued by the city's leadership disbanding Misrata's Social and Tribal Council that Dabaiba had bought the support of, removing the JMF from central Misrata's perimetre, opening radio stations that the force had closed down, and asserting the right of residents to demonstrate peacefully. All these actions were rebuffs toward Dabaiba, who also comes from Misrata, and show that more and more people in Tripolitania view Bashagha as a potential transitional leader, particularly since his opponent can no longer seriously claim to keep Khalifa Haftar at bay.

LIBYA FACES A GRADUAL BUT DANGEROUS DESCENT INTO CHAOS

The legitimacy vacuum in Libya and growing rivalry between the GNU and Government of National Stability (GNS) is throwing the country into disarray, with Tripoli witnessing the most intense clashes since the October 2020 ceasefire.

Complications started this month with sporadic closures of the coastal road west of Sirte at Gate 50 by armed groups from Misrata, causing a halt in the movement of passengers, cargo trucks and even ambulances between eastern and western Libya. The coastal road, closed during the war on Tripoli and only reopened in June 2021, is arguably a symbolic measure of Libya's unity and this month's temporary closures by Misratan groups seeking to monetize their blockage of the road were a real setback for the country. Clashes even erupted later in the month after Bashagha's visit to Misrata, as the GNU-aligned JMF claimed that forces allied to Bashagha had attacked its patrols at a checkpoint located west of Misrata and set up "an unauthorised checkpoint on the coastal road," before being repelled by the force. The month's most intense clashes, however, occurred in Tripoli and led to the death of 16 people including 3 civilians, in what can be described as the year's most deadly single clash. The showdown was between the RADA Special Deterrence Force (SDF) and the Presidential Guard headed by Ayoub Abu Ras, formerly known as the Tripoli Revolutionaries' Brigade. The SDF, which is one of the best trained and well-equipped militias in western Libya, had for long emitted warnings to the Presidential Guard and other militias like Ghneiwa's Stability Support Apparatus (SSA) for them to change tack or be purged from Tripoli. Reports regarding the reason behind the clashes mentioned the arrest of one or multiple forces by the other, but such reports contradict one another in regard to which force led the arrests. Instead of lasting a few hours as is usual with clashes between armed groups, the combat took place over several days and was characterised by high-intensity, so much so that flights to Mitiga airport were momentarily diverted to Misrata and GECOL reported severe damage to the Ain Zara and Bir al-Usta Milad electricity stations. The 444 Brigade, which is usually forceful enough to mediate between militias and tone down conflicts, could not do anything and the GNU Interior Minister Khaled Mazen was later dismissed by Dabaiba for his failings. There was a risk that inter-militia clashes could escalate in a more political fight, with the SDF and Nawasi Brigade rooting out the Presidential Guard and SSA from Tripoli to weaken GNU Prime Minister Dabaiba. However, militia commanders of Tripoli, Misrata, Zintan and Zawiya, including Osama al-Jeweili and Ghneiwa, met one another to avoid being drawn into the fighting. The series of meetings were tense and only led to a temporary deescalation as al-Jeweili made it clear that conflict would only be avoided for good should Dabaiba leave office.

The increase in intensity and occurrence of militia clashes in western Libya put more pressure on the 5+5 Joint Military Commission (JMC) to pursue its activities in order to prevent further conflict in the country. There were important meetings in that view throughout July as the LNA Chief of Staff Abdulrazaq al-Nadhouri and GNU Chief of Staff Mohammed Haddad continued their visits by first meeting in Tripoli's Mitiga air base to review ways of unifying the army and later met again in Benghazi, which was Haddad's first visit to the city since taking up office. The deepening ties between the two military officials do not make every stakeholder happy as the western-based Burkan al-Ghadab (Volcano of Rage) has voiced its discontent regarding al-Nadhouri's visit to Tripoli. Nonetheless, with each meeting, the two officials make progress toward the unification of the army in the future, which they see as the first guarantor for the proper holding of general elections and the acceptance of their results nationwide. The two are said to have reached a preliminary agreement on appointing a single commander-in-chief for the military institution - albeit this process will certainly be fraught with challenges. Both Haddad and al-Nadhouri are meant to continue their consultations, next potentially in Sirte, and are also pursuing the goal of expelling foreign fighters from Libya. This remains a dream for most Libyans but will need to be achieved should the country want sustainable peace. This month saw reports that Turkey had resumed back-and-forth transfer of Syrian mercenaries while the Russian Private Military Contractor (PMC) Wagner Group is believed to have momentarily closed down a road in central Libya to carry out training operations with explosives. The presence of foreign fighters directly worsens Libya's security as many of those mercenaries are now working for militias and taking part in illegal activities to either make ends meet or thrive through crime.

INSECURITY FUELS POLITICAL INSTABILITY AND BREWS MILITARY INTERVENTION

The security situation in western Libya, be it rooted in political rivalry or militia competition, is becoming uncontrollable and could give the Libyan National Army (LNA) reasons to renege on its deal with Dabaiba.

As per usual, the LNA felt schadenfreude when looking at the Tripoli clashes, with the institution's Director of Moral Guidance Khaled al-Mahjoub saying that they were caused by militia proliferation in Tripolitania and the absence of the army. He made sure to point at the fact that such clashes do not occur in eastern or southern Libya, regions under the control of the LNA. Indeed, the lack of a unified command structure between militias in western Libya make the region more prone to insecurity, as seen also this month in Sabratha where the municipality had to suspend work of public and bank

entities due a checkpoint of the city's Security Directorate being attacked by an unknown armed group, which led to the injury of four security personnel. The inability of the GNU to control the situation has forced Dabaiba to dismiss his Interior Minister and refer him for investigation. The minister had been in office since day one and has had a poor record in reining in militias in Tripolitania. He is now replaced by Badr el-Din al-Toumi, the Minister of Local Government until Dabaiba potentially finds a replacement among influential figures or militia leaders to improve his security credentials and political alliances. Nonetheless, the GNU Prime Minister finds himself in a difficult position as explained above. The LNA may have entered an understanding on the NOC with him but recent instability in Tripoli proves to al-Rajma that Dabaiba may not be the best bet and could empower those officers who categorically reject engagement with the GNU and who would rather look into more forceful approaches to oust the outgoing government. Moreover, western armed groups amicable to Bashagha are pointing at the fact that the new NOC Chairman was, like Dabaiba, a former Gaddafi official. This narrative could further dent Dabaiba's credentials and push the LNA to drop any kind of cooperation with him. The threat of wider conflict may have been a constant for the last months and may not be seriously considered anymore, yet, it would be dangerous to dismiss the possibility that a future Bashagha-led entry into Tripoli could spiral into armed conflict.

On another note, Libya continues to be a dangerous geography for its own citizens and migrants. The UN Fact-Finding Mission on Libya has documented 27 illegal detention centres in the country, the use of child-soldiers in hostilities and the continuation of forced disappearances and murders. Regarding arbitrary arrests that took place following the 1 July protests, the UN Support Mission in Libya (UNSMIL) shared its concerns that some protestors, including minors, had been abducted or arrested by state and non-state authorities. These arrests include a retiree, a spokesperson for the protests, and 17-year-old Sanad Yusuf al-Zarrouq. UNSMIL also criticised the SDF for assaulting Abdullah Ali Farahat, a lawyer at the Tripoli Courts and Prosecutions Complex on 18 July. The Tripoli Bar Association had led a strike over a few days to condemn the assault.

FOREIGN CHANCELLERIES ARE TAKEN ABACK BY INCREASE OF VIOLENCE

With the failure of the constitutional track, the international community is increasingly ill-equipped to deal with Libya, apart from calling for presidential and parliamentary elections.

July was characterised by a slew of statements from foreign countries and institutions voicing their concerns over Libya's fast-deteriorating political and security situation. First, internationals were busy with responding to

the early July protests by on the one hand sharing their assessment that demonstrations were a clear sign of Libyans' dissatisfaction with the political deadlock as well as economic difficulties and on the other hand condemning acts of vandalism such as the torching of the HOR seat in Tobruk. Due to increased concerns that Libya is being dragged into chaos, there seems to have been an uptick in international consultations to find a solution, but no tangible results have been reached so far. The Italian Special Envoy to Libya, Nicola Orlando, held several discussions with French and German diplomats to further push the idea that general elections are the priority while the U.S. Special Envoy discussed the possibility of a Libyan conference under African auspices with the African Union, as a way to complement the path of the LPDF roadmap. This conference could soon take place in the Republic of Congo and the idea has reportedly already gained Russian support. In mid-July, key international actors went to Turkey for the third meeting of the Libya Contact Group and agreed to meet at a future date, thus showing that there is nothing the international community can do, apart from calling for the respect of the NOC's independence and the urgency to hold elections. When clashes erupted in Tripoli, foreign chancelleries grew more concerned and issued many statements using Libya's growing insecurity as a reason why political leaders should agree on prompt elections. However, the current insecurity is arguably the result of politicians seeking to raise the ante so as to undercut their rivals and is unlikely to change with direct pleas to "put Libya before key stakeholders' own interests" as done by Italy's Special Envoy.

Special Advisor to the Secretary General (SASG) Stephanie Williams, who is meant to leave her post by the end of the month without any planned successor, sees no other alternative but for the HOR and HCS to reach consensus on a constitutional basis for elections, and for the GNU and GNS to accept UN mediation to organise prompt elections. The condition of constitutional talks is however not yet conducive to consensus despite progress made during May and June in Cairo. One key difference remains around the issue of dual nationals, which the HCS Chairman does not want to allow to participate in elections while the HOR Speaker believes that circumstances are exceptional and that everybody should be able to run for elections. As a reminder, several dual national candidates, including the controversial figure of Khalifa Haftar, had been candidates in December 2021 and this was a key reason why polls were not held. There were hopes that the two bodies' delegations would meet again in the second half of July to solve their differences and finally conclude a draft constitution, but the many developments of the month and reluctance to move forward with the constitutional talks made it so that no meeting took place. A solution by the PC, to first hold parliamentary elections and have all presidential candidates participate on the condition they renounce their foreign citizenship, was rejected by both the HCS and HOR. In a way, the two bodies once again show their uneasiness with the idea of parliamentary elections that would

deeply impact them. HOR Spokesperson Bleiweg added that no condition should be imposed on presidential candidates. Equally, the High National Elections Commission's (HNEC) Director Emad al-Sayeh explained that the PC had not the authority to issue decrees to formulate electoral laws or legislation without HOR approval and added that general elections should be held more or less simultaneously. On another note, the Japanese embassy's chargé d'affaires has said he would soon resume work from Tripoli, thus adding to the number of diplomats who choose to work from the Libyan capital despite the country's instability.

A GAME OF MUSICAL CHAIRS FOR LIBYA'S FUTURE AND ECONOMY

No temporary political deal on Libya's energy sector can pretend to bring long-term solutions to the country's economic woes and the derelict state of its electricity sector.

In all fairness, the decision to get the oil blockade lifted in exchange for a leadership change at the NOC has had immediate positive consequences for Libya, prime of which is the resumption of energy exports. However, there is a risk that such gains will be short-lived as no political deal can guarantee long-term stability and progress to Libya's oil and gas sector. In fact, this episode is proof that key Libyan stakeholders can open or close the tap on the country's natural resources at will to fulfil their own political or personal interests. Despite the promises for financial disclosures, transparency reports and full accountability of officials, there is little proof that figures such as Dabaiba or Haftar are interested in having Libyan state-owned companies evolve independently of their political designs. In fact, there are growing concerns that the latest changes at the helm of the NOC and its subsidiaries are nothing more than a move to share and divide control over the country's main income producer. Despite the undeniable financial pedigree of newly appointed officials at the corporation, professionalism may not be the primary factor in explaining who gets appointed, but rather clientelism. This is unfortunately not unprecedented in the country's recent history, but it sets the NOC and potentially other key state companies on a path which does not bode well for Libya.

Further economic division could be seen throughout July as there no longer is a unified authority able to steer economic policy. Warnings that Libya could see a parallel oil corporation emerge were already concerning, but one must not forget the fact that Agila Saleh called upon all Libyan bodies to deal with Ali al-Hibri as the designated Acting Governor of the CBL, and not Sadiq al-Kabir. This is based on an old parliament resolution issued in 2014, when al-Kabir was ordered to step down by the HOR in favour of his deputy al-Hibri. The latter is now expected, according to Saleh's statement, to bring the process of CBL unification to its term, but there is very little

possibility for any progress on that level as long as al-Kabir is comfortably installed in Tripoli and receives the proceeds from the NOC's oil sales. The HOR is also believed to be currently working towards changing the heads of sovereign positions, including the Anti-Corruption Commission, CBL, Administrative Control Authority, Audit Bureau, Supreme Court and HNEC. This has been in the works since last year but never materialised due to the HCS' refusal to cooperate with the HOR on that matter. It remains to be seen whether the HOR will decide to nominate such seats on its own, but there again, the decision will create further divisions and confusion as current heads of sovereign institutions are unlikely to conform with HOR orders. In fact, the HOR's scheme to shortly appoint new heads for the sovereign bodies embodies Libya's current plight, whereby each actor seeks to model Libya's political and economic institutions without the required authority or consensus needed. Overall, Libya's economic governance falls hostage to a game of musical chairs whereby the same political stakeholders alternate and seek to undercut their rivals by monopolising control over key public sector institutions.

The electricity crisis continues to grip Libyan politicians as their failure to keep the power on throughout the country fuels public anger and exacerbates the sense among Libyans that living standards are regressing. In fact, Libyan electricity consumption has reached record highs of 9GW this year, which is a 15% year-on-year increase. This can be partly explained by a high consumption per capita as the average Libyan consumes four times more energy than the average Tunisian. In June, the GNU Prime Minister had decided to dismiss GECOL's board of directors and later appointed Mohammed Ismail as the company's General Manager. Pressed by his Minister of Planning, Dabaiba decided to temporarily reinstate GECOL's board of directors until further notice, so as to properly carry out the company's plans to improve electricity generation levels over the month. The change at the top of the NOC proved to be a boon for GECOL as the corporation's new Chairman pledged to send gas feed to power stations. As a result, the situation has slightly improved over the latter part of the month as many power stations were once again operational. Nonetheless, consumers know far too well that improvements are usually short-lived, and that the electricity crisis has been a long-standing issue over the last decade in Libya. This feeling is particularly felt throughout the country at a time when both the GNU and GNS create special committees to solve low supplies of power and fuel. In fact, Libyans simply do not comprehend why their officials cannot put an end to a technical problem despite spending so much money.

CONCLUSION & FORECASTS

In July, Libya experienced a range of significant events that have important political consequences but have not yet moved the country's political deadlock. Unfortunately, developments such as short-lived protests that escalated into some acts of vandalism, a covert understanding to divide control over Libya's oil wealth between two families, and some of the year's most intense armed clashes do not bode well for the rest of the year. Libya may have avoided a freefall into chaos this month, but there are indications that the dispute over the executive authority will intensify over the next weeks as there seems to be no political will to bring about general elections and domestic actors are instead interested in monopolising state resources. This points to heightened risks of escalation as it is possible that the GNS Prime Minister Fathi Bashagha will seek to once again enter Tripoli, albeit this time, he may be willing to use force if Dabaiba resorts to using violence to keep him out again.

In fact, military advisors around Fathi Bashagha and more particularly Zintani powerhouse Osama al-Jeweili have given Tripoli armed groups an ultimatum to ensure that Abdulhamid Dabaiba leaves the capital, or they would instead do it themselves by entering Tripoli with hundreds of vehicles. Although armed groups have tacitly agreed not to be bogged down by the SDF-Presidential Guard showdown, there are indications that al-Jeweili's forces have continued to increase their presence south of Tripoli in preparation for a potential onslaught. This may prove to be a tipping point for Libya as there is a risk that either war erupts or Tripoli-based armed groups friendly to Dabaiba such as the SSA or the Presidential Guard decide to stand down and let go of the GNU Prime Minister. Since the current political deadlock in Libya is primarily a struggle for power and resources, (instead of a conflict moved by ideology or factionalism), the most probable way it will be solved or at least put in motion is by one influential party imposing its own conditions, either through sheer political influence or through military might.

Ultimately, this leaves the international community with very little option to help Libyans improve their current situation and has motivated foreign chancelleries to adopt a wait and see approach based on neutrality. It remains to be seen whether the winning side, if there is one definitive, will agree to cooperate on a political roadmap with the international community as a non-partisan party, or instead decide to go at it alone due to the lack of support provided by foreign powers. Such a development may not occur immediately, but it may very well be the most probable scenario for Libya. In fact, there is no reason to believe that the GNU and GNS will suddenly agree to lay their differences aside to hold prompt elections as demanded by international stakeholders.

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