

**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 present our new monthly report on Libya. This new 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 first a summary and then a contextualization of developments in the wider Libyan context. From now on, the report will be 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 political resolution to the year-long conflict is needed, this new monthly report emphasizes the most important events within Libya and aims 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 emphasize the importance of initiating a national dialogue process in the spirit of the UN-led Berlin process.

We hope that this monthly report 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.** Despite not signifying a rapprochement between the Libyan parties, a ceasefire agreement declared on August 21 creates space for a return to the political process.
- 2.** August was a difficult month for the Government of National Accord (GNA), with internal differences between senior officials and political infighting between rival factions threatening the stability of the UN-backed government.
- 3.** Khalifa Haftar and Agila Saleh have drifted further apart over the past month, creating a political rift in eastern Libya that authorities are struggling to deal with.
- 4.** Although Libya is more divided than ever, Libyans are united in their suffering. For the first time since 2013, civil unrest is erupting across the country to protest corruption and a lack of basic services.
- 5.** Both warring parties in Libya may have an incentive to reignite a direct confrontation or launch a military offensive in order to distract attention from the problems they are facing in their constituencies.
- 6.** Former regime supporters have become difficult to ignore, with demonstrations in Sirte calling for the return of Saif Al Islam Gaddafi. Authorities in western and eastern Libya have arrested hundreds of Gaddafi supporters over the past month.
- 7.** The agreement to allow Libyan ports to empty crude and condensate storage should primarily be seen as a separate deal meant to avert further civil unrest, but could lead to a lifting of the oil blockade.
- 8.** Tripoli seeks to ensure that Turkish military efforts translate into business contracts so as to secure inward investment flows and alleviate deficits in sectors like electricity and energy.
- 9.** The Central Bank of Libya (CBL) announced lower revenues and expenditures than expected for the first half of 2020. In the process of being audited, it has also backed anti-corruption initiatives as public scrutiny grows.
- 10.** August saw the highest number of Covid-19 deaths since the beginning of the pandemic in Libya, with 158 deaths recorded and cases more than tripling since last month.

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## THE CHALLENGES FACING LIBYA'S POLITICAL PROCESS

*Despite not signifying a rapprochement between the Libyan parties, a ceasefire agreement declared on August 21 creates space for a return to the political process.*

On Friday, August 21, GNA Prime Minister Fayeze al-Sarraj and House of Representatives (HOR) President Agila Saleh issued two separate statements in which they declared a ceasefire and brought new life to a stunted political process. Although there are clear differences between the two statements, this development sets up the space for negotiations.

The sudden ceasefire announcement is the result of international pressure, with an added local dimension stemming from the fear of protests breaking out across Libya and leading to a collapse of the status quo. The final push that allowed the respective ceasefire statements to come to fruition came from the United States, Germany and Egypt. The U.S. Ambassador's meeting with Agila Saleh served as the primary push for the HOR President to agree to a ceasefire and the need to resume oil production. Encouraged by Egypt's support, Saleh agreed to make his statement. On the GNA's side, a similar diplomatic effort by the U.S. coupled with a visit to Tripoli by German Foreign Minister Heiko Maas pushed Fayeze al-Sarraj to make his statement. Although a de facto ceasefire has persisted since June, when the Libyan National Army (LNA) was pushed out of western Libya, international powers hope that these ceasefire announcements will act as a catalyst to a formal agreement between the LNA and the GNA in the 5+5 Joint Military Commission talks that are ongoing in Geneva as part of the Berlin Process.

Domestically, Chairman of the High Council of State (HCS) Khaled al-Mishri welcomed the ceasefire declaration but rejected the idea of negotiating with Khalifa Haftar. He also said that a referendum to decide a new constitution should be held prior to national elections. Surprisingly, Mishri also said he was willing to meet with HOR President Agila Saleh in a bid to avoid being sidelined from the political scene. Highlighting the type of opportunism that pervades Libyan politics, Saleh replied by saying he would accept the invitation on the condition that Mishri publicly recognised the Cairo Declaration as a viable political solution to the conflict. The two men have been spoilers in many past political initiatives and both are adamant on ensuring their political survival. Most recently, Mishri has been one of the main spoilers in the political track of the Berlin Process, during which he insisted that the political negotiations held in Geneva should consist solely of representatives from the HOR and HCS.

The LNA responded by saying that it was committed to a ceasefire, but claimed that the GNA was still planning to attack Sirte. In a press conference prior to the ceasefire declaration, LNA spokesperson Ahmed al-Mismari argued that the idea of enforcing a demilitarised zone in Sirte, which was proposed by the GNA and international actors, was unreasonable and that the current capital, Tripoli, should be demilitarised instead in order to allow state institutions to operate independently of armed groups. Indeed, requesting the LNA to withdraw from Sirte while Turkey increases its presence in western Libya will be a hurdle to any political settlement – particularly when Cairo, one of the architects to the ceasefire declarations, holds the same view.

Some armed groups and military officials within the GNA's military command have refused to recognise the ceasefire, which could prove problematic for the GNA's internal dynamics. Going forwards, there will be an added layer of complexity to the Libyan political field as we see a process of atomisation unfold as the country's main actors step away from their current political affiliations and work towards ensuring their personal interests. Similarly to previous political processes, traditional alliances will be blurred as Libyan actors collude and cut deals to retain their access to power and wealth. Since the ceasefire declarations, there have been no developments that build on the statements made by Fayez al-Sarraj and Agila Saleh. Shortly after the ceasefire was announced, civilians across Libya took to the streets to protest the lack of basic services and systemic corruption in Libya. Divisions within the GNA coalition have since heightened dramatically, thus preventing any progress in the political process.

## **POLITICAL INFIGHTING IN WESTERN LIBYA THREATENS STATE OF UN-BACKED GOVERNMENT**

*August was a difficult month for the GNA, with internal differences between senior officials and political infighting between rival factions reaching new heights.*

Throughout the past month, armed groups in western Libya have threatened each other and engaged in sporadic clashes. Senior GNA officials have publicly attacked each other over corruption allegations and political differences. This kind of political and military instability has increased the likelihood of implosion for the GNA as authorities in western Libya grapple with a wave of popular unrest.

Although protests have been taking place across western, eastern and southern Libya over the past month, anti-government demonstrations in Tripoli had a particularly destabilising effect on the GNA. Protestors in Zawiyah and Tripoli were met with fierce opposition from government-aligned forces, resulting in one civilian being injured on the first day. Several others were detained, including six of the young men responsible for planning the protests in Tripoli. Demonstrators requested the GNA's resignation and lamented the electricity outages, water cuts, lack of liquidity and systemic corruption that brought Libya to its current crisis. They demanded to know how Syrian fighters could be paid \$2,000 per month while Libyans were barely able to access their meagre \$300 monthly pensions. In Zawiyah, similar demonstrations called for the government to resign and for an end to corruption. As protests intensified for a second consecutive day, Prime Minister Fayez al-Sarraj addressed the country in a televised speech and argued that violent individuals had infiltrated the protests and damaged public property.

The GNA Prime Minister also stated that the demonstrations taking place in Tripoli and other areas of western Libya were illegal given that the organisers did not request permission from the authorities to demonstrate. Lastly, Sarraj clearly stated that the GNA would not relinquish its post, regardless of whether it was threatened by force or by popular unrest, because a power vacuum would ensue in its absence. He stated that the only way that the government could change would be through a political process that leads to elections. Angered by his speech, demonstrators once again took to the streets – this time protesting outside the Prime Minister's office and private residence.

In an attempt to show that the government was responding to people's grievances, the GNA began taking action by holding officials of the electricity company accountable and announcing a cabinet reshuffle. The reshuffle is meant to suit the current dynamics of the GNA, which relies on the power of both Misrata and Zawiyah to operate, and sees a number of officials from those two towns in key military and governmental posts. The GNA went on to declare a 4-day, 24-hour curfew. Although Covid-19 cases have been on the rise, the government-imposed curfew has been seen as a pretext to allow security forces to enforce a lockdown that would avoid protests taking place. In response, protestors immediately defied the curfew and took to the streets. This time, they were met with live fire from a Tripoli-based armed group. The Ministry of Interior issued a strongly worded statement denouncing the actions of the armed group, with Bashagha threatening to use force to protect protestors. These developments in particular demonstrate a clear rift within the GNA, with Interior Minister Bashagha and armed groups af-

filiated with the Ministry of Interior openly supporting the right to protest and Prime Minister Sarraj and other armed groups in open opposition to the demonstrations that took place in western Libya.

The public's growing intolerance towards institutional corruption has also given shape to a vitriolic environment in which Libyan officials are attempting to leverage popular sentiment to settle scores between political competitors. This is true at all levels of government. Prime Minister Fayez al-Sarraj and Minister of Finance/Acting Economy Minister Faraj Buntari have accused Central Bank Governor Sadiq al-Kabir of corruption and of colluding to retain the helm of the Central Bank of Libya (CBL). Deputy Prime Minister Ahmed Maiteeq and Presidential Council member Abdulsalam Kajman have openly accused Prime Minister al-Sarraj of ruling autocratically over the GNA. Across the ranks of the GNA coalition, political rivals have engaged in similar confrontations.

Although divisions have always existed within the GNA, Sarraj's initiative to push through a cabinet reshuffle and the violent crackdown on demonstrators by armed groups aligned with the Prime Minister has led many of his allies to turn against him. All the while, the GNA security coalition continues to suffer from greater divisions amongst different armed groups who are keen on carving out new territories in western Libya. Throughout August, armed groups in the western coastal towns of Zawiya, Al Jmail, Riqdalin and Sabratha have accused Interior Minister Bashagha of "causing divisions between revolutionaries in western Libya" and called on the Prime Minister to relinquish him of his duties. These towns and armed groups fall under the GNA thanks to an alliance of convenience and are not directly overseen by an official military command structure. They are incensed for having been left out of Bashagha's security reshuffle that sees forces from Misrata overseeing disarmament, demobilisation, and reintegration (DDR) of militias.

The divisions between Sarraj and Bashagha are a result of Bashagha's growing prominence within the GNA. Indeed, the Interior Minister is widely regarded by international actors as a key powerbroker in western Libya. As a result, many Libyan politicians have grown wary of him. Influential politicians and businessmen within Misrata have regularly attacked him and have lobbied Sarraj to take action. The same figures have repeatedly told Sarraj that they would ensure Misrata's support for the GNA if the Interior Minister was ousted. This action of unifying in order to deal with a common threat is very common in Libyan politics. Politicians who are competing for power tend to put aside their differences when confronted with someone who is



too powerful, influential or popular. Similar alliances of convenience have taken shape to lobby against Gaddafi-era officials and post-2011 politicians such as former Interim Prime Minister of Libya Mahmoud Jibril.

The combination of these factors culminated in Sarraj suspending Bashagha and opening an investigation into the matter on August 28, on the pretext that the Interior Minister's actions had infringed upon the Presidency Council's authority. The decision resulted in protests taking place in Misrata in support of Bashagha. Returning to Libya from an official visit to Turkey, the suspended Interior Minister was met with a show of support as 300 armed vehicles from Misrata entered the capital to welcome him and tour Tripoli before returning to his house. Armed groups from Tripoli and Zawiya that had been tasked with enforcing the lockdown in Tripoli were nowhere to be seen.

In order to appease key figures in Misrata, Prime Minister al-Sarraj promoted former Head of the Central Military Zone General Mohamed Haddad of Misrata to General Chief of Staff of the Army and Lieutenant General Salem Juhaa of Misrata to Deputy Chief of Staff of the Army. The highly disputed Ministry of Defence was given to Salah Al-Namroush of Zawiya, who had been acting as Deputy Minister of Defense. The divide between Bashagha and Sarraj has led Turkish and American officials to intervene in an attempt to defuse the situation. Although the impact of these developments on the GNA's future remains to be seen, the Tripoli-based government risks imploding if the political infighting does not stop. The lack of a mutual threat – previously posed by the LNA – to unify the GNA coalition has brought back to the surface deep seated issues. Indeed, it is arguable that the GNA has an incentive to resort to reigniting a direct confrontation with the LNA in order to survive this turbulent episode and keep focus on the frontlines while it deals with protestors and internal divisions.

## **AUTHORITIES IN EASTERN LIBYA STRUGGLE TO COALESCE AS POWER DYNAMICS SHIFT**

*Khalifa Haftar and Agila Saleh have drifted further apart over the past month, creating a political rift in eastern Libya that authorities are struggling to deal with.*

The atmosphere in eastern Libya resembles that of western Libya. People have grown weary of prolonged blackouts, fuel shortages, and a lack of liquidity. Just like in Tripoli, popular frustration in eastern Libya stems from systemic corruption. The Covid-19 pandemic has only exacerbated the issue as the 300 million Libyan Dinars (LD) (€186 million) that had been allocated

in emergency response funds failed to translate into results on the ground. To add insult to injury, the government committee in charge of coordinating the Covid-19 response in eastern Libya recently declared that it was accepting donations for it to afford medical supplies. Although authorities in eastern Libya have called for investigations into the matter, the response may be insufficient. Indeed, Libyans across the country have become sceptical of either government's ability to tackle important issues such as corruption and are increasingly voicing their outrage on social media.

Politically, the region has come to be represented by HOR President Agila Saleh. Since Khalifa Haftar's defeat in western Libya, Saleh has been in charge of negotiations for eastern Libyan authorities. However, internal divisions have increased as Khalifa Haftar and Agila Saleh push for very different resolutions to the conflict. Saleh has made it clear that he wants to see an agreement that would see the creation of a new government and a Presidential Council composed of representatives from Libya's three historical regions. He has also proposed to base the new government in Sirte to avoid interference by armed groups in Tripoli. However, he does not enjoy much domestic recognition and has become known both locally and internationally as an unreliable partner in negotiations. By contrast, Khalifa Haftar has made it clear that he is not prepared to make concessions — such as withdrawing his forces from Sirte and al-Jufra — without the GNA and Turkey agreeing to make concessions of their own.

Yet, Khalifa Haftar no longer enjoys the central role he previously had in the political circles of eastern Libya. After his defeat in western Libya, there has been a gradual detachment between the LNA and the HOR, which previously operated in close cooperation. Having said this, Haftar is an actor that has been able to carve out a space in the Libyan landscape by gaining results on the ground — something that gives him some measure of popular support, which his political counterparts lack. Haftar understands this and has been working to consolidate his support base by reforming the LNA's command structure and addressing internal grievances to ensure he is capable of surviving the next phase in Libyan politics.

Similarly to what is happening in western Libya, eastern Libya is traversing a period of political instability that threatens to upend the status quo. The main political actors are keen to secure their positions in the next chapters of Libya's political transition, despite struggling to provide for the needs of their constituents. As discussed below, protests have already erupted in several cities in eastern Libya. If authorities do not come up with an adequate response to popular grievances, they will increasingly face the risk of be-

coming obsolete. On a political level, Haftar does not command the same influence as he did prior to his defeat in western Libya. As such, he too may find it beneficial to reignite a direct confrontation with the GNA or launch a military offensive in order to regain relevance and be included in future political processes.

## **GADDAFI-ERA SUPPORTERS MAKE A COMEBACK**

*Former regime supporters have become difficult to ignore in Libya, with demonstrations in Sirte calling for the return of Saif Al Islam Gaddafi.*

Supporters of the former Gaddafi regime have publicly called for their inclusion in the politics of the country, taking to the streets on August 20 to demand the return of Saif Al Islam Gaddafi. Prior to the demonstration, the movement received a lot of social media attention and drove authorities in both western and eastern Libya to detain anyone they feared would participate in the protests on August 20. Over 200 people were arrested in eastern Libya and over a hundred more in western Libya. The fear of a return of former regime officials – particularly those who still command support in Libyan society – has led not only to a crackdown against Gaddafi supporters who have already been ostracised from politics since 2011, but has had a catalyst effect on Libya's overall political process as politicians across the country began reaching out to one another in an attempt to avoid becoming less relevant.

Support for the former regime has become difficult to ignore in Libya as the arbitrary arrest campaigns displayed. Indeed, in southern Libya, along with Sirte and some towns in the Nafusa Mountains, demonstrators took to the streets carrying the green flag of pre-2011 Libya and brandishing photos of Muammar and Saif Al Islam Gaddafi. Demonstrations in Sirte, the former hometown of Muammar Gaddafi, have been the focal point of civil unrest for the LNA. The demonstrations led to a heavy crackdown by the LNA and were exacerbated by the fact that a number of Qadhahdfa tribe members who support Saif Al Islam Gaddafi's return were arrested by security forces belonging to a rival tribe. The second day of protests ended with fighting erupting between LNA forces and Qadhahdfa tribe members. This escalated even further when the eastern-based Ministry of Interior began arresting a series of Qadhahdfa tribe members, which in turn led to more clashes. The matter spiralled out of control when LNA officers from a rival tribe got involved in the clashes, seeing an opportunity to settle deep-seated tribal grievances. This led to the death of one of the protestors. The issue of the

Qadhadhfa tribe has become an urgent one for the tribal leaders of central and eastern Libya, who are working to mediate and settle grievances through traditional means before the situation regresses any further. Whether or not they manage to and how the LNA addresses these issues will be very pertinent to Sirte's future stability.

## **ELECTRICITY CRISIS PROMPTS PARTIAL LIFTING OF OIL BLOCKADE**

*This month's agreement allowing ports to empty crude and condensate storage is primarily a separate deal meant to avert protests but could lead to further lifting of the oil blockade.*

During the summer months, Libya's electricity grid struggles to meet higher demand from air-conditioning units. Power outages are frequent and often last for days. With gas production at a halt and ports prevented to discharge their stored fuel and condensate to feed power stations due to the blockade, this problem has been further exacerbated in 2020. In August, the ensuing electricity crisis spiralled so much out of control that the forces behind the blockade – the LNA and the Supreme Tribal Council of Sheikhs – began fearing the social repercussions of maintaining the blockade.

After several weeks of discussions with authorities in charge of the energy file, on August 18, the LNA announced that ports would be allowed to restart their operations and dispose of fuel and gas from storage tanks. The day before, Haftar had met with representatives of Arabian Gulf Oil Company (AGOCO), who explained that the only way to remove power shortages was to open ports. Immediately after Haftar's announcement, the NOC chartered the tanker Valle Di Siviglia to transport 33,000 tons of condensate from Brega to Benghazi's port so as to free up storage capacity and enable partial resumption of gas production in the country. The managers of the Al-Sarir, Benghazi North and Zueitina power stations now have few excuses in the authorities' eyes to guarantee the supply of electricity in eastern Libya.

Western Libya has not been immune to electricity outages and water shortages, either. The General Electricity Company's (GECOL) temporary solution has been to ration electricity loads for each locality. This illusory policy has led armed groups to storm power stations to restore loads beyond what is permitted by their locality's quota, thus further challenging the authorities' management of the electricity crisis. Akin to the east of the country, protests with slogans against the lack of utilities at their core have been recorded throughout the month, particularly in Tripoli. After the crackdown

on such protests on August 24, Prime Minister Fayeز al-Sarraj addressed the nation and said that there were no quick fixes to the electricity crisis. However, he pledged to add between 1GW and 1.8GW by early 2021 and harshly criticised the former management of GECOL for the current crisis. Days later, the General Prosecutor handed arrest warrants for the former Chairman and former CEO of GECOL.

It seems to be clear that the sudden opening of ports has primarily been a tool for eastern authorities to relieve growing public dissent over the lack of utilities in the country and is therefore a separate deal from the ceasefire announced on August 21. Whether such authorities are willing to integrate this move into broader steps toward negotiations will depend on their understanding of the electricity crisis and their acknowledgment of positive developments surrounding the auditing of the CBL's two branches by Deloitte. On August 24, Haftar gave 10 days to Interim Government Prime Minister Abdullah al-Thani to overcome the power outages. The Field Marshal might still hope that the coming cooler months will allow him to re-impose his full blockade without causing much dissent. However, as long as the United Nations Special Mission in Libya (UNSMIL) advances in its role devised by UNSC Resolution 2434 to support the CBL's audit and review of accounts, the blockading side would have far less valid reasons to continue with their obstruction.

## **PRIORITY FOR TURKISH CONTRACTS IN LIBYA**

*Tripoli seeks to ensure that Turkish military efforts translate into business contracts so as to secure inward investment flows and alleviate deficits in sectors like electricity and energy.*

Turkey is reaping the commercial benefits of its steadfast military support to the GNA. Several agreements inked this month are strong indications that Turkish companies are well-placed to become privileged actors on the Libyan market – particularly in the areas of construction, energy, electricity, health, and transport. On August 13, Turkey's Minister of Trade and Libya's Minister of Planning signed a memorandum of understanding on trade which could accelerate nearly \$16bn of projects by Turkish companies which have been stalled because of Libya's instability.

Over the course of the month, Libyan officials have met or planned to meet with several Turkish conglomerates specialised in construction such as Kalyon Group, ENKA İnşaat ve Sanayi A.Ş and Çalık Holding. Forwarding agents SCK and Neta have also been given an eight-year contract to monitor

and control the imports and customs administration of the port of Tripoli. Most of these companies are internationally recognised firms which have also been contracted for key megaprojects at home and therefore enjoy close relations with Turkey's political leadership.

Electricity remains at the top of the agenda for policymakers in Tripoli, with Fayeze al-Sarraj recently announcing that Turkish companies would probably be involved in bridging the gap in Libya's electricity production by adding 2GW of production capacity over the next few years. One such firm involving itself in the renewal of Libya's electricity infrastructure could be AKSA Power Generation Company which is part of the energy conglomerate Kazancı Holding. GECOL is likely to contract operations and management firms as well as consultancies from Turkey to go forward with its plans to boost efficiency and improve corporate governance.

Nonetheless, for now, the most palpable contracts remain in the military domain with an agreement for building and running a military academy in Tripoli. This contract was signed during Defence Minister Hulusi Akar's visit to Libya and heralds a long-term presence for Turkey as well as deep institutional ties with Libya.

## **CENTRAL BANK OF LIBYA FALLS SHORT OF 2020 REVENUE TARGETS, BACKS GNA ANTI-CORRUPTION DRIVE**

*In August, the Central Bank of Libya (CBL) announced lower revenues and expenditures than expected for the first half of 2020. In the process of being audited, it has also backed anti-corruption initiatives as public scrutiny grows.*

For the period between January 1 and July 31, 2020, the CBL announced meagre revenues of 3.3bn LD (€2bn) and expenditures of 19bn LD (€11.7bn). The latter and the former are significantly lower than estimated revenues based on financial arrangements made earlier this year. To cover the budget deficit for the first half of 2020, the CBL has already loaned the state 15.6bn LD (€9.5bn). Due to the blockade over oilfields and ports, the country's oil revenues so far only reached 2.2bn LD (€1.4bn) against 31.3bn LD (€19.3bn) in 2019.

All expenditure items, except for subsidies, were revised downwards, notably the largest one consisting of salaries with a saving of 1.7bn LD (\$1.2bn) already recorded. This is partially explained by agreements in January and April of this year to cut high officials' salaries by 40% and allow public sec-

tor wages to drop by 20% to decrease the wage bill's pressure over the budget in a time of pandemic. Low expenditure by the CBL has once again been criticised by Prime Minister al-Sarraj, who has called upon Sadiq al-Kabir to revise his conservative monetary policy and reluctance to allow for more imports into the country. This conservative policy meant to safeguard Libyan assets and foreign reserves has already installed deflationary pressures that are likely to continue and has become a key point of contention fueling divisions between senior GNA officials.

In the process of being audited, the CBL has also joined forces with other GNA institutions in an apparent anti-corruption campaign. On August 10, the CBL's Chairman signed a cooperation agreement with Interior Minister Fathi Bashagha to curb money laundering, terrorism finance and corruption. Bashagha also agreed to undergo an audit of his ministry. Anti-corruption campaigns have been reciprocated by other institutions as such a posture often exonerates the campaigner of any blame at a time of high public dissent. The Audit Bureau was particularly active this month, unveiling a case of financial misuse and waste of public funds over 95m LD (€58.2m) given to the Military Medicine Service to combat the coronavirus. This money was part of the 847m LD (€515m) disbursed by the CBL to fight the epidemic and was allegedly spent in violation of regulations. Additionally, the National Anti-Corruption Commission exposed 7,000 public sector employees who were simultaneously holding private sector jobs, which is illegal in Libya.

Although some of the above developments may translate into genuine efforts to reform Libya's financial institutions and better provide for a failing economy, they should presently be understood in the context of the wider political rifts occurring within the GNA and the simmering social tensions that are surfacing across Libya.

## **WHY CIVIL UNREST IS ERUPTING ACROSS LIBYA**

*Although Libya is more divided than ever, Libyans are united in their suffering. For the first time since 2013, protests are erupting across the country.*

The past month has provided Libyan leaders with a stark reminder of the potential power wielded by the people they are supposed to represent. In a country deprived of basic services, many observers have wondered why Libyans have never taken to the streets to demand more from their politicians. First, there is a real fear of reprisals against demonstrators. During the last widespread protests in 2013-2014, civilians were arrested and fired at by armed groups who took a zero tolerance policy towards demonstrators.

Second, over the past years Libyans have become accustomed to spending their days waiting in line for fuel, gas or cash. Their main concern has been to simply get by, with barely enough time to even think – let alone protest – after spending days to fulfil basic chores. Finally, Libya, and Tripoli in particular, has been the battleground for many wars. After the LNA’s war to capture Tripoli failed, living conditions in the capital have worsened significantly, creating an environment in which people have little to lose anymore.

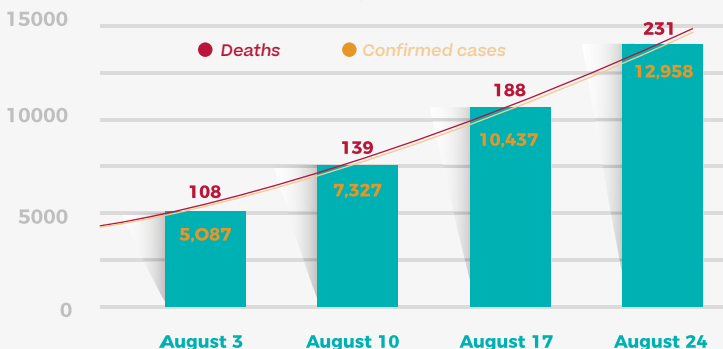
Looking at the “August 23rd Movement” led by youths in Tripoli, the “Poor People’s Revolution” in Sebha, or protests in Zawiya and across most of Libya, it becomes evident that Libyans are fed up with a political culture that has fostered divisions and economic uncertainty. Despite a violent crackdown by authorities in western and eastern Libya, protests have persisted and have even grown in numbers. The societal tensions that have come to the foreground are showing real signs of becoming a sustained effort that could very well dismantle the status quo. Although both governments in Libya have attempted to roll out anti-corruption measures and other reforms to ease tensions, their moves are widely regarded as short-term solutions to systemic issues. Libya’s politicians across the board will have to prove they are willing to enact genuine and long-term initiatives by engaging with the public’s concerns.

## UPSURGE IN COVID-19 CASES IN LIBYA

*August was the deadliest month so far, with 158 Covid-related deaths and cases more than tripling since last month.*

### COVID-19 IN LIBYA: CONFIRMED CASES AND DEATHS

August 2020



Source : World Health Organization (<https://covid19.who.int/region/emro/country/ly>)



Libya had originally managed to contain the epidemic on its territory but has experienced an upsurge of cases since June. In August, the number of Covid-19 cases increased from 3,621 to 13,423 and the number of deaths jumped from 74 to 232. Tripoli, Misrata and southern cities such as Sebha have become known clusters but other cities do not have adequate testing facilities nor enough clinics to adequately monitor the extent of the epidemic. The Interim Government's Health Minister, Saad Agoub, has explained that the spike in cases comes as a result of the population not respecting social distancing and curfews.

## CONCLUSION & FORECASTS

This past month in Libya can best be described as a bridge taking the country from a de facto ceasefire to either one of the two following scenarios. On the one hand, it could be a bridge that leads the country towards a new political process. This would see politicians jockeying to remain relevant and ensure a place for themselves in Libya's future. On the other hand, it could be a bridge to a renewed conflict as the current atomisation has only added more volatility to an already fragile landscape. The combination of the GNA coalition unraveling, Khalifa Haftar feeling sidelined from politics, civil unrest erupting across Libya and Saif Al Islam Gaddafi looming behind the scenes has created an incentive for both the LNA and the GNA to reignite a confrontation in order to regain relevance and control. Additionally, the lack of a clear chain of command within the GNA coalition and the unpredictability of Khalifa Haftar's political ambitions have the potential to lead to an escalation in violence.

In order to avoid such a scenario and to actually capitalise on the ceasefire declaration, the United Nations Support Mission in Libya (UNSMIL) should work towards cementing a formal ceasefire agreement within the 5 + 5 Joint Military Commission talks in Geneva. This would create the momentum needed to ensure a political process that gains the support and trust of the Libyan people. The existing void created by the departure of the former Special Representative to the Secretary-General (SRSG) Ghassan Salame must be filled swiftly in order to strengthen UNSMIL's capacity to sustain a Libyan-led political process. There must be a concerted effort by the UN, the European Union and the international community to leverage the ceasefire declarations made by Fayez al-Sarraj and Agila Saleh to act as a foundation towards a political solution that is inclusive of all Libyans.

This means stepping outside the boundaries of the Libyan Political Agreement (LPA) signed in Skhirat, Morocco in 2015 and engaging with all Libyan actors across western, eastern and southern Libya. Achieving a negotiating table that can gain popular support across the country will be key for the success of any political process.

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