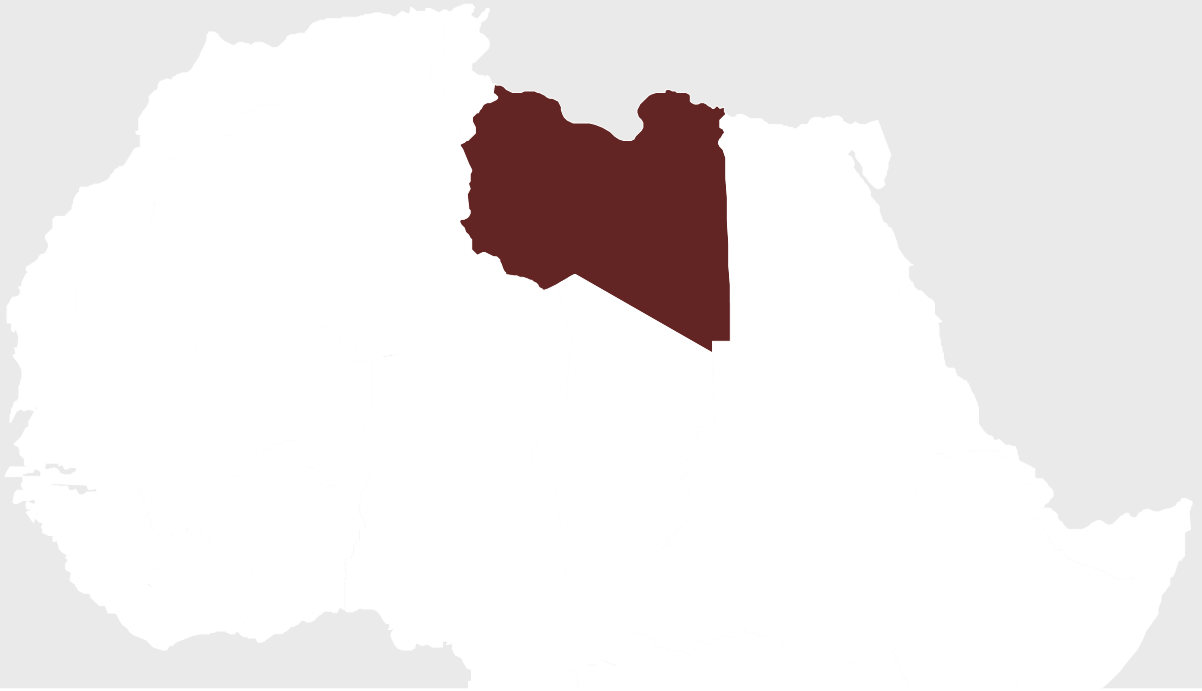




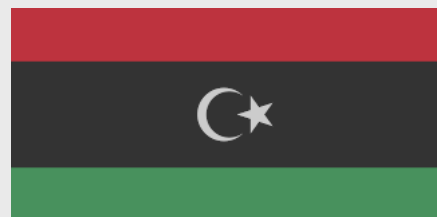
THE INKERMAN GROUP

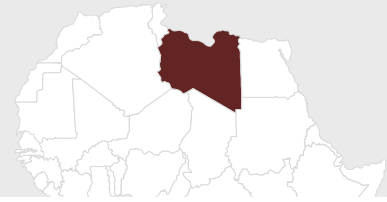
# LIBYA DAILY

27 March 2017



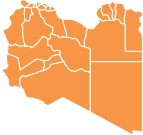
The Inkerman Libya Daily provides a focused daily assessment of developments influencing both the physical security situation and the regulatory environment in which organisations may find themselves operating.





## Overview

### Politics



- The administration of Misrata remains in contention amid further protests for and against the key western city's Municipal Council.
- The House of Representatives (HoR) has issued a call for its members to attend sessions on 27 and 28 March 2017, in order to discuss certain "important issues".

### Armed Conflict



- On 26 March 2017, the Libyan Army announced the appointment of two new regional commanders to oversee operations in central and south-western areas.
- The Ukrainian Embassy in Tripoli has announced that it suffered minor damage during a recent bout of unrest in the city.
- On 24 March 2017, the United Nations Human Rights Council (UNHCR) announced that it had approached the United Nations High Commission for Human Rights to begin collecting information on alleged human rights abuses in Libya.
- Reports emanating from the east of Libya claim that the Libyan Army has launched further airstrikes against positions in and around the city of Derna.
- On 25 March 2017, the Government of National Accord (GNA) Presidency Council announced that it would be forming a special military unit under the control of the Defence Ministry tasked with protecting Sirte.

### International Community



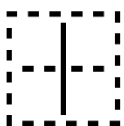
- GNA Prime Minister Faiez Serraj was in Doha on 26 March 2017, where he met with the emir of Qatar, Sheikh Tamim bin Hamad al Thani.
- On 25 March 2017, the Russian Foreign Ministry spoke of its growing concern over the security situation in Libya.

### Oil and Gas

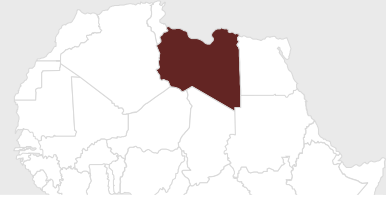


- On 26 March 2017, the Libyan National Oil Corporation (NOC), issued a statement reiterating that it is the "only body authorised ... to export crude oil products from Libya".

### Borders and Migration



- Report of further migrant casualties emerged on 24 March 2017, after two vessels capsized off the coast of Sabratha.



## Overview

### Kidnap and Ransom

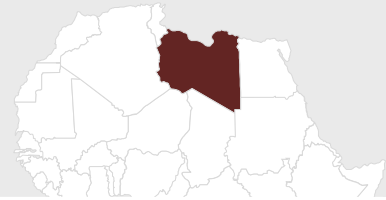


- The Sidra Council of Elders chief, Abdulsalem Bulahi al Maghrabi, is reported to have been taken captive on 25 March 2017, according to reports citing the Human Rights Solidarity organisation.

### National Infrastructure



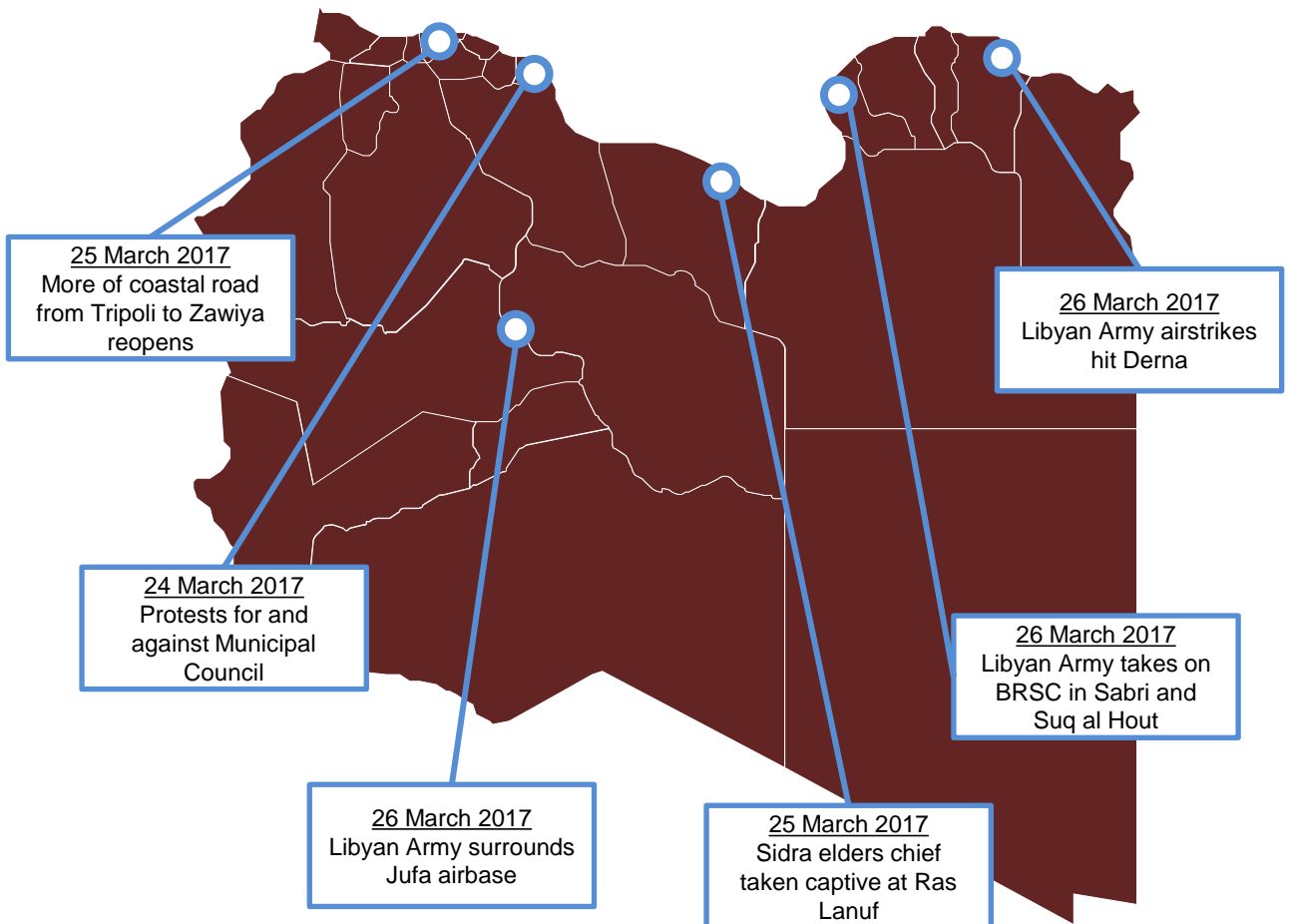
- Protesters are reported to have closed down a gas pipeline which leads to Ruwais power station on 26 March 2017, raising the prospect of power cuts in Tripoli worsening.
- An agreement was struck on 25 March 2017, to reopen the coastal road that runs westward from Tripoli by removing sand barriers in the Sayyad area and allowing the flow of traffic from Bridge 17.



## Incidents

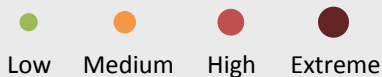


• *Violent clashes, social unrest, terrorist attacks, and other incidents remain common in many parts of Libya, driven by a variety of factors.*



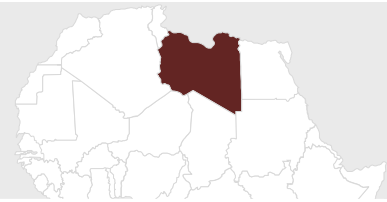
The graphic above gives a snapshot of the highest-impact incidents to have occurred in Libya in recent days, and plots them on a map to give an overview of their geographical distribution.

### Key



### Inkerman Risk Rating



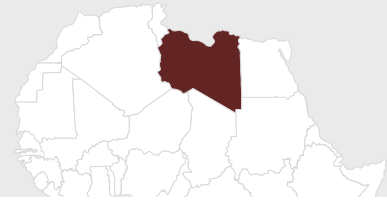


## Politics



- *The internationally recognised Government of National Accord (GNA) has been established in Tripoli since March 2016, but remains deadlocked with the House of Representatives (HoR) administration , which has refused to endorse it.*

- **Misrata Municipal Council supported and opposed:** The administration of Misrata remains in contention amid further protests for and against the key western city's Municipal Council. A week earlier a challenge against the Misrata Municipal Council had been launched by the chief of Misrata Military Council, Colonel Ibrahim bin Rajab, who called for a new administrative body to be formed after protests were held against the Municipal Council and its part in a controversial peace deal that was struck in Tripoli that some perceived not to be upholding Misrata's interests. On 24 March 2017, twin protests were held in the city as Misratans gathered in their hundreds to show their varying support for and opposition to the Municipal Council. Some of them gathered in front of Martyr's Hall, the site of previous demonstrations, and called for the present Municipal Council to be dissolved and elections to be held. Prominent hardline figures in the city including Mohamed el Fortia and Salah Badi are reported to have taken part. At the Municipal Council's office, meanwhile, hundreds of other Misratans gathered to show their solidarity with the administration. Its members have refused to step down despite the mounting pressure, releasing a statement on 25 March 2017, in which they asserted they will continue to perform their duties as normal. As the recent peaceful but passionate demonstrations have shown, there is considerable support on both sides of the Municipal Council divide, suggesting that a resolution to the issue will not be easy to find. It is clear, however, that the hardline factions in Misrata are especially assertive at present, which is bad news for the Government of National Accord (GNA) which sees its largest remaining base of support in the more moderate factions of Misrata. If the hardliners in Misrata continue to expand their influence on the city's affairs, a more confrontational line is set to be taken by the powerful city against advancing Libyan Army forces, which threatens to escalate the prospect of armed clashes breaking out in the central south of Libya.
- **HoR issues call for attendance:** The House of Representatives (HoR) has issued a call for its members to attend sessions on 27 and 28 March 2017, in order to discuss certain "important issues". The eastern assembly has recently been deadlocked over one of its central orders of business, the appointment of a team to represent it at the Libyan Political Dialogue. Complicating matters further, seventy-three of the HoR's members are currently boycotting proceedings in objection to the surprise attack that was launched on central Libya's oil infrastructure earlier in March 2017, and the Government of National Accord's (GNA) perceived weakness on this incident. With the central Libya oil infrastructure now back in the hands of the HoR-aligned Libyan Army, these members may now be more amenable to attending sessions once more, although given tumultuous recent developments it is unlikely that the HoR meetings will be harmonious.

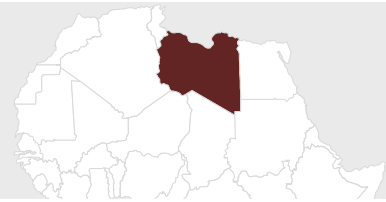


## Armed Conflict



• *The Libyan Army remains in conflict with Islamist militants in Benghazi and Derna, and has been facing off against Misratan brigades in the centre and south-west of the country. Other, more isolated, incidents of fighting also occur elsewhere.*

- **Central and south-west:** On 26 March 2017, the Libyan Army announced the appointment of two new regional commanders to oversee operations in the central and south-western areas of the country which are now under its control. Brigadier Mabrouk al Warfali is to head up the Sirte Operations Room, while Brigadier Jamal Zahawi has been installed as the Jufra Operations Room chief. Since a recent counter-offensive to retake the central Libya oil infrastructure, the Libyan Army has been pushing south-westwards against various rival forces. The Libyan Army does not actually control Sirte; its force are located approximately 20 kilometres east of the city which was taken over by Misratan brigades in December 2015. Although a non-aggression pact is reported to be in place between the Misratan 166 Brigade and the Libyan Army in the area, the installation of a new Sirte Operations Room could indicate that Libyan Army ambitions for Sirte might extend further than their present limits. Libyan Army operations continue in the wider area, with images published on 25 March 2017, showing a patrol somewhere south of Es Sider uncovering an artillery shell dump. Meanwhile, to the south-west the Libyan Army has been pursuing fleeing Defend Benghazi Brigade (DBB) units. It believes some of them to be held up in Jufra Airbase, which the Libyan Army now claims to have surrounded, a position it has suggested that it intends to hold until the opposing force relents. 300 kilometres further south-east at Tamanhint airbase, meanwhile, the standoff between the Libyan Army and the Misratan Third Force is said to continue. It had earlier been suggested that the situation there was approaching a détente that would see the Misratan Third Force withdraw to the Qawirat al Mal Checkpoint, however reports citing Third Force commander Jamal al Treki on 26 March 2017, claim that his units remain in control of Tamanhint airbase. If true, it would suggest that the Libyan Army's apparent strategy of surround and contain is being employed at both Jufra and Tamanhint. This seems to be holding down the prospect of armed clashes for now, but there remains a considerable risk of heavy fighting breaking out if the standoffs rupture.
- **Tripoli:** The Ukrainian Embassy in Tripoli has announced that it suffered minor damage during a recent bout of unrest in the city. On 23 March 2017, the Ukrainian Ambassador to Libya Mykola Nahorny divulged that there were "no casualties, only material damages" in the incident. Tripoli has been convulsed by heavy militia fighting in recent weeks, and although foreign missions are often targeted by groups seeking to send a political message to a particular foreign power, Nahorny opined that this latest incident was not a "targeted attack by extremists", but rather a "random explosion". The blast nonetheless demonstrates the level of risk faced by embassies and other foreign operations in Tripoli while the security situation in the city remains fragile.



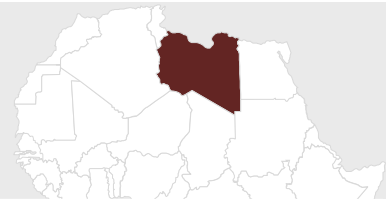
- Benghazi:** On 24 March 2017, the United Nations Human Rights Council (UNHCR) announced that it had approached the United Nations High Commission for Human Rights in order to begin collecting information on alleged human rights abuses in Libya. While there has, thus far, been no indication of which specific allegations will be investigated, it can be no coincidence that the UNHCR released its statement in the wake of the fall of the Ganfouda district in Benghazi. As The Inkerman Group has reported previously, the Libyan Army leadership has been pursuing measures to contain the fallout from videos showing apparent war crimes committed in Ganfouda, with Marshal Khalifa Hifter ordering the immediate release of all women and families detained during the assault on the last Benghazi Revolutionary Shoura Council (BRSC) strongholds in the district on 22 March 2017. Hifter has also recently issued a public statement that those involved in war crimes will be prosecuted. While the BRSC has finally been evicted from Ganfouda, they still hold the enclaves of Sabri and Suq al Hout. According to sources in the city, Hifter's men have been slowly increasing pressures on the final BRSC enclaves, launching a series of airstrikes to soften militant fighting positions over the past week. Images relayed from closed circuit television in the Sabri area show extensive damage to buildings.
- Derna:** Reports emanating from the east of Libya claim that the Libyan Army has launched further airstrikes against positions in and around the city of Derna. Details remain scant, but unconfirmed video footage circulated on domestic social media streams appears to show Libyan Army aircraft striking Shoura Council of the Mujahedeen Derna (SCMD) positions in the hills south of the city.
- Sirte:** On 25 March 2017, the Government of National Accord (GNA) Presidency Council announced that it would be forming a special military unit under the control of the Defence Ministry tasked with protecting Sirte. A statement issued by the Council indicates that the unit will answer to Brigadier Ali Abu Shakmak and would comprise 3,000 men paid a regular wage. It is not altogether clear where recruits will be drawn from, but the GNA communiqué did disclose that the unit will be trained by the Operation Solid Structure coalition forces garrisoned in the city.

## International Community



- The Government of National Accord (GNA) has widespread international support, which the UN intends to expand. Egypt, Russia, and the UAE also retain close ties with the dissenting House of Representatives (HoR) administration.*

- Serraj in Qatar:** Government of National Accord (GNA) Prime Minister Faiez Serraj was in Doha on 26 March 2017, where he met with the emir of Qatar, Sheikh Tamim bin Hamad al Thani. Accompanied by a delegation that included GNA Foreign Minister Mohammed Taha Siala, Serraj spoke with the Qatari leader about the current state of relations between the two countries and the ways they can be developed. Serraj expressed his appreciation for



Qatar's support for the GNA, Thani underscored the importance that Libya transitions out of the present crisis and makes progress in rebuilding state institutions and re-establishing the rule of law. Thani expressed the willingness of Doha to support Libya in this process and to further reconciliation efforts between all of Libya's political factions. Reports suggest that Amman and Rome are among the next destinations Serraj plans to visit.

- **Russian Foreign Ministry Statement:** On 25 March 2017, the Russian Foreign Ministry spoke of its growing concern over the security situation in Libya. According to a statement issued by the Foreign Ministry, the Kremlin has been “disturbed” by recent developments, and intends to monitor the country more closely. Earlier, on 24 March 2017, the head of the United States Africa Command (AFRICOM), General Thomas Waldhauser, declared ties between the Libyan Army and Russia to be “undeniable” adding that he was persuaded that the Russians were “on the ground” and had tried to “influence the action”. Waldhauser has since clarified that by “on the ground” he had meant that Russia was accumulating a significant force in North Africa as a whole, much of which had been concentrated in the west of Egypt. Libya is currently awash with claims of conspiracy and while it is beyond doubt that Russia has increasingly thrown its weight behind the dissenting House of Representatives (HoR) administration and its allies in the Libyan Army, there is still insufficient evidence to show that Russian forces are “on the ground” in Libya itself.

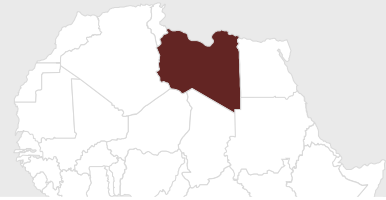
## Oil and Gas



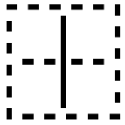
• *Libya's oil industry is currently being revived, with production having risen considerably since hitting a deep nadir mid-2016. A number of obstructions still remain in the form of industrial disputes, armed conflict, and other factors.*

- **Oil update:** On 26 March 2017, the Libyan National Oil Corporation (NOC), issued a statement reiterating that it is the “only body authorised ... to export crude oil products from Libya”. By way of clarification, the NOC statement enumerated a list of sixteen international oil companies licensed to buy Libyan crude oil and charter shipping tankers from Libyan ports. The NOC also disclosed that it has compiled a list of individuals and groups involved in pilfering oil and licensing spurious contracts with “unknown or unqualified companies”. As The Inkerman Group has reported previously, the presiding chairman of the NOC, Mustafa Sanalla, has been instrumental in launching an investigation into domestic fuel smuggling, and this latest statement from the NOC should be read in the light of that campaign. However, for all Sanalla's energy and effort, the illicit fuel trade will only be broken once the country has been unified and a single authority can bring a properly organised force to bear on the smuggling networks. While Sanalla's efforts to counter fuel smuggling have so far proved impotent, his NOC has been able to lift national oil output after it crashed during recent fighting in the oil crescent. Total production now stands at around 700,000 barrels per day (bpd), and the major oil terminals have begun to receive tankers again. Indeed, on 26 March 2017, the Suezmax vessel Demetrios arrived in Es Sider, Libya's largest oil terminal, to load oil for export to China.





## Borders and Migration



- *Incidents and disputes often lead to closures at a number of border crossings, while Libya continues to serve as a major departure point for large numbers of migrants bound for Europe*

- **Migrant Update:** Report of further migrant casualties emerged on 24 March 2017, after two vessels capsized off the coast of Sabratha. While it is not clear how many migrants were aboard the vessels, non-government organisations monitoring migrants flows have estimated that as many as 240 people may have perished.

## Kidnap and Ransom



- *Kidnapping statistics in Libya continue to be driven by the activity of criminal gangs as well as politically-motivated groups, plus other actors.*

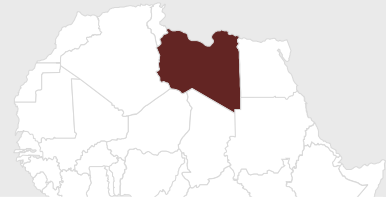
- **Kidnap update:** The Sidra Council of Elders chief, Abdulsalem Bulahi al Maghrabi, is reported to have been taken captive on 25 March 2017, according to reports citing the Human Rights Solidarity organisation. He is said to have been detained as he made his way home to the central Libya town of Ajdabiya from the oil port of Ras Lanuf, and it has been alleged that the Libyan Army was responsible. The exact circumstances of Maghrabi's captivity are unclear, though Human Rights Solidarity claim that he has been "kidnapped" rather than detained on legitimate grounds. The organisation assert that he is one of 121 people who have so far been detained in the central Libya area since the Libyan Army regained control of the area recently, although this remains unverified.

## National Infrastructure



- *Cuts to vital services such as the supply of electricity and water remain common in Tripoli and many other parts of the country, a frequent cause of social unrest. Rebuilding is underway in post-conflict zones of Sirte, Benghazi and other areas.*

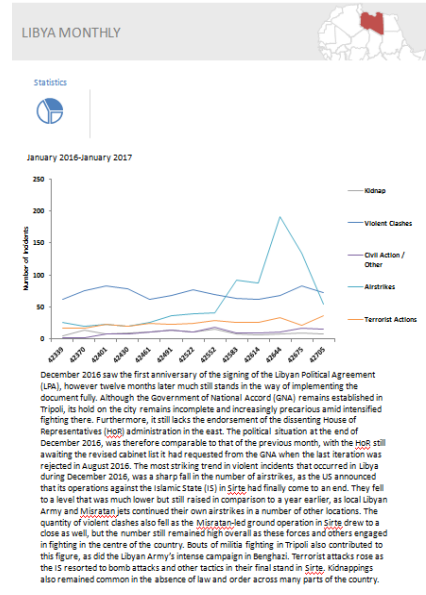
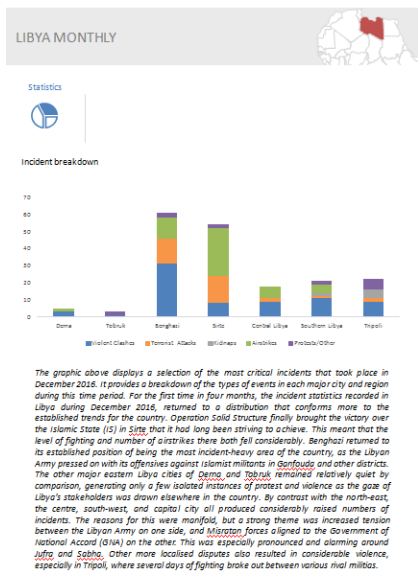
- **Gas pipeline blockaded:** Protesters are reported to have closed down a gas pipeline which leads to Ruwais power station on 26 March 2017, raising the prospect of power cuts in Tripoli worsening. The incident took place at Station 10 in the al Jawabiya area of the western border town of Nalut, cutting off gas supplies from Eni's Wafa field. The perpetrators are reported to be members or at least affiliates of the Petroleum Facilities



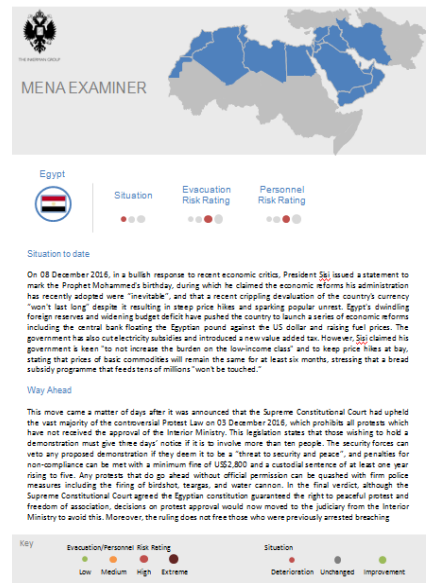
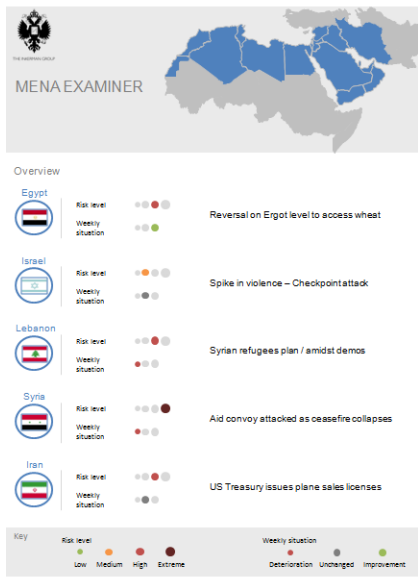
Guard (PFG), who are protesting against the alleged non-payment of salaries amounting to 10 million Libyan dinars (US\$7.19 million at official exchange rates). The closure of pipelines has been a common method of protests from PFG units engaged in pay disputes in western Libya in the past, and these have typically been resolved through deals to repay the allegedly debts. GECOL (General Electricity Company of Libya) has stated that it is already suffering a shortfall of megawatts as a result of the closure, and warned that this could necessitate the imposition of rolling power cuts in Tripoli and the surrounding area if the blockade is not lifted soon.

- **Coastal Road reopens:** An agreement was struck on 25 March 2017, to reopen the coastal road that runs westward from Tripoli by removing sand barriers in the Sayyad area and allowing the flow of traffic from Bridge 17. Various local officials who hold elected and tribal office were party to the deal, which is reportedly being implemented already. This vital thoroughfare has been closed due to fighting in the area, but traffic is now said to be able to pass between Tripoli and Zawiya. It follows a partial reopening agreement on 21 March 2017, which saw the blockade on the road being lifted as far as the Sayyad area.

**LIBYA MONTHLY** - A monthly report designed to give an overview of significant incidents and developments which could have an impact on the current security and political picture in country. In addition, this general overview has been analysed in order to identify particular trends which are emerging in Libya.



**MENA EXAMINER** - A weekly assessment of developments taking place across the MENA region, providing travellers and businesses operating in these countries with a comprehensive overview of the risk level alongside predictive analysis of the potential outcomes.



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<b>Investigations</b>	<b>Fraud Weekly Newsletter –</b> <i>free weekly roundup of fraud, bribery and cybercrime news</i>	<b>Due Diligence reports –</b> <i>bespoke security and reputational risk reports</i>	<b>Social Media monitoring –</b> <i>bespoke online monitoring of client-specific topics</i>		

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