

BRIEFING 07/01/2014

LIBYA AND THE SECURITY OF ENERGY INFRASTRUCTURES

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2013 was not a remarkable year for Libya's energy sector. Indeed, it was quite the opposite. Libya's energy infrastructures have been targeted since the beginning of last year by a heterogeneous group of actors including: rebels, ethnic minorities, employees and guards—each bringing different demands to the already unstable government lead by Ali Zeidan. The outcome has resulted in a major fall in energy production from 1.4 million *barrels per day* (bpd) in July to the 250.000 bdp of December. All of this might turn into a contraction of the GDP by 5.1% according to International Monetary Fund's estimates.

2014 has not started any better. Over the weekend, the *Petroleum Facilities Guards* (PFGs) blocked the gas pipeline in Nalut to demand the payment of their wages, while the Libyan Navy fired a warning shot to prevent a Maltese-flagged tanker from smuggling oil from the Es Sider terminal, which is still under the control of Cyrenaican rebels. Therefore, 2014 seems doomed to follow the same path of the previous year.

For this reason, the Zeidan government is called to address at least some of the major demands brought by protesters. First of all, the Cyrenaican rebels are the main group causing disruption in energy production and export. They demand the institution of a federal state similar to that of the pre-Gaddafi era, and an equal redistribution of energy revenues among the three regions of Tripolitania, Fezzan and Cyrenaica. Their

pressure on the government went as far as declaring regional independence through the establishment of the *Political Bureau of Barqa* and the Cyrenaican energy company, the *Libyan Oil and Gas Corporation*, at the end of last year. The rebels are currently controlling some of Libya's main oil and gas terminals, like those of Ras Lanuf, Es Sider and Zuetina. Through these terminals, Cyrenaican rebels have threatened the government to smuggle oil if their demands are not met. As a reaction, Zeidan authorized the Navy and Air Force to open fire against all tankers entering the ports under rebels' control. Saturday's incident, in which the Maltese tanker "Baku" was prevented from entering the Es Sider terminal by the Libyan navy, falls under this narrative.

Apart from rebels, Libya's energy infrastructures have also been attacked by ethnic minorities like Berbers and Toubous, who demanded their minority rights to be recognized in the constitution. Armed Amazigh (Berber) protesters have repeatedly blocked both the Nalut pipeline and the Mellitah oil and gas complex, with the former supplying gas to the latter (through which gas is exported to Sicily in Italy through the *Greenstream* pipeline). At the same time, both Tuareg (Berber) and Toubou have occupied the El Sharara and El Elephant oil fields in Fezzan region, which supply the Mellitah complex, and others, with crude oil.

Such minorities are demanding a revision of the provisional constitution, which currently establishes that any decision on minority rights in the future constitution should be made by the majority and not by *consensus*, hence favoring Arabs over other ethnic groups. Moreover, ethnic minorities are also fighting for the recognition of rights like citizenship, health care and the possibility to teach in their own language.

Last but not least, energy infrastructures have been targeted as well by the guards who are supposed to provide protection. Since the fall of Gaddafi's regime, the Ministry of Defense has established the *Petroleum Facilities Guards* (PFGs), which are groups of armed guards recruited mainly among the rebels of the civil war. However, several incidents have occurred over the past two years involving rival rebel groups fighting each other for being contracted as PFGs. In addition, PFGs have also

blocked energy facilities and are demanding the payment of their salaries, a salary increase or medical care.

In conclusion, Libya's energy sector this year is likely to incur the same disruptions as last year—at least until a political solution is found. So far, the Zeidan government has preferred to use diplomacy instead of a violent confrontation. The reasons for this are twofold. First of all, some of the demands are purely political in nature and a violent crackdown will not solve the problems, rather it could escalate the confrontation towards a new civil war. Secondly, Tripoli does not have the means to wage war against rebels, considering that Zeidan does not even have control over his own bodyguards, who briefly kidnapped him in October. All of this makes Libya's near future quite gloomy. Therefore, the international community should support Zeidan with state building missions that are aimed at providing training for security forces as well as bringing forth good practices in governance to a nation that is still affected by corruption and mismanagement.

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