UNDP – Libya

Instability and Insecurity in Libya

Analysis

Executive Summary

Four years after the 17 February 2011 revolution, Libya's democratic transition process has faltered. The country saw the establishment of two rival governments in August 2014, leading to a sharp escalation in violence and effective paralysis in terms of services provided through the state. Extremist groups have been able to take advantage of the uncertainty in the country to strengthen their position and pose a growing threat to the state. At the same time, Libya's complex network of relationships at the local level have led to local-level conflicts which maintain their own dynamics while influencing the broader political environment.

Libya's protracted instability has impeded Libya's recovery and undermined the realisation of Libyans' political, social and economic rights. At least 3,700 Libyans are estimated to have been killed between June 2014 and August 2015. In August 2015, over 418,000 Libyans were estimated to be displaced due to conflict. Major damage has been done to infrastructure, while community access to basic services, including electricity, water, health care and education, is unreliable and worsening. Instability has contributed to Libya's poor economic environment, bolstering unemployment and encouraging involvement in militias and the illicit economy. The dependence on, and poor performance of, the oil sector has contributed to a public financial crisis that threatens the state-led distributive mechanisms that have shielded Libyans from the worst consequences of the conflict.

Libya's protracted instability has impeded recovery and undermined the realisation of Libyan's political, social and economic rights.

From March to September 2015, the United Nations Development Programme (UNDP) undertook an analysis of the structural drivers of insecurity and instability in Libya. By identifying the deeper issues, the analysis is intended to inform programming and policy that can promote peace and stability within the country by Libyan and international actors.

Multiple Layers of Insecurity and Instability in Libya

This analysis identifies three conflict systems which contribute to insecurity and instability in Libya: a national level competition over political influence, control of resources and the nature of the Libyan

state; the presence of armed extremist groups; and local level inter-communal tensions.

These systems are distinct in that they each contribute in different ways to conflict, in that they are each driven by issues that are somewhat separate and in that addressing one system will not necessarily directly improve the others. At the same time, however, the conflict systems are deeply interrelated and influence one another. It is unlikely that Libya will be able to enjoy stability and peace without addressing conflict at all three levels.

At the heart of instability and insecurity in Libya is a national level competition over political influence, the control of resources, and the nature of the Libyan state.

3,771	Estimated Number of Libyans killed due to Violence, July 2014 to August 2015
2,440,000	Number of Libyans Directly Affected by Conflict
418,803	Number of Internally Displaced Persons in Libya as of 31 August 2015
1,900,000	Number of Conflict Affected Population with Limited Access to Healthcare and Essential Medicines
1,280,000	Number of Conflict Affected Population who are Food Insecure
680,000	Number of Conflict Affected Population in Need of Clean Water and Sanitation
79%	Percentage of Conflict Affected Population in Need of Protection Assistance
1,500,000	Number of Conflict Affected Population in Need of Early Recovery Services

Table i: Indicators of the Impact of Conflict in Libya, 2015

Competition over Political Influence, Economic Resources and the Nature of the Libyan State

At the heart of instability and insecurity in Libya is a national level competition over political influence, the control of resources, and the nature of the Libyan state.

In part due to its sudden bottom up nature – as well as the legacy of a weak basis for political culture after decades of rule by the former

regime – the 2011 revolution lacked strong political leadership or a unifying idea. Beyond a loose idea of overthrowing the regime, there was little to bring together the various local communities and groups which had mobilised in opposition to the the former regime. Before the liberation of Libya had been declared by the National Transitional Council (NTC) in October 2011, the lack of a commonly held vision for a post-Qadhafi future already meant that loyalty to the country had become subordinate to local geographic and communal identities.

After the revolution, political interests in the country remained fragmented, with little consensus on what post-Qadhafi Libya should look like. While in reality much more diverse, two broad, if ill-defined, currents emerged around competing visions for the country.

The first current has advocated for a strong break from the past and the legacy of the former regime, and has sought to protect the 'principles of the revolution'. This view is largely supported by groups which benefited the most after 2011 as a consequence of their roles during the revolution and immediately afterwards and which have an interest in defending those gains, including many revolutionary groups that formed in the West, as well as a disparate group of Islamist actors including the Libyan Muslim Brotherhood.

The second current, while not counter-revolutionary or pro-Qadhafi, promotes a vision for Libya which does not exclude those parts of the country which supported the former regime, and which can build on the existing capacities of the Libyan state. It is supported by groups including large sections of the East, technocrats and previous officials of the former regime who defected before or during the revolution. Many of these also have an interest in defending their right to public life in the new Libya, which in some cases has been threatened through processes such as the Political Isolation Law.

Libya's instability after July 2014 can be seen in the light of two broad political currents: one that advocates for a strong break from the past and the legacy of the former regime; and one which, while not counter-revolutionary or pro-Qadhafi, builds on the capacities of the Libyan state.

Libya's instability leading up to and after the political crisis of July 2014 can be seen in the light of these two broad political currents. In July, after months of increased political tension and growing insecurity, violence suddenly escalated in Tripoli as a checkpoint incident triggered major battles between Misratan and Zintani aligned militias. This was quickly exacerbated by the contested formation of the new House of

Representatives (HoR) in Tobruk after elections held in June 2014, in which the revolutionary current lost significant influence. Citing legal questions over the way the HoR was formed, the Libya Dawn coalition, made up primarily of Misratan militias and allied armed groups, called for the re-convening of the General National Congress (GNC) in Tripoli.

Libya's two governments, the HoR affiliated Interim Government in Bayda and the GNC affiliated National Salvation Government in Tripoli, are both supported by various armed groups and local communities. At the heart of the dispute are contested ideas for the future of the country that are difficult to reconcile, further complicated by personal interests, the strength of loyalties deriving from social networks, inter-communal grievances and competition over access to economic resources.

The significant levels of violence in the second half of 2014 revealed that neither side has the capacity to defeat the other militarily.

The significant levels of violence in the second half of 2014 revealed that neither side has the capacity to defeat the other militarily. The Libyan political dialogue process, facilitated by the United Nations Support Mission to Libya (UNSMIL), has attempted to bring both sides together around the formation of a Government of National Accord (GNA). By placing the possibility of a political solution on the table, the process has had a significant role in reducing violence in the country. However, even with significant progress towards an agreement, the process, and the GNA, is highly vulnerable to the actions of spoilers.

Armed Extremist Islamist Groups

The second conflict system in Libya identified in this analysis is the presence of armed extremist groups. The label 'extremist' has been extensively used in Libya to discredit political opponents, particularly by those forces aligned against the re-convened GNC, and it is sometimes difficult to distinguish between political positioning and reality. Many Islamists in Libya do not adopt an anti-state agenda in Libya and seek to pursue their objectives through the political process aligned with other actors.

However, there is indisputably a presence of both domestic and transnational extremist elements in Libya. These groups can be defined

by their anti-state agenda, discrediting any future political system in Libya that does not conform with their rigid interpretation of Shari'a law, and their primary use of violence as the mechanism to achieve their objectives.

Libya's extremist elements have been able to thrive in the environment of instability and insecurity in Libya, capitalising on the political and security vacuum to consolidate influence and control of certain geographic areas.

Extremist groups have a strong presence in the city of Derna, in Libya's North East, which the Libyan government has been unable to control since 2011. The city has been contested between groups affiliated with the Islamic State in Iraq and Syria (ISIS) organisation and the domestic Abu Slim Martyrs' Brigade and Derna branch of the Ansar al-Sharia organisation. In Sirte, groups affiliated with ISIS have expanded their control over the city, pushing back Misratan militias in mid 2015 and imposing harsh restrictions on behaviour. ISIS has allegedly used Sirte as a base to launch targeted attacks against Misrata and the oil crescent, and is reportedly looking to expand from the city.

In Benghazi, elements of the Libyan National Army (LNA) launched Operation Dignity in May 2014, ostensibly against Islamist extremism. The situation in Benghazi is more complicated than a simple fight against extremism. Several militias fighting Operation Dignity appear to be less Islamist in their outlook. However, these groups do cooperate with the Ansar al-Sharia organisation, an extremist organisation dedicated to the idea of Libya as an Islamic state. Fighting in Benghazi has resulted in large numbers of civilian casualties and significant damage to private property and infrastructure.

A key factor underlying the presence of extremist groups in Libya are extreme views about the nature of the state and society, and the role of religious doctrine. These are linked with broader global dynamics in transnational extremism. At the same time, other interests related to property, family, personal and political issues play a role, particularly among domestic extremist groups. It is also important to note that Libyan actors, particularly those on the HoR side of the main political divide, regularly use the term 'terrorist' to label and undermine their

Libya's extremist elements have been able to thrive in the environment of instability and insecurity in Libya.

political opponents affiliated with the GNC. They are aware that this helps reinforce international concern while seeking to use it to enhance their credibility. Despite this, the fight against extremists also provides a point of collaboration between HoR and GNC aligned groups, with both sides generally opposed to extremist ideologies.

Inter-communal Conflict at the Local Level

The third conflict system outlined in this analysis is that of inter-communal conflicts at the local level. In reality, this system consists of multiple disputes between communities in different parts of the country that result in sporadic spikes in violence. While often localised in nature, they have significant impact on local populations, and can influence broader instability in the country.

Disputes occur between communities in different parts of the country that result in sporadic spikes in violence. While often localised in nature, they have significant impact on local populations and can influence broader instability in the country.

sub-national identities, such as around geographic communities, tribes or ethnic groups, play important roles in Libya. In the face of Libya's insecurity and instability, indications suggest that sub-national identities have grown stronger since 2011, as communities have sought to protect themselves. In many areas, there is evidence of growing consolidation of local formal and informal authorities, including with locally recruited armed groups.

Communal groups have attempted to renegotiate regional balances in the post-revolutionary context, seeking to redress perceived exclusion, historic wrongs and to secure communal access to political influence or economic opportunities. The growing autonomy of local communities, as well as their connection to armed groups, has provided some of those communities with the opportunity to use force to defend themselves and to pursue their interests. This has resulted in periodic violence between communities.

Local conflicts are prominent in the South of the country. In the South East, significant tensions exist in Kufra between the politically and demographically dominant Arab Zwaya tribe and the Tabu community. In the South West, tensions exist between various communities, particularly between various Arab tribes and the Tabu in Sabha, and between the Tabu and the Tuareg communities around the town of

Awbari. In each context, conflict is driven by competition between communities over access to economic resources, to political participation, access to basic services and the unresolved issue of demographic change and citizenship rights.

In other parts of the country, local conflicts are also important contributors to insecurity. Based on historic grievances, political differences and competition of economic resources, disputes periodically lead to violence. Notable examples include violence between Misrata and the town of Tawergha, and between Misrata and the town of Bani Walid, as well as between Zintan and other towns in the Nafusa mountains.

Local level conflicts are often responded to by existing mechanisms, including through negotiation by community leaders. In many instances of violence, calm has been restored through the acceptance of peace agreements between communal groups. While these are important mechanisms for managing conflict and de-escalating violence, they do not generally address the structural causes of disputes, leaving a return to violence in the future likely.

In many instances of violence, calm has been restored through the acceptance of peace agreements between communal groups. While these are important mechanisms for managing conflict and de-escalating violence, they do not generally address the structural causes of disputes.

Local level conflicts are further complicated by explicit interactions with broader conflict dynamics, including through intervention by actors from other parts of Libya, particularly in the North West of the country. Nevertheless, these disputes remain local issues and it cannot be expected that improvement at the national political level will directly lead to the resolution of local level tensions..

Primary Drivers of Instability and Insecurity in Libya

The analysis identified a complex array of political, security, economic and social factors. These structural factors are deeply embedded, fundamental issues that drive or mitigate instability and insecurity in the country. They will need to be addressed if Libya is to move towards stability and sustainable peace.

When taken individually, factors do not in themselves explain the situation which Libya is currently facing. Many factors identified have

existed in Libya prior to 2011 and many are common in other contexts which are not currently experiencing significant instability.

Political	Security and Justice	Economic	Societal
Disputed Political Visions for Libya	Weak Formal Security Sector	Declining Oil Sector	Strengthening sub-national Identities
Fragile Democratic Culture	Militias and Armed Groups	Budget and Deficit	Normalisation of violence
Low Capacity of Public Sector	Ineffective Justice Systems	Undiversified Economy	Weak Civil Society
Transitional Process and Drafting of the Constitution	Proliferation of Weapons	Smuggling and Illicit Trade	Role of Media
Local Governance and Decentralisation	Transitional Justice and Impunity	Unemployment	Citizenship
Unequal Political and Administrative Participation	No Protection of Human Rights	Financing of Militias	
External Intervention	Local Peace Agreements		
Political Dialogue Process			

Table ii: Major Factors Identified through the Analysis

The analysis focused on the dynamics between these factors to identify the key structural drivers of conflict in the country.

Transitional Process and Disputed Political Visions for Libya

Libya remains very much a country in transition. At the heart of the transitional process is the development of the constitution. The constitution drafting process is still ongoing and has suffered from uncertainty and delay due to the difficult security and political situation. Until it is complete and passed in a referendum, any Libyan government will be seen to have a limited care-taker role, with little mandate for meaningful reforms.

The UNSMIL facilitated political dialogue process has sought to re-establish a unified government for the country. The role of the GNA

Until the constitution drafting process is complete and it is passed in a referendum, any Libyan government will be seen to have a limited care-taker role, with little mandate for meaningful reforms.

will be to maintain security and stability, and to address Libyans' needs, until the transitional process is complete.

Libyans demonstrate a range of competing political visions for their country, with little consensus around questions such as how the state should be organised, the social contract, and how horizontal community relations should be managed. Despite a number of unsuccessful attempts by formal and informal actors to start a broader national dialogue process, there has been little opportunity for Libyans to engage in the sort of public dialogue that could help build such a consensus. Without such an opportunity, competing perspectives will likely continue to be expressed in a divisive manner through media, political behaviour and through violence.

Without a meaningful opportunity to build consensus amongst Libyans around questions such as how the state should be organised and the social contract, competing perspectives will likely to continue to be expressed in a divisive manner through media, political behaviour and through violence.

Influence of Militias and Armed Groups

The proliferation of armed groups in Libya, and the absence of an effective formal security sector that can maintain a monopoly on the use of force, have central and determinative impacts regarding instability and insecurity in the country.

The most significant impact on stability is the threat, or the use, of force by armed groups in support of their political objectives and interests. Aligned with factional and political actors, militias provide an opportunity for those actors to apply pressure on, or act as spoilers of, political processes. It is important to note that many militias and armed groups see their roles as legitimate – being responsible for providing local security or ensuring that opposing political forces are unable to secure their interests.

Previous efforts to integrate militias into formal security forces were ineffective. The result of such efforts has generally ensured militias access to government salaries and effective equipment while being able to continue to pursue their own interests. Potential reform efforts in the short-term are complicated. Without viable alternative security forces, or a viable strategy to integrate armed groups into security forces, it is unlikely that militias can simply be disbanded. The threat of violence limits options for decision makers that might go against the

The proliferation of armed groups in Libya has a central and determinative impact regarding insecurity and instability in the country.

interests of armed groups. Moreover, in the absence of attractive alternative economic activities for young Libyans, the economic incentives for engaging in militia activity, both in terms of payments from government and from other, illicit, revenue streams, are significant.

Public Finances and the Economy

Without almost all Libya's public revenue coming from hydrocarbons, Libya is immensely vulnerable to shocks to its oil sector, as well as to changes in the global oil price. Due to insecurity and lack of investment for maintenance or development, oil revenue remains depressed.

Unless Libya engages in urgent budgetary reform, it faces the prospect of exhausting its national reserves within 12 to 24 months, with potentially destabilising consequences.

As a result, Libya's budget is heavily in deficit, driven largely by large expenditure on public wages and subsidies. Unless it engages in urgent budgetary reform and depending on its ability to liquidate assets and on fluctuations in hydrocarbon revenue, at its current rate of spending Libya is facing the prospect of exhausting its national reserves within the near term. With few options for borrowing, Libya will face major challenges in funding its government expenditure once national reserves are depleted.

A sudden curtailment of salaries and subsidies could be destabilising politically. Armed groups receiving payments from government have an interest in maintaining those revenue sources. At the same time, reduction in payments may undermine any residual control which state entities maintain over armed groups.

A sharp reduction in payments of salaries and subsidies will also have a negative impact on the resilience of the Libyan population to insecurity and instability by removing the important roles they play as social safety nets.

Growing Autonomy of Local Actors

While already strong prior to 2011, the importance of local communities in Libya has strengthened since the revolution. With the effective paralysis of state institutions as a result of the political crisis, in some

areas municipalities have expanded to fill the vacuum regarding service delivery and security.

Decentralisation is an important mechanism for ensuring that local communities have access to better services and more responsive representation. However, the legal framework for decentralisation remains uncertain in Libya.

There is evidence of growing consolidation of formal and informal local authorities, including armed groups, in some areas. As local communities gain more autonomy, they have greater capacity to protect themselves and to limit interference from others – but also to pursue their interests over other actors. There is also a risk that as their power grows, local communities may increasingly seek to assert their authority independently from the central government, weakening the government and its public support.

As local communities gain more autonomy, they have greater capacity to protect themselves and to limit interference from others – but also to pursue their interests over other actors.

Capacities for Peace

Role of the Central Bank of Libya and National Oil Company

Throughout the political crisis the Central Bank of Libya (CBL) and National Oil Company (NOC) have managed to remain largely neutral. The NOC has maintained ensured that oil revenues are secured by the CBL, which has continued to pay salaries and subsidies to both sides. This policy has helped to reduce the risk of violent competition over the control of economic resources by various factions to the conflict. It has also helped to ameliorate the humanitarian impact of conflict by providing the social safety nets that salaries and subsidies provide to Libyans.

It is also possible to argue that the strategy of continuing to pay militia salaries has played a short-term role in promoting stability by buying armed groups off. However, any short-term benefits provided by militia payments are quickly outweighed by the longer-term implications of enabling armed groups.

In 2015, both the CBL and NOC have come under increasing pressure from political factions and the Interim Government has sought to

establish alternative offices of both institutions in Bayda. In particular, attempts to establish and operationalise an alternative NOC in Bayda poses a situation in which, if successful, the economic stakes in Libya's conflict would be significantly increased.

Informal Peace Capacities at the Local Level

Libyan society has strong traditions of informal dispute resolution processes. These processes are effective conflict management mechanisms which can de-escalate tensions and violence and provide frameworks for addressing future disputes.

Libyan society has strong traditions of informal dispute resolution processes.

Mechanisms such as social sanctions leveraged on individuals by members of the community act as effective deterrents to negative behaviour within local communities. Other mechanisms, such as negotiations between community leaders leading to ceasefire agreements, have played important roles in addressing conflict between towns, tribes and ethnic communities.

These capacities are important mechanisms for managing conflict which can immediately contribute to stability and security in the local area. However, they rarely address the causes of the dispute in the first place. As a result, they do not currently represent sustainable peacebuilding mechanisms and disputes are likely to recur.

Political Dialogue Process

Since January 2015, the UNSMIL facilitated political dialogue process has been the country's best opportunity to address the political crisis that led to the formation of two governments. The political track of the dialogue has brought together senior representatives of the GNC and HoR and a core group of independents to work towards the establishment of the GNA and the preparation of security measures. Several other tracks have sought to provide opportunities for the inclusion of Libyan voices which may not otherwise be heard but which have a significant stake in the process, such as Libyan women, civil society, municipalities and armed groups.

The UNSMIL facilitated political dialogue process has been Libya's best opportunity to address the political crisis.

Progress towards the formation of a GNA has not, and cannot be expected to be, linear. However, it is clear that the existence of the dialogue process has played a positive role in terms of the national level political conflict by providing the opportunity for a non-violent resolution for disputes. Overall violence in Libya significantly decreased after the start of the political dialogue process in January 2015 – while driven by a range of factors, this has been seen to be significantly influenced by the environment established through the political dialogue process.

Recommendations

A number of programming recommendations have been identified for Libyan and international actors to promote stability and peace in Libya, responding to the key drivers of conflict and the capacities for peace identified through the analysis.

Continue the Political Dialogue Process

Regardless of its immediate results, there is a need to maintain a political dialogue process in Libya. With no military solution possible, the dialogue is the only way to promote a peaceful, political resolution to the political crisis. There is a need for continued dialogue even after the formation of the GNA, as a mechanism to address disputes around implementation of the political agreement and for ensuring that voices which may otherwise be excluded from the GNA, such as women and civil society, may continue to be heard.

In order to maintain public support, the GNA will need to immediately demonstrate an improvement in terms of basic services and security for the Libyan public.

Support a Government of National Accord

The GNA resulting from the political dialogue process will be immediately vulnerable. It will be subject to ongoing political disagreement and susceptible to spoilers. In order to maintain public support, it will need to immediately demonstrate an improvement in terms of basic services and security for the Libyan public. There will be a need for significant support from the international community, particularly in terms of technical assistance, planning and policy

making. However, that assistance must also stress the importance of Libyan ownership – too much foreign involvement may undermine the credibility of the GNA in the eyes of the Libyan public and a reduction in its capacity to provide space for Libya's transitional process to proceed.

Sensitively Engage with Local Governance and Local Communities

Decentralisation provides an important opportunity to ensure the rights of local communities. However, hasty efforts to strengthen local authorities could contribute to centrifugal tendencies within the Libyan state.

Decentralisation provides an important opportunity to ensure that local communities are able to access better services and more responsive representation. The role of municipalities, and their capacities to address the needs of local communities, should be strengthened. However, given the uncertainty of the legal framework for decentralisation, and the current weakness of the central state, decentralisation also poses a risk. Hasty efforts to strengthen local authorities, without managing its relationship to the central government, could contribute to centrifugal tendencies and to the fragmentation of the state.

Strengthen Domestic Mediation and Conflict Management Capacities

Libya's strong mechanisms and strong local capacities for dispute resolution play important roles in de-escalating tensions and violence, particularly at the local level. These processes should be strengthened, while also linking them to other formal authorities. Importantly, such mechanisms should also be supported to address the root causes of local conflict in order to promote longer-team peacebuilding outcomes.

Undertake Security Sector Reform Addressing the Role of Militias

Addressing the proliferation and dominance of non-state armed groups in Libya is one of the most important challenges facing the country. The role of militias needs to be reduced in a way that does not create short-term instability. Efforts to demobilise militia fighters will have be to coupled with the creation of attractive alternative economic opportunities for Libya's youth. At the same time, the formal security sector needs to be strengthened in such a way as to build trust in it

among all Libyans, that promotes the rules of law and is responsive to the security needs of the population.

Continue Support for the Constitution Drafting Process

The constitution is an essential part of Libya's transitional process that will provide the framework for the future direction of the country. The constitution process will need support to finalise the draft and to prepare for the holding of a referendum – both significant challenges within the current context.

Encourage Meaningful National Dialogue

Despite several unsuccessful efforts to start a national dialogue process after 2011, Libya has not had a meaningful opportunity to build consensus within the Libyan public around a vision for the nature of the Libyan state. A Libyan owned process, with the possibility of international technical assistance, will be necessary to address questions such as: the relationship between the Libyan state and its citizens, including rights and responsibilities; horizontal relationships between different sections of Libyan society; and the implications of, and appropriate mechanisms for dealing with, Libya's recent past, including abuses under the former regime.

It will be necessary to undertake a Libyan-owned national dialogue process aimed at building consensus around the nature of the state and the social contract.

Promote a More Vibrant and Democratic Media Sector

Media, including social media, have significant impact on the framing of the conflict in Libya. Divisive media has contributed to the breakdown in trust between groups. There is great scope for work that promotes the positive use of media for peace, strengthening informed and reasonable debate and which promotes and protects freedom of expression. Important foundations, such as the UNESCO sponsored Madrid declaration, should be strengthened.

Support Civil Society Development

A healthy and vibrant civil society sector will be a crucial component of a more stable and peaceful Libya. Civil society has a role to play in promoting democratic culture in Libya and in building social cohesion across the country. Civil society should be strengthened, particularly in important areas such as human rights, political rights, advocacy and monitoring. However, such support will need to be undertaken in a way that is sensitive to the dangers such civil society activity may face.

Support Sensitive Public Financial Management Reform

There is an urgent need for public financial management reform in Libya to address the budget crisis.

There is an urgent need for public financial management reform in Libya to address the budget crisis. Given the interest of armed groups in government payments such as salaries and subsidies, such reforms will have be carefully communicated and sequenced with security sector reforms. At the same time, given the important social safety nets such payments provide, reform will also need to be accompanied by efforts to mitigate negative impacts on the poorest, most vulnerable and most marginalised communities.

Promote Sustainable Management of the Oil Sector

Libya's economy is heavily dependent on hydrocarbon revenues and there is little prospect that this will change in the short term. Until efforts to diversify Libya's economy can have an impact, it will be necessary to work to support the effective, and sustainable, management of Libya's oil resources in the short to medium term. Oil revenues should be directed towards responsible reinvestment and efforts to promote more diversified economic opportunities for the Libyan public.

Promote Economic Diversification and Local Economic Development

The lack of meaningful and attractive alternative economic opportunities is a key driver of participation in militias, criminal economic activities such as involvement in illicit trade, corruption and

competition over oil infrastructure. A more diversified economy is a necessary long-term objective for Libya needing immediate support.

Agree on a Set of Principles for Conflict Sensitivity Among International Actors

The international community should draw on existing efforts to develop an agreed set of principles for conflict sensitive action in Libya. These principles should not only focus on ensuring that the international community utilises a do-no-harm approach to programming, but actively works to positively impact peace and stability in the country.

Table of Contents

List of Acronyms

BRSC	Benghazi Revolutionaries Shura Council
CBL	Central Bank of Libya
CDA	Constitution Drafting Assembly
CSO	Civil Society Organisation
GNA	Government of National Accord
GNC	General National Congress
HoR	House of Representatives
ICG	International Crisis Group
IMF	International Monetary Fund
ISIS	Islamic State in Iraq and Syria
IDPs	Internally Displaced Persons
LIFG	Libyan Islamic Fighting Group
LNA	Libyan National Army
MoD	Ministry of Defense
MoI	Ministry of Interior
MoJ	Ministry of Justice
MoLG	Ministry of Local Government
NGO	Non-Governmental Organisation
NOC	National Oil Company
NTC	National Transitional Council
PCI	Peaceful Change Initiative
PFGs	Petroleum Facilities Guards
SMEs	Small and Medium Enterprises
SSC	Supreme Security Council
UAE	United Arab Emirates
UN	United Nations
UNDP	United Nations Development Programme
UNHCR	United Nations High Commission for Refugees
UNSMIL	United Nations Support Mission in Libya
WAC	Warriors Affairs Commission

1. Introduction

Libya's 17 February 2011 revolution provided the country with an opportunity to transition from four decades of authoritarian rule towards a democratic state that could better address the needs of the Libyan people. Four years on, Libya is still unable to realise that promise, experiencing ongoing political conflict, insecurity and economic challenges which threaten to undermine its transition.

Libya's current political crisis, beginning in July 2014, has seen the establishment of two rival governments within the country: one centred around the House of Representatives (HoR) based in Tobruk; and the other around the re-convened General National Congress (GNC) based in Tripoli. Both sides are supported by shifting clusters of armed groups and political actors. While the political dialogue process facilitated by the United Nations Support Mission in Libya (UNSMIL) has provided opportunities for a political settlement to the crisis and lasting security arrangements, many of the underlying political, ideological, economic and social factors leading to the crisis remain to be addressed.

Libya's protracted instability has deepened the political, social, economic and geographic cleavages within the country, impeding Libya's recovery and undermining the realisation of Libyan's political, economic and social rights.

Simultaneously, Libya contains additional interrelated, but distinct, conflict systems. Fighting between forces aligned to both governments and extremist Islamist militias, concentrated in Sirte, Derna and Benghazi, account for a significant number of Libyan deaths due to conflict. Unresolved inter-communal tensions at the local level, particularly in the South of the country, also periodically lead to localised, but significant, spikes in violence. While these conflict systems are heavily influenced by the broader political conflict at the national level, they maintain their own dynamics as well and it cannot be expected that any settlement arising from the political dialogue process will directly lead to their improvement.

Libya's protracted instability has deepened the political, social, economic and geographic cleavages within the country, impeding Libya's recovery and undermining the realisation of Libyans' political, economic and social rights. At least 3,700 Libyans are estimated to have been killed as a result of conflict since July 2014. Displacement, a direct result of conflict, is significant, with estimates of 418,803 internally displaced persons (IDPs) in August 2015. Major damage has

also been done to infrastructure, both directly due to conflict and to neglect by state institutions paralysed due to the political crisis. Community access to services such as electricity, water, health care and education is poor, while key government services, such as the social safety net, are unreliable. Significantly, too, Libya's social fabric has been adversely affected. Deterioration in levels of trust between communal groups is clearly apparent. While local ties and communal identities have always been strong, these appear to be increasing and Libyans demonstrate a growing mistrust of those outside their immediate local networks.

3,771	Estimated Number of Libyans killed due to Violence, July 2014 to August 2015[1]
2,440,000	Number of Libyans Directly Affected by Conflict
418,803	Number of Internally Displaced Persons in Libya as of 31 August 2015[2]
1,900,000	Number of Conflict Affected Population with Limited Access to Healthcare and Essential Medicines
1,280,000	Number of Conflict Affected Population who are Food Insecure
680,000	Number of Conflict Affected Population in Need of Clean Water and Sanitation
79%	Percentage of Conflict Affected Population in Need of Protection Assistance
1,500,000	Number of Conflict Affected Population in Need of Early Recovery Services

Table 1: Indicators of the Impact of Conflict in Libya, 2015[3]

This analysis concentrates on the structural drivers and dynamics of conflict in Libya, particularly those relating to economic and social issues.

Purpose and Scope of the Analysis

Between March and September 2015, the United Nations Development Programme (UNDP) undertook an analysis process relating to instability and insecurity in Libya. The analysis has three primary objectives. Firstly, it aims to identify the structural drivers and dynamics of conflict in Libya, particularly those relating to economic and social issues. A significant priority of this includes enhancing understanding of dynamics at the local and sub-national level in Libya,

through research undertaken across thirteen municipalities within the country.

Secondly, the analysis is intended to inform conflict-sensitive programming across the country, by UNDP, the UN system more broadly, and by Libyan and international partners. Throughout the analysis process, UNDP has engaged with partners and interlocutors with the intent to share relevant findings in a public version of this report.

Thirdly, the findings of the analysis are expected to inform UNDP's programming in Libya. Specifically, the analysis is intended inform the conflict-sensitive development of UNDP's Support for Local Resilience and Recovery programme, focusing on local area governance and economic development.

Methodology

The analysis methodology was broadly based on the Conflict and Development Analysis framework utilised by UNDP. The framework provides a step-by-step tool assessing: the underlying factors driving conflict within a context, particularly relating to political, security, economic and social issues; the key actors involved in conflict, their interests, needs and capacities; the dynamics and relationships between these aspects; and potential scenarios for the future.

Initially, a desk review was undertaken to understand key aspects of the situation and key factors relating to conflict in Libya from within the literature.

Subsequently, a number of key Libyan interlocutors were brought to Tunis for a two-day workshop to discuss the conflict context in Libya. Participants were not chosen from a representational point of view but to provide a variety of perspectives relating to different sectors of interest to the analysis. The workshop provided an informed basis for comparison with the desk review and for further research on areas that were identified as priorities.

Fieldwork for the analysis was undertaken in thirteen municipalities across Libya and revolved around the undertaking of social peace assessment in each municipality led by Libyan facilitators and analysts.

Discussions with more than sixty key Libyan and international interlocutors was undertaken to improve understanding of issues raised through research. Towards the end of the analysis period, a further limited workshop was conducted in Tunis focussing specifically on economic drivers of instability and insecurity in Libya.

During the course of the analysis, UNDP partnered with the Peaceful Change Initiative (PCI), a UK based NGO with extensive experience and networks in Libya regarding peacebuilding, conflict analysis and promoting conflict sensitive programming. PCI undertook fieldwork research for the analysis in thirteen municipalities across Libya, including: Sahel; Awbari; Murzuq; Misrata; Sabratha; Bayda; Kufra; Zuwara; Benghazi; Ajdabiya; Suq al Jum'aa, Tripoli; Markaz Tarabalus, Tripoli; Jadu; and Sabha.

The fieldwork research consisted of undertaking participatory social peace assessments in each municipality, led by Libyan facilitators and analysts trained by PCI. The assessments brought together various members of the community, incorporating a range of perspectives, to identify key actors relating to peace and insecurity within the community, the relationships between those actors and key impediments to those relationships. Follow up meetings and interviews were subsequently conducted to improve understanding of issues identified which needed clarification or were of particular interest. In total, more than 250 Libyans participated in the social peace meetings and follow up interviews across the thirteen municipalities.

The participatory nature of the analyses, bringing together various stakeholders within communities, were designed to improve consensual understanding of problems amongst participants. Additionally, several of these workshops were combined with training on social peace and transformational leadership skills in order to provide a benefit to participants and to ensure that the analysis process was not purely extractive.

UNDP's relationship with PCI has been one of partnership. The results of the fieldwork are also expected to inform PCI's other work – particularly in promotion of conflict sensitive programming across Libya.

Limitations of the Analysis

The UN in Libya, together with much of the rest of the international community, relocated to Tunis in the immediate aftermath of the July 2014 crisis due to the deteriorating security situation in Libya. As such, and due to the continuing security situation on the ground, the analysis team was unable to go to Libya. Access to Libyan interlocutors was limited to those able to come, or already coming, to Tunis, or accessible over phone or internet communications.

Given this, the analysis team's ability to access interlocutors was quite limited, and mainly consisted of those known through existing networks. While attempts were made to address any consequent selection bias that entered the qualitative analysis, through careful consideration of perspectives and attempts to review alternative interlocutors and sources of information, there is also a risk that they remain.

This risk is lessened as a result of the fieldwork, which was able to engage with larger number of interlocutors incorporating various perspectives at the local level.

The analysis process was also necessarily qualitative in nature. Access to reliable quantitative data on Libya is strongly limited by the lack of publicly available data from the Libyan government or from other sources. No quantitative research was undertaken as part of this analysis, though some publicly available datasets were reviewed in order to enhance understanding of specific issues and some non-public data sets, such as opinion polls, were shared with the analysis team by partners. Improving understanding of the results of this analysis through quantitative assessments serves as an opportunity for future research by UNDP and other actors.

Structure of the Report

The structure of the report broadly follows the structure of the UN Conflict and Development Analysis framework.

The second chapter of the report provides a narrative situation and background analysis relating to conflict in Libya. After providing an outline of the background to and impacts of the conflict, it looks at the current situation in Libya through the perspective of three interrelated but distinct conflict systems: national level competition over political influence, economic resources and the nature of the Libyan state; the presence of armed extremist groups; and inter-communal tensions at the local level.

The third chapter presents an analysis of key structural factors and dynamics contributing to insecurity and instability in Libya. Factors are divided between four sectors: political factors; security and justice; economic factors; and social factors. The characteristics of each, and of how they interact with the conflict environment, are briefly explained.

The fourth chapter provides a description of key actors relating to peace and stability within Libya, looking at their interests, capacities and the relationships between them.

While the factors identified in the third chapter have been identified as particularly important regarding instability and insecurity in Libya, they do not by themselves explain why Libya has experienced the level of conflict it has. The fifth chapter seeks to explain the mechanisms driving conflict in Libya by bringing together the factors and actors identified.

Building on the analysis results, the sixth chapter makes a projection of events in Libya by highlighting three potential scenarios which the country may face.

Finally, the last chapter of the report outlines a series of recommendations that have been reached through the analysis process.

2. Situation Analysis

Libya's Post-2011 Transition

Protests in several cities across Libya in mid February 2011 sounded the first rumblings of the revolution that would overthrow the regime of Muammar Qadhafi and result in the killing of the leader by revolutionary forces on 20 October of the same year. By April, with the support of international air strikes and military logistics support, much of Libya's East was held by rebel forces. Fighting continued in the Western coastal region and the Nafusa mountains until August when rebel forces were able to launch an offensive and capture Tripoli. Fighting continued in other parts of the country, particularly the generally loyalist regions around Sirte and in the South, until October. On 23 October 2011, the National Transitional Council (NTC) announced the liberation of Libya, shortly after the capture of Sirte and Qadhafi's death and after eight months of revolution.

By the time Tripoli fell in August 2011, the lack of a commonly held vision for a post-Qadhafi future meant that loyalty to the state had become subordinate to local geographic or communal identities.

Although the quickly formed NTC served as the new face of the Libyan rebels, it was really little more than a loose umbrella for anti-regime forces during the revolution. Revolutionary militias generally formed around local communities and structures, and occasionally around ideological objectives. However, with the exception of a common goal of overthrowing the regime, there was actually little to bring the various rebel forces together. Divisions between groups were already apparent during the revolution, but the lack of clear leadership became especially problematic immediately after the fall of Tripoli in August. By that point, the lack of a common vision for a post-Qadhafi Libya meant that loyalty to the state had become subordinate to local geographic or communal identities. Within hours of the fall of Tripoli, various revolutionary militias and political actors had begun to be caught up in contests over narrow partisan interests.

Transitional Politics

After liberation, the NTC faced obvious weaknesses, including a lack of clear credibility and representativeness of actors on the ground. Importantly, it was unable to maintain control of the various militias that had sprung up during the revolution, and which continued to swell

afterwards. Nor was it able to reliably deliver government services, suffering under the institutional atrophy which had been allowed to happen under the former regime. Within this context, the success of the elections for the new General National Congress, envisaged in the 2011 Constitutional Declaration, that were held with UNSMIL and international support on 7 July 2012 was a significant achievement.

The elections provided additional legitimacy; however, the GNC was not necessarily much stronger than the NTC. The congress was heavily fragmented, in part due to the lack of effective political parties. It took months to form a government, with Prime Minister Ali Zeidan finally able to establish a cabinet in November 2012.

Two major political currents evolved around competing visions for a post-revolution Libya:

The first advocated for a strong break from the past and the legacy of the former regime;

The second tended towards a view of a new Libya which avoided divisiveness between Libyans who had been supportive of Qadhafi and those who had not.

While complicated by the multitude of agendas held by Libyan actors, two major, if undefined, political narratives evolved around competing visions for a post-revolution Libya. The first, supported largely by revolutionary groups that had formed in the West, as well as a disparate group of Islamist actors including the Libyan Muslim Brotherhood, advocated for a strong break from the past and the legacy of the former regime. The second, including technocrats, former members of the Libyan diaspora and former officials of the Qadhafi regime who had defected before or during the revolution, tended towards a view of a new Libya which built on the existing capacities of the state and avoided divisiveness between Libyans who had been supportive of Qadhafi and those who had not.

A significant moment in the evolution of these narrative currents occurred with the attack on Bani Walid in October 2012. Under pressure from the revolutionary camp following the capture of a number of Misratans in the oasis town, the GNC voted to authorise armed intervention. Bani Walid, the homeland of the Warfalla tribe, was seen as a counter-revolutionary stronghold and had been involved in periodic fighting with revolutionary forces since the fall of Tripoli. The operation led to significant casualties, displacement and disruption of property and contributed to strengthen the uncompromising view of the revolutionary camp.

The two political currents were also particularly prominent in the debate around the Political Isolation Law in the early months of 2013. The law aimed to exclude from public office anyone who had held a

senior post under the Qadhafi regime. Its development strongly divided the GNC and occupied it for much of the first few months of 2013. In the end, the deployment of militia fighters around the Justice and Foreign ministries in Tripoli in May 2013, and threats to GNC members, ensured that the bill was passed almost unanimously, but provided an alarming precedent for militia influence over the political process.

The government was unable to overcome the divisions in the GNC in latter part of 2013 or meaningfully respond to the security situation. Ali Zeidan's efforts at reforming the security sector, in particular, met a slow death. Zeidan's plans to establish an internationally supported General Purpose Force were undermined when he was unable to overcome the interests of other political groups. In October 2013, the Prime Minister was abducted by militia fighters, though released a few hours later when pro-government militias took the building in which he was being held. Zeidan later declared the incident an attempted *coup d'état* by opposing forces within the GNC.

With the GNC mandate expiring in February 2014 and little progress on the development of the constitution, the GNC voted to extend its term. Widespread protests at this decision resulted in a quick about face and the decision to make amendments to the 2011 Constitutional Declaration with a view to holding June elections for a newly elected House of Representatives and to concluding the transitional process by 21 October 2015.

In the meantime, the political dynamics within the country significantly worsened. On 11 March 2014, Ali Zeidan was suddenly voted out of office by the GNC and fled Libya amidst accusations of financial irregularities. He was replaced by Abdullah al-Thinni as interim Prime Minister, while fighting within the GNC increased.

In May, in response to perceived Islamist control of the security sector, Khalifa Hiftar, a former general under Qadhafi who had rebelled and lived in exile in the US before returning to Libya in 2011, launched Operation Dignity. The campaign was publicly directed against Islamist militias in Benghazi, particularly Ansar al-Sharia, but included attacks against Libya Shield forces. In alliance with armed

groups in Zintan and Tripoli, Hiftar also launched an attack against the GNC in the West.

Before its 23 October Declaration of Liberation, the NTC had outlined a constitution development process. It called for elections within 240 days of liberation to form the General National Congress (GNC), an interim authority that would in turn elect an interim government and form a constitutional committee. The constitutional committee would be required to draft a constitution within 120 days.

Within the context of insecurity and the weakness and divisions within the GNC, the ambitious constitutional process outlined within the Constitutional Declaration of August 2011 suffered from predictable delays. Disagreement regarding how the constitutional drafting committee should be selected were eventually resolved in April 2013, when the GNC voted for drafters to be elected. Elections for the Constitution Drafting Assembly (CDA) were subsequently held on 20 February 2014, with a plan that the CDA was expected to develop and submit the constitution to the GNC over a 120 day period. Due to insecurity, the contested political environment and a lack of capacity, the constitutional drafting process was continually delayed.

In the initial few months after the revolution, retribution attacks against people perceived to have supported the former regime were common, the influence of armed groups expanded an ineffective security sector and justice system was unable to respond.

On 25 June 2014, elections were held for the new HoR. Only 630,000 Libyans turned out to vote, a significant reduction on the 1.7 million votes posted during the GNC elections in 2012. The Islamist trend in particular lost significant sway in the newly elected parliament, stirring up the already agitated political environment.

The Security Environment from 2012-2014

The 2012-14 period saw a continued, if moderate, level of violence. Especially in the initial few months after the revolution, retribution attacks against people perceived to have supported the former regime were common, the influence of armed groups expanded and an ineffective security sector and justice system was unable to respond.

The state security sector had effectively disintegrated after the revolution. Those military units which had not broken off and joined other armed groups were demoralised, badly equipped and suffering

from a lack of trust. The government did not disband them, however, recognising the importance of keeping a core part of the military functioning. The police were in worse shape, with little capacity to fulfil their duties.

Much violence was prosecuted by localised militias that had formed during the revolution, or shortly afterwards. Militias worked to ensure that they gained from the new situation and could secure their control of territory and assets. Militias were able to act with wide ranging impunity as police and army units either disintegrated into factional forces or lacked the resources, authorities and support to implement security measures.

The government responded with several efforts to integrate militias into formal security institutions, through phased approaches. These efforts failed due to mistrust of the state by militias, the inability of the state to manage competing militia interests, the contested political environment and a lack of political vision. The attractiveness of life in formal security institutions to individual militia members was also limited due to lower pay and greater requirements than the relatively highly-paid and undisciplined militias.

The attractiveness of life in formal security institutions was also limited due to lower pay and greater requirements than the relatively highly-paid and undisciplined militias.

In 2011, the NTC established the Supreme Security Committee (SSC), a collection of militias under the command of the Ministry of Interior (MoI). The plan was for the SSC to deploy militias for policing and security roles while integrating them into the police. It was disbanded in December 2011, reformed a few months later, disbanded and reformed again and finally dissolved in late 2013. Many of the individuals who were supposed to be integrated into the police ended up frustrated at lack of pay and support and left, rejoining armed groups or criminal activities. Some of the stronger militias were able to maintain their independence after incorporation into the MoI, effectively becoming government sanctioned militias in pursuit of their own factional interests.

An alternative effort emerged in early 2012 as a bottom-up initiative by revolutionary militias. Frustrated with the lack of security and desirous of securing a role for themselves in the new Libya, militias simultaneously banded together to form a new security force in the North West of the country and in Benghazi. These groups came to be

known as the Libya Shield Force. The Libya Shield quickly positioned themselves as a paramilitary formation that would be integrated with the armed forces. By April 2012, they were established as a separate command within the Ministry of Defense (MoD). Over the following year, the Libya Shield grew into 13 divisions – but while these ostensibly operated together and held semi-official status, they maintained a large degree of autonomy and many militias continued to pursue their own interests.

Interrelated Conflict Systems in Libya

The situation in Libya from July 2014 is complex. This analysis adopts a conceptual framework that looks at the instability and insecurity in the country from the perspective of three conflict systems: a national level competition over political influence, control of resources and the nature of the Libyan state; the presence of armed Islamist extremist groups; and inter-communal conflict at the local level.

Competition over political influence, control of resources and inclusion in the state at the national level, is the most determinative source of conflict in the country affecting Libya's stability.

The July 2014 Crisis: Competition over Political Influence, Economic Resources and the Nature of the Libyan State

Libyan political actors' competition over political influence, control of resources and inclusion in the state at the national level currently manifested most recognisably in the dispute between the HoR and GNC, is by far the most determinative, and most described, source of conflict in the country affecting Libya's stability.

A trigger for the sudden escalation in violence and instability in July 2014 was an incident at a checkpoint near the Palm City compound housing much of the international community in Tripoli on 5 July. Clashes followed the arrest by local militias of a member of the Sawaiq brigade, aligned to the town of Zintan, and quickly escalated into pitched fighting between Zintan aligned forces and fighters aligned to the town of Misrata and the Libya Shield formation of militias, which adopted the label 'Libya Dawn'. The fighting mirrored the ongoing Operation Dignity campaign begun in May 2014 by Khalifa Hiftar in Benghazi. Both sides utilised heavy weapons as fighting spread through Tripoli, with significant civilian casualties due to

12

indiscriminate shelling and direct fire, and large numbers of Tripolitans displaced.

By the end of August, Tripoli was held by Libya Dawn, who had driven out the opposing forces aligned with Zintan. Much of the international community, including the UN, had evacuated the city due to the security situation.

The HoR was convened in Tobruk on 4 August 2014. Thirty elected representatives boycotted the inauguration, declaring it illegitimate due to its location (under the Constitutional Declaration amendments it was to be based in Benghazi) and the process of handover from the GNC. Libya Dawn supported the boycotters and asserted that the new HoR was made up of Qadhafi supporters. The HoR responded by declaring that the Libya Dawn forces terrorists.

Libya Dawn then called on members of the former GNC, many of whom had not been re-elected in the 25 June HoR election, to reconvene as the new GNC, an alternative government. Many of those that joined the new GNC came from Islamist parties, including most notably from the Muslim Brotherhood's Justice and Reconstruction Bloc. The Justice and Reconstruction Bloc, and those supportive of the Islamist trend, had suffered heavy defeat in the 25 June elections.

Libya's actors broadly coalesced into two clusters: one generally in support of the GNC in Tripoli; and the other aligned with the HoR in Tobruk.

In response, Libya's actors broadly coalesced into two clusters: one generally in support of the GNC in Tripoli; and the other aligned with the HoR in Tobruk. The relationships between actors within each cluster, however, remains dynamic – there is not a unified approach between them and relationships are marked by shifting alliances. The term clusters is used precisely because these two groups do not appear to be motivated by the same issues, do not at all times act in coordination and often demonstrate contrasting objectives on different issues.

It is difficult to identify an overarching narrative to the GNC cluster. One of the most prominent simplifications, and a common accusation by the HoR, is that it is made up of Islamists. It is true that, during the revolution, Islamist groups such as the Libyan Muslim Brotherhood, the former Libyan Islamic Fighting Group (LIFG) and others who had opposed the Qadhafi regime for decades saw the revolution as an

opportunity to promote Libya as an Islamic state. Some of those same people became members of the remnant GNC. However, many of the Islamists involved, including the Libyan Muslim Brotherhood, do not promote the rigid imposition of Shari'a law. Equally, religion does not play more of a role in some GNC aligned militias than it does in some pro-HoR ones, while the Islamist narrative does not necessarily explain the tentative support shown to the GNC by Amazigh communities to Tripoli's West.

A more effective explanation for the cluster is that they represent much of the revolutionary political current that developed in Libya after 2011. Members of the GNC cluster aim to defend the objectives of the revolution, remove any remnant of the former regime and protect the new roles that they have carved out for themselves in the post-2011 Libya.

Beneath these broad political objectives is a complex web of tribal and regional loyalties and disagreements.

The HoR consists of representatives, particularly from the East, who blame the instability and insecurity in Libya on Islamist groups, as well as former Qadhafi era officials who joined the revolution in 2011 but do not align well with the Islamist revolutionaries. It opposed the Political Isolation Law which prohibited former Qadhafi era officials of participation in public life. In terms of military capabilities, the HoR has accepted Khalifa Hiftar as General Commander of the Libyan National Army (LNA), but whose forces are mainly concentrated around Benghazi. In the West, the HoR is supported by Zintani-led forces who ostensibly answer to the LNA but maintain a high degree of autonomy.

Further beneath these broad political objectives is a complex web of tribal and regional loyalties and disagreements. Political-economy is also central, with issues of inclusion and influence in the state also affecting access to hydrocarbon rents and trading opportunities.

Over the second half of 2014, fighting extended to the West and South-West of Tripoli towards the Warshefana area, aligned with Zintan, in September, and towards Zintan itself in the Nafusa mountains in October and November. Fighting was marked by significant targeting of civilians, indiscriminate shelling and abuse of human rights on both sides.

In accordance with its mandate, UNSMIL has been actively engaged in efforts to mediate a peaceful resolution to the July 2014 crisis. Consultations with a wide range of Libyan stakeholders in the second half of 2014 led to the UNSMIL facilitated Libyan Political Dialogue process, commencing in Geneva in January 2015.

The political dialogue process aims to end the current political and security crisis by bringing members of the re-convened GNC and the HOR, as well as other Libyan stakeholders, together towards a political agreement. The agreement focuses on two key items: the formation of a Government of National Accord (GNA) and security arrangements, including a comprehensive ceasefire, withdrawal of armed formations from cities, and weapons collection.

UNSMIL has been actively engaged in efforts to mediate a peaceful resolution to the political crisis.

The dialogue has provided an essential opportunity for the peaceful resolution of the crisis. While the country remains deeply insecure and unstable, levels of violence in the West have reduced markedly since their peak in the second half of 2014. Nevertheless, many challenges remain. At its heart, members of the re-convened GNC are hesitant to agree to an arrangement that does not give them more political influence than they were granted through the HoR election, while the HoR are unwilling to acknowledge an agreement that would mean that they compromise what they gained through that election. While an acceptable compromise can be found, the presence of hard-line spoilers on both sides, some of whom are aligned to armed groups, threaten the maintenance of any agreement. A break down in the dialogue process, or a failure in the agreement after signature, would likely lead to a renewal of violence with even less prospect of a peaceful resolution in the near-term.

Armed Extremist Islamist Groups

The second conflict system outlined here is that of the presence of armed Islamist extremist groups, both domestic and transnational, in Libya.

Various actors, particularly those aligned against the new GNC, have sought to label opponents as extremist Islamists in order to discredit them, both within Libya and internationally. As a result,

generalisations and simplifications regarding extremist groups in Libya are commonplace and it is sometimes difficult to distinguish between political positioning and reality.

Nevertheless, there is certainly a presence of extremist elements within Libya. Despite Libyans' affirmations that they are not inclined towards intolerant attitudes, extremist groups have been able to thrive on the environment of insecurity and instability in the country to gain footholds in a number of geographic areas.

There is a need, firstly, to distinguish between Islamist groups more broadly in Libya and extremist groups. As noted above, it is true that, during the revolution, Islamist groups such as the Muslim Brotherhood, the former Libyan Islamic Fighting Group (LIFG) and others who had opposed the Qadhafi regime for decades saw the revolution as an opportunity to promote Libya as an Islamic state. By far the majority of these groups, however, have been content to participate in Libya's transitional process, even if they dispute its outcomes. As noted above, their rejection of the HoR and participation in the GNC aligned cluster since July 2014 appears to be more about political objectives than religious ones.

Islamist extremist groups can be defined by their anti-state agenda, discrediting any future political system in Libya that does not confirm with their rigid interpretation of religion, and their willingness to use violence to achieve this.

On the other hand, there is certainly a presence of both domestic and transnational extremist Islamist groups in Libya. These groups can be defined by their anti-state agenda, discrediting any future political system in Libya that does not conform with their rigid interpretation of religious law, and their willingness to use violence to achieve this.

Domestic actors include Ansar al-Sharia, a hard-line Islamist organisation based in Benghazi. Initially established as an outreach, or *da'wa*, initiative aimed at promoting an Islamic state in Libya, it has increasingly concentrated on military action since the beginning of Operation Dignity in May 2014. Ansar al-Sharia is aligned to the Benghazi Revolutionaries Shura Council, which includes it and a number of Libya Shield militias that are not Islamist in their outlook.

In May 2014, Khalifa Hiftar launched Operation Dignity against Benghazi. While the campaign is most easily interpreted within the first conflict system described above, Hiftar used the presence of Islamist extremist groups in the city, most notably Ansar al-Sharia, as

16

the primary justification for his actions. The ongoing fighting in Benghazi has resulted in a larger number of casualties than any other area, with a significant impact on civilian populations. Despite little progress on either side, fighting in Benghazi alone has accounted for over 45% of all combat deaths since July 2015.[4]

Derna, in Libya's North East, is one of the strongholds for Islamist extremism in Libya. The Libyan state has been unable to control the city since shortly after the 2011 revolution, though has contained armed groups within it. The Abu Slim Martyrs' Brigade is a domestic extremist group in Derna which incorporates fighters from the extreme end of the former LIFG. Some of its Libyan leaders allegedly fought as Mujahideen in Afghanistan and have links to the Al Qaeda organisation. It competes in Derna with another major group which self-identifies as part of ISIS and promotes ISIS' *takfiri* ideology. There have been tensions between these two groups as each try to consolidate their authority in the city. In July 2015, serious fighting between them at least temporarily displaced ISIS fighters and drove them out of the city, where they fought with Libyan National Army elements surrounding the city.

Groups claiming allegiance with ISIS also exist in Sirte. Sirte was Qadhafi's home town and was one of the last cities to fall to rebels during the revolution. Groups pertaining to be part of ISIS operate from there and have flown the ISIS flag. After a number of months of fighting with Misratan forces present in Sirte, they eventually managed to drive Misratans out of the city at the end of May 2015, taking control of the city and putting in place harsh restrictions on behaviour. In August, local communities tried to rise up against ISIS, suffering significant reprisals and casualties. ISIS aligned forces from Sirte are also seen as responsible for a series of suicide car-bomb attacks on Misrata itself in 2015.

While currently contained geographically, the fear regarded armed Islamist extremist groups in Libya is that they will be able to use the instability and insecurity in the country to expand their impact.

While currently relatively contained geographically, the fear regarding armed Islamist extremist groups in Libya is that they will be able to use the instability and insecurity in the country to expand their impact. The presence of extremist groups, especially those claiming allegiance to ISIS, is a major concern for international actors and a motive for military intervention in the country. International actors are particularly concerned by the prospect that transnational Islamist

terrorist organisations might be able to establish a foothold in Libya from which they could launch attacks in the region.

Inter-communal Conflict at the Local Level

The third conflict system outlined here is that of inter-communal conflicts at the local level. In reality, this system consists of multiple disputes between communities in different parts of the country that result in sporadic spikes in violence. While often localised in nature, they have significant impacts on local populations, and can influence broader instability in the country.

Communal groups have attempted to renegotiate regional balances in the post-revolutionary context, seeking to redress perceived exclusion, historic wrongs and to secure communal access to political influence or economic opportunities.

Communal groups have attempted to renegotiate regional balances in the post-revolutionary context, seeking to redress perceived exclusion, historic wrongs and to secure communal access to political influence or economic opportunities.

Sub-national identities, such as around geographic communities, tribes or ethnic groups, play important roles in Libya. In the face of Libya's insecurity and instability, indications suggest that sub-national identities have grown stronger since 2011, as communities have sought to protect themselves. In many areas, there is evidence of growing consolidation of local formal and informal authorities, including with locally recruited armed groups.

The growing autonomy of local communities, as well as their connection to armed groups, has provided some of those communities with the opportunity to use force to defend themselves and to pursue their interests. This has resulted in periodic violence between communities.

The growing autonomy of local communities, as well as their connection to armed groups, has provided some of those communities with the opportunity to use force to defend themselves and to pursue their interests.

Local conflicts are important contributors to insecurity. Based on historic grievances, political differences and competition of economic resources, disputes periodically lead to violence. Notable examples in the North of the country include violence between Misrata and the town of Tawergha, and between Misrata and the town of Bani Walid, as well as between Zintan and other towns in the Nafusa mountains. These conflicts are further complicated by explicit interactions with the broader political conflict.

Inter-communal tensions are especially important in the South of the country, where conflict is driven by competition between communities

over access to economic resources, to political participation, access to basic services and the unresolved issue of demographic change and citizenship rights.

In the South East, tension centres on the town of Kufra. The Arab Zwaya tribe, which dominates demographically, controls much of the area's political and administrative positions. The Tabu in the area claim that they are excluded from politics and that the Zwaya utilise their administrative control to favour their own constituencies and to undermine access for the Tabu to economic opportunities, including in the oil sector and in smuggling routes. Citizenship issues for the Tabu, a legacy of the Qadhafi regime, provides an additional conflict driver. These issues led to fighting between Tabu and Zwaya armed groups over 2011 to 2014 with hundreds of people killed. Tabu militias have also operated against Zwaya smuggling routes south of Kufra, and attempted to close off the Ajdabiya-Kufra road in early 2014. In March 2014, the Omar Mukhtar brigade, incorporated into the Libya Shield force, were deployed to Kufra as a stabilisation force by the GNC. Local leaders have also sought to negotiate inter-communal agreements to limit violence. These agreements, however, have not remained stable, with periodic spikes in violence, most recently in July and September 2015.

The South West of Libya was a prominent source of support for the former Qadhafi regime, including for recruitment to the security apparatus. The strong links between the former regime and communities in the South ensured that it remained loyal to Qadhafi until after the fall of Tripoli in October 2011. The post-revolution context saw the area fall into conflict between several of its communities. Tensions are most prominent between Arab tribes and the Tabu community around the town of Sabha, and between Tabu and Tuareg around the town of Awbari.

In Sabha, conflict centres on the Arab Awlad Suleiman tribe who, with the support of some smaller Arab tribes, have fought with the Tabu community and with other Arab tribes, particularly the Qadhadfa and Magarha. The Awlad Suleiman see themselves as having historic rights to the South of Libya but were in disfavour under Qadhafi. Consequently, they claim that they deserve a prominent role in the post-revolution context in the South. The killing of Mansur al-Aswad,

an Awlad Suleiman leader, in January 2014 was the trigger for a significant spike in violence which destabilised Sabha for approximately two months. The deployment of the Misratan-led 3rd Force by the GNC as a stabilisation force in March 2014, which brought the situation under control and continues to remain in Sabha.

The Tabu represent the primary alternative force in Sabha, controlling several areas and major checkpoints on roads leading into the town. The Tabu and other groups are not necessarily allied, but all oppose the Awlad Suleiman's dominance of local administrative and security structures. Since 2011 hundreds have been killed in fighting between the Awlad Suleiman and others. The situation has been quieter since the arrival of the Misratan third force, but periodic attacks still occur.

Separate disputes have occurred in Awbari. The city is demographically dominated by small local Arab tribes, known collectively as the Ahali. A significant population of Tuareg is also present, who represented a significant source of support for the former regime; as well as a Tabu community. Many of the Tuareg located there are alleged to be of Malian origin, promised Libyan citizenship as part of their support for Qadhafi. Since the revolution, Awbari Tuareg and Tabu have competed over control of trade routes, administrative control of the area and critical infrastructure, with the Ahali generally favouring the Tabu. The number of Malian Tuareg has allegedly swelled since the Mali conflict in 2013. There are also claims that Islamist extremist elements have established themselves in Awbari subsequent to the 2013 Malian conflict.

Since August 2014, the situation in Awbari has become significantly worse, with the relatively controlled disputes between the Tabu and Tuareg shifting to open conflict, including the use of heavy weapons. Reportedly, large number of Malian Tuareg and Chadian Tabu have recently arrived in the area, further fuelling conflict. Many residents have reportedly fled the town and are based in neighbouring communities of Ghat and Murzuq. Successive efforts to mediate the dispute by outsiders from the Warfalla Tribe, the Chadian government, the Interim Government in Bayda and by Qatar have been unsuccessful, and periodic bouts of fighting between the Tabu and Tuareg has continued.

At the heart of the conflict system in the South are a number of key factors. Firstly is the issue of demographics and inclusion. Communal groups are renegotiating the regional balances in the post-revolution context, attempting to redress perceived exclusion at the hand of Qadhafi, and assert or protect their communal rights, including perceived historic claims to control of territory. This manifests itself through competition over access to administrative and security structures as well as to basic services.

A linked issue is the complex issue of citizenship. Members of the Tabu and Tuareg communities, in particular, claim citizenship based on promises by the Qadhafi regime for their participation in wars in Chad and Niger. These claims are contested by other communities in the area, and indeed by each other, and have not been addressed by government institutions. While there are difficulties in verifying claims given the freedom of movement across Libya's southern border, the result is the genuine disenfranchisement of some people who have been living in local areas for years and their inability to access to services.

At the heart of the conflict system in South are the issues of demographics and inclusion, the related issue of citizenship and control of economic rents.

Finally, and centrally, the conflict in the South is also one of control of economic rents through the lucrative cross-border smuggling routes from Niger, Chad, Sudan and Algeria. Control of these smuggling routes also affects conflict in the rest of the country, as supplies and income are brought in and directed to national level conflict actors.

3. Factor Assessment

This section identifies a series of structural factors relating to instability and insecurity in Libya that have been identified through the analysis process. The structural factors are deeply embedded, fundamental issues that drive or mitigate instability in the country and which will need to be addressed if Libya is to move towards stability and sustainable peace. It is worth noting that, while important, individual factors may not on their own explain Libya's current instability. The inter-relationships, or dynamics, between factors, which drives conflict in the country, will be dealt with in chapter 5.

For conceptual convenience, the factors below have been organised into four sectors: political; security and justice; economic; and societal factors. Each factor is described briefly in terms of the issue and its relationship with instability and insecurity in Libya. Each deserves a much fuller treatment than can be provided within the space of this report and this list may provide a framework for the preparation of more specific analysis by UNDP or other actors.

Political	Security and Justice	Economic	Societal
Disputed Political Visions for Libya	Weak Formal Security Sector	Declining Oil Sector	Strengthening Sub-national Identities
Fragile Democratic Culture	Militias and Armed Groups	Budget and Deficit	Normalisation of violence
Low Capacity of Public Sector	Ineffective Justice Systems	Undiversified Economy	Weak Civil Society
Transitional Process and Drafting of the Constitution	Proliferation of Weapons	Smuggling and Illicit Trade	Role of Media
Local Governance and Decentralisation	Transitional Justice and Impunity	Unemployment	Citizenship
Unequal Political and Administrative Participation	No Protection of Human Rights	Financing of Militias	
External Intervention	Local Peace Agreements		
Political Dialogue Process			

Table 2: Factor Assessment Matrix

Political Factors

Disputed Political Visions for Libya

Libya's post-2011 political space plays host to a multitude of political visions for the country, with little consensus regarding how the state should be organised or what principles should define it. This lack of consensus has confused the process of democratic transition and contributed to the difficulties faced by the transitional governments in negotiating competing political interests.

Two competing trends became evident shortly after the revolution. The first advocates a strong break from the past and the legacy of the former regime. It rejects the participation of former regime officials in public life and aspires to protect the principles of the revolution. This view is largely supported by the new elite that benefited after 2011 through their roles during the revolution and immediately afterwards, including many militias. While not defined by it, this trend is also supported by a large proportion of Libya's Islamist current: particularly members of the *ulama*, the Libyan Muslim Brotherhood and members of the former LIFG. The second trend sees a need for Libya to adopt a path that does not risk excluding the significant portion of the country which supported the former regime, and that could build on the existing capacities of the Libyan state. They include many former members of the Libyan diaspora, technocrats and former officials of the Qadhafi regime who had defected before or during the revolution. Many of these have a personal interest in maintaining their right to participate in public life in the new Libya.

The lack of consensus regarding a political vision for post-revolutionary Libya has confused the country's process of democratic transition.

While in no way a black and white model that can be applied to all of Libya's actors, these currents do provide a useful lens to understanding the GNC/HoR division after July 2014. The cluster that formed around the re-convened GNC tends towards promoting the revolutionary current, while the HoR cluster reflects more the idea of greater continuity.

Other significant political visions also permeate Libya's political space. Despite its lack of support amongst most Libyans, federalism continues to persist as a political idea. In 2012, a collection of tribal and political leaders in the East of Libya under the leadership of Ibrahim Jadhran

declared the creation of a semi-autonomous territory in the East of the country, named after the historic city of Barqa. While receiving sympathy among some members of the HoR and in some local communities, particularly Ajdabiya, the federalist movement is not widely supported; and is actively opposed by Operation Dignity forces. Its relationship with other actors in the East also overlaps with a complex web of tribal relations. Federalist forces took control of key financial assets in the East in 2013, including major oil terminals at Ras Lanuf, blockading them in order to push for their own demands. A political agreement with the interim al-Thinni government in mid-2014 handed back the oil terminals. The federalism movement has been overshadowed by events under the HoR-GNC dispute, but it continues to exist and have an impact.

Several groups also actively aspire to move Libya towards an Islamic state. These groups include those, like the Muslim Brotherhood, who do not reject the transitional process itself and have participated in Libya's democratic political processes. These should be considered separately from the more extreme manifestation of Islamist views held by those, like the Abu Slim Martyr's Brigade, Ansar al-Sharia or ISIS, who seek to promote their aims directly and with force, if necessary. Such groups reject engagement with the state and are excluded, or exclude themselves, from formal political processes.

The new Libya created after 2011 faced the challenge of needing to create new democratic institutions with little of the democratic infrastructure, such as established political parties, experienced democratic politicians or democratic conventions of political behaviour, necessary.

Fragile Democratic Culture

Decades of authoritarian rule ensured that Libyans had little experience with democratic processes. The new Libya created after 2011 faced the challenge of needing to create new democratic institutions with little of the democratic infrastructure, such as established political parties, experienced democratic politicians or democratic conventions of political behaviour, needed to do so. Libya has still not overcome these challenges, and the democratic system remains fragile.

The election of the GNC in June 2012 was a high point in Libya's transition process. With a turnout of around 1.7 million Libyans, approximately 62% of registered voters, the elections demonstrated public enthusiasm for the new institution.

24

The new GNC faced significant internal divisions. While on one level such a dynamic represents a robust democracy, the public only saw an ineffective institution unable to make significant progress on addressing Libya's needs. Public confidence in the GNC dwindled, but also in the system as a whole. At the HoR elections in June 2014, only approximately 630,000 Libyans turned out to vote, only 42% of a much smaller pool of registered voters than previously.

One of the reasons for the GNC's challenges in addressing Libya's needs resulted from the lack of defined political parties able to develop and push policy platforms in a coherent manner. With political organisations banned under the former regime, only a handful of groups, most notably the Muslim Brotherhood, maintained structures resembling modern political parties, though these were severely weakened by their underground or exiled nature.

After 2011, Libya saw an explosion in political parties, though these political parties have been unable to run as party lists in elections. With the exception of few ideological parties like the Muslim Brotherhood affiliated Justice and Reconstruction bloc, political parties have tended to be defined along local or regional lines and drawn around individual leaders' immediate social networks. Parties lack experience, capacity and meaningful links with the public. Poor internal discipline also means that individual politicians act with considerable independence. Libyans have demonstrated a corresponding low level of trust in political parties, with surveys showing that parties are seen to be self-interested, a barrier to democratic transition and some of the least trusted institutions in the country.

When unable to get their way, political actors both within and outside formal institutions resort to attempts at spoiling the process through withdrawal, the use of threats or active expression of force.

Political behaviour in Libya is characterised by dependence on personal networks, mutual suspicion, inter-personal attacks and shifting alliances. Many politicians lack the capacity to work effectively in representative institutions or to contribute meaningfully to necessary policy reforms.

There is also a broader lack of respect for the principles underpinning the new democratic institutions in Libya. When unable to get their way, political actors both within and outside formal institutions resort

to attempts at spoiling the process through withdrawal, the use of threats or active expression of force.

The weak democratic culture in Libya undermines the effectiveness of Libya's institutions, threatens the state's ability to respond to the needs of the country and weakens the public's confidence in the system. The lack of respect for democratic principles, in particular the threat, and use, of force when actors do not get their way, undermines Libya's stability and contributes to insecurity.

Low Capacity of State Institutions

Weaknesses in the public sector undermine the Libyan state's ability to address the needs of Libyans and to respond to the structural causes of conflict.

The Libyan state suffers from a lack of capacity across all government institutions, particularly within the administration. Weaknesses in the public sector undermine the Libyan state's ability to address the needs of Libyans and to respond to the structural causes of conflict.

Consecutive governments since 2011 have been hamstrung by a lack of defined policy expertise, the need to cater to multiple opposing political interests, a lack of meaningful control on the ground and the indecisiveness of parliaments. There has also been recognition that all governments since 2011 have been transitional in nature. Their primary role has been stabilisation and the immediate response to the needs of the Libyan people, so that the constitution can be written and Libya can move beyond its transitional period. The result has been that governments have not had the mandate for, and have resisted proposing, significant reform and has resulted in effective paralysis when it comes to dealing with Libya's structural problems.

The public service is limited by a lack of personnel, training and capacity. The former regime intentionally sought to limit the development of the bureaucracy, with the notable exception of the oil sector, and the impacts are still felt. While individual public servants may be capable, their effectiveness is limited by unclear decision making authorities and ineffective institutions. Since July 2014, the public administration has effectively split into two, with separate offices within ministries answering to the two different governments and a political divide growing within public service institutions.

Transitional Process and Drafting of the Constitution

On 10 August 2011, the NTC announced its Constitutional Declaration, a framework document that outlined the transitional process for the country after the revolution. The Constitutional Declaration called for elections within 240 days of the NTC declaring the liberation of Libya to elect the GNC. In turn, the GNC would draft a law to appoint a constitutional committee. The Constitutional Committee would be expected to draft a constitution within 60 days of its formation. Within 30 days of approval of the constitution draft by the GNC, the draft would be held to referendum. Once approved by a two thirds majority of Libyans, the draft would become the Constitution, the GNC would move towards fresh elections and Libya's transition to a democratic state would be complete.

The Constitutional Declaration was very ambitious in its time-frame. Already, within weeks of the announcement of liberation on 23 October 2011, the NTC had already acknowledged that it would be impossible to hold elections within 240 days. However, in an impressive achievement, elections were held shortly after the expiration of that period on 7 July 2012.

After the formation of the government in November 2012, the GNC considered how the Constitutional Committee should be formed. After several months of deliberation, the decision was made that the Constitution Drafting Assembly (CDA), as it would be called, should be an elected body. A law to that effect, with a framework for how it would function, was passed in April 2013. An electoral law for the CDA was passed in July 2013, with elections expected in early 2014.

CDA elections took place on 20 February 2014, with a turnout of just under 50% of 1.1 million registered voters. The plan was that the CDA was to develop and submit a draft constitution within 120 days. However, the CDA faced challenges in organisation, internal politics, capacity and due to insecurity which ensured that the deadline was unrealistic. In the meantime, the GNC dissolved in favour of the establishment of the HoR in the June 2014 elections. The uncertainty caused by the split between the HoR and the remnant GNC caused

additional confusion to the work of the CDA, though it has remained broadly independent.

The constitution drafting process is predominantly an elite level activity. The CDA has engaged in only limited outreach, and there have been limited civil society efforts, supported by the international community, to engage the broader Libyan public within the process. Nevertheless, the responsiveness of the CDA to the broader public is very limited.

The drafting of the constitution is one of the key factors determining Libya's ability to address instability.

The drafting of the constitution is one of the key factors determining Libya's ability to address instability. While still formally in transition, Libya cannot meaningfully move on from the legacy of the former regime and post-revolutionary instability. With the acceptance of a constitution, Libya will be able to move towards the election of a formal parliament and government with the ability to make meaningful reforms needed to address Libya's needs. Nevertheless, the constitutional drafting process remains far from certain. Under the existing Constitutional Declaration, the constitution can go straight to referendum after drafting. However, the draft political agreements under discussion through the Libyan political dialogue process require the acceptance of a constitutional draft first by an appropriate legislative body prior to the referendum. To pass this in what will presumably be a highly contested political context, then subsequent approval by a two thirds majority of the Libyan public, is far from guaranteed.

Local Governance and Decentralisation

The revolution of 2011 had a very local dynamic. Protests started in many cities locally, with little connection to what was happening in other areas. As security forces tried to respond, revolutionary militias formed out of local communities, and local councils were formed to address immediate needs. While the NTC was able to bring many of these groups under a broad umbrella, with all local councils represented within the NTC, they never really lost their local flavour.

The NTC proclaimed the importance of decentralisation and local administration before liberation was declared. The local councils that

were represented in the NTC were administered and funded under NTC decrees. In late 2011, the Ministry of Local Government (MoLG) was established to oversee the administrative set up of, and to support, decentralised local councils. This arrangement was formalised under Law 59 pertaining to Local Administration, passed by the NTC in March 2012. 25 of the 68 formally recognised local councils held elections in 2012, but others that had been planned were halted under a GNC decree until the MoLG could organise elections based on new municipalities defined under Law 59. Elections for 91 municipalities were held by the MoLG throughout 2014.

Under law 59, which remains in force, the country is organised into approximately 105 municipalities. Municipal councils are to be elected, including one quota seat each for women and for wounded revolutionaries. Despite their election, however, council face limitations. Under the law, the MoLG retains significant influence over councils. The MoLG maintains financial control over municipalities, and control the budget to be allocated to them. It can veto decisions made by the council. Municipalities also do not provide, or have formal authority over, many basic services, which continue to be provided through various centrally controlled line ministries - although ostensibly with municipal offices.

In some areas, municipal authorities have been filling the vacuum left by ineffective central institutions and have become the only visible face of government.

Many of these provisions have been contested by municipalities, with many testing the limits of the law. Through several initiatives supported by international NGOs, mayors have worked to define needed reforms to Law 59 and to advocate for adequate authorities for local government within the draft constitution.

In the meantime, however, the MoLG faces a lack of capacity, and is near paralysed in the context since the July 2015 crisis. The ministry is split between Tripoli and Bayda, and the loyalties of municipalities across the country are divided between the two. Municipal authorities have been filling this vacuum organically and have become the only visible face of government in many areas. In some areas, municipalities are finding ways to provide services through engagement with local NGOs and communities, ensure security by working with locally formed militias and, in the face of lack of funding from the central government, to look towards finding novel ways of raising revenues.

In this context, municipal authorities continue to be powerful actors within Libya's political context, strengthening a city-state dynamic within the country. Decentralisation is an important mechanism for ensuring that the rights and needs of local populations are addressed. However, the ongoing capacity of municipalities to prosecute and protect their own interests robustly, particularly through relationships to militia forces, poses a potentially destabilising pressure. This pressure, and the potentially conflicting interests of central and local government, will have to be carefully mediated when the current political crisis is over and the central government is again functioning.

Disparities in access to political and administrative participation has caused resentment and contributes to negative dynamics between communities.

Unequal Political and Administrative Participation

Libya's component communities experience different qualities of access to political and administrative representation and services. This undermines the rights of some groups, particularly minorities, and preferences others. At a local level, disparities in access to political and administrative participation has caused resentment and contributes to negative dynamics between communities.

In Kufra, the dominant Arab Zway tribe hold almost all positions of administrative responsibility. According to Tabu interlocutors, they make administrative decisions in favour of their own community and discriminate against Tabu. The Tabu maintain a consequent sense of alienation. The Zway, in turn, argue that the Tabu community includes many migrants who have no right to access services and who are straining resources and taking away economic opportunity. The consequent resentment has contributed to periodic spikes in violence which has left hundreds dead since 2011.

In Sabha, a similar dynamic plays out between the Awlad Suleiman, an Arab tribe which was discriminated against under the Qadhafi regime. The Awlad Suleiman feel that they are the historical owners of Sabha and that they are entitled to restitution for their treatment under Qadhafi and the the role they played in the revolution. The Awlad Suleiman control almost all the administrative positions in Sabha. This has added to resentment from other groups, including other Arab tribes, Tuareg and Tabu, who feel excluded, and has fuelled significant spikes in inter-communal violence.

External Intervention

The 2011 revolution saw sustained involvement of various international actors in support of different revolutionary groups. In addition to NATO and Arab country military strikes under UNSCR 1973, foreign actors provided both non-lethal materiel aid and weaponry to revolutionary groups, as well as strategic advice.

Libyans continue to see international interference as a significant driver of conflict. Since 2014, regional powers such as Egypt, Saudi Arabia and the United Arab Emirates (UAE) have been perceived to be supporting the HoR. Egypt and the UAE in particular have been accused of providing financial support and weapons to HoR aligned forces and even of conducting air strikes against GNC aligned forces. On the other hand, Turkey, Sudan and Qatar are seen to be supporting the GNC, again through the provision of financial and military assistance. Much of the evidence for this involvement on all sides is indistinct and greatly fuelled by rumour. All these countries have supported the political dialogue process as a legitimate effort to bring Libya back together, at times attending as observers. Qatar has also been involved in trying to mediate local peace agreements, particularly in Awbari in the South.

> *Libyans continue to see international interference as a significant driver of conflict.*

Other regional actors also play roles. Morocco has been an active and positive supporter of the political dialogue process, playing host to several meetings of the main political track in Skhirat. Algeria also supports the dialogue, hosting several other meetings of the dialogue relating to civil society and political parties in Algiers. Tunisia, most directly affected by the conflict in Libya and with up to 400,000 Libyans within its border, has been careful to maintain a neutral stance. However, its relations with both sides of the GNC-HoR divide have been strained several times, such as over the levying of visa fees for Libyans crossing the border, or over the announcement to erect a wall on the Tunisian-Libyan border in response to the June 2015 Sousse attack, which was perpetrated by a Tunisian allegedly trained in Libya.

Broader international actors are also deeply involved in Libya. Despite the withdrawal of much of the international community from Libya by August 2014 due to insecurity, and a reduction in the delivery of

development assistance due to the fragile political and conflict environment, a number of countries continue to take an active interest in and, particularly, in supporting the UNSMIL facilitated political dialogue process. With the intended creation of the GNA as a result of the dialogue, bilateral and multilateral assistance can be expected to increase.

International interest, particularly from western countries, is also directly concerned with two major issues: the strategic position of extremist Islamist groups within Libya; and human trafficking of migrants through Libya into Europe.

The political dialogue process represents the only currently effective mechanism for bringing the various disputants in the political crisis around the table.

Political Dialogue Process

The UNSMIL facilitated political dialogue process aims to end the current political and security crisis in Libya. The talks work towards achieving consensus on two main agenda items: the formation of a Government of National Accord (GNA); and security arrangements, including a comprehensive ceasefire, withdrawal of armed formations from cities and weapons control.

Consultations with a wide range of Libyan stakeholders including parliamentarians, political leaders and various civil society personalities in Libya paved the way for convening the round of UNSMIL facilitated Libyan political dialogue commencing in Geneva in January 2015. The Geneva meeting was a major breakthrough and led into a series of dialogue sessions aimed at bringing various stakeholders to the political crisis in Libya together.

Talks are structured into multiple concurrent tracks: a) political; b) security; c) tribal leaders; d) political parties; e) municipalities; f) women; and g) civil society. The main ('political') track includes three main delegations: the HoR; the remnant GNC; and a group of independents, including boycotters from both the HoR and the former GNC as well as representatives of civil society. The security track includes leaders of armed formations. Other tracks aim to increase inclusiveness of the dialogue and ensure that any proposed political agreement remains relevant to various Libyan stakeholders.

Factor Assessment

The political dialogue represents the only currently effective mechanism for bringing the various disputants in the political crisis around the table. While linear progress towards a political agreement can not be reasonably expected, the process itself provides a non-violent forum to deal with grievances. Even when progress is slow or occurring in parallel to violence, the ongoing process may serve a positive, and necessary, role by putting restraining pressure on parties and keeping the window open for peaceful resolution.

The stated goal of the dialogue is to move towards a political agreement outlining the formation of the GNA. The GNA is expected to be a mechanism to share power between the various stakeholders to the crisis. Its mandate will be to maintain sufficient stability to allow for the drafting of the constitution and the completion of Libya's transitional process.

Any political agreement that results from the political dialogue process will be immediately vulnerable. There is a very real chance that spoilers will attempt to derail the GNA once it is formed. On its own, and without continued buy-in from significant political and militia groups across the country, the GNA will have very little ability to promote stability and address Libyans' immediate needs. A collapse of the political process or of the GNA once it is formed will place Libya on a very uncertain trajectory.

Security and Justice Factors

Weak Formal Security Sector

The legacy of policies of the former regime and the organic nature of the 2011 revolution ensured that the post-revolution security sector would face significant challenges that it has been unable to overcome. The result of this is that the post-2011 Libyan state has been unable to exercise the monopoly of the use of violence necessary under classical interpretations of state-building.

Attempts to integrate militias into formal police and military structures subsequent to the revolution, such as through the SSC and Libya Shield forces, were imperfect as a result of the political realities in the new Libya. Lack of trust of the new government and the lack of a clear

vision for the future of the country meant that militias were unwilling to concede the potential influence they had gained through their possession of weapons, or their new status as revolutionary fighters. In response, the NTC and GNC moved towards a model of a 'hybrid' security force, involving the establishment of conglomerations of militias as paramilitary forces to provide security. The result has been the superficial incorporation of militias which have little respect for the formal chain of command into security structures, while formal security forces have languished under a lack of resources or disintegrated into units with factional loyalties.

The majority of Libyans feel that the police ought to be the primary security providers in local communities.

Police in Libya are particularly weak. Generally recognised to be under resourced, their ability to provide services in particular areas is directly impacted by the presence and role of local militias. In areas with heavy militia presence, the police's ability to operate is often determined by the practical relationships and access individual officers can leverage. Despite their shortcomings, the police do appear to maintain a deal of legitimacy within the community. According to recent surveys cited by interlocutors, the majority of Libyans feel that the police ought to be the primary security providers in local communities, even in areas where they do not appear to have a significant presence. Libyans report the importance of having formal reports prepared by the police in order to access government services, even when those police are unable to leave their stations to investigate. In some cases, militias have reportedly required police reports when responding to requests from the community, demonstrating a desire by those militias to fit within the overall legitimacy enjoyed by the police service and a more formalised rule of law.

The official Libyan National Army (LNA) remains a divided force without clear command or coordination. After 2011, different army units aligned themselves with political factions, a large number of militias were incorporated into the formal army, and new units were raised unsystematically along tribal, local or factional lines by key staff within the MoD. Since 2014, different army units have sided both with the re-convened GNC or with the HoR in the broader political dispute. Functionally, even amongst army units fighting on the same side, the command structure of the army is limited in its authority and local commanders demonstrate a great deal of autonomy. The result is that the LNA is not a unified entity and acts more as a collection of semi-

independent factional forces. Its most prominent faction, which is most often called the 'LNA' by interlocutors and analysts, is made up of units aligned with the HoR under the command of General Khalifa Hiftar.

The formal security sector in Libya suffers from multiple barriers to reform. Firstly, there is no clear structure for security sector governance. Security forces come under the purview of multiple government departments with unclear, or absent, civilian oversight. Secondly, security forces suffer from a lack of capacity, equipment and can offer little to attract and keep good personnel; other armed actors are better equipped and able to provide better pay and incentives to fighters. Thirdly, the legacy of the Qadhafi regime, together with the highly contested political space in post-2011 Libya, inspires low levels of trust in centralised security actors, meaning that political actors and militias are unwilling to disarm and forego potential sources of protection and influence. Prospects for effective security sector reform in Libya are pessimistic without significant efforts to address these barriers.

Militias and Armed Groups

The proliferation of armed groups in post revolution Libya began with the revolutionary fighters that had fought against the regime. Partly in response to the legitimacy gained by being a revolutionary militia fighter, and party as an organic response to the security vacuum caused by the effective collapse of the Libyan security sector, other armed groups also quickly formed after the revolution was over. An estimated 30,000 fighters fought against the former regime during the revolution. Recent estimates in late 2014 suggest as many as 200,000 fighters currently mobilised within the country.

A particular dynamic of the proliferation of armed groups in Libya has been the localisation of security provision within the country.

A particular dynamic of the multiplication of armed groups has been the localisation of security provision within the country. Militias have primarily formed along local or communal lines. Based in their own towns, they defend the community from outside attack and police the streets. Due to family, communal and geographic ties, militias have strong ties to local de facto community leaders. In some areas, particularly for example in Misrata or Zintan, these relationships extend to extent that the control of militias falls under military councils,

semi-formal local command structures with defined relationships to local civil authorities. By giving civil authorities access to a paramilitary force, such relationships empower a tendency towards city-state style politics between local geographic areas.

Efforts to regulate militias after the revolution have met with mixed results. Attempts at integration, such as through the hybrid security mechanisms of the SSC and Libya Shield, have resulted in a large number of militias gaining a semi-official status and allowing them to receive continued government support. Despite their semi-official status, these militias do not tend to fall within a clear command and control structure, act independently and are often seen to represent factional interests. They do not share the same legitimacy in the eyes of the Libyan public as formal institutions such as the army or the police, despite the ineffectiveness of the latter institutions.

By reducing the need for political compromise, militias allow political actors with whom they are aligned to circumvent or undermine political processes.

By far the most determinative impact of the prevalence of militias in Libya is on political behaviour. Aligned with factional and political actors, militias provide an opportunity for actors to engage in political violence and to apply pressure on, or act as spoilers of, political processes. By reducing the need for political compromise, militias allow political actors to circumvent or undermine the transitional political processes.

There are significant barriers to any potential efforts aimed at addressing the situation regarding militias in Libya. Insecurity and low levels of trust provide incentives for local communities and political actors to utilise militias to protect their interests. The low capacity of the police and LNA means that militias continue to be needed to provide local security. Militias are also likely to engage in strong, and potentially destabilising, resistance to any efforts to reduce payments to fighters or remove the recognition and legitimacy granted to 'revolutionaries' after 2011. This will be particularly acute without opportunities for the reintegration of militia fighters and the creation of meaningful alternative economic opportunities for individuals.

Factor Assessment

Ineffective Justice System

In 2011 the justice system in Libya was already suffering from a lack of capacity resulting from the policies of the former regime. Under Qadhafi, the judiciary had come under the responsibility of the Ministry of Justice (MoJ), undermining its independence. The legal profession was reformed, disbanding the private legal sector in 1981 and creating a system in which all lawyers were paid the same - by the time the decision was partially revised in 1990, corruption was rife while capacity and trust were severely depleted. A parallel court structure established special courts with deeply political overtones separate from the formal justice system. The result was a deep lack of trust in the justice system amongst Libyans. This lack of trust has been worsened by the ineffectiveness of the justice system since the revolution. The lack of security in Libya has had a significant impact on Libyans' access to justice, undermining the effectiveness of the investigative, judicial and penal systems.

The limitations faced by the police in terms of resourcing and access to areas under the control of local militias has severely undermined their ability to investigate crimes, collect evidence and apply due process. Nevertheless, police are recognised as a vital and legitimate part of the rule of law process. Libyans will attend police stations to file reports and complaints and militias will bring suspects to the police station to be processed. However, often due to lack of evidence or due process in arrest, the vast majority of these claims cannot be processed. Suspects presented in this way will often be immediately released, even if they have legitimately been doing wrong.

The judicial process is strongly influenced by pressures from militia groups and political actors.

When cases do get to court, the judicial system is overburdened with cases complicated by a lack of evidence and unclear legislation. Despite positive reforms after the revolution such as the separation of the High Judicial Council from the MoJ, reports demonstrate that the judicial process is strongly influenced by pressures from militia groups and political actors. While pressure is clearly evident in high profile cases such as those involving the supreme court, other researchers note that judges and prosecutors fear reprisals for decisions relating to the vast majority of criminal cases. Without clear protection for judges, many cases are left in limbo with suspects kept in indefinite pre-trial detention.

The limitations faced by the police and judiciary have resulted in low levels of trust in the judicial process and institutions. As a consequence, evidence exists that Libyans have been taking justice into their own hands. A significant proportion of violence reported in the media include murders, assassinations and other revenge-type incidents that have characteristics of vigilantism, either by individuals or groups. The existence of unofficial detention centres run by militias and outside the control of the formal justice system is widely acknowledged.

More constructively, Libyans have also been turning to alternative dispute resolution mechanisms. Tribal councils have always played an important role in Libyan society, particularly in the East, and serve an important function in resolving disputes or offering recompense for crimes committed by one of their members. In areas where tribes are less influential, local community councils or 'wise men' play essential roles in providing Libyans with access to informal justice.

Proliferation of Weapons

Libya is awash with weapons. The Qadhafi regime stockpiled vast numbers of light and heavy conventional weapons in caches across the country. While many of these caches were destroyed during NATO air-strikes during the revolution, others were captured by revolutionary forces. Their contents were either removed to other locations or the caches themselves remained under the control of militia forces. Additional weapons were also brought into the country during the revolution by international actors supporting anti-Qadhafi fighters, and despite the continuing arms embargo, weapons continue to be smuggled into the country.

Continued access to heavy weapons provides militias with the capability to do extreme damage and reduces the need to compromise during political discussions.

By accessing the former regime's stockpiles, some of the stronger armed groups in Libya, in particular fighting forces in Misrata, Zintan and under the LNA, have supplies of heavy weapons. These weapons include tanks, anti-aircraft guns, artillery and a limited supply of aircraft, and have been actively used in fighting since July 2014 with devastating effect. The continued access to heavy weapons provides militias with the capability to do extreme damage and reduces the need to compromise during political discussions.

38

The provisions outlined under the draft political agreement under negotiation within the UNSMIL facilitated Libyan political dialogue include the collection of heavy weapons. The provisions call for militias to surrender heavy weapons within 30 days of the signing of the political agreement. While planning is proceeding, at the time of writing this report it remains unclear how effective these processes will be or how willing militias will be to give up control.

The supply of small arms in Libya also remains a significant problem. Civilian access to small arms is reportedly much higher in post-revolution Libya than before 2011. Several open firearms markets operate in Libya and at times these have included online marketplaces operating from social media platforms. Researchers have also recently reported a growing preference for concealable handgun style weapons, demonstrating a potential shift in the way people use weapons. While small arms present an obvious challenge in terms of long term security, interlocutors note the reality that efforts to disarm the population will be unlikely to succeed in the immediate future. Libyans have low trust in the ability of the state to protect them and are unwilling to give up tools for personal protection.

Transitional Justice and Impunity

The legacy of the former regime remains an issue at the forefront of instability in Libya. The revolution was a public response driven by anger at the exclusion and abuse of the Qadhafi regime. The degree to which the wrongs of the past should be addressed is a key divider between political actors within the country.

Libya has made limited progress in addressing crimes committed under the former regime.

Since 2011, Libya has made limited progress in addressing crimes committed under the former regime. The backlog of cases from the revolution, challenges with evidence, a penal code that was not designed for such cases and pressure on judges to make decisions in favour of both defendants and prosecutors ensured that the majority of cases remain in limbo. A new transitional justice law aimed at improving the situation was passed in 2013 but has not been fully implemented.

A number of high profile cases have been tried with verdicts handed

down, such as in the case of Saif al-Islam in July 2015. In a demonstration of the contested nature of the issue, these decisions were met with demonstrations both against the decision, particularly in parts of the South, and counter-demonstrations in favour of it.

No procedures have been put in place for addressing human rights violations since 2011, such as against particular individuals in charge of armed groups. The fact that such individuals continue to be able to marshal the support of armed groups ensures that they are unlikely to be prosecuted at the present time, adding to the climate of impunity for human rights violations.

Other transitional justice mechanisms, most notably lustration, have also been strongly contested, namely the Political Isolation Law, which aimed to exclude senior officials under the former regime from participation in public life. Despite majority public support, the law was met with hostility from influential Libyans, some of whom potentially faced exclusion and others who saw it as unnecessarily divisive. In the end the law was passed almost unanimously in May 2013 when militias threatened GNC members, but was imperfectly implemented. The HoR subsequently annulled it in February 2015.

No Protection for Human Rights

The human rights situation in Libya has significantly worsened since the escalation in violence in July 2014.

The human rights situation in Libya has significantly worsened since the escalation in violence in July 2014.

Protection of civilians is a particularly important concern, especially in areas of intense fighting such as Benghazi and Tripoli. The indiscriminate use of heavy weapons, including artillery, has caused civilian casualties, extensive infrastructure damage and loss of property. Entire neighbourhoods remain displaced. Fighting has also both directly and indirectly worsened the humanitarian situation, with shortages of food, water, fuel and electricity and disruption to government services including health and education.

Militia fighters demonstrate little regard for human rights and significant impunity for actions. Crimes including forcible displacement, kidnapping, assassination and assaults on civilians are

40

commonly reported. The use of torture and cruel, inhuman or degrading treatment, and deaths in custody, remain of particular concern in prisons and detention centres, particularly those controlled by militias and those relating to migrants.

The UN and human rights groups have received numerous reports of threats and attacks against human rights defenders. These threats have led to many activists stopping their work or leaving the country. The National Council for Civil Liberties and Human Rights, established by law in 2011 as Libya's independent human rights body, has not been granted an operational budget since the June 2014 HoR elections. Many of its staff have received threats and have been forced to leave the country.

Local Peace Agreements

A positive dynamic within Libya is the capacity of community leaders to negotiate peace agreements in the face of inter-tribal or inter-communal conflict. Such agreements leverage the authorities held by local community leaders and tend to focus on defining ceasefires, redressing immediate wrongs and establishing mechanisms for the management of future disputes. Their local ownership is particularly important in enhancing their sustainability.

A positive dynamic within Libya is the capacity of community leaders to negotiate peace agreement in the face of local inter-communal conflict.

The middle of 2015 has seen several local peace initiatives bear fruit, particularly in the West. Zintan struck separate agreements with Gharyan, Janzour, Zawiya and Rujban in June, July and August 2015 and entered into discussions with Zuwarah. Zuwarah has come to terms with its neighbouring communities of Al-Jmail, Rigdalin and Zultan. Misrata and Tawergha made movements towards reconciliation in an process facilitated by UNSMIL. In July, many towns in the West also stated their support for the draft political agreement outlined within the UNSMIL facilitated political dialogue, through a Libyan owned process.

Similar efforts also dynamically happen in the South. Leaders of Tabu and Tuareg communities in Sabha and Awbari engage in regular attempts to address the periodic violence that occurs there. In Kufra, Tabu and the Zway leaders will come together in response to inter-

communal crises as they develop. While these efforts will periodically break down, they provide valuable conflict management mechanisms in contexts where independent local security forces do not exist, lack the capacity or do not have the communal capital necessary to re-establish security.

In some areas, more defined sanctions are available to be deployed against individuals who disobey limitations on behaviour imposed by community leaders. Most notably, this includes the threat of removing community protection, effectively denying specific individuals of the right to rely on physical or economic community protections and, in some cases, exiling them from the community. The risk of removing community protection has been seen as an effective mechanism to preserve security in some towns, particularly in the East.

Local ceasefires are important Libyan-owned mechanisms for building stability within the country ahead of efforts to address the structural causes of conflict.

Local peace efforts derive from a combination of factors, including potentially fatigue with conflict, the growing economic and humanitarian cost of instability and the need to adapt to the changing political realities as part of the peace process. They are important, Libyan owned, mechanisms for building stability within the country ahead of efforts to address the structural causes of conflict.

Nevertheless, not all Libyans agree with utilising informal or traditional mechanisms for dispute resolution – seeing them as potentially strengthening authorities outside the official system. There may also be a tendency, particularly by outside actors, to overemphasise the roles informal mechanisms play in society as a whole, and particularly their robustness. While certainly effective in some areas, local peace processes are much weaker in others.

Economic Factors

Declining Oil Sector

Libya's economy is highly dependent on its oil sector. The sector is government controlled, and 95% of all government revenues coming from oil exports. The central importance of oil to the country ensures that various political actors compete to control oil resources.

Oil production and export in Libya has fallen sharply since 2010. Before the revolution, Libya was producing approximately 1.5 million barrels per day (bpd). Since the revolution, Libya's peak export was estimated to be approximately 870,000 bpd in October 2014. That rate has fallen since, due to contested control of oil fields, with the National Oil Company announcing production in June 2015 to be around 500,000 bpd, though average production for 2015 is expected to be lower, at around 300,000 bpd. In addition to its weak oil production, Libya faces the additional problem of falling oil prices on the international market. Oil prices fell significantly in 2014 and recovery of prices is uncertain. From 2012 to 2014, overall government revenue from the oil sector, factoring in both decline in production and in prices, has more than halved.

Since the July 2014 crisis, the National Oil Company has remained effectively independent of the HoR-GNC dispute, selling oil and providing revenue to the Libyan Central Bank as per the law.

The oil sector in Libya is controlled by the National Oil Company (NOC), a state owned business which oversees the exploitation and sale of oil and manages contracts with international companies. Under the Qadhafi regime, the NOC was one of the few entities which maintained technical capacity. Since the revolution, the NOC has tried to remain outside the scope of broader conflict within the country. Since the July 2014 crisis, the NOC has remained effectively independent of the GNC and HoR dispute, selling oil and providing revenue to the Central Bank of Libya (CBL) as per the law.

In April 2015, the Interim Government in Bayda, aligned with the HoR, established a new, alternative NOC in the East of the country. In a bid to ensure that the GNC would have not have access to oil revenues through the NOC that was still head-quartered in Tripoli, the new NOC established a bank account in the UAE, which would be used for the sale of oil, and warned that it would regard all dealings with the Tripoli based NOC as illegal. This potentially represented a significant escalation by the Tobruk based government but international response was muted. The NOC in Tripoli maintained that it was above the conflict and continued to function and deal with international companies. In a meeting in Rome, the international community warned against any efforts to drag the NOC or CBL into the conflict. While the Bayda based government has not backed down, by June 2015 it had not sold any oil to outside customers, who remain concerned about the legal uncertainties over deals with the Bayda NOC.

Given its importance to the Libyan economy, oil infrastructure is an obvious target for different groups aiming to influence Libya's conflicts and is deeply vulnerable to insecurity. Militias aligned with political and communal groups have sought to exert control over key installations, such as oil fields, refineries or ports. In most cases, there has been little intent to do significant damage to such installations. Groups use their control of such assets as political leverage in order to protect their interests or push demands. In May 2014, Tabu Petroleum Facilities Guards (PFGs) shut down the El Fil field in protest over unpaid salaries - the facility reopened a few days later when salaries were paid. Between March and May 2014, Tuareg protesters prevented the Sharara field from operating, demanding what they considered to be fair compensation. When that field was restarted, Zintan had turned off valves on the oil pipeline between the field and the export terminal in Zawiya in demand of pay for Zintani PFGs.

Oil infrastructure is an obvious target for different groups aiming to influence Libya's conflicts and is deeply vulnerable to insecurity.

Since July 2014, major oil fields in the south have changed hands multiple times between forces supportive of the GNC and of the HoR. Fighting also occurred in the Oil Crescent region from November 2014 to March 2015, as Misratan based militias battled forces aligned with the HoR for control of key infrastructure.

So long as the CBL and NOC in Tripoli remain above the HoR-GNC dispute and pay both sides, control of oil resources can only really be used as a bargaining chip for short term interests. That strategic outlook may change, though, as the NOC dispute between Bayda and Tripoli continues. Since June 2015, oil facilities under the control of Bayda, such as the oil terminal at Ras Lanuf, have turned back tankers which planned to load oil under contracts from the Tripoli based NOC.

Budget and Deficit

In the current context, the CBL plays the role of a Treasury department in Libya, managing both the government's assets and disbursement. Income from hydrocarbons, which makes up 95% of the government's revenue, is deposited within the central bank.

By far the greatest draw on the country's expenditure comes under budget chapter 1: wages and salaries. The CBL continues to pay the

salaries of government employees working with both the HoR and GNC, and pays allowances to eligible militias and former revolutionaries as well as to the formal armed forces. A significant proportion of the chapter 1 bill is believed to be subject to fraud, by which individuals claim multiple salaries, or people are paid without working. The current political context has seen a marked reduction in disbursement for operational costs under chapter 2: recurrent expenses, and for capital costs under chapter 3: development, further undermining the capacity of already weak state institutions. Expenses under chapter 4: subsidies and price equilibrium serve as the second main draw on the budget. In 2013, chapter 4 expenses constituted 15% of total government expenditure. In 2014, due to falling revenues, that grew to 28%. Neither the GNC nor the HoR have managed to pass a budget in 2015.

Within the context of the political crisis, the CBL has tried to remain above the conflict. The important advantage of this position is that Libya's finances have not been significantly drawn into the HoR-GNC dispute. A split in the financial administration would almost certainly lead to an escalation of conflict, as different actors fight to secure key sources of revenue.

A split in the financial administration would almost certainly lead to an escalation of conflict, as different actors fight to secure key sources of revenue.

The CBL's neutral position has not been entirely successful, in September 2014 the HoR sacked the CBL governor, Sadek Elkaber, and replace him with his deputy, Ali Salem Hibri. Elkaber did not accept the decision and continue to act in post, while Hibri also claimed to act in post. The international position has been unclear, with both Elkaber and Hibri having been consulted by the World Bank and IMF and other international actors. In June 2015, a new CBL headquarters was opened in Bayda by the al-Thinni government, in a move that was likely related to Bayda's attempts to create an alternative NOC. The CBL maintains that it continues to function as an independent and unified body, despite having two chiefs.

The tenability of the CBL's neutrality is potentially further undermined by the reduction in revenue from the sale of Libya's oil. With falling production and the drop in price of global oil, Libya has had to dip into its foreign reserves to continue to be able to cover costs. Estimates suggest a budget deficit of around 25 billion Libyan dinars in 2015. This deficit is funded from Libya's national reserves, which were

estimated below 100bn LYD in January 2015. However, reserves are not all liquid, and their short-term paper value is likely overestimated given that the need to sell non-liquid assets quickly may result in returns below their true value. At its current rate of spending, and depending on its ability to liquidate assets and fluctuations in hydrocarbon revenue, Libya is facing the prospect of exhausting its national reserves within 12 to 24 months.

Libya's credit rating is non-existent as a result of political instability, insecurity, weak national assets and poor earning potential. This limits the country's options for borrowing with the result that the government will face major challenges in funding its government expenditure once national reserves are depleted.

If the trajectory continues, the CBL will need to implement significant reforms, such as the reduction of payments for salaries and rationalisation of subsidies. Such reforms, while necessary, may be difficult to pass in the contested political environment.

Undiversified Economy

Libya's dependence on oil is a distorting influence on its economy. Since the revolution, Libya has made no significant progress towards the diversification of its economy. The undiversified economy reduces economic and employment opportunities, providing greater incentives for individuals to be involved in illicit or conflict-related economic activities.

The undiversified economy reduces economic and employment opportunities, providing greater incentives for individuals to be involved in illicit or conflict-related economic activities.

Libya's private sector is particularly weak, accounting for the employment of only 4% of Libyans. The most significant private sector enterprises take the form of large scale heavy industry, located in a few key cities such as Misrata. Such companies were established under the former government and privatised to well-connected individuals. There is some scope for development of Libya's heavy industry, particularly in the form of downstream petrochemical services.

While Libya could benefit from foreign investment, this is undermined by a non-conducive environment due to insecurity, opaque laws and network based business practices.

Opportunities for Small and Medium Enterprises (SMEs) is undermined by similar opacity of laws. Libya ranks at 188 of 189 countries on the World Bank's 2015 'Doing Business' Index,[5] which rates countries by the ease of operating a private sector company, better only than Eritrea.

Smuggling and Illicit Trade

Illicit trafficking in Libya has become a key part of Libya's criminal and conflict economies. Significant communities in Libya have become heavily invested in the illicit trade, which has become a primary source of income in a context within limited economic and employment opportunities. For armed groups, the revenue gained through trafficking and smuggling empowers them vis a vis other groups and the state, facilitating their ability to pursue their interests forcefully and promoting competition. The illicit trade's dependence on ineffective state institutions also provides incentives for actors to try to keep the state weak and facilitates corruption. The deep involvement of various groups in Libya in the illicit economy has meant that it is an important factor in shaping Libya's transition.

At one end of illicit trade in Libya is the smuggling of subsidised goods between Libya and neighbouring countries, particularly Tunisia. The smuggling of subsidised goods is not only a post-revolution phenomenon and is deeply entrenched in communal ties across borders, though volumes have increased since 2011. While figures are hard to determine for Libya, in Southern Tunisia informal cross border trade with Libya is estimated to constitute around 50% of all economic activity. Goods smuggled from Libya into neighbouring countries include electronic goods, other imported items, food stuffs and, particularly, fuel. Smugglers bring subsidised food stuffs, alcohol, pharmaceuticals and other products back to Libya. Communities see smuggling as a relatively harmless way to earn an income. However, the weakness of the state and smuggling's profitability in the post-2011 context have encouraged the better organisation of smuggling activities, particularly within communities. Given the necessary ties with border officials, police, militias and others to facilitate the trade, the prevalence of smuggling promotes corruption, further weakens institutions and

The illicit trade's dependence on ineffective state institutions also provides incentives for actors to try to keep the state weak and facilitates corruption.

creates an institutional basis for other illicit activities. Given limited economic opportunities after 2011, Libyan authorities have tolerated smuggling as a necessary source of revenue for communities, and even embarked on some policies that could be seen to support it. In 2014, in response to Tunisian intentions to levy the price of exit visas on all foreigners leaving Tunisia, the Libyan government responded angrily and imposed a double price on Tunisians leaving Libya. Tunisia relented and gave Libyans exemption from the exit visa. The Tripoli government has also responded angrily to the Tunisian government's plans, announced in mid 2015, to build a wall on the Libyan border which would curtail smuggling operations.

Human trafficking is a significant part of the illicit trade in Libya. Migrants follow routes from the East via Egypt, and from Africa via Libya's Southern borders, with a view to embarking on boats to Europe. Human trafficking networks are highly organised and involve Libyan communities, particularly in the South and the North West, where involvement in human trafficking is considered a legitimate economic activity and is highly coordinated. Migrants' journeys are very dangerous and regularly involve significant abuses of human rights. Migrants are regularly held ransom by smugglers, sometimes for months, in return for additional funds from families and networks. Migrants who cannot afford to pay for their onward journey by boat to Europe are required to work for their passage through an effective process of indentured labour. Sexual violence and other physical abuse by smugglers is reportedly rife. When migrants are caught by authorities, they are kept in detention centres with very poor conditions and subjected to regular abuse and an uncertain future. These dangers are only extended by the significant risk of drowning once migrants embark on boats for Europe. The sheer numbers of migrants attempting to cross to Europe via Libya is a key motivator for European involvement in Libya.

Further along the continuum of illicit trade is the smuggling of drugs. Libya's primary role within the drugs trade is as a transit point, with drugs coming from Morocco and West Africa passing through Libya on their way to Egypt and to the Mediterranean. The use of Libya as a transit point benefits greatly from its porous borders, particularly in the South, and the inability of weak state institutions to control it, despite serious penalties. Libya is a market for hashish but the local market for

heroin and cocaine is apparently not significant. However, perhaps as a result of increased supply, there is evidence that the use of these harder drugs is increasing. Interlocutors report the growing use of drugs amongst Libya's youth, including within militias. According to reports, the hashish trade is closely linked with human trafficking, with migrants helping to smuggle drugs as a form of payment for passage. The more lucrative, and more dangerous, heroin and cocaine trades are more tightly controlled.

Another key sub-sector within illicit trade in Libya is the arms trade. Despite an arms embargo in effect since February 2011, weapons and ammunition continue to flow into Libya from international sources, both smuggled over the porous borders in the South and also by air and sea. Control of, or access to, arms smuggling routes in the South has been a strategic priority for armed groups in the country, fuelling engagement with, and competition between, Southern communities. Imports via air and sea are better organised and are directed to specific armed groups, allegedly including by outside actors pursuing political objectives within the country.

The sheer numbers of weapons in the country means that many weapons are smuggled from Libya and exported to other conflicts, such as in Syria.

At the same time, Libya's large stockpiles of weapons have led to the export of weapons from Libya to other conflict affected countries, both neighbouring and further afield. Stockpiles of heavy weapons from the Qadhafi period include weapons systems, such as anti-aircraft missiles, that militias lack the capacity to use. At least some of these heavy weapons are reportedly being smuggled out of the country and sold on the international arms market. Additionally, the sheer numbers of small arms in the country, means that many weapons are smuggled from Libya and are exported to other conflicts, such as in Syria.

Unemployment

In 2013, the Ministry of Labour placed the official unemployment rate at around 15%, though noted that unofficial estimates suggest an actual rate much closer to 30%. The figure is expected to be even higher amongst youth, at around 50%, a majority of whom are thought to hold university degrees. The problem also disproportionately affects cities outside Tripoli.

The lack of a healthy private sector is a key barrier to employment. Over 80% of Libya's workforce are employed in the public sector. Authorities have used public sector employment as a form of social security, by providing positions, and salaries, to many Libyans in order to maintain order. This policy continues, with more jobs offered to fresh graduates every year. The public sector is consequently bloated, with underemployment of workers a significant issue. Many government workers, especially youth, collect salaries but do not attend work because they cannot be absorbed into the sector.

The impact on youth is most noticeable. As one interlocutor noted, chronic unemployment and underemployment affect young Libyans. It shakes their confidence and undermines the development of skills and represents a major opportunity cost for Libya's future.

The lack of employment opportunities for Libyans, particularly for Libyan youth, contributes to instability by encouraging engagement in the illicit economy and by promoting participation in armed groups.

The lack of employment opportunities for Libyans, particularly for Libyan youth, contributes to instability by encouraging engagement in the illicit economy and by promoting participation in armed groups - both of which are able to provide an income and activity. Without addressing the employment problems, it is unlikely that people involved in either of these activities will be able to be effectively reintegrated into the rest of Libyan society.

Financing of Militias

Militias and armed groups in Libya raise revenues through various means, both legitimate and illicit. The funding of militias has been used by Libya's authorities to buy stability, but simultaneously grants militias the capacity to pursue their interests. Militia financing also acts as an incentive to resist reforms that may threaten those revenues.

The NTC established the Warriors Affairs Commission (WAC) in the immediate aftermath of the revolution. The WAC was intended as a mechanism to protect the interests of revolutionary fighters, including by helping them to reintegrate into society. While there were estimates of approximately 30,000 fighters during the revolution, by 2012, the WAC had apparently managed to create a list of 250,000 revolutionaries who were all eligible for allowances. The size of the list was a result of significant fraud due to tolerant registration requirements, difficulties

in verifying claims and a desire not to threaten security by alienating armed individuals and groups.

The hybrid security policies of the NTC and GNC, which sought to bring militias into a semi-official capacity and to use them to address the security vacuum, contributed to the draw on resources. Under the SSC, first established in 2011, and the Libya Shield Force, established in 2012, militias were incorporated into systems under the MoI and MoD respectively. Some militias were directly contracted to provide protection for specific facilities, and later militias were given payments in proportion to the numbers of fighters on their books, as well in kind support such as equipment. Payments to militia fighters have generally been much better than for members of formal security forces and the system incentivised militias to maximise the numbers of fighters on their books. Interlocutors have noted efforts of militia commanders to get large numbers of people to sign up without expectation of service, the inclusion of children and the elderly on militia lists and the inclusion of individuals on the lists of multiple militias in order to gain multiple salaries.

Payments to militias fighters have generally been much higher than for members of formal security forces.

Government payments to militias have continued since July 2014 despite the lack of a budget from either the GNC or the HoR. The CBL continues to pay militia salaries on both sides under its neutral policy, presumably due to the fear that a sudden stop to salaries would anger large numbers of armed groups and also represent the halting of a significant social welfare disbursement to large numbers of Libyan families.

Evidence also exists for the participation of militias in criminal activity within Libya. There are reports of militias engaging in activities such as extortion and kidnapping for ransom, as well as the collection of protection money from private individuals and companies. Militias and armed groups are also heavily involved in the illicit trade, either as active participants themselves, or as indirect beneficiaries through the provision of protection services and/or to facilitate travel through areas under their control. As militia involvement in these activities increase, the motivation exists for those militias to resist state efforts to bring such problems under control.

Social Factors

Strengthening Sub-national Identities

Sub-national communal identities have always been strong in Libya. An Eastern identity has been a dynamic for hundreds of years; tribes have played a strong role, especially in the East; town origin is an important unifier, especially in the West; while ethnic and cultural communities, such as the Amazigh, Tuareg or Tabu have always had strong unifying identities.

While difficult to measure change, interlocutors report that these identities have become stronger since 2011. Recent surveys also reveal that Libyans have very low levels of trust of people from outside their narrow social networks - most notably family, tribe and narrow geographic area.

In the East, tribes have played a determinative role in community organisation since 2011. They play a moderating role in addressing disputes, both within and outside the tribe, while acting to provide social and physical security to their members. Eastern interlocutors noted that instability in the East is most felt in areas with weaker tribal structures, most notably Derna and Benghazi. While this may be overly reductive, it is clear that tribes have played an important role in maintaining stability in the East.

In the West, tribal roles are less important and city is a more determinative identity. As the revolution developed, it was at the city level that most anti-Qadhafi fighters were mobilised and organised. The NTC's organising paradigm was local councils and militias and political groups are still aligned along communal and city lines.

In larger cities, such as Misrata, Bayda and Zawiya, significant political divisions exist between groups within the city. However, with the exception of the more cosmopolitan cities of Tripoli and Benghazi, cities and towns still act with a fair degree of common purpose. Indeed, some interlocutors have suggested that post-2011 Libya looks more like a collection of city-states, with their own politics, external policy, civil authorities and militias, than a collection of communities within a unified state.

With the Amazigh in the North West, and in the South, communal identities are of great importance. In the South, communities form around the Tuareg and Tabu, as well as around certain Arab tribes.

The increased role of sub-national identities has been a predictable result of the instability since 2011. Due to insecurity and in a context of political competition over the future of the country, it is natural that individuals fall back on close social networks for security. This risk, however, lies in to what extent the overlapping political and militia groups are allowed to harden, potentially undermining the capacity of the country to re-establish an inclusive national identity.

Normalisation of Violence

No formal reporting on the psychosocial impact of violence in Libya was found during this analysis.

However, anecdotal evidence from interlocutors and reviews of social media do suggest that violence has become an increasingly normal part of life in post-2011 Libya - particularly for young people.

Violence has become an increasingly normal part of life in post-2011 Libya – particularly for young people.

Violence, bravado and display of weapons appears to be attractive to young Libyan men involved in militias, especially. Interlocutors report a climate of fear when dealing with militia fighters - who might easily resort to the use of force to get their own way. It will be important to address such attitudes and to rehabilitate fighters sensitively when it comes to demobilising militias.

Another issue is the psychosocial impact of non-combatants and victims, especially amongst IDPs and others who have directly experienced fighting. At the moment, it appears to be a mainly hidden issue, with no direct measurement of impact of the problem.

Social Limits on the Use of Violence

Research and fieldwork conducted for this analysis highlight the importance that social pressure plays in reducing the impact of violence,

particularly in communities with strong internal cohesion, such as tribes, families or local towns.

With continued instability in Libya, it has become much more likely that a community may be dragged into a dispute as a results of the action of a community member in a militia or armed group.

Interlocutors have noted that the need for justice and recompense is important particularly important within sections of Libyan society, with strong conventions of behaviour. When a member of one community wrongs, or kills, the member of another, whether intentionally or not, both communities become involved. In some instances this can contribute to conflict when it could lead to reprisal killings that escalate tension. At other times, however, local informal authorities recognise the importance of compensation and undertake an established process of negotiation to provide redress to the wronged party. The burden of payment for such compensation is distributed across the whole community.

These conventions have an important conflict management role, by limiting the potential escalation of disputes and providing opportunities to reduce tensions.

With continued instability in Libya, however, it has become much more likely that a community may be dragged into a dispute as a result of the action of a community member in a militia or armed group. As a result, in some communities, leaders have issues directives that members must refrain from violence or else have the community protection granted them by the community removed. The consequences of this is that the community would no longer support the offender, they would be exiled from the community and would have to accept full responsibility for their actions.

These processes and approaches by local community leaders are also important components of the local peace agreements formed between communities and towns, and similar provisions have been specifically included in some of the agreements signed in recent months in the West. Fieldwork for this analysis has suggested that the threat of the removal of community protection has significantly contributed to stability in some of the municipalities surveyed – particularly in communities such as Bayda and Ajdabiya, where divided tribal dynamics within the municipalities have previously led to tensions.

Factor Assessment

Weak Civil Society

Libyan civil society was largely non-existent under the Qadhafi regime. The growth of civil society, therefore, has been slow since 2011 as activists have worked to build Libya's civil society culture effectively from scratch. In this climate, civil society has struggled to have a meaningful impact.

The number of civil society organisations (CSOs) in Libya bloomed after the 2011 revolution, but contracted in 2013 as the sector matured beyond initial post-regime enthusiasm. According to research conducted by UNDP between 2013 and 2014, the prevalence of CSOs varies significantly across geographic areas, with a national average of approximately 40 CSOs per 100,000 people.

CSOs and activists working on other important issues, such as human rights, transparency and conflict prevention have been targeted and pressured.

The biggest focuses of CSOs are on education and humanitarian issues. These have reportedly become much more important since July 2014, as CSOs work to address urgent needs in conflict affected areas such as Benghazi. Interlocutors also report that in some areas, such as Benghazi, CSOs have been working with municipal authorities to fill gaps in basic services due to the lack of capacity from line ministries.

Since July 2014, insecurity has meant that CSOs and activists working on other important issues, including human rights, transparency and conflict prevention have been targeted and pressured. As noted elsewhere, human rights defenders have been particularly targeted and many have stopped their work or fled the country. The challenges facing CSOs operating on these issues undermines the important role that they play in contributing to democratic culture.

Role of Media

The traditional media sector in post-2011 Libya suffers from a lack of capacity and unclear regulatory frameworks. Specifically, despite protections of the media under the Constitutional Declaration of 2011, a new media law has not been passed since the revolution. Freedom of speech in the media is consequently still treated under the former regime's libel and slander laws, which maintains significant penalties for offences such as statements resulting in harm to the country.

Journalists are also victim to constant threats and assaults, driving a climate of fear when reporting and limiting freedom of expression.

The media sector is widely seen by Libyans to be deeply partisan and used for furthering political interests. TV and radio stations are involved in raising tensions and deepening political differences.

Despite high levels of television viewership, Libyans report very low trust of television news and even lower trust of print based media.

Many Libyans receive their primary news from social media, a tendency that is no doubt higher for youth. Facebook is the primary social media platform for Libyans, with approximately 1.7m users in May 2014, over two thirds of whom were male and under 30. Twitter followed a distant second, with 44,000 users. Other platforms have negligible participation.[6]

Libyans appear to share information freely over social media, though interlocutors have expressed a growing awareness of the need for digital security. There have been reports of individuals who have posted on social media being targeted. This has led independent social media personalities, in particular, to either disengage from public expression of opinion or to avoid sensitive topics.

Interlocutors noted that the social media space is another battleground for divisions in the country.

At the same time, interlocutors noted that the social media space is another battleground for the divisions within the country. Both the HoR and GNC reportedly have an 'electronic army' that try to frame the narrative in favour of their party. Interlocutors expressed particular concern about how particular perspectives, especially those in English, get picked up by foreign journalists and can slant the international media coverage.

Citizenship

A primary issue in the South of the country is the complex issue of citizenship. Members of the Tabu and Tuareg communities, in particular, claim citizenship based on promises by the Qadhafi regime for their participation in wars in Chad and Niger. These claims are contested by other communities in the area, and indeed by each other,

and have not been addressed by government institutions. While there are difficulties in verifying claims given the freedom of movement across Libya's southern border, the result is the genuine disenfranchisement of some people who have been living in local areas for years and their inability to access to services.

Claims of citizenship combine with concerns over demographic change in local areas in the South and with disputes over access to political and administrative representation and economic participation at the local level. The consequent inequalities help drive inter-communal tension.

4. Stakeholder Analysis

This section describes significant actors with a stake in Libya's instability and insecurity, and the role they play within the country's conflicts.

Actors have been divided into categories: government and state institutions (excluding security forces); armed groups; sub-national identities; and social groups. Each actor is considered in terms of who they are, their positions, capacities and the impact they have had on, or have felt due to, insecurity and instability in the country.

The analysis process identified a very large number of individual actors in Libya. For the sake of this report, the stakeholders listed are those identified as particularly significant regarding conflict in the country. Where individual actors may be numerous but have similarities with other actors, such as in the case of the numerous militia groups or tribes in the country, these actors are described as a broader class for the sake of practicality.   Where possible, based on limitations on space, differences within them are highlighted during the narrative.

Government and State Institutions

House of Representatives (HoR)

The Tobruk-based HoR was established on 4 August 2014, after a number of weeks of fighting in Tripoli. The decision to establish itself in Tobruk was highly controversial. According to the Constitutional Declaration, the HoR was to be established in Benghazi, but Tobruk was chosen due to the security situation. Thirty elected representatives boycotted the inauguration, citing legal and procedural considerations, particularly its location, for their decision.

The question of the legitimacy of the HoR has been as the heart of political positioning between the HoR and GNC.   The November 2014 decision of the Libyan Supreme Court added to the confusion by declaring that the location of the HoR in Tobruk violated the Constitutional Declaration, invalidating the parliament. The decision is disputed by the HoR, which saw the decision as heavily influenced by

militias and illegitimate due to several procedural concerns. While much of the international community has recognised the HoR as Libya's legitimate parliament in principle, it has acknowledged facts on the ground in its engagement with the GNC.

The HoR sees itself as the sole legitimate parliament in Libya. It has participated in the UNSMIL facilitated political dialogue process but has been reluctant to concede any meaningful responsibilities to the GNC as part of the negotiations. Members of the HoR denounce the GNC and its allies as 'terrorists' and 'Islamists' in an effort to delegitimise them in the eyes of Libyans and, particularly, the international community.

The HoR's geographic reach, and that of the Bayda-based Interim Government which answers to it, is limited functionally to the East of Libya. The HoR is supported by elements of the LNA under the formal command of Hiftar who officially answers to the HoR but who, in reality, has a great deal of autonomy. Other armed groups supporting the HoR include forces in the West, primarily the Zintani led alliance. In the South, the HoR is generally seen to be allied with the Tabu communities.

Much of the international community has recognised the HoR as Libya's legitimate parliament.

According to amendments made to the Constitutional Declaration by the GNC when it was decided to hold elections for the HoR, the mandate of the HoR expired on 21 October 2015. This date has become especially important within the context of the political dialogue process. While the HoR voted an amendment to the Constitutional Declaration extending its mandate, such a decision is confused by disputes over the legitimacy of the HoR in the first place. In the meantime, some hawkish members of the HoR have advocated for the establishment of a Military Council to rule Libya in place of the HoR.

General National Congress (GNC)

Following the establishment of the HoR in Tobruk in August 2014, Libya Dawn actors, already involved in fighting in Tripoli for several weeks, supported the position of the boycotting representatives: that the Tobruk location invalidated the HoR. They used this as a justification to call for the re-establishment of the recently dissolved GNC in Tripoli

and GNC President Nuri Abusahmain refused to hand over authority to the new HoR.

Many of those that joined the reconvened GNC came from parties which had suffered heavy defeat in the 25 June elections, most notably, but by no means exclusively, from Islamist parties such as the Muslim Brotherhood affiliated Justice and Reconstruction Bloc. Several of the 30 boycotting HoR members also rejoined the GNC.

The GNC argues that the HoR is illegitimate due to a number of legal technicalities. Some GNC members also claim that the HoR is made up of former Qadhafi officials who threaten the achievements of the 2011 revolution. The GNC has participated in the UNSMIL facilitated dialogue. Its mainstream negotiating position has tended towards a view that the body should serve as an additional oversight mechanism for the HoR. Under this arrangement, the GNC would function similarly to an unofficial upper house, with some veto rights over key appointments and major legislation. However, there are deep divisions within the GNC over what a final political agreement should look like; ultimately, its ability to sign up to an agreement may depend on the positions and actions of armed spoilers with influence over the body.

Based in Tripoli, the GNC is supported through the National Salvation Government, which it called to be formed at the end of August 2014. It is primarily supported militarily by the Misrata-led Libya Dawn coalition of militias – as well as several armed groups from towns and communities along the Tripolitanian coast, the Nafusa Mountains and amongst the Amazigh community. Within the South, and despite claims to neutrality on both sides, the GNC has been perceived to be supported by the Tuareg community. However, with progress made through the political dialogue process, cracks have appeared in the support for the GNC. Local communities outside of Tripoli, especially, have been subtly repositioning themselves through the settlement of local peace agreements and have expressed divisions in terms of their attitudes towards a future GNA.

Interim Government – Bayda

On 31 August 2014, the HoR asked Prime Minister Abdullah al-Thinni, to form a crisis government. The Interim Government was established in Bayda due to its lack of access to Tripoli.

As with other state institutions in Libya, the Interim Government suffers from a limited capacity. Its lack of access to Tripoli has meant that it has limited access to key ministries. In response, it has made attempts to establish new offices of ministries within Bayda – contributing to the split along political lines of the civil service. A number of ministry offices have been opened in Bayda, but suffer from staff shortages, limited technical capacity of staff and limited reach.

The capacity of the Interim Government to make decisions is also heavily dependent on other actors. The Government answers to the HoR, but ongoing disagreements between Prime Minister al-Thinni and the HoR, particularly over appointments and dismissals of key staff, have raised tensions between the two. The Prime Minister's actions and movements have also been curtailed by LNA forces under Operation Dignity and the command of Hiftar.

Most significantly, the Interim Government has tried to wrest control of Libya's oil revenues away from the Tripoli based NOC and CBL through a number of manoeuvres aimed at establishing rival offices since early 2015. These efforts have, to date, been ineffective primarily due to resistance of staff within these organisations and of the international community and oil companies. However, they represent one of the most significant efforts to undermine the Tripoli administration.

National Salvation Government – Tripoli

The GNC appointed Omar al-Hassi as Prime Minister on 27 August 2014 and approved his National Salvation Government on 2 September. On 31 March, al-Hassi was sacked by the GNC for alleged financial mismanagement, though refused to go. After a two-day stand-off, he stepped down at the behest of the Libya Dawn coalition of militias, being replaced by Khalifa Ghwell.

Like the government in Bayda, the National Salvation Government's main priority in the current crisis is to maintain services to the public. However, also like the Bayda government, the Tripoli government suffers from limited reach due to low capacity, financial limitations and contested control of the civil service. Most notably, the lack of security in Tripoli means that the government must defer to armed groups, with little ability to implement policies on its own.

Civil Service (excluding NOC and CBL)

Government institutions have internally tended to split along three lines: those in support of the GNC; those in support of the HoR; and a third 'technocratic' group who seek to remain impartial.

As a result of the lengthy division of Libya's governance between two parliaments and governments, the civil service has also divided. Some observers note that government institutions have internally tended to split along three lines: those in support of the GNC; those in support of the HoR; and a third 'technocratic' group who seek to remain impartial. At the very least, ministries need to walk a fine line in answering to two ministers. To regain control of the civil service, the Interim Government answering to the HoR established ministry offices within Bayda. However, with most staff remaining in Tripoli, offices have very limited staff. Even so, the divisions of responsibility between Tripoli and Bayda raise the challenge of needing to reunite the civil service in the event of a political agreement.

Even before the July 2014 crisis, Libya's civil service suffered from a lack of capacity – due to a large extent to the legacy of the former regime, which sought to keep the civil service weak for reasons of ideology and regime maintenance. Ministries are overstaffed and underemployed, with a need to enhance technical understanding for many staff. International assistance directed at supporting the civil service has been paused since mid-2014 due to a lack of political clarity and lack of access.

Line ministries within the civil service have primary responsibility for delivery of almost all services to the Libyan people. With neither the GNC nor the HoR having approved a budget in 2015, however, ministries only receive salary payments, minimal operating expenses and virtually no capital expenses, with the result that many services are not being delivered.

National Oil Company

The NOC, oil ministry and the CBL are regarded as the few government institutions which were able to maintain their capacity under the former regime – being essential to the viability of the country. As such, these organisations have faired better since 2011 than other sections of the civil service, being able to rely on the technical capacity of their staff.

The NOC is responsible for administering both the production and sale of oil in Libya. It interacts with its wholly-owned subsidiary companies, private Libyan oil service companies and international companies to manage fields and infrastructure. Through contracts negotiated with the NOC, international oil companies purchase oil and pay for it through an NOC/CBL controlled bank account in Italy.

The NOC has tried to remain neutral since Libya's governance split in August 2014, trying to ensure production and sale of oil, with revenue going into the national bank account controlled by the CBL. This has been an important policy in reducing economic competition for both the GNC and HoR, with neither side needing to contest oil infrastructure.

The NOC has tried to remain neutral since Libya's governance split in August 2014, trying to ensure production and sale of oil, with revenue going into the national bank account controlled by the CBL.

Nevertheless, in April 2015, the Interim Government in Bayda began a series of, so far unsuccessful, efforts to wrest control of the oil sector away from the Tripoli based NOC. It established a rival NOC in Bayda, with an account based in the UAE – declaring that any international oil companies who continue to do business with the Tripoli NOC would be operating illegally and preventing any loading of oil under Tripoli-based oil contracts at Eastern terminals. The Tripoli NOC has maintained that it is neutral and has continued acting as before. Despite a series of meetings with international oil companies, the Bayda based NOC has not sold any significant amounts of oil, as mainstream international oil companies have been reluctant to switch from their relationship with the ostensibly neutral Tripoli NOC.

Central Bank of Libya

Like the NOC and oil ministry, the CBL enjoys greater levels of capacity than the majority of other government ministries due to a relatively protected status under the previous regime.

The CBL's policy of neutrality, together with that of the NOC, has reduced competition over access to revenue sources, and particularly oil infrastructure, between factions in Libya.

The CBL has also tried to maintain a neutral position with regards to the dispute between the GNC and HoR. It has continued to mobilise funds to pay for salaries and subsidies on both sides of the dispute, without discrimination. Together with the NOC, this policy has reduced competition over access to revenue sources, and particularly oil infrastructure, between factions in Libya. Given the importance of salaries and subsidies as a type of social safety net for a large proportion of Libya's population, it has also limited the humanitarian impact of the conflict in the country. However, given that Libya's oil revenue does not equal its expenditure, the CBL's policy of indiscriminate payments and its lack the authority to reform payments has also contributed to the unsustainable decline of Libya's reserves.

In truth, the fence-sitting position maintained by the CBL has not been entirely successful. In September 2014, the HoR sought to sack the CBL Governor, Sadek Elkaber, and replace him with his deputy, Ali Salem Hibri. Elkaber refused to step down and Hibri was not accepted by the GNC, with the result that there are now effectively two acting governors of the CBL reporting to separate governments. However, the relationship between the two is reported to be cordial, both have been invited to meet with international representatives, including the World Bank and International Monetary Fund, and CBL spokespersons have maintained that the CBL remains neutral.

Municipal Authorities

Under Law 59, passed in March 2012, Libya is divided into approximately 105 municipalities. Elections for 91 of these municipalities were held in a series of polls organised by the MoLG during 2014. Other elections have been delayed due to disagreement about election processes and to insecurity.

Municipal authorities are supposed to function as the channel of communication between the population and local authorities. However, they have limited formal responsibilities under Law 59; they do not have the mandate to directly address service delivery, which is to be organised by local executive offices of central line ministries. Municipalities are also expected to answer directly to the MoLG, which ostensibly has the right to veto any decisions made at the local level. Many municipality council members and staff see the framework for local governance as being unclear, and have the intention to work for reform when the political environment is more conducive.

With the political split at the national level from July 2014, municipalities have divided in their political loyalties to Tripoli and to Tobruk, with others trying to maintain an independent stance. Nevertheless, municipalities, through the municipality track of the political dialogue process, and separately, have played a vocal role in calling for a resolution to the GNC-HoR divide.

However, the national level conflict has also had more tangible impacts on municipalities. Though many municipalities are reluctant to reveal budgetary information, municipalities appear to have received payments covering salaries and operating costs from the MoLGs in Tripoli and in Bayda, but have not received development or capital budgets. Service delivery has been cut short in local communities due to the paralysis of central government institutions. In response, municipalities have attempted to step up to address the needs of their local communities. While some municipalities have been hesitant to go beyond the scope of powers outlined in Law 59, others have sought creative mechanisms to deliver services through CSOs and other non-official mechanisms.

Other municipalities have gone well beyond the scope of Law 59 to raise revenue and organise services in their local areas. Fieldwork has suggested that in some geographic areas, there are growing ties between formal municipal authorities and informal community authorities at the local level. In some cases, this extends to armed groups, which appear to be providing security at the local level in coordination with local authorities.

Such growing independence, particularly in connection with armed groups, provides municipalities with a great deal of autonomy at a time when the local governance framework for the country is unclear. Most local communities are unable to project their influence directly at the local level, with the obvious exceptions of communities such as Misrata and Zintan. However, many municipalities do have the ability to resist outside interference within their local geographic areas. When the political situation improves, some municipalities may be reluctant to relinquish their newly claimed responsibilities to the central level.

Armed Groups

Formal Security Forces

Formal security institutions in Libya have not been able to recover from the disarray in which they were left immediately after the 2011 revolution. Lack of trust and the weakness of institutions meant that, under the NTC, militias were preferenced as immediate security providers. Attempts were subsequently made to integrate some militias into formal structures, but these suffered from poor implementation; consequently, formal security institutions remain fragmented and poorly resourced.

Security Actor	Oversight	Description
Libyan National Army	MoD	A formal military command exists, most visibly through the form of the Khalifa Hiftar, who has been appointed General Commander of the LNA by the HoR. However, units that formally come under the LNA and are paid for by the MoD are in reality much more divided, with both the HoR and GNC having LNA units which support them. The most prominent faction of LNA units are perceived to support the HoR, through the Zintan-controlled Western Operations Room in the West, and Khalifa Hiftar's forces in the East. However, these units do not currently demonstrate hierarchy in the way that might be expected in a functioning military chain of command, and represent more conglomerations of armed groups under a common banner.

National Police	MoI	Existed prior to the revolution. The National Police saw the incorporation of large numbers of revolutionary militias as part of the reintegration of the SSC in 2012 and 2013. Police are under-resourced and poorly paid in comparison with other security entities. They are widely seen to be ineffectual and unable to leave police stations. However, their official role is still seen positively by the Libyan public. Police are organised along municipal lines, but have no formal reporting to municipal authorities.
Diplomatic Police	Ministry of Foreign Affairs	The diplomatic police are funded by the Ministry of Foreign Affairs and are responsible for protecting the ministry itself, embassies, major hotels and international organisations.
Judicial Police	MoJ	Judicial police existed prior to the revolution. Officially, their functions include providing security at courts, bailiff duties and managing prisons. Some revolutionary militias were incorporated into the Judicial Police. Overall, the Judicial Police remain ineffective in carrying out their duties due to poor resources and an inability to counteract other armed groups.
Anti-crime Unit	MoI	The Anti-crime units were apparently formed by former anti drugs officers after the revolution but mainly consist of former revolutionary militias. Responsible for drug and alcohol smuggling. Some units are associated with religious, occasionally salafist, leadership. Apparently in the process of disbanding, the Anticrime Units are supposed to be incorporated into the National Police's Criminal Investigate Divisions.
Petroleum Facilities Guard	Ministry of Oil/NOC	Existed prior to the revolution. Recruited primarily from armed groups in local communities in relevant areas, including in the South and in Zintan. Different PFG units act with a high degree of autonomy, with little coordination with the central command. PFGs represent one of the primary vehicles by which communities control oil infrastructure. Periodically, communities have used this control to ransom oil production to the NOC. In February 2012, the PFGs, Border Guards and Vital Installations Guard were combined into one unit – they have since returned to acting as separate entities.
Border Guard	MoD	Existed prior to the revolution. The Border Guards absorbed a number of armed groups after 2011, particularly from the South and from Zintan. Ostensibly directed against

		smuggling, but more generally, the Border Guards, like the PFGs, were a way of officially sanctioning de facto territorial control by armed groups.
Vital Installations Guard	MoD	The Vital Installations Guard/Force existed prior to the revolution. Like the Border Guard and PFG, after the revolution, the Vital Installations Guard became a vehicle for attempts to incorporate local armed groups into official structures.
Libya Shield	MoD	The Libya Shield was a bottom-up initiative by various Libyan militias in 2012 to create the backbone of a new Libyan army. A large number of militias banded together and organised themselves under the Ministry of Defense. The Libya Shield are a major force and are now seen to be mainly supportive of the GNC.

Table 3: Major Formal Security Institutions

The structure of the formal security sector in Libya has been complicated by partially effective integration efforts since 2011 and by efforts by different decision makers to shoehorn supportive militias into government departments. Formally, a number of different security institutions exist and answer to a different government departments.

The structure of the formal security sector in Libya has been complicated by partially effective security sector reform efforts since 2011.

In reality, however, few units follow official chains of command and represent different factional interests within the country. Entire militias were incorporated wholesale into structures such as the Libya Shield, as well as into the MoI and hybrid institutions such as the Border Protection Force and PFG. This approach has allowed those armed groups to receive official status and government salaries while maintaining their autonomy – effectively paying for the proliferation of militias out of government funds. The formal security sector is unable to counteract the actions of militias and armed groups, in large part because many of those groups are officially part of it.

Libya Dawn and the Misrata-led Coalition

Libya Dawn was established as a conglomeration of militias aligned against Zintan, Operation Dignity and, later, the HoR as fighting broke out in Tripoli in July 2014. It consists primarily of forces that make up the Libya Shield units under the MoD. Over the course of July and

August, the Libya Dawn coalition was able to drive Zintan-led forces out of Tripoli and from the coastal areas.

Officially, Libya Dawn has positioned itself in opposition to the HoR, calling for the re-establishment of the GNC after the HoR convened in Tobruk and has been the primary mechanism for GNC control in the West of the country. It declared that the insecurity and instability in Libya was the result of the actions of former Qadhafi loyalists, including Zintan and the new HoR. The GNC's weakness and Libya Dawn's strength has meant that the Libya Dawn coalition has been able to influence and direct the politics of the new GNC to a large degree.

In reality, Libya Dawn is not united. As a result of the large numbers of militias under its control, estimated to number around 20,000 fighters, Misrata has been the strongest actor behind the coalition. However, Libya Dawn also includes other militias from Tripoli and other towns in Libya's West. These relationships appear to have been primarily alliances of convenience based on the current political situation. More recently, cracks have appeared within Libya Dawn, as some militias have adopted more positive attitudes towards the political dialogue process and been opposed by more hard-line militias. In September and October 2015, some limited fighting occurred between Libya Dawn militias in and around the Tripoli coast area.

Libya Dawn has been able to influence and direct the politics of the re-established GNC to a large degree.

More broadly, Libya Dawn has expressed support for the BRSC, which includes other Libya Shield militias as well as Ansar al-Sharia, a domestic Islamist extremist group. Its relationship with the GNC, religious leaders in Tripoli and the BRSC has resulted in Misrata and Libya Dawn being accused by HoR affiliated actors of supporting an Islamist agenda and terrorist groups. However, Libya Dawn's support for the BRSC is more likely to result from its inclusion of Libya Shield militias, which do not hold a particularly Islamist agenda, than from explicit support for Ansar al-Sharia. Misrata has also been involved in heavy fighting against ISIS, particularly in Sirte, and has been victim to several suicide car-bombs by ISIS affiliates within Misrata itself.

Misrata and Libya Dawn are also seen to have strong relationships with the Tuareg community in Libya's South-West. In response to fighting between the Tuareg and Tabu in Sabha, the Misratan-commanded Libya Shield 3rd Force was deployed to Sabha in a peacekeeping role.

While the 3rd Force has claimed impartiality between the various factions in Sabha, it has been seen, particularly by the Tabu, to be supportive of the Tuareg community. Its presence in Sabha is also seen as an active insurance against the HoR being able to gain too much influence within the area.

Misrata's relationships with its neighbours are also complicated by inter-communal history. Most notably, the massacre of the Tawerghan community in October 2011 as Misratan forces were mopping up remaining pockets of support for the former regime has been a major issue, though progress has recently been made through an UNSMIL facilitated process. For similar reasons, the Bani Walid tribe also has unresolved tensions with Misrata. Given their proximity to Misrata and challenges to reconciliation, these disputes present ongoing sources of conflict that will be likely to re-emerge.

Zintan-led Coalition

Zintan is a town located in the heart of the Nafusa mountains to the South-West of Tripoli. It is one of the largest cities in the area, with a population of approximately 50,000 people, mostly from the Zintan tribe. Zintan rebelled early in the 2011 revolution and its brigades played a significant role in fighting against the former regime – leading the Southern advance towards Tripoli in August 2011.

Since the revolution, Zintan has continued to play a significant role as a result of its well-equipped and reportedly well-trained brigades. Zintan's Qaqa and Sawaiq brigades controlled the Tripoli International Airport until they were ousted by Misratan militias in fighting in July 2014. In the fighting through August and September, Zintan withdrew many of its forces back to Zintan and since then has been involved in a number of engagements with its allies around the Tripoli coast.

Zintan has a strong sense of internal unity, encouraged to an extent by its conflictual relationships with nearby towns in the Nafusa mountains and by its strong family and tribal identity.

Zintan is seen to support the HoR and the Bayda government. Its forces officially come under the Ministry of Defense and report to the LNA –

however, they are seen to act with a great deal of autonomy. Zintan is the primary force supporting the LNA's Western Operations Room, based in Zintan, which covers operations in the West of the country. Other prominent allies include the Warshefana tribe, parts of Zawiya and militias from a number of towns along the Tripoli coast and in the Nafusa mountains.

In recent months, Zintan has engaged with nearby communities to strike a series of local peace agreements, including with Gharyan, Janzour, Zawiya and Rujban. These agreements aimed to define ceasefire agreements, redress immediate wrongs and establish mechanisms for the management of future disputes. In a possibly related move aimed at reducing tensions with Misrata, Zintan has also declared that it will not send its troops towards Tripoli if Libya Dawn forces withdraw in the light of the potential political agreement.

Operation Dignity

Libyan General Khalifa Hiftar launched 'Operation Dignity' in Benghazi in May 2014. Operation Dignity directed forces under the LNA at what it declared were Islamist terrorists in the city. Since then, Operation Dignity has been engaged in almost continual fighting outside and within the city against forces under the BRSC. More than 45% of all Libyan casualties due to conflict over the 12 month August 2014 – July 2015 period were due to fighting in Benghazi,[7] with entire sections of the city flattened due to indiscriminate use of heavy weapons. Despite the length of the campaign, Operation Dignity forces have not made significant territorial gains in the city.

Operation Dignity forces consist of a limited number of conventional army units, including heavy weapons and a small number of aircraft. However, the vast majority of fighters reportedly come from tribal militias allied to the HoR. As a consequence, there is reportedly less cohesion between commanders and units than might be expected by its LNA label, with frequent disagreements between commanders reported in the media.

Operation Dignity forces are also aligned with other units of the LNA in the East, of which General Khalifa Hiftar has been appointed General

Commander, as well as forces coordinated under the LNA's Western Operations Room. Dignity forces are actively engaged against the BRSC and have fought against ISIS forces in Derna. They are actively opposed to Libya Dawn. Operation Dignity is also strongly opposed to the federalism movement in the East and the collection of tribes supporting it.

Operation Dignity is strongly aligned with the HoR and Bayda government, though Hiftar's relationship with both is not consistently friendly. In September 2015, Hiftar publicly announced his intention to establish a Military Council to rule Libya once the term of the HoR expires on 21 October – while this seems to have some support amongst key hawks within the HoR, it is certainly not universally approved.

Extremist Islamist Groups

Islamist groups played an important part during the revolution. As a result of strong networks developed during years in opposition to Qadhafi, Islamist groups already had organisations on which to fall back in February 2011. They were able to draw on this to quickly establish themselves in the new Libya, drawing together fighters and regional support to bolster their interests.

Although not all interlocutors agree, there is an important distinction between Islamist groups generally in Libya and extremist groups. Despite being controversial with some sections of Libyan society, Islamist groups such as the Libyan branch of the Muslim Brotherhood, and the majority of elements of the former LIFG, have generally operated within the bounds of the broader transitional political process in Libya, even when they have disagreed with its outcomes.

Nevertheless, there is certainly a presence of both domestic and transnational extremist Islamist groups in Libya. These groups can be defined by their anti-state agenda, discrediting any future political system in Libya that does not conform with their rigid interpretation of Shari'a law, and their willingness to use violence to achieve their objectives.

Ansar al-Sharia is a domestic extremist group based in Benghazi. Originally established as an outreach movement aimed at promoting an Islamic state in Libya, it allegedly involved with training fighters to go to Syria and took on a military edge. Its actions have increasingly focussed on military action since the beginning of Operation Dignity in May 2014. Ansar al-Sharia is aligned with the BRSC, which includes Libya Shield militias which do not appear to share Ansar al-Sharia's ideological objectives. It is primarily engaged in fighting with Operation Dignity forces.

The Ajdabiya Revolutionaries Shura Council is an Islamist group based in Ajdabiya. It is perceived to have connections with Ansar al-Sharia and Al Qaeda and has been involved in clashes with the LNA/Operation Dignity forces as well as with federalists. It is commanded by Usama Jadhran, the brother of Ibrahim Jadhran who leads the federalist movement in Ajdabiya.

The Abu Slim Martyrs Brigade is a domestic group in Derna. Named after members of Libya's Islamist opposition massacred in Abu Slim prison by the former regime, it incorporated some of the more extreme elements of the former LIFG who returned to Libya during the revolution, including members who had allegedly fought as Mujahideen in Afghanistan. Widely suspected of having links to Al Qaeda, it is occasionally reported as being a Libyan wing of that organisation. The Abu Slim Martyrs Brigade has generally been in conflict against LNA elements deployed outside the city. It has also been in competition with ISIS affiliates in Derna. In July and August 2015, significant fighting occurred between the Abu Slim Martyrs Brigade and ISIS forces as a result of the killing of an Abu Slim leader. As a result of the fighting, ISIS was pushed out of the city where it was engaged by LNA elements.

ISIS has strongholds in Derna and in Sirte, with a presence in the oil crescent area of central coastal Libya. Clear information on the exact nature of ISIS in Libya was not forthcoming for this report. However, it is suspected that a small number of operatives from the ISIS organisation are present in Libya, while most of the organisation's supporters in the country are Libyans. ISIS has been in conflict with the Abu Slim Martyrs' Brigade in Derna, Operation Dignity forces and with Misratan forces in Sirte. In March 2015, it also launched

operations out of Nawfiliyah against oil infrastructure in the central oil crescent region.

Sub-national Identities

Federalists

The position of the federalist movement is that Libya should return to the federalist system established under the 1951 Constitution.

The federalist movement in Libya consists almost exclusively of a coalition of tribes around Ajdabiya in the East of the country. In 2012, the coalition came together under the leadership of militia commander Ibraham Jadhran, and declared the creation of semi-autonomous territory making up most of Libya's East, called 'Barqa'. Over much of 2013, the federalists held control of key oil infrastructure, including major oil terminals at Ras Lanuf, Sidra and Zuwetina and repeatedly attempted to sell the oil under his control. In early 2014, a ship loaded with oil under federalist control escaped an ineffective government blockage at Sidra. The incident contributed to the dismissal of Ali Zeidan as Prime Minister, but the ship was eventually captured by US forces, with the federalists unable to sell it. Control over key ports, including Ras Lanuf, was eventually returned to Abdullah al-Thinni's (GNC backed) government in mid 2014 as part of a political deal. Since the political crisis, the federalist movement has been relatively quiet – with Ajdabiya opposed to both Operation Dignity and Libya Dawn, it has generally remained outside the key dispute. Ajdabiya militias have been active against Islamist militias within the city, most notably the Ajdabiya Revolutionary Shura Council, which it equates with, and sees supported by, Libya Dawn.

The position of the federalist movement is that Libya should return to the federalist system established under the 1951 Constitution. In reality, however, its limited reach beyond Ajdabiya undermines its national outlook. The federalists are also opposed to Islamist government within the country, which they see Libya Dawn and the GNC cluster as embodying.

Jadhran controls a significant militia force reportedly numbering around 15,000, mostly consisting of tribal members from around Ajdabiya, particularly the Magharba. Many of these forces officially come under the the PFG Central division, which Jadhran commands.

While the Ajdabiya and surrounding areas are seen to be completely under federalist control, with little interference from the Bayda government, the federalists have very limited public support outside. There is some support with the HoR for the aims of the movement, but it is opposed by much of the body and fiercely opposed by the Bayda government and Operation Dignity, with whom they enjoy periodic clashes.

Tribes

While difficult to generalise, tribes play an important role in Libyan society. They represent strong forms of communal identity along which Libyans align, and important influences on individual behaviour. As such, tribes have a significant role to play in terms both of enabling and mitigating conflict, particularly at the local level.

Tribes are considered to be much more relevant in the East of the country, in areas such as Ajdabiya, Bayda, Tobruk, the Green Mountains, as well as amongst Arab communities in the South. In the West of the country, and in more cosmopolitan cities such as Tripoli or Benghazi, tribal relationships are less significant and tend to be supplanted with regional or town-based identities.

Tribes, particularly in the East, represent strong forms of communal identity along which Libyans align, and important influences on individual behaviour.

In the East, a number of militias are formed along tribal lines. While not always formally linked to tribal leaderships, they do answer to them indirectly and pursue tribal communities' interests more generally. Tribal militias have been involved in supporting the Operation Dignity campaign and the federalist movement. In the West, the Warshefana tribe has supported the LNA Western Operations Room, while the tribe of Zintan also plays an important role in dynamics in that town. At the local level, such as in Bayda or Ajdabiya, tribal disputes between neighbouring tribes have been responsible for limited violence – though these are often managed through established conventions.

Tribes are able to leverage several mechanisms to reduce violence and maintain security at the local level. The principle of social protection, in which one member of the tribe is protected by all the others, can contribute to conflict by potentially escalating disputes and contributing to patterns of revenge. However, the threat of the removal of social

protection, which has been recently practised amongst some tribes in Libya, from members who are involved in activities seen to be against the interests of the tribe, such as terrorism, has been seen to have contributed to security improvements in some areas. Tribes also have important roles to play as informal mediators to disputes. Tribal leaders represent informal arbitrators of disputes between tribal members and negotiate with other communities or tribes on behalf of tribal members. While the mechanisms or agreements resulting from such efforts are not necessarily sustainable, they do represent important conflict management mechanisms.

Amazigh Community

The Qadhafi regime denied the Amazigh cultural rights, including their history, language and identity, and saw Amazigh communities as opposition strongholds.

The Libyan Amazighs are a Berber community located primarily on the North West coast of Libya, in large towns such as Zuwarah, and in several towns within the Nafusa mountains.

The relationship between the Amazigh community and the former regime was difficult. The Qadhafi regime denied the Amazigh cultural rights, including their history, language and identity, and saw Amazigh communities as opposition strongholds. Amazigh relations with nearby communities, such as Zintan in the Nafusa mountains, were also difficult with historic grievances and inequalities having strong impacts on inter-communal relations.

Many Amazigh towns were active participants in the revolution, playing leading roles particularly in the North West of the country from bases in the Nafusa mountains. While the Amazighs had cooperated with other communities, including particularly forces from Zintan, during the revolution – tensions between the communities resurfaced shortly after the fall of Tripoli.

From 2011, Amazigh interests have concentrated on asserting the community's cultural, economic and political rights. A particular focus has been on the future constitution declaration of 2011 and on the CDA elections law of 2013 – which Amazigh leaders have criticised for inadequate protection of Amazigh cultural rights. Prior to the CDA elections of February 2014, Amazigh leaders disputed the requirement under the CDA law for a two thirds majority for certain provisions,

including the name of the state, the identity of the state, the state flag, the national anthem and language rights. Feeling that minority rights would not be protected under majoritarian voting, they demanded that these questions should be decided by consensus only. Despite negotiations, the GNC did not pass the amendments and the Amazighs boycotted the election, losing any representation on the CDA.

Competition between Amazigh and Arab communities since 2011 has included periodic violence, particularly in the Nafusa mountains. Violence has been fuelled by lack of trust, competition over economic and strategic resources and the presence of heavily armed groups. Nevertheless, Nafusa mountains communities have shown significant capacity to manage conflict in the absence of clear state authority. Community leaders have managed to forge local peace agreements that have de-escalated tensions and provided frameworks for the addressing of future disputes.

The Amazigh community is relatively well organised. In 2011 there was already a National Libyan Amazigh Congress. In 2013, towns in the Nafusa mountains joined with Zuwara and Tuareg communities to form the Supreme Council of Libyan Amazigh – which subsequently held elections in 2015. While this body seeks to represent Amazigh interests, they also paper over differences between Amazigh communities about how best to achieve them.

The Amazighs are generally seen to have close relationships with Libya's Tuareg communities due to their common Berber heritage and common language. Since July 2014, the Amazighs have been seen to be more supportive of Libya Dawn and the GNC than the HoR. According to interlocutors, this support has derived from a perception that the GNC is more likely to support Amazigh rights, mutual distrust of Zintani intentions, as well as recognition of the military superiority of Libya Dawn in the North West of the country.

Tuareg

The Tuareg are a significant Berber community with a presence spanning a number of Saharan countries. Historically reliant on nomadic pastoralism and trans-Saharan trade, they have long-

established communities in Libya, primarily in the South West of the country.

Since 2011, the Tuareg community's prevailing interests have focussed on claiming political, economic and cultural rights within the new Libya and addressing the issue of citizenship and naturalisation. The Tuareg see themselves as an original component of Libyan society with a rightful place within the new country, something which they prevailingly argue is denied to them. One of the most significant issues for the community is the need to incorporate their rights within the draft constitution. The Tuareg, like the Tabu and unlike the Amazigh, contested the CDA elections and elected two Tuareg representatives to the body. However, in August 2015, as a consequence to alleged sustained reluctance from the rest of the body to cater to minority interests, the Tuareg representatives decided to boycott the drafting process.

One of the most significant issues for the Tuareg community is the need to incorporate their rights within the draft constitution.

Tuareg forces loyal to the former regime were some of the last to oppose rebel forces during the revolution. Due to this, and other historical realities, the prevailing view of other sections of Libyan society are that the Tuareg as a whole were, and continue to be, supporters of the former Qadhafi regime. Tuareg leaders dispute this and assert that they support the Libyan nation.

At a local level in the South, the Tuareg have competed with other communities, including Tabu and Arab tribes, over political and administrative control and access to economic opportunities. The issue of citizenship is particularly important, affecting local demographics and service delivery and is exacerbated by the ease of cross-border population movements between Libya and its Southern neighbours.

The Tuaregs' relationships with other communities has not generally resulted in significant violence; however in late 2014, the long-standing peace agreement limiting violence between the Tabu and the Tuareg broke down. Despite several attempts at mediation by a range of Libyan and regional actors, significant violence has continued with dire consequences for populations.

Within the broader national context, the Tuareg have been seen to be supportive of Libya Dawn and the GNC. To a certain extent, this has

been driven by the perception within the community that the GNC is more supported of Tuareg and Amazigh rights. It has also been exacerbated by Tuareg perceptions that the HoR and Bayda Government support the Tabu, with whom the Tuareg are in competition. There is a relationship between the Tuareg community and the Misratan 3rd Force based in Sabha, through which the Misratans are seen to have supported Tuareg interests.

At the same time, however, the Tuareg position is ambiguous. There is Tuareg representation in both the National Salvation Government in Tripoli and the HoR and Tuareg leaders claim to be trying to remain as neutral as possible within the current political context.

Tabu

The Tabu are an ethnic community spread across the Eastern Sahara, through Libya, Chad, Niger and, to a lesser extent, Sudan. They have a strong cultural identity and share a unique language, while family ties across communities tend to bind the semi-nomadic people together across vast distances. In Libya, Tabu are primarily located in the South of the country, with significant communities around Kufra, Sabha and Awbari.

Tabu interests since 2011 have predominantly concentrated on security political, economic and social rights for the community.

The Tabu were disenfranchised under the former regime, which sought to downplay minority rights, including cultural history, language and identity. Qadhafi worked to coopt Tabu in his operations against Chad and Niger in the 1970s-90s, promoting settlement of Tabu in the South of Libya and promising citizenship. However, the promises given to the Tabu were never fully realised, including with regard to citizenship. By the late 2000s, the Libyan government were increasingly disenfranchising the Tabu, dismissing them as foreigners – fomenting resentment in the community. As a consequence, the Libyan Tabu were swift to join the revolution in 2011 against Qadhafi, receiving support from Sudan and the Tabu communities in neighbouring Niger and Chad.

Like the Amazigh and the Tuareg, Tabu interests after 2011 have predominantly concentrated on securing political, economic and social rights for the community. This is especially informed by perceived

inequalities between them and other communities in the South. The Tabu have been involved in periodic, but significant, spikes in violence with other communities: with the Zwaya tribe in Kufra; with Arab tribes in Sabha; and recently with the Tuareg in Awbari.

A particularly important issue is that of citizenship. Many Tabu continue to be seen by other Libyans as foreigners, discounting the promises and irregular processes of naturalisation under Qadhafi. This has meant that Tabu communities feel they have been denied access to basic services, economic opportunities or to representation in local administrations. Competition over sources of economic rent, such as control of smuggling routes, has also contributed to violence.

In the South East, the Tabu are seen by other communities to be supportive of Zintan, the HoR and Operation Dignity. After the revolution, armed Tabu groups were incorporated into forces such as the PFGs and the Border Protection Force, with links to Zintan. Tabu units have been reported to have fought alongside Operation Dignity forces.

Social Groups

Women

Compared with men, women are less able to address their needs as a result of participation either in the transitional process, state institutions or society generally.

As in other conflict affected conflicts, Libya's women have been adversely affected by instability and insecurity. Compared with men, they are less able to address their needs as a result of a lack of equal participation either in the transitional process, state institutions or in society generally.

Despite formal attempts to address the issue through the provision of quotas, women's participation in political institutions in Libya is limited. Under the GNC, only 33 of 200 seats were filled by women - due primarily to the requirement for women candidates and the proportional representation electoral system. Under the HoR election of 2014, 16% of seats were reserved for women. The CDA election law reserved six seats for women, of which only five were filled. Under municipal elections, at least one seat in each municipal council is to be filled by a woman but there remain some municipalities with women's seats unfilled.

According to a survey conducted by UNDP in early 2014, Libyan women feel that their representation in politics is not sufficient to address their needs. In the same survey, Libyan men said that women's participation was sufficient to meet the needs of women's issues. According to the research, the effectiveness of women in representative roles is further undermined by cultural issues that limit their acceptance in male dominated spaces.

The lack of Libyan women's participation is also evident in transitional processes. Women's participation in the CDA is weak and the constitutional discussion papers submitted by the CDA in December 2014 did not contain any provisions directly regarding the protection of women's rights. There is a women's track within the UNSMIL facilitated political dialogue, and some protections incorporated into the draft agreement. However, there are only two women in the main track of the dialogue and the provisions could be significantly more meaningful.

Women's security is not safeguarded in Libya. There are no laws for the prevention of domestic abuse and harassment, and only weak legislation regarding sexual violence.

Women's security is also not safeguarded within Libya. There are no laws for the prevention of domestic abuse and harassment, and only weak legislation regarding sexual violence. Women play a minimal role in the security sector, including in the police. It is suspected that women under-report gender-related violence and crime due to fear of social repercussions and an ineffective response.

The role of women in conflict has differed between geographic areas. There are reportedly few, if any, women actively involved in fighting with militias. However, interlocutors noted that some women do provide support to militias such as by providing food and services. Women have also played positive roles in addressing local conflict in some areas by acting as a point of contact between disputants, such as in Sabha in 2014. In other areas, such as in Ghadamis in 2014, they have reportedly contributed to conflict by refusing to accept an agreement settled by the community leaders.

Children and Youth

Demographically, Libya demonstrates a significant youth bulge. According to UN population statistics, 45.8% of the 2015 Libyan population is estimated to be youth under 25 years of age, with 38% children under 19 years.[8]

Children have been adversely impacted by conflict in Libya. Some 40% of the Libyan population affected by conflict, including both IDPs and the non-displaced population, are children.[9] In addition to problems faced by the rest of the population, including displacement, lack of access to clean water and suffering health services, children increasingly lack access to education. The psychological toll on children is particularly telling: a UNICEF supported study found that 55% of assessed children in IDP camps in Tripoli show moderate or severe post-stress symptoms.[10] Children have also been reportedly recruited into militias as child-soldiers.

Without attractive alternative prospects, many youth are attracted to the economic opportunities, and the status, provided by belonging to a militia.

Libya's youth lack economic opportunities. Youth unemployment is reportedly very high, with a 2013 report from the Libyan Ministry of Labor estimating it to be around 50%. A strategy has been to try to absorb youth, particularly graduates from universities, into the public sector. With the civil service already bloated, this has worsened the issue of underemployment and done little to provide meaningful occupations for youth. Neither the public sector nor the private sector can reasonably be expected to provide jobs for new entrants into the workforce each year. Without attractive alternative prospects, many youth are attracted to the economic opportunities, and the status, provided by belonging to a militia. Libya's male youth make up the overwhelming majority of members of armed groups.

Internally Displaced Persons

As of August 31 2015, UNHCR has identified 418,803 IDPs in Libya, the vast majority of whom have been displaced by the escalation in conflict since July 2014.[11]

In the West, IDPs have still not returned to areas subject to intense fighting in the second half of 2014, including Tripoli and areas

surrounding Warshefana. In the East, large number of IDPs are unable to return to their homes in Benghazi, either due to continued fighting or the destruction of their properties.

Many IDPs have been incorporated into local communities nearby to their former areas of residence. While many have been able to establish themselves temporarily elsewhere, approximately 20% are living in collective centres in the open and in makeshift buildings - particularly in Benghazi.[12] These groups are the most vulnerable and in need of humanitarian assistance.

5. Dynamics of Conflict and Peace in Libya

As described in chapter 3, the factors identified through the analysis have a clear relationship to conflict in Libya. However, when taken individually they do not in themselves explain the instability and insecurity which the country is currently experiencing. Many of the factors identified existed in Libya prior to 2011 and many are common to other contexts which do not experience significant instability. To understand the reasons for the current situation in Libya more clearly, it is necessary to identify the relationships, or dynamics, between these factors.

The first part of this chapter looks at the relationships between the three conflict systems identified earlier in the analysis. The second part outlines several dynamics which the analysis process identified to be major drivers of instability and insecurity in the country. The third part of the chapter then looks at Libya from the opposite perspective, and identifies dynamics that are, or have been, making contributions to stability and peace.

The three conflict systems identified are distinct in that they each contribute in different ways to instability in the country. At the same time, however, they are deeply interrelated.

Relationships between Multiple Conflict Systems

The situation analysis chapter introduced a conceptual framework which looked at Libya's current instability and insecurity from the perspective of three major conflict systems: a national level contest over political influence, control of resources and the nature of the Libyan state; a fight against violent domestic and international Islamist extremism; and conflict in the South over historic perceptions of marginalisation, access to resources and inter-communal relations. The three major conflict systems can be seen to have a substantive impact on Libya's overall peace and stability.

The three conflict systems identified are distinct in that they each contribute in different ways to instability in the country, in that they are driven by issues that are in some ways separate, and in that addressing one conflict system will not necessary lead to improvement in the others.

At the same time, however, the conflict systems are deeply interrelated. Actors in Libya are simultaneously involved in all three while each system interacts with, and has a potentially destabilising impact on, the others. It is unlikely that Libya will be able to enjoy peace and stability without addressing all three systems.

Impact of Inter-Communal Conflict at the Local Level

Inter-communal conflict is driven primarily by unequal access to economic resources and administrative participation, by historic grievances driven by past incidents, and by differing perceptions of historic community ownership of territory. While these issues are localised in nature, their consequences have ramifications for conflict elsewhere in the country.

Many of these inter-communal disputes contribute to the way broader political alliances are made at the national level, with communities in some cases siding with either the HoR or the GNC to gain support against other actors. Interlocutors particularly cited this as a driver of Tuareg and Tabu support for the GNC and HoR respectively.

Many inter-communal disputes contribute to the way broader political alliances are made at the national level.

Different local actors, particularly in the South, utilise their access to major oil infrastructure, such as oil fields and pipelines, to hold Libya's oil production to ransom. Threatening to, or actually, turning off the supply of oil results in lucrative economic rents to communities and militias. This also leads to greater uncertainty in oil production, with significant impacts on Libya's economy, and its ability to meet its budget.

Southern actors also compete over control of smuggling routes, including the weapons trade, drugs trade and human trafficking. The revenue from such activities makes them very lucrative for local militias, which encourage it. With little of a local market, the destabilising effects of this trade are primarily felt in other parts of the country.

Impact of National Level Competition

The weakness of formal security forces and the fragmentation of Libya's government and state institutions has contributed to a security and governance vacuum which has, in some areas, been filled by local communities and authorities. This vacuum, however, has provided a destabilising influence by allowing space for local level actors to pursue their own objectives without a check from the state.

Actors involved in competition at the national level seek to ensure that parts of the South are dominated by allied groups. Such a policy maximises access to smuggling routes and the oil supply, while minimising the influence of other factions in the areas. One clear example of this is that under the label of a 'peacekeeping' force, the Misratan 3rd Force, a Libya Shield formation, deployed to Sabha in March 2014. The Misratan 3rd Force are seen as allied to local Tuareg elements and to the dominant Awlad Suleiman tribe; their ongoing presence in the South is perceived to be an attempt to reduce the influence of Tobruk-aligned communities such as the Tabu. Similar dynamics are seen in Sabha, with the deployment of the Omar Mukhtar brigade in early 2014.

Similarly, the weakness of state institutions directly allows for the growth of armed extremist Islamist groups. These groups have taken advantage of the lack of government capacity to check them in order to ensure control over areas such as Derna, parts of Benghazi, and, more recently, Sirte. Issues contributed to by national level instability, such as poor service delivery, public frustration with the transitional process and the poor economic environment, foster an enabling environment for recruitment to extremist organisations.

Impact of Armed Islamist Extremist Groups

National level actors use rhetoric associated with the fight against armed extremist Islamist groups as a vehicle for discrediting other national level actors. Actors affiliated with Operation Dignity or the HoR accuse the majority of Benghazi groups which are in opposition to them as being Islamist terrorists. Equally, they extend this to accuse GNC affiliated actors of supporting terrorists, when they refuse to see

all Benghazi groups in such a light. The use of such rhetoric has a powerful emotive and political weight within Libyan public opinion.

The presence of armed extremist Islamist groups, particularly those with a transnational presence such as ISIS or Al-Qaeda, provides a strong motivation for international engagement in Libya. In some ways this added attention promotes international interest in a stable and secure Libya, with corresponding increases in development and security funding. However, mismanaged international engagement, particularly in furtherance of military interests, has the potential to be a destabilising force.

The fight against armed extremist Islamist groups, particularly those in Sirte and Derna which are opposed by actors affiliated with both the GNC and the HoR, provides a point of collaboration between the two sides. Both sides appear to recognise the threat posed by such groups and, while have not expressly cooperated, they do not criticise or seek to reduce efforts to tackle such extremist groups by the other side. The exception to this is Benghazi, where the exact nature of groups fighting in opposition to Operation Dignity is contested between the two sides.

The presence of armed extremist Islamist groups, such as ISIS, provides a strong motivation for international engagement in Libya.

Conflict Dynamics

The dynamics described here have been identified through the analysis process as having a particularly important role to play in driving conflict within Libya.

Transitional Process and Ideas of the Social Contract

A lack of clarity over Libya's protracted transitional process, coupled with a lack of consensus around how the Libyan state should be organised in the future, has contributed to Libya's uncertainty and political instability.

At the heart of the transition process is the drafting of the Constitution. Led by the CDA, the drafting process is still ongoing and has suffered from continual delays due to the difficult security and political situation and capacity challenges. Once the drafting of the Constitution is

complete, it will be submitted to parliament. Given the current division between the HoR and GNC, the submission of the draft Constitution before the establishment of a single government and an uncontested parliament is a potentially destabilising factor. Once submitted to parliament, the draft Constitution will be subject to review, redrafting in response to that review, the passing of a referendum law, preparations for that referendum and actual polling. This whole process is vulnerable to ongoing political disagreement, weaknesses in capacity and a lack of public support, with the result that there is a significant risk that the Constitution drafting process will drag out for a significant period of time to come.

In the absence of a constitution, Libya's governments since 2011 have seen their role as caretaker in nature. They have seen themselves responsible for addressing insecurity and immediate needs but have shown limited political will to engage in the sort of meaningful reform that is needed to address structural drivers of conflict and ensure effective government.

In the absence of a constitution, Libya's governments since 2011 have shown limited political will to engage in the sort of meaningful reform that is needed to address structural drivers of conflict.

The paralysis of government concerning its ability to undertake needed reform, combined with continued delays to the constitution drafting process, risks an adverse effect on the legitimacy of the transitional process in the eyes of the people and a public loss of confidence in the state.

Libyans demonstrate a range of competing political visions for their country, with little consensus around questions such as how the state should be organised, the social contract, and how horizontal community relations should be managed. A limited number of Libyan led efforts at national dialogue have occurred since 2011, but have suffered from a lack of political support. As a result, Libya has not yet been able to undertake any effective processes to foster public dialogue to address these issues. Without some kind of formal process to build broad public consensus on a vision of the structure of the state, competing perspectives will continue to be expressed in a divisive manner through media, political behaviour and through violence.

At the present time, the constitution drafting process does not adequately address this need, in large part due to its elite-based nature. There is a possibility that the draft constitution will be responsive, and

acceptable, to the different perspectives held by the public; however it is more likely that the elite-based drafting process will ensure that the Constitution will not be representative of the views or aspirations of many Libyans. This weakness will potentially reduce the legitimacy, and the Libyan public's stake and ownership, in the future political system defined by the Constitution.

Influence of Militias and Armed Groups

The proliferation of armed groups in Libya and the absence of a state monopoly on the use of force have central and determinative roles regarding instability and insecurity in the country.

The most significant impact on stability is the threat, or the use, of force by armed groups in support of their political objectives and interests. Aligned with factional and political actors, militias provide an opportunity for these actors to apply pressure on, or act as spoilers of, political processes.

The most extreme example of this has been the split between the GNC and the HoR. Contesting the formation and the legitimacy of the HoR, militias took control of Tripoli and called for the re-convening of the GNC. Other notable high-level militia interventions include Khalifa Hiftar's attack on the GNC in May 2014, militia pressure to pass the Political Isolation Law in May 2013 and alleged militia pressure around the Supreme Court decision on the legitimacy of the HoR in November 2014. However, militias and armed groups do not only exert pressure regarding high-level political decisions - intimidation of the judiciary by armed groups has resulted in the effective paralysis of the legal system and armed groups also reportedly threaten the use of violence to influence every day administrative decisions.

Aligned with factional and political actors, militias provide an opportunity for these actors to apply pressure on, or act as spoilers of, political processes.

The lack of any counterbalance to armed groups' effective veto on political processes and administrative decisions poses a significant threat to the stability of the Libyan political system. This is of particular concern for the future GNA established as a result of the political dialogue. Specifically, the interests of militias and armed groups will be determinative when considering the possibility for the Libyan government to make decisions and implement policy.

Central to the issue of armed groups is the issue of funding, which both facilitates and provides incentives for militia activity. The primary source of funding for most armed groups is government, through direct payments to militia members as a result of poorly implemented and short-sighted efforts in the past to use militias for the provision of security. Despite recognition of the harm caused by continued funding, the government's ability to reduce these payments is limited due to fear of instability and militia influence over decision-making.

Armed groups are also engage in protection and extortion rackets targeting local communities and businesses, and in criminal behaviour such as kidnapping for ransom, as well as in other illicit activities such as smuggling.

Some militias and armed groups are also involved in raising revenue through other, illicit, means. Militias have used force, or the threat of force, to close down key economic infrastructure in return for payment from government and the community. The most lucrative extortion opportunities come from oil infrastructure such as wells, pipelines and terminals, which are ransomed to the government. Militias are also engaged in protection and extortion rackets targeting local communities and businesses, and in criminal behaviour such as kidnapping for ransom. Many armed groups are also heavily involved in, and have an active interest in facilitating, smuggling and illicit trade. Without meaningful and attractive alternative economic opportunities, militias are unlikely to move away from such behaviour.

Public Finances and the Economy

Libya's budget is heavily imbalanced. The vast majority of expenses are for wages and subsidies, with very little covering operational costs and virtually no capital investment in infrastructure or development.

With almost all of the country's revenue coming from hydrocarbons, Libya is immensely vulnerable to shocks to its oil sector, as well as to changes in the global oil price. Insecurity and lack of investment for maintenance or development has undermined the oil sector, resulting in very low levels of production. The fall in global oil prices between 2014 and 2015 has more than halved Libya's income from oil. Continued low oil prices and the vulnerability of the oil sector to insecurity means that potential revenue from oil is expected to remain depressed for the medium term.

As a consequence, Libya's budget is heavily in deficit. Current estimates of Libya's deficit for 2015 are around 25bn LYD. This deficit is funded from Libya's national reserves. At its current rate of spending, and depending on its ability to liquidate assets and on fluctuations in hydrocarbon revenue, Libya is facing the prospect of exhausting its national reserves within 12 to 24 months.

Libya's credit rating is non-existent as a result of political instability, insecurity, weak national assets and poor earning potential. This limits the country's options for borrowing with the result that the government will face major challenges in funding its government expenditure once national reserves are depleted.

The reliance of militias on government sources for revenue, both directly through salaries and indirectly through subsidies, ensures that armed groups have a significant interest in any efforts to reform public financial management. In the short-term, fear of militia response may undermine government capacity to curb spending through efforts such as wages and subsidies reform.

A sharp reduction in payments to armed groups may eliminate any residual control of militias by state entities.

In the medium-term, a sudden curtailment in government expenditure due to declining reserves could be destabilising politically. A sharp reduction in payments to armed groups may eliminate any residual control of militias by state entities and encourage extractive revenue-raising behaviour by armed groups with regard to economic infrastructure, illicit trade and local communities.

A sharp reduction in payments of salaries and subsidies will also have a negative effect on the resilience of the Libyan population to insecurity and instability. Without the social safety nets provided by these services, it is unlikely that Libyans will be able to continue to avoid the worst humanitarian consequences of conflict.

Autonomy of Local Actors

While already significant under the former regime, the importance of local communities as a form of social organisation in Libya has strengthened since 2011. The grass-roots nature of the revolution, which saw it work more as a movement under which local councils

cooperated than a unifying effort, never bound communities together through a common political vision. The weakness of the central state subsequent to the revolution further strengthened local loyalties.

Formally, Libya is still a strongly centralised state. Despite the formation of local councils after 2011 and their transformation into elected municipalities in 2013 and 2014, primary responsibility for decision making, service delivery and security rests with the central government. The framework for decentralisation in the country also remains highly uncertain – with issues in relevant legislation and little clarity on how it will be incorporated into the draft constitution.

There is a growing trend towards consolidation of informal and formal decision makers at the municipal level, including armed groups.

In reality, however, local communities have a great degree of autonomy. The effective paralysis in terms of governance and services created by the HoR/GNC split in 2014 has led local authorities to expand to fill the vacuum created. Fieldwork has suggested that there is a growing trend towards consolidation of informal and formal decision makers at the municipal level, including armed groups. Some municipalities – outside of legal frameworks - work with local armed groups to provide security within local areas, seek to provide services (mainly through indirect means such as CSOs), and even to raise revenues. Despite divisions within many geographic areas, local communities often act as defined entities when dealing with other communities,

This is true of many local communities, with towns such as Misrata and Zintan the most extreme examples; however, not all local geographic areas have the same degree of consolidation or can be described in the same way. Particularly in cosmopolitan cities such as Tripoli and Benghazi, or in more areas with differing communal groups such as Sabha, internal cohesion is far less strong.

The high levels of autonomy enjoyed by local authorities, including in terms of security and militia activity, has contributed to a centrifugal dynamic within Libya – with impact on overall stability and the transitional process. Although only a few local communities have the capacity to forcibly pursue their interests beyond their immediate geographic areas, the ability of many local communities to refuse to cooperate with other actors and to maintain a degree of autonomy within areas under their control weakens the cohesion of Libya as a whole.

The significance of this dynamic will grow once an effective central government is re-established. Municipal authorities may be reluctant to relinquish their newly claimed political space and responsibilities when the central state seeks to reassert its own role at the local level.

Peace Capacities

Despite the significant challenges Libya faces in terms of stability and security, there are a number of dynamics contributing positively by mitigating violence and promoting peace and stability.

Role of the Central Bank and National Oil Company

Even with the financial challenges involved, the decisions by the CBL and NOC to maintain their neutrality regarding the division between the GNC and the HoR, and to continue to pay salaries and subsidies to both sides, have been important mitigating dynamics regarding conflict in Libya.

Despite attempts by the HoR affiliated Interim Government in Bayda to set up alternative offices of the CBL and NOC, both institutions have continued to function in a relatively unified manner. Their resistance to being divided along political lines has allowed them to remain above the conflict. Most importantly, by continuing to provide resources to both sides of the dispute, the CBL and NOC have reduced the scope and need for competition over access to economic resources. Were this situation to change, it could easily be expected that control over economic infrastructure such as oil fields, terminals and ports would become key strategic priorities for factions within the broader conflict in Libya, leading to an escalation in violence in those areas.

The decision to continue to pay subsidies and salaries has contributed to stability more broadly as well. Subsidies and salaries represent significant safety nets for the large proportion of the Libyan public who depend on them for income. Continued payment has allowed these Libyans to generally avoid the worst humanitarian consequences of the conflict.

Municipal authorities may be reluctant to relinquish their newly claimed political space and responsibilities once a central government becomes more effective.

In a short-term sense, it is also arguable that the continued policy of the CBL to pay militias has played a short-term role in promoting stability. The dominance of militias provides them with an effective veto to any attempt to cut government payments to them. Without attractive, alternative economic opportunities, however, it is unclear what young militia fighters would be able to do instead. Continued payments serves, then, both as an additional safety net and as an attempt to buy off the instability that could be caused by armed groups with no financial connection to the government.

Nevertheless, as noted in the previous section, any short-term benefits provided by militia payments are quickly outweighed by longer-term consequences of the prevalence of militias and their impact on national stability. There is little clarity on potential paths to negotiate these two competing dynamics peacefully.

Informal Peace Capacities at the Local Level

Strong social networks within tribes, families and communities represent important moderators on individual actions.

Libyan society has strong traditions of informal dispute resolution processes. These processes are effective conflict management mechanisms which can de-escalate tensions and provide frameworks for addressing future disputes.

Strong social networks within tribes, families and communities represent important moderators on individual actions. Community leaders, religious leaders, elders and wise men have significant influence on community behaviour. While some Libyan interlocutors suggest that young Libyans, particularly those involved in militia behaviour, are decreasingly respectful of community leaders, the dictates of such leaders are nevertheless important capacities both to promote and mitigate conflict.

In some parts of Libyan society there are strong conventions for addressing disputes at the local level when they arise. Community leaders representing both sides of the dispute will come together to negotiate mechanisms such as compensation to redress wrongs and punishment of individuals involved. The role of tribes in this process is particularly prominent in many parts of Eastern Libya, where tribes

reportedly have a much more established role in society. The presence of such community protection has been seen to discourage violent escalation of disputes; however, some interlocutors have also expressed the view that they can provide safe harbour for those involved in conflict outside their immediate communities.

In some areas, more defined sanctions are available to be deployed against individuals who disobey limitations on behaviour imposed by community leaders. Most notably, this includes the threat of removing community protection, effectively denying specific individuals of the right to rely on physical or economic community protections and, in some cases, exiling them from the community. The risk of removing community protection has been seen as an effective mechanism to preserve security in some towns, particularly in the East.

Community leaders are also involved in establishing defined peace agreements between communities. These agreements provide a framework to reduce tension and to address future disputes as they arise. This was most recently visible in the local peace agreements defined within the West of the country. In a number of cases, communities in dispute have looked to leaders from a third community to be directly involved in mediating and monitoring disputes. In one example cited in fieldwork, a social peace committee in Sahel, an Eastern town, was involved in mediating and monitoring disputes between Zintan and neighbouring communities with which Zintan was in conflict.

Community level actions represent effective conflict management mechanisms which can de-escalate tensions or provide frameworks for addressing future disputes.

Community level actions represent conflict management mechanisms which can de-escalate tensions or provide frameworks for addressing future disputes, contributing to immediate security and stability within the area. Generally, however, agreements do not address the fundamental causes of disputes and do not represent broader peacebuilding processes. In some cases, interlocutors suggested that the existence of formal agreements negotiated by communities can complicate peacebuilding processes by adding extra dimensions.

Furthermore, not all Libyans agree with utilising informal or traditional mechanisms for dispute resolution – seeing them as potentially strengthening authorities outside the official system. There may also be a tendency, particularly by outside actors, to overemphasise

the roles informal mechanisms play in society as a whole, and particularly their robustness. While certainly effective in some areas, they are much weaker in others.

Political Dialogue Process

Since January 2015, the UNSMIL facilitated Libyan political dialogue process has been the country's best opportunity to overcome the dispute between the GNC and the HoR and to form a unified national government. The formation of the GNA is a necessary step to establish sufficient stability and security to provide space for Libya's transitional process to run its course, and to address Libyans' immediate needs.

It is clear that the existence of the dialogue process has played a positive impact in terms of the national level conflict in Libya.

Whether the political dialogue process is ultimately successful in forging a political agreement and forming the GNA is dependent on a range of political factors. Progress towards that goal has not, and will not, be linear. However, it is clear that the existence of the dialogue process has played a positive impact in terms of the national level conflict in Libya.

The dialogue has provided the possibility for Libya's factions to achieve their objectives through a political, and primarily non-violent, solution. Parties have shown greater willingness to compromise their objectives and to work towards peaceful resolutions. Due at least in part to this, the level of violence in Libya, particularly between armed groups aligned with the HoR and the GNC, has fallen considerably since the start in earnest of the dialogue process in January 2015. While driven by a range of factors, research demonstrated that the recent series of local peace agreements between communities in the West can also be seen in light of the political positioning in the lead up to the formation of the GNA.

On the other hand, the political dialogue process has also shifted the conflict context in Libya. The international community elected to engage both sides in a political dialogue process in response to the *de facto* situation on the ground. However, some interlocutors see the process as having provided a degree of legitimacy to the use of armed force against state institutions by actors representing only a minority of Libyans. While this perspective is contested by those on the other side

of the political spectrum, there is nevertheless some merit to the point that the dialogue process may have rewarded the use of force in pursuit of immediate political objectives.

Further, in pursuit of a quick political solution, the dialogue process itself has been an elite-level process focussed on mechanisms for power-sharing. While the dialogue has sought to include a broader range of voices through additional tracks, there has been less focus on those tracks compared with the immediate priorities of a political agreement. The dialogue has not undertaken the sort of broader national dialogue necessary to address the structural questions of competing visions of Libya's political structure or the social contract which contributed to the split in the first place. These questions will have to be addressed in the future.

Nevertheless, even in the event of a failure to establish, or a collapse of, the GNA in the short to medium term, the absence of a military solution in Libya ensures that a continuation of the political dialogue process will be a necessary forum for Libya's factions to move towards a sustainable solution.

The dialogue has not undertaken the sort of broader national dialogue necessary to address the structural questions of the social contract and social covenant. These questions will have to be addressed in the future.

6. Scenario Analysis

This section describes three scenarios for Libya's mid-term future that were identified through the analysis process. For the sake of practicality, the analysis focuses on scenarios within a 12 to 24 month timeline. A time-frame of less than twelve months was seen to be impractical for planning development activities while a more extended time-frame was deemed to be too sensitive to the uncertainties in Libya's context to be useful.

Scenarios were developed in a process building on the rest of the analysis. Firstly, factors identified earlier in the analysis were divided into constants and variables. Constant factors were seen to have no realistic possibility of meaningful change in terms of the influence they have on instability and insecurity over the 12 to 24 month time-frame. Variable factors were assessed to have the potential to change during that period, either organically or due to external or internal pressures.

Scenarios were developed by considering how variable factors may change over the time period. They were then refined based on an assessment of their plausibility by looking at how factors relate to one another and the response of relevant stakeholders.

The analysis outlines three learning scenarios below, which attempt to outline the best, intermediate and worst cases for Libya over the time period.

Scenario 1 – Best Case: Recovering Transition

This scenario presents a vision of a Libya which is responding to its political divisions and regaining momentum with regard to its transitional process, while still facing significant challenges, most notably economically.

Variable Factor	Best Case	Intermediate	Worst Case
Transitional Process and Drafting of the Constitution	Imperfect but acceptable constitution written and passed	A relatively weak constitution is drafted but fails to pass through referendum	CDA unable to draft the constitution; transitional process comes to a halt
Local Governance and Decentralisation	Role of local authorities still confused but cooperation between central government and municipalities	Role of local authorities confused; relationship between central government and some local authorities tense	Absence of effective central state means local authorities gain significant autonomy and become primary service providers
External Intervention	Consensus support, and pressure to maintain GNA; reduced support for militias; pressure on political actors to support political agreement	No clear agreement on way forward; limited presence and assistance; continued support for local political and armed groups	Strong divisions on how to proceed; regional and local actors heavily involved to protect interests
Political Dialogue Process	General success; political agreement accepted and GNA formed, but GNA remains fragile	Partial success; GNA is formed, but without the endorsement of key elements of the GNC; GNA is contested, weak and unable to deliver	Political dialogue process fails; alternative efforts also fail and actors resort to violence to address disputes
Terrorism and Armed Islamist Extremist Groups	Support contained to certain geographic areas; still able to launch periodic attacks	Strongholds in certain geographic areas; ongoing targeted attacks and attempts to capture territory	Extremist groups capitalise on instability to gain territory and support; Libya's importance as a base for transnational terrorism grows
Local Peace Agreements	Continued momentum of local peace agreements serve to strengthen political agreement	Important role in managing disputes between local areas	Local peace agreements are unable to address significant increase in violence
Declining Oil Sector	Stability and limited oil company investment lead to increase in oil production; global oil price remains low	Slight recovery in oil production despite insecurity; global oil price remains low	Insecurity, damage and disputed control reduce oil production further
Budget and Deficit	Budget remains in deficit; GNA faces significant challenges in rationalising spending	Expenditure exceeds revenues; political situation undermines efforts to address spending; eventual lack of funds risks instability	With little oil revenue, the CBL runs out of funds and is unable to pay salaries, subsidies or operational expenses
Militia Financing	Transitional nature of GNA and political uncertainties undermine meaningful reform	Political uncertainties undermine meaningful reform until budget crisis forces reductions	Militias supported by outside actors; with lower salaries, militias increase involvement in illicit trade
Strengthening Sub-national Identities	Sub-national identities remain strong, but a national identity becomes more prominent	Sub-national identities strengthen further	Local geographic and communal identities become primary, with little trust between groups
Weak Civil Society	Greater stability and security strengthens the role of civil society to support transition	CSOs play important role in relief and provision of local services	Civil society develops strong relationships with local authorities as primary service providers
Role of Media	Mainstream media reduces political provocation and promotes pro-peace messages	Some media outlets try to promote pro-peace messages; but media outlets remain divided politically	Media remains polarised and affiliated with local community and political interests

Table 4: Assumptions regarding Variable Factors for Scenarios

At the heart of this scenario is the general success of the political dialogue process. As a result of the dialogue, the GNA is established, bringing together the main components of both the GNC and HoR clusters. While hard-line actors on both sides try to act as spoilers, they are effectively sidelined and are unable to prevent the formation of government. Local communities play an important part in this, with local authorities building on local peace efforts to drive demand for a political agreement.

Once formed, the GNA is able to function, but depends to a certain extent on international technical assistance. The GNA sees itself as a transitional entity with limited mandate beyond provision of basic services, addressing immediate needs and improving security. It has little appetite for undertaking meaningful reforms. While political disagreements exist within the government, it is able to overcome these to ensure that a basic level of services are restored in most parts of the country, resulting in an immediate improvement in Libyans' circumstances.

The question of local government continues to be uncertain – the scope of municipal authorities' powers is not formally addressed within the political agreement, by the new GNA or by revising Law 59. However, the GNA and line ministries have the opportunity to work more closely with municipal authorities to provide better services at the local level.

The most significant militia groups recognise the validity of, and broadly support, the political agreement and the GNA. In many areas, militias continue to provide security in communities. Isolated militias with political objectives continue to try to undermine the political agreement and GNA while other smaller militias increasingly engage in illicit revenue raising activities such as smuggling. Despite defending themselves aggressively when they are threatened, the role of spoilers and smaller militias is controlled and progressively reduced by the, initially weak, formal security forces and by those significant militias supporting the GNA. Towards the latter half of the time period, sustainable efforts begin to integrate major militias into the formal security forces or to demobilise them. This includes a managed, staged process to reduce state funding to militias while identifying alternative economic opportunities for militia members.

Building on the relative stability offered by the GNA, the CDA is able to write a constitution that addresses a number of the most significant structural issues in the country and is broadly acceptable to most interest groups. Based on this, the HoR is able to pass a referendum law. Towards the end of the scenario time period, a referendum is held and the constitution, while still contentious on some issues, is accepted by most Libyans.

By managing immediate political disagreements, re-establishing basic services and improving security, the GNA is able to reduce the appeal of extremist groups within the country. Armed extremist groups continue to exist, but are contained by security actors to isolated geographic areas, most particularly Derna, Benghazi and Sirte, where they have previously established strong footholds. Fighting continues in these areas, with ongoing civilian casualties. Despite this, extremist groups still undertake periodic individual attacks against government targets across the country in attempts to destabilise the GNA. Formal security actors and major militias have some capacity to respond to these threats.

After the formation of the GNA, a vanguard presence of the UN, some embassies and a few international NGOs is re-established within Tripoli. This presence gradually increases towards the end of the scenario period. Nevertheless, the majority of international staff and actors working on Libya continue to be based out of the country.

There is broad acceptance among international and regional actors of the legitimacy of the GNA and the political agreement. While some direct assistance to political groups continues, alleged support to militias significantly decreases as outside actors try to avoid undermining the GNA. The formation of the GNA leads to a significant increase in development and technical assistance offered to the Libyan state, which needs to be carefully managed by the government to ensure it efficiently serves Libyan interests.

A particularly prominent focus area for bilateral technical assistance is security sector reform. Several international actors engage in efforts to support integrating or demobilising militias and building up the capacity of state security forces. However, without meaningful reform

in terms of the governance of the security sector, difficult given the transitional nature of the GNA, these efforts are only partially effective.

A more stable country encourages interest in limited foreign economic investment, particularly in infrastructure sectors. However, opaque business laws and other barriers to business in Libya limit foreign direct investment. Without meaningful economic reform by the GNA, similar problems exist with Libyan investment in the private sector – limiting its potential for growth.

The absence of legitimate economic opportunities provides incentives for Libyans to engage in the illicit economy. Smuggling of contraband goods to neighbouring countries continues to be an important economic activity for certain communities. Drugs smuggling and the trade of arms out of Libya are not significantly reduced.

Due to international focus, the problem of human trafficking is reduced, but not eliminated. With cooperation from international actors, the GNA undertakes greater efforts to counter human trafficking networks and to control efforts to launch boats.

International oil companies renew some activities in the country, providing limited investment to restore damaged infrastructure. Oil production increases from its 2015 low, but still falls well short of pre-2011 levels during the scenario period. A continued depressed global oil price ensures that revenues gained from oil continue to be limited.

The low oil price ensures that budget expenditure continues to exceed revenue. Capital and development investment remains very limited while subsidies and wages continue to dominate government expenditure. The GNA struggles politically to reduce these costs. It is unable to meaningfully reduce the number of public employees, salary payments or militia payments without undermining stability. Continued expenditure of foreign reserves and limited international financial support allows for GNA to continue to function during its lifetime and the time-frame of the scenario, but unresolved budget issues will be a significant problem for the next government.

The situation in the South of the country remains largely unchanged. Access to services and economic, political and administrative

opportunities remains unequal. Issues regarding citizenship remain unaddressed. These pressures continue to lead to periodic spikes in violence which are responded to and managed by local authorities with support from formal security forces and relatively unbiased militias. Local demand for services and income continues to lead to periodic extortion efforts when local communities close off local oil infrastructure in return for payment.

Local sub-national identities remain very strong, with most community members looking to their immediate communities first for social support and security. However, as a result of increased stability and progress on the transitional process, the national identity grows stronger and begins to take more prominence towards the end of the scenario time-frame.

Civil society plays an important role in the strengthening of a national identity. Greater stability and security, together with increased international development assistance, encourages civil society to engage more actively to support the transition and promote democratic culture.

The media also plays an important role. Building on positive efforts in mid-2015, such as the Madrid declaration, mainstream media agree to limit politically provocative messaging and hate speech, and to promote messages that promote peace.

Scenario 2 – Intermediate Case: Fragile State

This scenario provides a vision of Libya in which the country is struggling to overcome its political divisions and remains very fragile.

Under this scenario, the political dialogue process is only partially successful. A political agreement is passed, but with the opposition of several elements of the HoR cluster. The GNC is more strongly divided in terms of support for the political agreement, with some outright rejecting it. Despite this, the GNA is formed and established in Tripoli, with international technical assistance; yet it remains very weak. Excluded actors adopt hard-line stances and continually attempt to use their influence to undermine the sustainability of the government. The GNA is unable to extend its influence across all of Libya, with its ability

to provide services in geographic areas dependent on its relationships with formal and informal local authorities in those areas. Delivery of basic services remains intermittent for many Libyans, and popular support for the GNA is low.

In order to be able to form, the GNA must have general acceptance among the major militias. Formal security forces remain divided and lacking in capacity, while militias continue to provide security in most local areas. While militias do not attempt to directly overthrow the government, they continue to use violence, or the threat of violence, to pursue political objectives. This hampers the ability of the GNA and the HoR to make legislation on key issues, to objectively address policy priorities or to deliver services based on need.

Tension exists between the central government and local authorities in some areas. As legal uncertainties regarding local governance remain unresolved within legislation and the proposed constitution, some local authorities are unwilling to give up the *de facto* responsibilities which they have assumed. In response to the weakness of GNA, formal and informal local authorities, local armed groups, business interests and civil society further consolidate their relationships and work together to provide security, basic services and, in some areas, even raise revenue through the municipality. While such locally-led efforts address some immediate needs of local communities, they severely limit the ability of the GNA to function in these areas or to deliver services through line ministries.

Within the contested political arena and ongoing insecurity, the CDA finds it very difficult to undertake its work. With international assistance and pressure, the CDA is able to prepare a draft constitution that provides a framework for the future of the country but which leaves several significant issues unaddressed. The draft constitution is contested by the HoR and sent back to the CDA for redrafting multiple times. Lengthy negotiations over the referendum law create further delays. As a result, the constitution is not put to public vote before the end of the scenario period, with imminent repercussions for the lifetime and legitimacy of the GNA and the political agreement. Public sentiment regarding the transition process is very poor.

As a result of the ongoing instability, ISIS is able to secure itself in several strongholds across the country, most notably in Derna and Sirte, with a contested presence in Benghazi. The weak central government means that it is able to receive support from international networks. In their efforts to expand, ISIS-affiliated forces engage in a combination of specific attacks against government and international targets and key infrastructure, and of pitched battles against militias and security forces. Most casualties due to conflict in the country occur as a result of fighting around ISIS controlled areas.

While outwardly supportive of the political dialogue process, the international community, including regional actors, is unable to reach consensus on the way forward for the country. The UN and other international actors provide support to the GNA in the form of technical assistance at senior levels and to help monitor and support the provisions of the political agreement. However, broader development funding is limited as uncertainty undermines donor confidence. Libyans' worsening access to services means that humanitarian activities increase steadily. Access remains very limited for international organisations and embassies, particularly outside Tripoli. Due to ongoing security concerns, only a very limited international presence exists on the ground.

Regional actors continue to support individual political and armed groups in efforts to protect and pursue their own interests. The growth of ISIS is of significant concern to members of the international community. Despite the weakness of the GNA, its existence provides an opportunity for Western international actors to negotiate permission to undertake limited strikes against ISIS targets with international relevance.

Instability and the weakness of the GNA and formal security forces provides space for ongoing activities of human trafficking networks. Large numbers of migrants continue to attempt to cross to Europe from Libya. The issue of migrants and refugees gains increasing prominence, and the existence of the GNA allows for significant international assistance to be offered to Libya focusing on border control, policing and interdiction. This assistance faces the same problems regarding access and insecurity as other development and humanitarian assistance.

The existence of the GNA and the clarification of the situation regarding the CBL and NOC encourage the cautious re-engagement of international oil companies within Libya. Limited investment is provided to restore damaged critical infrastructure. Local groups occasionally take control and close or limit the activities of key oil infrastructure as part of efforts to extort political or economic concessions. Periodic attacks against oil infrastructure by ISIS-affiliated groups result in more lasting damage. Despite this, oil production increases from its 2015 low but remains very low compared with Libya's potential and past production capacity. Combined with the continued depressed global oil prince, low production ensures that revenues from oil are limited.

Low oil income ensures that government budget expenditure vastly exceeds revenue. Very little capital is available to invest in key infrastructure such as water and electricity networks and these services degrade further. Wages and subsidies dominate government expenditure. As a result of the political situation, the GNA is unable to address these issues without threatening instability and delays efforts to do so.

Libya continues to rely on its dwindling foreign reserves. As reserves reduce, with little international willingness to provide financial support due to instability and little prospect of structural reform, the government is forced to significantly reduce subsidies and payments to militias and public servants. Militias in particular, resist the reduction of payments and threaten the use of force, creating political uncertainty.

The reduction of payments and subsidies reduces a significant social safety net for large numbers of Libyans. This, together with poor delivery of basic services and degraded infrastructure increases poverty and localised humanitarian crises. Weak legitimate economic opportunities promote involvement in illicit trade, including smuggling, drugs and human trafficking, for certain local communities and for militias.

The situation in the South of the country remains challenging. Access to services and economic, political and administrative opportunities remains unequal, and access to basic services continues to be poor. Issues regarding citizenship continue to be unaddressed. These

pressures lead to spikes in violence between communities. With some casualties, these are responded to and managed by local authorities and armed groups.

As a result of dissatisfaction with the GNA and the transitional process, the national Libyan identity degrades further. The tendency for Libyans to look towards local communities for identity and support, and mistrust of other communities, increases.

Scenario 3 – Worst Case: Failing State

This scenario outlines a vision of Libya in which the country has been unable to overcome its political difficulties. The political uncertainty caused by the continued lack of a central government greatly contributes to instability and insecurity.

Within this scenario, the political dialogue process fails to result in a political agreement based on the current draft. There are continued efforts to maintain a dialogue process between key actors, however the lack of progress leads to a decline in the credibility of the process in the eyes of political actors and the Libyan public. Eventually, the process peters out and is abandoned. Other political dialogue efforts are attempted by other Libyan or international actors but suffer from similar lack of credibility.

With prospects of a political settlement to Libya's political problems declining, political actors strengthen their ties with militias and resort to the threat or the use of force to secure their interests. Violence increases as militias fight over territory – particularly in the West of the country, which suffers significant casualties as a result of the indiscriminate use of heavy weapons. In the East, the HoR and its affiliated government continues to function, but is increasingly separate from what is happening around Tripoli. Greater calls are made for separation of the East from the West – though these are contested by elements within the Bayda government and the HoR which still see themselves as legitimate institutions representing the whole of the country.

With a worsening political situation, the CDA is effectively unable to draft a constitution and the transitional process comes to a halt.

The lack of a clearly defined central state, as well as ongoing instability and insecurity, ensures that Libyans look towards their local communities as primary security and service providers. In order to address immediate needs, local authorities ignore legal frameworks which limit their mandates and seek to consolidate their authority over their respective geographic areas. Local authorities work to raise revenues through local taxes or control of local resource and work with local CSOs to deliver services. The increase in autonomy of local areas corresponds with an increase in competition with neighbouring areas.

Local militias police communities and defend them from external threats, and increasingly come under the control or sway of local authorities. In the East, elements of the formal security forces still exist and ostensibly report to the Bayda government, but are divided, have limited capacity and are deployed in political fighting.

The international community is strongly divided over what can be done in Libya. Insecurity limits the presence of embassy, development or humanitarian staff on the ground in the country. The lack of an undisputed central government means that the international actors do not have a clear partner with which to work. Development assistance is consequently very limited. In order to address a worsening humanitarian situation, most international actors involved in Libya choose to work directly with municipalities to deliver services and to address security problems. Neighbouring and regional countries have important stakes in what is happening in Libya and play an instrumental role by providing financial and material support to specific political and militia groups in order to protect their own interests.

Extremist armed groups are able to capitalise on instability in the country to strengthen their position. With financial support from international networks, they seek to extend control outside of their strongholds in Derna, Benghazi and Sirte towards other areas. They undertake targeted attacks against key infrastructure and against strategic and highly visible targets. As they attempt to advance into new areas, they fight pitched battles against militias – with significant civilian casualties. ISIS in particular is able to draw on financial

support from its networks to provide economic incentives for local support, by paying fighters and providing limited services to local populations under their control.

Libya also becomes an important hub for transnational terrorism, due to its strategic location, ease of access to weapons and instability. The number of extremist training camps increase and Libya becomes a more important launching point for attacks in neighbouring countries. In response, international and regional actors engage in periodic unilateral strikes against extremist targets within Libya.

Due to insecurity, the decline in the Libyan oil sector worsens. Different actors have control over different aspects of the oil production chain, and are unable to cooperate reliably. Ongoing damage to oil infrastructure due to fighting, and a lack of investment necessary to address deterioration, further reduces production capacity to below 2015 lows.

The effective collapse of the central government, together with poor oil production and a continued low oil price, means that the CBL is unable to continue paying salaries, subsidies or operational costs. Basic service infrastructure collapses. The loss of the dual social safety nets of public employment and subsidies affect a large proportion of the Libyan population, worsening the humanitarian situation in the country. While international efforts aim to alleviate this, it is insufficient.

The loss of payments to militias leads to competition between armed groups over control of key economic assets, such as oil facilities and control over aspects of illicit trade. In some cases with the consent of communities and local authorities, militias increase their involvement in lucrative illicit activities such as human trafficking and drug smuggling, entrenching these issues in Libyan society and further complicating the international response. The halting of payments to militias is also a key opportunity for extremist groups such as ISIS to build support by using financial assets from its international networks to pay fighters.

7. Recommendations

Responding to the analysis above, this chapter outlines a number of recommendations for broad areas that need to be addressed to promote peace and stability in Libya. The recommendations specifically seek to address and build on the dynamics outlined in chapter 5.

Specific Recommendations

Continue the Political Dialogue Process

There is no military solution to Libya's political crisis. The political dialogue process remains the country's best chance for a political settlement between actors supporting the HoR and the GNC. By providing an opportunity for Libya's factions to achieve their interests in a non-violent manner, it has directly contributed to a reduction in violence.

Current expectations look towards the imminent signing of a political agreement and the formation of a GNA. In the event that a GNA is formed, it will still be essential to maintain and support the political dialogue process for a period of time to address disputes arising from implementation of the political agreement, as well as to consult with voices that may formally be part of the GNA but who have a stake in the process, including women and civil society.

In the event that the political dialogue process is unable to successfully lead to a political agreement in the near term, it will be essential not to let the dialogue process disintegrate. The collapse of the dialogue process would remove the only formal forum bringing the HoR and GNC clusters together, would embolden armed groups and political actors to attempt to return to the use of force to pursue their interests and would likely result in the *de facto* fragmentation of the Libyan state.

Support a Government of National Accord

A GNA resulting from the political dialogue process will be immediately vulnerable. It will likely be subject to ongoing political

infighting while there is a very real chance that spoilers will attempt to derail the government once it is formed. On its own, and without continued buy-in from significant political and militia groups across the country, the GNA will have very little ability to promote stability and address Libya's immediate needs. In the worst case scenario, a collapse of the GNA would place Libya on a very uncertain trajectory.

As a result, the GNA will need, and should receive, significant support from the international community, particularly in terms of technical assistance, policy making and planning. However, assistance offered to the GNA must also acknowledge the importance of Libyan ownership. The perception of the GNA as an entity overly influenced by external powers will likely lead to a loss of credibility in the eyes of the Libyan public and a reduction in its capacity to promote stability and security and to provide space for Libya's transitional process to proceed. Any international security assistance will be particularly sensitive. International assistance should highlight Libyan ownership by strengthening the capacity of the GNA to manage international assistance on its own terms, avoiding the pitfall of capacity replacement in order to deliver priorities in the short-term, and supporting the GNA to strategically communicate its achievements.

Sensitively Engage with Local Governance and Local Communities

Municipalities and local communities play an important role in Libya, and this role has increased as a result of the political crisis. Municipalities and decentralisation can be seen to provide some of the best mechanisms for ensuring that local communities are able to access basic services and adequate representation. This role should be strengthened in principle.

At the same time, decentralisation in Libya currently falls within an uncertain legal framework. There will be a need for greater clarity on the roles of municipalities and local communities once a GNA is established, and possibly within the framework of the constitution. Hasty efforts to strengthen local authorities in this uncertain context could strengthen centrifugal tendencies and contribute to the fragmentation of the country.

Recommendations

In the meantime, the capacity of local authorities should be strengthened in a conflict sensitive manner. Formal responsibility for local security, service delivery and economic development fall under the remit of other institutions at the central level. However, the role of local authorities to understand and represent the needs of local communities, to understand and engage in peacebuilding processes, and to interact with, and inform the activities of, relevant line ministries and service providers, should be enhanced. Similarly, the accountability, inclusiveness and representativeness of municipalities should be supported to ensure that they are more responsive and relevant to the needs of their communities.

Strengthen Domestic Mediation and Conflict Management Capacities

Libyan society has strong traditions of informal dispute resolution processes. While these processes are often reactive and do not generally address the fundamental causes of disputes, they have been shown to be effective conflict management mechanisms which can de-escalate tensions and provide frameworks for addressing future disputes. As such, they have played important roles in limiting insecurity at the local level.

These processes, and the actors responsible for them such as community leaders, religious leaders, elders, wise men and other civil society groups, should be supported. Building on existing processes and skills, their capacity to understand conflict mechanisms and respond in appropriate ways should be strengthened. In particular, the role of third party mediation, whereby community leaders from a different part of Libya come to mediate and monitor local peace agreements between two unrelated communities, has a lot of potential to address insecurity while simultaneously strengthening nation-wide social cohesion. It is also important to build the relationship between informal peace capacities and local formal authorities such as municipalities. This can serve to provide an additional, more responsive, tool for municipalities to deal with insecurity in their communities. It also ensures that assistance avoids the risk of subverting formal governance mechanisms by separately empowering informal ones.

Undertake Security Sector Reform Addressing the Role of Militias

Addressing the proliferation and dominance of non-state armed groups in Libya is clearly one of the most important challenges facing the country. The role of militias needs to be reduced in a way that does not create short-term instability. At the same time, the formal security sector needs to be strengthened in a way that builds trust in it among all Libyans, that promotes the rule of law and is responsive to the security needs of the population.

Reform efforts will need to be staged and nuanced to the different types of militias in Libya. Militias seen to be providing security at the local level in a more responsible manner can be gradually incorporated into the formal security sector, while other militias will need to gradually demobilised. It can be expected that some militias will refuse to disarm and will continue to try to act as spoilers to political processes. It can be expected that such groups will need to be dealt with through a combination of political and security means.

Addressing the worst incentives for militia behaviour, such as by reforming militia financing and addressing illicit revenue streams, will be important aspects of reform efforts. Equally, it will be necessary to couple reform efforts with a greater understanding of the motivations of individual militia members, with the objective of promoting attractive alternative economic activities for them. This must be done in a way that does not appear to reward them for their participation in armed groups. Finally, demobilisation will have to address the issues of normalisation of violence and the psychosocial impacts of the reintegration of fighters into the community.

With the formation of the GNA, the security sector reform will be a crowded space in Libya, with several large international actors supporting local efforts. Given its importance, it will be necessary to ensure that security sector reform is undertaken in a coordinated and sustainable manner, with clear cooperation between various international and Libyan actors.

Continue Support for the Constitution Drafting Process

The constitution process is a necessary part of Libya's transition that will provide the framework for the future direction of the country. In the absence of a constitution, Libya's governments have seen themselves as transitional in nature, without the mandate necessary to undertake the sort of meaningful reform necessary to address Libya's structural needs.

The drafting process has been delayed due to political instability and insecurity. It faces additional challenges as a result of lack of capacity, a lack of representation of all Libya's communities and an absence of effective outreach to the broader Libyan public. Despite these weaknesses, however, it will be essential to continue to support efforts to write the constitution. A collapse in the drafting process is likely to undermine Libyans' confidence in the transitional process, contributing to instability.

In the short term, efforts should work to address immediate weaknesses of representation and consultation by expanding outreach to the broader community. Continued international advice should work to ensure that weaknesses in the document are addressed where possible.

While it is unlikely that the process may not result in a perfect constitution, it will provide a political framework to the country, providing greater stability and space for Libya's governments to address Libya's pressing needs. Ultimately, weaknesses in the constitution can be dealt with through subsequent amendments.

Encourage National Dialogue

The UNSMIL facilitated political dialogue process has been a largely elite-level process, focusing on achieving a settlement to a targeted political crisis. Equally, while the CDA was elected, the constitution drafting process has been seen to be predominantly an elite-level process without meaningful public outreach.

Despite limited efforts since 2011, Libya has not had a meaningful opportunity to build consensus around questions such as how the state

should be organised, the social contract, and how horizontal community relations should be managed. Without some kind of formal process to build broad public consensus on a vision of the state, competing perspectives will continue to be expressed in a divisive manner through media, political behaviour and through violence.

A national dialogue process may offer an opportunity to achieve this. Important questions that such a process may tackle include: the relationship between the Libyan state and its citizens, including rights and responsibilities; horizontal relationships between different sections of Libyan society; and implications of, and appropriate mechanisms for dealing with, Libya's recent past, including the former regime and human rights abuses.

By its nature, it will be essential that Libyans feel complete ownership and leadership over such a process, although international actors seen as impartial by most Libyans may be able to offer technical support. The GNA is likely to be the most appropriate entity to begin such a process in the near future, though it may establish a separate, independent, entity to implement it.

Promote a More Vibrant and Democratic Media Sector

Social media, especially Facebook, are very important communications tools in Libya, but currently are often used for divisive debate. Other more conventional media such as television and newspapers are not widely trusted and are often seen to broadcast partisan opinion. Access to impartial, reliable and trusted information is critical to Libya's successful transition, to an effective GNA, and to building and repairing relationships across Libyan society.

There is great scope for work that promotes a more positive use of media which strengthens informed and reasonable debate and which promotes and protects freedom of expression. Important foundations have been established through efforts such as the UNESCO sponsored Madrid Declaration, which saw major Libyan media outlets agreeing to limit hate speech and support pro-peace media messaging. These foundations should be strengthened.

Support Civil Society Development

A healthy and vibrant civil society sector will be a crucial component of a more stable and peaceful Libya. Civil society has a role to play in promoting democratic culture in Libya and building social cohesion across the country.

Civil society is currently generally weak, and there is therefore much potential to help it grow and mature. However, civil society activists – particularly those engaged in areas such as human rights, political rights and advocacy – face considerable risks. Support to civil society needs to be provided carefully and sensitively. It is also important to ensure that CSOs are not cast as primary service providers or to see CSOs primarily as implementers for the international community. Such approaches potentially run the risk of replacing the role of government in local areas and creating extractive CSO culture. Instead, immediate support should focus on the role of CSOs in promoting participation and inclusion, accountability, defending human rights, and in generating debate and ideas about the future of Libyan society.

Support Sensitive Public Financial Management Reform

Falls in revenue from hydrocarbons and the use of national reserves to cover expenditure has led to a budgetary crisis within the country. Libya faces the prospect of being unable to cover expenditure within twelve to twenty-four months, with little prospect to borrow to cover expenses as a result of a non-existent international credit rating.

While it is beyond the scope of this analysis to recommend specific budgetary reforms, there are a number of important considerations from a conflict perspective.

There are two key likely reform areas that will need to be carefully addressed: salary reform; and subsidy reform. Salary reform would probably result in an end to, or significant scaling back of, state payments to militia members, which may exacerbate conflict if militias

seek to undermine reform processes or to replace that income through other activities such as illicit trade or criminal behaviour. Subsidy reform will reduce the profitability of smuggling and the illicit economy, and may elicit a similar response from militias as well as impacting on some of the poorest and most marginalised communities in Libya. Finally, reform to both salaries and subsidies will likely reduce the informal safety net which both provide to the Libyan population – potentially lessening Libyans' protection against the worst humanitarian consequences of Libya's conflicts.

As a result, any approach to budget reform will need to be carefully sequenced, particularly alongside security sector reform efforts and militia-reform efforts. It will also need to be carefully communicated, building as much support as possible from the groups most likely to be directly affected, and accompanied with efforts to mitigate negative impacts on the poorest, most vulnerable, and most marginalised communities.

Promote Sustainable Management of the Oil Sector

Libya's economy, and national budget, is heavily dependent on revenue from the hydrocarbon sector. While the global oil price is not expected to recover to pre-2014 levels in the near future, Libya's production is at historic lows. Until efforts to diversify Libya's economy can have an impact, it will be necessary to work to support the effective, and sustainable, management of Libya's oil resources in the short to medium term. To avoid strengthening the worst implications of a rentier economy, oil revenues should be also be directed to responsible capital investment and efforts that promote more diversified economic opportunities for the Libyan public.

Libya's oil production is highly vulnerable to conflict. Armed groups are easily able to take control of key oil infrastructure and limit production; oil infrastructure has been damaged due to fighting; and international companies are reluctant to invest necessary expertise and equipment in a context of instability and insecurity. It will be necessary that efforts to promote oil production should be coupled with security efforts, including broader security sector reform, aimed at protecting infrastructure.

Promote Economic Diversification and Local Economic Development

The lack of meaningful and attractive alternative economic opportunities is a key driver of participation in militias, criminal economic activities such as involvement in illicit trade, and competition over oil infrastructure. For those, and wider reasons, a more diversified economy is a necessary long-term objective for Libya. International technical assistance will be required, but diversification should be driven by reinvestment of Libyan oil revenues.

A key aspect of economic diversification will be the promotion of local economic development that provides more private sector employment opportunities for communities. From a peacebuilding perspective, these activities should be coupled with security sector reforms aimed at protecting local business from extortion by armed groups while supporting reintegration of militia members. It will be necessary to ensure, however, that such development does not work to reward militia members for their involvement in armed groups. Other economic development efforts should be linked to policies aimed at reducing the illicit economy and to providing opportunities to communities in areas with significant oil infrastructure.

Agree on a Set of Principles for Conflict Sensitivity Among International Actors

The complexity of the conflict in Libya requires a coordinated approach amongst humanitarian and development actors within the international community, as well as with political interventions. At the heart of this needs to be a common understanding of the key drivers of conflict in the country and how the international community can work together to address them.

The international community should draw on existing efforts to develop an agreed set of principles for conflict sensitive action in Libya. These principles should not only focus on ensuring that the international community utilises a do-no-harm approach to programming, but actively works to positively impact peace and stability in the country.

Endnotes

1   Violence statistics extrapolated from data taken from Libya Body Count, <<http://www.libyabodycount.org>>, accessed on 15 October 2015. Libya Body Count data broadly corresponds to other open source violence monitoring data sets, including the Africa Conflict Location and Event Data project (ACLED), <<http://www.acled.org>>, accessed on 15 October 2015 – see: Raleigh, Linke, Hegre and Karlsen, 'Introducing ACLED-Armed Conflict Location and Event Data', *Journal of Peace Research*, vol 47, no 5, 2010, pp1-10. Due to methodologies which rely on open source media monitoring, absolute numbers may not be completely accurate and may very well under-report casualty figures.

2   UNHCR, *Libya Situation Operational Update*, UNHCR, August 2015.

3   Data sources not cited above come from: United Nations, *2015 Libya: Humanitarian Needs Overview,* United Nations Humanitarian Country Team for Libya, September 2015.

4   This percentage is taken from an analysis of violence data as collected by Libya Body Count, <<http://www.libyabodycount.org>>, accessed on 15 October 2015.

5   World Bank, *Doing Business Index*, <http://www.doingbusiness.org>>, accessed on 15 October 2015.

6   Mohammed Bin Rashid School of Government, 'Citizen Engagement and Public Services in the Arab World: The Potential of Social Media', *Arab Social Media Report*, 6th edition, Government of Dubai, June 2014.

7   As per Libya Body Count <<http://www.libyabodycount.org>>, accessed on 15 October 2015.

8   United Nations Department of Economic and Social Affairs, *World Population Prospects, the 2015 Revision*, <<http://esa.un.org/unpd/wpp>>, accessed on 15 October 2015.

9   United Nations, *2015 Libya: Humanitarian Needs Overview*, p20.

10 *Idem.*

11 UNHCR, *Libya Situation Operational Update*, August 2015.

12 United Nations, *2015 Libya: Humanitarian Needs Overview,* p9.

References

A large range of sources were consulted for the preparation of this report. Desk research included review of a large number of publicly available resources on Libya (most of which are included within the bibliography below) as well as non-public resources shared with UNDP by partner organisations, which are not referenced below but have informed the broader understanding of the situation.

Discussions were conducted by the UNDP analysis team with more than 60 key Libyan and international interlocutors, which greatly informed the analysis outlined in this report. Many of these discussions were conducted in confidence and have not been referenced in order to protect those confidences. Additionally, over 250 Libyans were consulted through the fieldwork PCI conducted on behalf of UNDP, being collated into a series of municipality focussed reports, and informed the analysis greatly.

Bibliography

Altai Consulting, Access to Justice for Internally Displaced People in Tripoli and Benghazi, Report for UNDP, September 2014.

Amnesty International, Libya is Full of Cruelty: Stories of Abduction, Sexual Violence and Abuse from Migrants and Refugees, Amnesty International, 2015.

Carter Center, The 2014 Constitution Drafting Assembly Elections in Libya: Final Report, Election Report, The Carter Center, 2014.

Chivvis & Martini, Libya After Qaddafi: Lessons and Implications for the Future, RAND Corporation, 2014.

Cole & Khan, 'The Fall of Tripoli: Part 1', in Cole & McQuinn (eds), The Libyan Revolution and its Aftermath, New York: Oxford University Press, 2015.

Cole & Khan, 'The Fall of Tripoli: Part 2', in Cole & McQuinn (eds), The Libyan Revolution and its Aftermath, New York: Oxford University Press, 2015.

Cole & McQuinn (eds), The Libyan Revolution and its Aftermath, New York: Oxford University Press, 2015.

Fetouri, 'Libya's absent national dialogue' Report, NOREF Norwegian Peacebuilding Resource Centre, February 2015.

Fitzgerald, 'Finding Their Place: Libya's Islamists During and After the Revolution', in Cole & McQuinn (eds), The Libyan Revolution and its Aftermath, New York: Oxford University Press, 2015.

HRW, Country Summary: Libya, Human Rights Watch, January 2015.

HRW, Country Summary: Libya, Human Rights Watch, January 2014.

HRW, Priorities for Legislative Reform: A Human Rights Roadmap for Libya, Human Rights Watch, 2014.

HRW, War on the Media: Journalists under Attack in Libya, Human Rights Watch, 2015.

ICG, Divided We Stand: Libya's Enduring Conflicts, Middle East/North Africa Report No 130, 14 September 2012.

ICG, *Holding Libya Together: Security Challenges after Qadhafi*, Middle East/North Africa Report No 115, 14 December 2011.

ICG, *Libya: Getting Geneva Right*, Middle East and North Africa Report No 157, International Crisis Group, 26 February 2015.

ICG, Popular Protest in North Africa and the Middle East (V): Making Sense of Libya, Middle East/North Africa Report No 107, International Crisis Group, 6 June 2011.

ICG, *Trial by Error: Justice in Post-Qadhafi Libya*, Middle East and North Africa Report No 140, International Crisis Group, 17 April 2013.

Lacher,

Lacher & Cole, *Politics by Other Means: Conflicting Interests in Libya's Security Sector*, Security Assessment in North Africa Working Paper No 20, Small Arms Survey, 2014.

Mangan, Murtaugh & Bagga, *Security and Justice in Postrevolution Libya: Where to Turn*, United States Institute for Peace, 2014.

McQuinn, *After the Fall: Libya's Evolving Armed Groups*, Small Arms Survey, 2012.

Mohammed Bin Rashid School of Government, 'Citizen Engagement and Public Services in the Arab World: The Potential of Social Media', *Arab Social Media Report*, 6th edition, Dubai, June 2014.

Pack, *The 2011 Libyan Uprisings and the Struggle for the Post-Qadhafi Future*, New York: Palgrave MacMillan, 2013.

PCI, *Understanding the Relationships between Communities and Armed Groups: As a contribution to peaceful change in Libya*, Peaceful Change Initiative, May 2012.

Raleigh, Linke, Hegre and Karlsen, 'Introducing ACLED-Armed Conflict Location and Event Data', *Journal of Peace Research*, vol 47, no 5, 2010, pp1-10.

SAS, *Libya's Fractious South and Regional Instability*, Dispatch No 3, Security Assessment in North Africa, Small Arms Survey, February 2014.

SAS, 'Armed Groups in Libya: Typology and Roles', Research Notes, Small Arms Survey, 2012.

SAS, 'Searching for Stability: Perceptions of Security, Justice and Firearms in Libya', Issue Brief, Small Arms Survey, 2014.

Sayigh, *Crumbling States: Security Sector Reform in Libya and Yemen*, Carnegie Endowment for International Peace, June 2015.

Shaw & Mangan, *Illicit Trafficking and Libya's Transition: Profits and Losses*, Peaceworks, United States Institute of Peace, 2014.

Smits, Janssen, Briscoe & Beswick, *Revolution and its discontents: state, factions and violence in the new Libya*, Clingendael Institute, September, 2013.

United Nations, *2015 Libya: Humanitarian Needs Overview,* United Nations Humanitarian Country Team for Libya, September 2015.

United Nations Department of Economic and Social Affairs, *World Population Prospects, the 2015 Revision*, <<http://esa.un.org/unpd/wpp>>, accessed on 15 October 2015.

UNDP, *The institutional and Capacities arrangements at the local level during the transitional period in Libya*, Assessment Report, UNDP Libya, 2013.

UNDP, Phase 2: Baseline Study on Women Peace and Security in Libya, Assessment Report, UNDP Libya, August, 2014.

UNDP, Women, Peace and Security in Libya: Comparative Study of the WPS Baseline Study Phase I and Phase II, 2015.

UNDP & UNICEF, Libyan CSO Mapping: Comparative Highlights, 2015.

UNHCR, *Libya Situation Operational Update*, UNHCR, August 2015.

UNSMIL & UNDP, Baseline Study on Women Peace and Security in Libya, Assessment Report, April, 2014.

UNSMIL & OHCHR, Overview of Violations of International Human Rights and Humanitarian Law During the Ongoing Violence in Libya, 4 September, 2014.

Vandewalle, A History of Modern Libya, Cambridge: Cambridge University Press, 2006.

Wehrey & Cole, Building Libya's Security Sector, Policy Outlook, Carnegie Endowment for International Peace, August 2013.

Wollenberg & Pack, 'Rebels with a pen: observations on the newly emerging media landscape in Libya', The Journal of North African Studies, Vol 18, No 2, 2013, pp191-210.

Wood, Libya Conflict Assessment: Literature Review, Civil Society Dialogue Network Meeting Background Note, European Peacebuilding Liaison Office, 2012.

World Bank, *Doing Business Index*, <http://www.doingbusiness.org>>, accessed on 15 October 2015.

World Bank, *Plunging Oil Prices*, MENA Quarterly Economic Brief, Issue 4, January 2015.