The current political situation in Libya is witnessing a repeat of the division that characterised the civil war of 2014-2020, which saw the country divided into two parts: east and west. In this division, the west is represented in the historical region of Tripolitania, while the east is represented in the historical regions of Cyrenaica and Fezzan.

There are currently two rival governments in Libya, essentially amounting to a replay of the previous political crisis, without real prospect of a political solution during the remainder of 2022.

The political divide in Libya harms development of the country’s oil and gas sectors, and only adds to the severe doubts about whether the country can step up to meet European natural gas demand seeking alternatives to Russian supplies. It is therefore little surprise that European countries place hope in more stable and reliable neighbouring Algeria to meet the shortfall in gas supplies.

The Political Divide: Dashed Hopes of Unity

The Libyan civil war of 2014-2020 was principally fought between the forces of the Government of National Accord (GNA), which was based in Tripoli and had UN recognition, and the forces of the eastern-based House of Representatives (HoR), the latter principally represented in the ‘Libyan National Army’ (LNA) led by military strongman Khalifa Haftar, who portrays the LNA currently as being above political disputes and capable of saving the country.

The civil war ultimately produced a military stalemate that paved the way for a ceasefire agreement in October 2020 and then the formation of the Government of National Unity (GNU) headed by Abd al-Hamid al-Dbeibeh in March 2021.

The GNU was meant to serve as a transition interim authority until presidential elections should be held in December 2021. However, the HoR- headed by Agila Saleh- came to reject the GNU for reasons such as lack of agreement on a budget and the holding of presidential elections. In February-March 2022, the HoR backed the formation of a rival government that is based in the city of Sirte: The Government of National Stability (GNS) led by Fathi Bashagha.

It should be noted that Bashagha was previously a rival of Haftar, as he served in the GNA
and supported the defence of Tripoli against Haftar’s assault during the civil war. This is a clear indication of how alliances can shift in Libya.

Dim Prospects of Near-Term Resolution

The existence of two rival governments has given rise to a political impasse in which the GNS wants the GNU to be dismissed, while the latter insists that its rule should continue until elections are held. There is little basis to think this impasse will be resolved in 2022. However much Dbeibeh might claim to be the force steering the country in the direction of elections, the current situation is one in which he benefits greatly, whereas elections that do not afford him a real shot at retaining power might lead to his loss of influence. He also cannot be dislodged from Tripoli by the rival GNS. Moreover, there has been no agreement on constitutional provisions for elections. In the meantime, interventions and mediation efforts by foreign actors in Libya’s current crisis have proven unhelpful at best in breaking through the impasse, and actually deepen the division in some ways.

Increase of Qatari and Turkish Activity in Libya

Libya is seeing an increase of Qatari and Turkish activity in parallel, with both countries aiming to play a role of mediation between the Libyan crisis’ parties. Those tracking the Libyan crisis wonder about the degree of likelihood that rivalry will arise between Ankara and Doha after a period of being allied with one another to support Islamist groups that had hegemony over the Libyan scene.

As part of the recent Qatari and Turkish activity with regards to Libya, a delegation of the Turkish parliament visited the eastern region of Libya to meet the HoR headed by Agila Saleh, before then visiting Tripoli. This comes at the same time as a parallel escalation in Qatari activity that has played an important role on the Libya issue. This makes observers ask: are these activities of Doha and Ankara in Libya a signal of competition or mutual reinforcement in service of their interests?

Ankara Supports Dbeibeh at the Expense of the Bashagha Government

Turkey does not conceal the fact that it is aiming to establish good relations with all the
Libyan parties, after the circulation of reports about Ankara’s support for the GNU headed by Dbeibeh at the expense of the Bashagha government backed by HoR.

Last month reports emerged about Bashagha’s trip to attend a meeting with the Turkish Foreign and Defence Ministers, and the head of Turkish intelligence. He was angry after he was warned against the consequences of entering the capital of Tripoli by force. This warning was rejected by Bashagha, who considered it to be unconditional support on the part of Ankara for Dbeibeh.

Despite the apparent support of the Turkish authorities for Dbeibeh (shown most recently by memoranda of understanding between the two sides on energy and gas), Ankara does not want to lose its relations with the Bashagha government. Therefore it decided to send the parliamentary delegation to the eastern region before heading to the Libyan capital, in an apparent attempt to mediate between the two sides.

Agila Saleh’s Activities

The head of the Libyan HoR Agila Saleh at the beginning of last August visited Ankara and during it met the Turkish president Recep Tayyip Erdogan. This constituted a clear change in Saleh’s stances on the Turkish intervention, because previously he repeatedly criticised Ankara’s support for mercenaries and militias during the period of the war between the GNA led by Fayez al-Sarraj and the forces of the LNA led by the military strongman Khalifa Haftar. However, his change in stance has come following the political developments Libya has witnessed during the past two years.

By visiting Turkey, Saleh has attempted to gain the support of the Turkish authorities for the Bashagha government, although it seems that he failed in that regard, as Ankara’s support for Dbeibeh has continued- something that has been noticeable from the Turkish responses to the bloody clashes that Tripoli saw not too long ago and resulted in dozens of people being killed and wounded.

Saleh Turns his Attention to Qatar

It appears that Saleh turned his attention to Qatar as he visited Doha last month, and met the amir of Qatar Sheikh Tamim bin Hamad Al Thani. He thanked Doha for the efforts it has
expended to support stability in Libya, and indeed he heaped praise on Sheikh Tamim’s efforts.

Saleh’s visit to Doha came following a meeting that brought together Dbeibeh and the amir of Qatar. It was understood from this that Qatar has been trying to mediate between the parties of the Libyan crisis, in competition with the Turkish side.

Observers believe that the head of the Libyan HoR has striven to win the support of the Qatari side to ensure a Libyan-Libyan dialogue with Arab agreement and support and thus cut the path of resolution that Turkey has striven towards, as well as play a leading role in the reconciliation process between the GNU and Bashagha’s government.

The predominant view is that the Qatari role in being open to all the competing forces in Libya will be opposed by the influence of Ankara, which is striving through its mediation in the Libyan crisis to bolster its growing influence in North Africa and in the region as a whole.

By virtue of its relations with Islamist groups and militias and likewise the presence of mercenaries and forces affiliated with it in Libya, Turkey seemingly wants to support a united government through which it can sign economic agreements that support its hegemony and ambitions for the land, on the model of what happened in the time when al-Sarraj was ruling.

**Qatar’s Entry into the Mediation Line**

The predominant view also is that Qatar’s entry into the line of mediation between the Libyan crisis’s parties may obstruct Turkey’s plans to realise economic benefits and strengthen its influence. But that does not exclude the possibility that there is actually a sort of mutual reinforcement occurring between the two sides. This is especially so in view of the fact that Ankara and Doha enjoy strong relations, and pursue a shared policy of supporting Islamist groups, not only in Libya but also in the region as a whole.

Observers consider that the Middle East region has more trust in the Qataris compared with the Turks, who have sent conflicting messages towards actors in the eastern region, as shown by intentions of supporting the latter’s rivals.

All these developments come amid a return of efforts led by some Western and European forces to push Libya’s conflicting forces to come to a mutual agreement, find a political
solution to the crisis, and hold elections. This comes alongside the appointment of the Senegalese diplomat Abdoulaye Bathily as the UN secretary general’s envoy to Libya.

Effects on Libya’s Oil Industry

The political deadlock and instability in Libya have a direct impact on the country’s oil industry, whose exports accounted for 8.2% of EU oil imports in 2021. In mid-April, forces supporting GNS and Haftar began to shut down oil facilities in Libya to try to pressure Dbeibeh and deprive Libya’s central bank of money from oil sales, whose proceeds had been going to Dbeibeh since the central bank is based in Tripoli. The blockade led production levels to fall to around 400,000 barrels per day, compared with 1.2 million barrels per day pre-blockade.

While a deal to lift the oil blockade was eventually struck and by August oil production returned to 1.2 million barrels per day (with hopes of increasing production to 2 million barrels per day), there will remain a significant risk of future disruptions to oil operations through renewed blockades, not only imposed by forces supporting the GNS if the GNS feels it cannot get what it wants, but also by protestors disillusioned with the decline in living standards, poor services provision and the political impasse.

Libya’s Gas Exports and Europe’s Troubled Winter

Undoubtedly more pressing than the issue of Libyan oil is Europe’s need for natural gas with the coming winter and loss of supplies from Russia, sparking a desperate bid to find alternative suppliers. Estimates of Libya’s natural gas reserves range from 50 to 55 trillion cubic feet, which are substantial but far lower than Algeria’s estimated reserves of 159 trillion cubic feet.

Further, it should be noted that some of Libya’s most important gas fields are offshore and are thus not vulnerable to politically motivated disruption, unlike the oil sector. The main company working on export of Libyan gas to Europe is Italy’s Eni, which brings Libyan gas into Italy via the Greenstream pipeline, yet this flow of natural gas only constitutes 2.5% of Italy’s daily demand for natural gas according to reports in February 2022.

While there have been discussions between Eni and Libya’s National Oil Company about
increasing natural gas production, and the idea of Libya serving as a major alternative source of natural gas for Europe has sometimes been raised, it is impossible for Libya to compensate meaningfully for the loss of Russian gas and alleviate Europe’s troubles this winter.

Libya’s gas exports to Italy are at all-time lows with current export capacity stifled by high domestic demand for natural gas that constituted nearly 85% of use of Libyan gas production in late August 2022. Further, huge investment is needed to expand natural gas production and export capacity. This investment will not be forthcoming amid the country’s ongoing political crisis, which has delayed expansion projects. Even if Libya’s political crisis were resolved tomorrow, there would not be enough time to scale up Libyan gas production and exports to Europe to serve as a real alternative to loss of Russian gas supplies this winter.

It is thus little surprise that European countries have focused on Algeria to serve as North Africa’s major alternative to Russian gas. Consider Italy’s agreement with Algeria in April to increase gas imports by around 40%, and Algeria’s forecast that its gas exports to Italy this year will increase by 20% to 25.2 billion cubic meters. Given Algeria’s far larger gas reserves and export capacity, as well as the fact that the country is not marred by Libya’s problems of political division, it is expected that Algeria should be seen as the more reliable partner for increasing gas exports from North Africa - something emphasised by European Council president Charles Michel during his visit to Algiers in early September.