

## DIRECTOR GENERAL'S NEWSLETTER – December 2017

Dear Colleague

### **Libyan political prospects**

1. Ghassan Salame, the fourth UN Secretary General's Special Representative (SRSG) and Head of the United Nations Support Mission in Libya (UNSMIL) reported<sup>1</sup> to the Security Council on 16 November on 'significant headway' made on the Action Plan for Libya he had launched two months earlier. The plan provides for a negotiated amendment of the Libyan Political Agreement (LPA), including the reduction of the GNA Presidency Council from nine to three. They would appoint a Prime Minister and who would also be Commander in Chief of the Libyan Armed Forces.
2. On 21 November, the House of Representatives (HoR) endorsed the plan but the next day Abdurrahman al Swehli, President of the State Council, dissented. It remains to be seen whether Ghassan Salame can square 'Field Marshal' Khalifa Heftar to the plan before the National Conference planned for February 2018 and subsequent elections (Heftar has shown no interest in past proposals which did not endorse his claim to command of the armed forces, but he is now being lobbied by Western governments to cooperate with Salame).
3. On the ground, Libyans continue to face privations, power cuts and shortage of Libyan currency, let alone foreign exchange. Levels of security vary from place to place and from time to time. Until a unitary government can be re-established with the authority to ensure order across the country and introduce policies to stabilise and reform the economy, local and factional interests will continue to compete and conflict at the expense of the wider good.
4. This allows space for smuggling and other criminality which has recently found expression in CNN reporting of slave markets in Libyan towns. Many Libyans have been outraged by these reports and sought to deny them but they seem credible in a situation where people trafficking and migration have become an industry (the UK's own experience shows how hard it is to exclude modern slavery even in the most developed and stable environment). The Governor of the Central Bank (CBL) has also caused heated controversy by recently announcing that he was 'raising the red flag' on the economy's declining financial position. Without a unitary government, there is no-one to introduce the necessary policies and controls across the country and see to their implementation.

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<sup>1</sup> <https://unsmil.unmissions.org/remarks-srsg-ghassan-salam%C3%A9-united-nations-security-council-16-november-2017>

## LBBC activity

5. The LBBC's main focus over the last quarter has been our mission to **Tunis** to meet Libyan official and business representatives. We organised this jointly with BACB from 20-22 November. I attach the programme. 24 of our member companies took part, and made their mark. We are grateful to them, BACB CEO Paul Hartwell and his team and Bank ABC for their invaluable support and participation as well as to NOC Chairman Mustafa Sanalla and more than 60 other influential Libyans who came to talk at our conference and to our delegates. I attach a record of our discussions (which included informed discussion of some of the technical issues which currently complicate bilateral trade). We intend to take a return mission to Tunis after Ramadan next year.
6. The **Rt. Hon Sir Jeffrey Donaldson MP**, the Prime Minister's Trade Envoy to Egypt, has been given an additional watching brief on Libya. He has already facilitated a meeting for Sir Vincent Fean and BACB CEO Paul Hartwell to meet Louis Taylor, Chief Executive of UK Export Finance (UKEF) and open discussion on the eventual restoration of export finance for Libya. We will seek Sir Jeffrey's support on other major issues for our members, such as the vexed question of UK visas for Libyan business and student visitors. I am pleased to say that Sir Jeffrey has accepted our invitation to be guest speaker at our next Council Lunch, on 18 January 2018 (12.30 at Bank ABC's office in Moorgate).
7. We have begun planning our next major event: an **Oil and Gas and Training** conference in **Aberdeen** in the spring of 2018, to examine the business opportunities in partnership, procurement, recruitment and specialist training. We are working with Bank ABC in discussion with Scottish Development International and the UK oil and gas industry. Mustafa Sanalla has again accepted in principle our invitation to be keynote speaker. We will ask him to bring with him his Director of Training and the Chairmen of NOC operating companies (Waha, Mellitah and the Director of Training were in Tunis).
8. After Aberdeen, we will consider a **healthcare/medical workshop** and then an **education forum**. Healthcare, and not least the supply of medicines, remains a pressing (and increasingly difficult) priority for the Libyan authorities in all parts of the country. We had to give up on a plan to include a session on medicines supply in our conference in Tunis when we were unable to stir sufficient interest from the UK industry. But we have since been told that the GNA Ministry of Health is likely to obtain an LD2.3bn budget for medicines in January 2018 and to adopt a spending plan in the same month. We will alert contacts in the sector to this opportunity.

## Season's greetings

9. May I wish you all, whatever your faith, a Merry Christmas and a Happy (and prosperous and peaceful) New Year. And a better year for the dignified, deserving people of Libya. I look forward to working with you all in 2018.

Robin Lamb  
Director General

6 December 2017