



EFFECTS OF THE TRIPOLI CONFLICT ON SOUTH LIBYA

JUNE 2019

Topics covered by this brief:

- Safety and security in south Libya
- Provision of basic utilities in southern cities
- Functionality of markets and supply chains
- Availability and affordability of basic commodities
- Continuing shortages of liquidity

Key Findings

- The Fezzan region remained unstable. Respondents mentioned connecting roads as particularly unsafe due to checkpoints and roadblocks, with additional security risks identified in all assessed areas.
- The power grid had become increasingly unreliable due to multiple factors. Frequent power outages and weak electrical current meant that the power provided was erratic and potentially damaging, particularly to water wells and pumps. This has caused severe damage to the water system and has led to water shortages in all assessed cities.
- Security risks jeopardised the production of local fresh produce as some farmers found it difficult to access their land, while supply chain disruptions due to the Tripoli conflict had further repercussions on the affordability of food items. The supply of subsidised fuel in particular seemed to have stalled, forcing residents to purchase fuel for high prices on the black market.
- Access to liquidity remained a major issue, with cash shipments becoming increasingly irregular. Most households reportedly did not have enough cash to cover their basic needs, which led to the use of alternative payment modalities with extra markups.

Map 1: Assessed locations in south Libya



• Assessed cities

Background

Since the beginning of April 2019, active conflict in Tripoli has held west Libya in its grip. However, while the main frontlines are situated in the greater Tripoli region, the consequences of the conflict are felt nationwide. The protracted regional struggles faced in the southern areas of Libya, and the increasing pressures imposed on the region as a consequence of the Tripoli clashes, are particularly underrepresented in recent data analyses.

The south of Libya has a long history of instability, facing demographic changes, entrenched rivalries between communities, and violent clashes among contending armed groups.¹ Early 2019, troops affiliated with the Libyan National Army (LNA) moved into the Fezzan, clashing with some local armed groups and forging alliances with others to take control of much of the region. This was followed by a brief period of apparent stabilisation, but the subsequent withdrawal of LNA troops in March to prepare for their move against Tripoli, administered by the Government of National Accord (GNA) and armed affiliates, left a power vacuum in the South, including in Murzuq and Sebha.²

This chain of events may seem to imply a direct link between the primary stages of the conflict in Tripoli in April and the destabilisation in the South prior to that. However, levels of insecurity in the Fezzan region have been high since years before the outbreak of the Tripoli conflict, and political instability as such should be regarded as a persistent local phenomenon that makes the region fragile.³

Yet, daily life in the Fezzan region is significantly affected by the conflict around Tripoli. The South is historically dependent on the inflow of food and non-food items from the Tripoli area for the majority of their provisions, and it is therefore essential to understand the effects the conflict has had on the supply chains for food and non-food items, the affordability and availability of items, and access to cash across the region.

To help fill in current information gaps about the situation in South of Libya since the start of the conflict in Tripoli, and within the framework of the Libya Inter-Sector Coordination Group, REACH carried out a qualitative data assessment based on 21 interviews with key informants (KIs) located in Sebha, Ubari, Murzuq, and Brak, conducted between 27 May and 2 June 2019. The qualitative data was triangulated with secondary data sources. Findings should be considered as indicative only.

Overarching issues

Safety and security in cities

Key informants located in Ubari and Brak stated that the security situation in their cities had not changed since the start of the Tripoli conflict in early April and that residents remained relatively safe within the city. In contrast, all KIs in Sebha and Murzuq indicated that the number of safety and security incidents had increased, but asserted that the changes had occurred due to the security gap created by the withdrawal of armed actors, prior to the conflict in Tripoli. The municipal council and security directorate in Sebha has for several years been negatively impacted by competition and conflicts between multiple groups, which made Sebha the most dangerous city in the Southern region at the beginning of 2018, as reported by the European University Institute.⁴

During the assessment, KIs stated that the deteriorating security situation primarily involved general lawlessness, including robberies, carjacking, and killings. In Murzuq, key informants referred to specific clashes between the Tebu and Alahaly communities, as well as the presence of extremist groups and general lawlessness. More than 20 people were killed during violent clashes between disputing communities in Murzuq in the first week of June.⁵ Despite this, the majority of key informants in all assessed areas, including Sebha and Murzuq, indicated that residents felt safe on a day-to-day basis.

Most security incidents reportedly took place outside of urban areas. Incidents were reported along the roads between cities, which are used for transport of goods and people, as well as by farmers to access their land and reach urban markets. The main risks identified along these routes were related to armed group activity and unauthorised checkpoints demanding fees for passage and transport of items.

Power outages

Libya has suffered from a chronic power shortage since the conflict in 2011, when severe damage was inflicted on several power plants.⁶ As a consequence, domestic demand routinely exceeds available supply and the state-owned General Electricity Company of Libya (GECOL) is thus forced to impose rotational load shedding (rolling blackouts) to prevent the electricity grid from collapsing.⁷ Outages are particularly common during summer, as the increase in demand forces GECOL to resort to more frequent rotational load shedding. GECOL has announced a new power plant near Ubari will start operating as of July 2019 in order to reduce load shedding over

the summer, aiming to bring back power outages to a maximum of two or three hours daily.⁸ Nonetheless, most KIs reported expecting the reliability of the power grid to further deteriorate in the coming months. A protracted lack of electricity could jeopardise livelihoods in the whole region, making it increasingly difficult to continue local production, preserve foods, and allow shopkeepers to run businesses in a sustainable and affordable manner when temperatures increase.

Last year, according to the 2018 Multi-Sector Needs Assessment (MSNA), residents faced frequent power outages of 9 to 11 hours in Sebha, 6 to 8 hours in Ubari and Murzuq, and 3 to 8 hours in Brak.⁹ In the current assessment, the majority of KIs in these areas reported that there had been little change in the frequency and duration of blackouts since the start of 2019, indicating that power outages at the time of data collection usually lasted between 4 to 8 hours and took place on a nearly daily basis. KIs did not indicate that there had been a noticeable rise in power cuts in any assessed area as after the collapse of pylons, damaging the electrical grid, near Samno on the 28th of April.¹⁰

However, while KIs indicated that the frequency and duration of power outages had changed little since the start of 2019, all reported that the availability of electric power had severely deteriorated since the start of the conflict in Tripoli. They maintained that the electricity was generally too weak to use once available. Some stated that low wattage had caused damage to larger electrical devices and appliances. When electrical power is weak, larger electrical appliances such as refrigerators and water pumps are forced to run their motors faster in order to maintain their functionality. This leads to quick breakdown and burnout. Therefore, if the electrical power in the region remains weak over a longer period of time, damage to crucial appliances is expected to increase.

Water shortages

Power shortages fed into recurring problems with the drinking water supply as water pumps were affected by the absence or weakness of electrical power.¹¹ The majority of KIs stated there were frequent all-day water cuts and that households lacked sufficient access to drinking water. Several wells had been severely damaged by the weak electrical grid and had become unusable. Water access was limited during outages, and KIs reported water was only available to those with access to generators and sufficient diesel to keep those running. Another coping strategy mentioned in Sebha concerned the purchasing

of 10,000L tanked water for approximately 200 to 250 LYD¹², or 1,500-3,000L fills for 50 to 80 LYD.

Disruptions to markets

While some vegetables are produced in south Libya, the Fezzan region remains primarily dependent on shipments from the Tripoli area for the majority of its essential food and non-food items, most notably from the Alkremeya market, as KIs reported. The 2018 MSNA found that 4.6% of households in Sebha were severely food insecure and 7.3% moderately food insecure, versus respectively 0.0% and 0.3% in Brak, 0.0% and 33.5% in Murzuq, and 0.1% and 19.6% in Ubari.¹³ However, these percentages are likely to increase over the whole region, as the production of local items may stall due to lack of power and water supplies, and as supply chains from the Tripoli area have been increasingly disrupted since the start of the conflict in April.

Production of local items

Local agriculture in Fezzan is limited to a small number of vegetables, including tomatoes, potatoes and onions. In Brak especially, KIs reported that the quantity of locally produced vegetables was insufficient to meet the demands of the local market. While no shortages were reported in Murzuq, Sebha, and Ubari, KIs expected that complications with production would surge in the near future as access to electricity deteriorates and water shortages increase, as well as security risks faced by farmers in Sebha and Murzuq. This could lead to a decrease in local production and subsequent shortages of fresh vegetables.

Production risks

Security risks jeopardised local production in Murzuq and Sebha respectively, as farmers faced danger situations when trying to access their land. KIs reported incidents such as robberies, carjacking, armed group activities, and the presence of extremist groups.

Supply chain disruption

KIs in all assessed areas stated that all food and non-food items, except for locally produced tomatoes, potatoes, and onions, had to be shipped in from afar. However, supply chain disruptions were identified by KIs in all areas, suggesting increasing difficulties in accessing essential items.

The most commonly reported issue was the increase in transport costs as a direct result of the conflict in Tripoli, which

forced transport routes between Tripoli and the South to change due to security concerns. While prior to the conflict transporters moved from Al Aziziya to either Ghiryan or Espeea, and from Ghiryan or Espeea to Tarhuna and down to the South, both these routes have remained closed since the start of the conflict. In order to circumnavigate roadblocks, transporters have reportedly been forced to take either the route from Tripoli to Misrata, Aljufra, and down to the South, or from Tripoli to Azzawya, through the western mountains to the South. Transport costs have surged as routes have gotten longer, with a full tank of fuel at the time of data collection costing between 120 and 150 LYD in Sebha, and between 150 and 200 LYD in Murzuq, Brak and Ubari. Increase in transport costs were reportedly passed on as increases in product prices.

Transport risks

Supply chain disruption was reported to be further amplified by the precarious security situations faced by transporters. KIs based in Ubari and Murzuq reported that the transport of all items involved risks, while KIs in Sebha and Brak stated that risks were mainly related to the transport of unsubsidised fuel. In all cases, the main risks identified were the presence of checkpoints where transporters were forced to pay a fee. These fees reportedly fed into increased transport and thus purchasing costs. Other identified risks were armed group activities along the routes and in one occasion it was stated that security risks were dependent on the community affiliation of the transporter. These supply chain disruptions and the resulting increase in transportation costs are both reflected in the reported availability and affordability of multiple food and non-food items, as well as of cash.

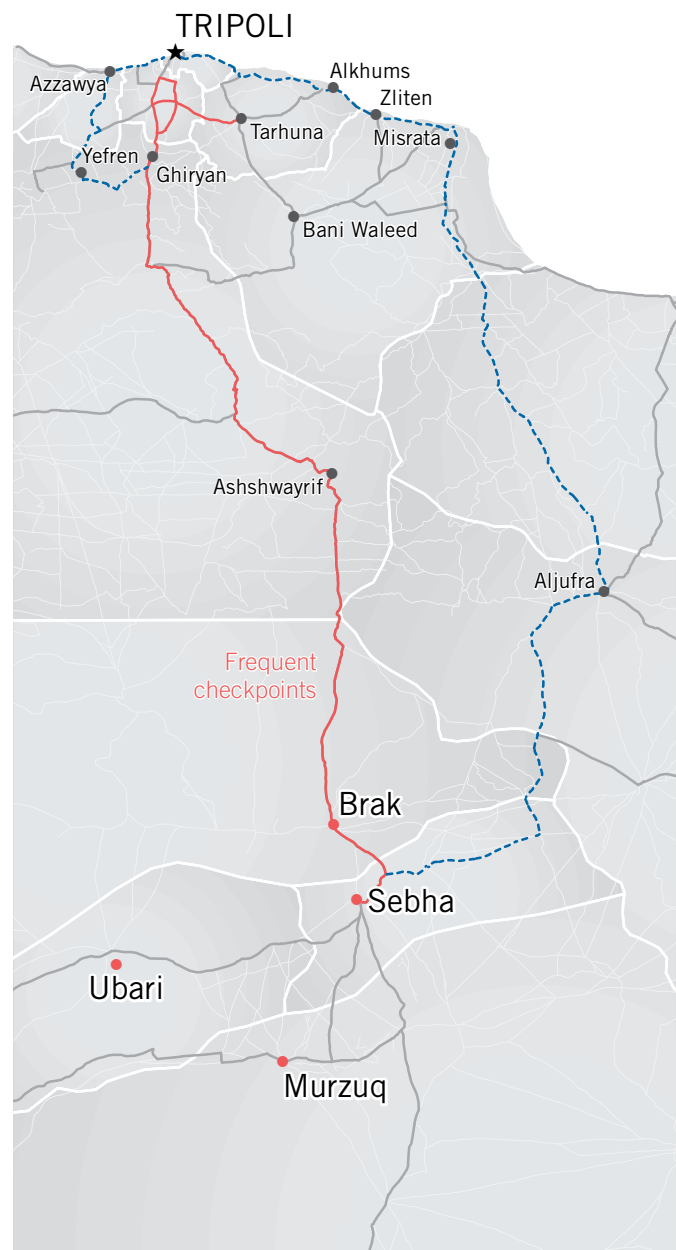
Availability and affordability of goods

Scarcity and price increases

Although supply chains were affected by the conflict in Tripoli, all food items remained generally available in marketplaces, as was also reflected in the Joint Market Monitoring Initiative data from April^{14 15}. However, in Murzuq, several bakeries stopped operating due to a lack of fuel to provide power, leading to limited availability of bread. During the month of Ramadan, people reportedly were obliged to queue in front of bakeries when trying to get bread. Key informants have raised concerns about the continued availability of food items throughout the Fezzan if the conflict in Tripoli extends over summer.

KIs noted large price increases for essential food items and

Map 2: Tripoli–south Libya routes reported by KIs to be insecure and routes reported by KIs to be alternative options



● Assessed cities

★ Tripoli

Route classifications (as reported by KIs):

— Insecure trade routes

- - - Alternative trade routes

— Other key trade routes

non-food items (NFIs) since the beginning of the Tripoli conflict, most likely caused by the disruption of supply chains from Tripoli and increasing transport costs. However, prices had already continued to increase ever since the armed group activities in the South in early 2019, an increase that came on top of already high prices caused by the region's remoteness and insecurity.¹⁶

As of June 2019¹⁷, the cost of the Minimum Expenditure Basket (MEB) across south Libyan cities assessed by the Joint Market Monitoring Initiative stood at 1,025.16 LYD, 25.4% higher than the MEB's median cost across all of Libya and 6.8% higher than its cost in south Libya in February 2019.¹⁸

The costs of locally produced food had also increased over the two months prior to data collection, and KIs expected that prices of local produce would further increase in the near future as a result of the restricted access to farms and the deteriorating power and water networks.

Fuel availability

According to KIs, in the past, Libya relied on a system of subsidised fuel supply that divided the country into three parts, supplied by the refinery stations in Azzawya, Misrata, and Brega. Following this system, the South was assigned to receive fuel supplies from the complex of refineries near Misrata. However, this supply chain had been cut since the armed group campaign in the South in early 2019, presumably due to security issues and political motives. As of recently, fuel shipments began to arrive from Brega in the East to replace the previous supply from Misrata, but as this route is far longer, fuel prices increased in the South. Additionally, the oil refinery in Brega had become overburdened, as it had become exclusively responsible for supplying the East, the South, and several cities in the West. This led to fuel scarcity and frequent non-supply of subsidised fuel in the forms of petrol (for cars), diesel (for trucks), and cooking fuel (in standardised LPG canisters of 11 kilograms).

Consequently, the black market became the main source for the majority of fuel available in south Libya. Accordingly, fuel prices reportedly increased and fuel was intermittently unaffordable for many residents, as black market fuel stayed available but subsidised fuel was scarce. KIs stated that there were long queues at gas stations in all assessed cities during the limited periods that subsidised fuel (petrol or diesel) was available. In Brak and Sebha, KIs reported that an occasional entrance fee was imposed to enter gas stations to compensate for the

increasing cost of fuel transport. Additionally, gas stations that ordinarily carried subsidised fuel had started to openly sell fuel from the black market due to the scarcity of subsidised fuel. KIs mentioned that throughout south Libya, cooking fuel had solely been available on the black market for the past several years.

Liquidity

Cash shipments

Lack of liquidity has been a structural problem in the Fezzan region since long before the conflict in Tripoli, and access to cash reportedly remained a major issue across all assessed cities. The 2018 MSNA¹⁹ reported substantial problems withdrawing cash in all mantikas across the South (apart from Sebha), as well as a two-fold increase in the proportion of households completely unable to withdraw cash compared to 2017. Although these issues partly eased following the imposition of economic reforms in September 2018, armed group activity in early 2019 once again complicated the supply of liquidity to the south, as cash shipments from the Tripoli-based Central Bank of Libya (CBL) were halted due to shifting lines of control.²⁰

Some regional differences could be identified in the distribution of liquidity across the south. While the banks in Murzuq and Ubari had reportedly not received any cash shipments since the start of the military campaign at the beginning of this year, those in Sebha and Brak had been able to access a cash shipment coming from the Albayda-based CBL at the end of April. In the past, most cash shipments came from the Tripoli CBL. Cash shipments among the cities in the South were linked to increasing transportation risks, with general insecurity along transport routes and an increasing number of roads blocked as a consequence of the conflict. A fatal incident took place in Sebha at the beginning of June, when two local representatives were killed by armed robbers while en route to deliver cash.²¹

Access to cash

In order to compensate for the lack of liquidity in the South, cash withdrawal is often organised through a system of local representatives, or *mukhtarin al-muhallat*. Most mahallas reportedly had a structure in place whereby whenever liquidity became available, one representative was nominated to go to the nearest bank branch, collect cash on behalf of other members of their community, and distribute it upon their return. A fee was generally charged for such a service, to be paid directly to the representative. KIs stated that it was common for

representatives to queue in front of the banks to collect cash as fast as possible when a cash shipment was due to arrive.

Cash withdrawal limits were said to be commonplace in all areas, but varied widely from bank to bank. KIs indicated withdrawal limits ranging anywhere from 250 to 1,000 LYD per transaction. These findings correspond with numbers from the 2018 MSNA, in which most household-level respondents in south Libya reported being able to withdraw between 300 and 599 LYD per transaction.²²

Alternative payment modalities

As liquidity shipments continued to be very scarce, such withdrawal limits implied that many south Libya residents found it difficult to cover their basic needs solely using cash. While troublesome, this problem has reportedly been prevalent since the start of 2019 and is related to the ongoing liquidity crisis in the South. In order to cope, KIs stated that residents were paying for many purchases through certified cheques and bank transfers, the latter pushing bank capacities to the limit, ultimately worsening queues. KIs based in Sebha indicated that card payments had recently become available in several stores. Subsequently, long queues in front of markets and stores accepting card payments were prevalent. Several key informants mentioned that some stores imposed a surcharge for paying with non-cash modalities, another system that had been in place for several years.

Methodology

This brief presents findings from a rapid assessment carried out by REACH, within the framework of the Libya Inter-Sector Coordination Group, in the cities of Brak, Sebha, Murzuq and Ubari in Southern Libya, conducted between 27 May and 2 June 2019. It is based on 21 key informant (KI) interviews (5 in Brak, Murzuq and Ubari, 6 in Sebha). The locations assessed were selected on the criteria of being among the main urban centres in the south, while the themes were selected on the basis of their liability to be influenced, affected or disrupted by the ongoing conflict in Tripoli.

KIs were selected on the basis of their expertise or background of the different assessed topics. Due to the rapid nature of this assessment and particularities concerning power shortages and road blocks during the time of data collection, the interviews were administered over the phone. The data was collected by the REACH field team, which received a tailored training on qualitative data collection and interview skills, as well as on ethical considerations around the data collection. All primary data was triangulated with available secondary data. Raw data was analysed using qualitative data analysis software ATLAS.ti.

As this assessment employed qualitative research methods, findings are indicative only and cannot be generalised for south Libya as a whole.

About REACH

REACH, a joint initiative of IMPACT Initiatives, ACTED, and UNOSAT, facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions. REACH activities are conducted through inter-agency aid coordination mechanisms. For further information on this document, contact libya@reach-initiative.org.

Endnotes

- 1 Al-Arabi, A. (March 2018). **Local specificities of migration in Libya: challenges and solutions**, European University Institute, p. 4-5.
- 2 See, for example, The Libya Observer (May 2019). **Chaos in Sabha after withdrawal of pro-Haftar armed groups**, and The Libya Observer (May 2019). **Haftar's forces pull out from Libya's Murzuq leaving behind several casualties**.
- 3 Micallef, M. (March 2019). **The Human Conveyor Belt Broken: assessing the collapse of the human-smuggling industry in Libya and the central Sahel**, Global Initiative Against Transnational Organized Crime, p. 41.
- 4 Al-Arabi, A. (March 2018), p. 4-5.
- 5 The Libya Observer (June 2019). **Tribal tension rises in Murzuk, south Libya**.
- 6 Fanack (October 2017). **Energy in Libya**.
- 7 Ibidem.
- 8 The Libya Observer (June 2019). **GECOL to operate Ubari station to meet power shortfall in summer**.
- 9 REACH (November 2018). **Multi-Sector Needs Assessment Compiled Factsheet**.
- 10 The Libya Observer (May 2019). **Collapse of power towers result in continuing power interruption in south Libya, GECOL confirms**.
- 11 Libya Humanitarian Access Team (May 2019). Tripoli Situation Report.
- 12 On 2 June 2019, at the end of data collection, 1 USD = 1.400 LYD at the official rate, and 1 USD = 4.400 LYD at the parallel-market rate.
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- 17 REACH (June 2019). **Libya Dataset Joint Market Monitoring Initiative June 2019**, forthcoming.
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- 21 The Libya Observer (June 2019). **Two people killed in cash-in-transit heist in Southern Libya**.
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