On Jun 17, the Libyan National army (LNA) commanded by Field Marshal Khalifa Haftar began a large-scale operation to expel I. Al-Jadran militants from the “oil crescent” region (on the coast of the Gulf of Sirte), the location of the largest oil-loading ports in the country, including the two largest export terminals, Ras Lanuf and Es-Sidr. The militant commander is supported by the “Benghazi Defense Brigades,” Islamists associated with Al-Qaida (banned in Russia), and radical formations from the south of Libya, including the Chadian opposition, which has long resided in Libya. Previously, they managed to occupy a number of locations in Ras Lanuf and Es-Sidr and also set one of the oil tanks on fire. In response, the Libyan National Oil Corporation (NOC) declared “a state of force majeure” in ports connected with the militant attacks. In a communication, they said that all oil supplies from Ras Lanuf and Es-Sidr have been suspended since June 14 and all staff has been evacuated from these locations. The current offensive began immediately after the LNA forces finished regrouping from near Derna and the corresponding coordination for an upcoming offensive by Paris.

France has been more and more involved in Libyan affairs, and on the side of K. Haftar, seemingly already bypassing Russia, who still cannot definitely decide who to bet on in Libya, maintaining equal relations with H. Khalifa, the Libyan parliament in Tobruk, and the pro-Western government of F. Sarraj in Tripoli. But sooner or later, Moscow will have to make a choice if it wants to return to Libya and restore the position lost there after the overthrow of M Qaddafi in 2011. In the meantime, France’s intelligence agency, the DGSE, has focused all its efforts in Libya on ensuring an offensive against militants in the “oil crescent” region. In particular, a scout plane was deployed to this area by SAE, the primary private subcontractor of the DGSE, which earlier played a key role in organizing the attack
at Derna. At the same time, the French military was sent to targets near the “oil crescent” as was the scout plane of the Aviation Defense Service (AVDEF) which was stationed in Malta at the end of May this year. And the private business-aviation company, Sonnig International Private Jet (SIPJ) – headed by Ricardo Mortara, a former pilot for the French oil company ELF, which absorbed by the French “Total,” which implements operations to supply Libya with former Soviet weapons through the UAE – has become the main supplier of aviation services for the LNA Air Force in the last few months, providing it with ammunition and aircraft for bombings and assault strikes.

Paris' oil interests in Libya are evident. By freeing and returning the NOC to the management of the oil terminals, France would like to secure a firm position for the company “Total.” President E. Macron is actively lobbying for them in all communications with the Libyans, and it is no coincidence that the May 29 Libyan reconciliation conference was held in Paris, where the different sides of the Libyan conflict agreed that the country would hold UN-sponsored presidential and parliamentary elections on December 10 of this year. By mid-September, it is anticipated that a constitutional basis for the organization of voting will have been prepared. Participants in the international conference on Libya agreed to seven other points. In particular, the delegations were in favor of the gradual unification of the activities of the two existing governments on the territory, and also of the creation of unified security structures and an army. Besides that, the sides agreed to work to prevent electoral interference and they pledged to recognize the results of the election and to monitor the implementation of the agreements reached in Paris. However, after recent events, all of that appears highly doubtful.

Already on June 25, after a successful offensive, the Libyan National Army commanded Khalifa Haftar transferred control of the oil terminals of the independent National Oil Corporation (NOC), based in the east of the country. The same-named and internationally recognized NOC with an office in Tripoli called the transfer of the ports of NOC Benghazi illegal. The transfer of control over the terminals to NOC Benghazi is sowing uncertainty amongst buyers of Libyan raw materials, who usually conduct business through NOC Tripoli. Moreover, this measure could aggravate the conflict between the eastern and western parts of the country that have been in opposition since 2014. Nonetheless, LNA representative Ahmed al-Mismari said the no tanker can enter the eastern ports without permission from NOC Benghazi. He also said in an interview with Reuters that Haftar's army decided to transfer control of NOC Benghazi's terminals so as to not allow export earnings to be used to finance the militants, and because the Mustafa Sanalla, the head of NOC Tripoli, does not recognize the lengths to which LNA soldiers go in order to protect the ports. According to al-Mismari, 184 soldiers of the National Army have been killed, and dozens have been wounded while fighting for the port infrastructure. When asked what will happen with oil exports through eastern ports in the future, Al-Mismari redirected the question to NOC Benghazi, which is not recognized at the international level. The head of NOC Benghazi said the company plans to instruct companies to start working. “Our actions are legal,” he told agent from Reuters. “All who want to conduct business with us are welcome.” In turn, NOC Tripoli said that the LNA “has decided to put itself above the law,” and that any attempts by other entities to independently export oil will be illegal and bound to fail, as it was before. “The NOC warns companies against completing contracts with other companies,” says NOC Tripoli in a communication. “They will not be complied with, and the NOC will challenge them in court by any means available.

Powers in eastern Libya already tried to sell oil by bypassing NOC Tripoli in 2015, but because NOC Tripoli is assigned the status of the sole exporter of oil in Libya by a UN resolution, they could not find customers, bankers, and insurers who would take the risk. The fate of Ras Lanuf and Es-Sidr, the largest Libyan terminals, is of central importance for the restoration of the country's oil sector. As a result of their recent closure, Libyan oil production has fallen by 450,000 barrels per day.

The latest protracted fighting in Libya's “oil crescent” region has not only led to a sudden decline in hydrocarbon exports from this country (up to 600 thousand barrels per day, instead of the 1.1 million of one month earlier), but also to serious questions concerning Paris' peacekeeping efforts to achieve the main goal - holding general elections this year. It's unlikely that the militants' attack on the oil terminals carried with it the goal of establishing long-term control over them. From the beginning, this was an impossible task from a military point of view (note the total number of militants under field commander I al-Jadran. The "Liberation Brigade of Benghazi" and the Chadian mercenaries slightly exceeded a thousand people), and it was not put on the agenda. In this case, the attack was caused by a set of factors, from purely economic, from the point of view of the dissatisfaction of a number of clans and commercial structures with the position of the head of the Libyan National Oil Corporation (NOC) M Sanalla in monopolizing trade operations in his hands, to political moments. The current attack the oil terminals can be interpreted as a signal to Paris from the side of the Misurata clans about their discontent. Included in this discontent are the political maneuvers and consultations being held currently at the Elysee Palace regarding the question of achieving internal consensus and holding general elections, while ignoring the Misurata position in this matter. This
quickly arrived in Paris, as President E. Macron invited a delegation from Misurata to immediately visit France for a consultation. True to character, the Misurata clan was absent at the inter-Libyan conference which took place in Paris on May 29, with the close participation of the French president.

In any event, Khaftar’s attack on the “oil crescent” locations was successful. The garrison defending them is comprised of no more than two thousand militants, and consequently the aerial advantage of the LNA will allow the filed marshal’s forces to satisfactorily complete this mission in a short time. But at the same time, the front in Derna has been weakened, where the operation is still far from complete. It cannot be ruled out that the Islamist-militants there might make an offensive. In any case, the strength of the LNA on several fronts is not even enough for the scale of Cyrenaica, not to mention for establishing firm control over Fezzan and Benghazi. Nevertheless, Khaftar is not abandoning his global plans of going to Tripoli and removing F. Sarraj and uniting Libya without the Tripoli government. For that, he will need to negotiate not only with the supporters of Qaddafi’s son and his allies in Fezzan, but he will also need to create a more powerful army. Much will depend on the position Moscow takes and whether it give serious military aid to Khaftar.

*Alexander Orlov, a political scientist and Orientalist expert, exclusively for the online magazine New Eastern Outlook.*