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CONFIDENTIAL

January 25, 2013

For: Hillary From: Sid

Re: Libya security internal deliberations

SOURCE: Sources with direct access to the Libyan National Government, as well as the highest levels of European Governments, and Western Intelligence and security services.

- 1. As of January 24, 2013, while reviewing the decisions that are leading to the departure of Western diplomatic and business personnel from Benghazi, Libyan Interior Minister Ashour Shuwail informed Prime Minister Ali Zidan that national intelligence commander General Salim Hassi and National Libyan Army (NLA) Chief of Staff General Yousef Mangoush report that the fighters of Ansar al sharia and their allied eastern militias located in the region between Benghazi and the Egyptian border are gaining strength steadily. According to an individual with excellent access to the new Libyan security services, Hassi's officers believe that these opposition militias have recovered from the government inspired popular attacks aimed at them following the destruction of the United States Consulate in Benghazi on September 11, 2013. At the same time Mangoush believes that the opposition militias have made real use of the time that has past, and Ansar al sharia is stronger now than before the consulate attack with their infrastructure enhanced by support from Islamist groups in the Sahel, including al Qa'ida in the Maghreb (AQIM).
- 2. (Source Comment: According to this source, Zidan is extremely frustrated with the situation, and the inability of his government and their security forces to deal with the serious personal security concerns of Western business and diplomatic personnel in the eastern part of the Country. This issue is also creating tension between the Prime Minister and President Mohamed al Magariaf, who is increasingly critical of the Zidan regime's security failures,

pointing out that they are undermining his own efforts to stabilize the political and economic situation in Libya, prior to the national elections planned for mid-2013. This individual adds that Zidan and Minister of Foreign Affairs and International Cooperation Mohamed Abdulaziz discussed this matter throughout the week of January 21, and have agreed to begin to address the current situation by pursuing a serious diplomatic effort to reassure the government of Italy and the management of the large oil company ENI that their personnel and facilities can be protected in all parts of Libya.)

- 3. At the same time this individual states that, despite recent regional security agreements, General Mangoush believes the Algerian Army has been slow to react to his requests for information on the developments during the recent hostage crisis at the In Amenas gas plant during which at least 37 Westerners were killed, along with 29 Islamist fighters from the Mukhtar bel Mukhtar group. Mangoush noted that Hassi's officers report that they agree with their Algerian counterparts, who are convinced that Mukhtar bel Mukhtar is assoicated with AQIM. In this regard Mukhtar is looking for information that he can use to identify the regional supporters of Ansar Al-Sharia and its allies. The NLA Chief of Staff stated in private that, although the Algerians are focused on recent events, they are historically uncooperative in these matters. Mangoush, Shuwail and their most senior military and intelligence officers are convinced that the situation in Benghazi is the Eastern end of a regional threat that covers the entire Maghreb. General Hassi's liaison contacts in the Egyptian Military Intelligence Service (MI -Mukhabarat el-Khabeya) continue to provide signals intercepts, and human intelligence regarding the personnel and activities of a variety of groups claiming allegiance to AQIM. The Libyan officers agree with their Egyptian MI counterparts, who believe this reporting describes serious threats against all Western personnel and facilities in the region, rather than the specific interests of Italy or any other individual country. Mangoush added that he is also receiving support from counterparts in Tunisia.
- 4. (Source Comment: Zidan also instructed Abdulaziz to take a direct tone in dealing with Western diplomats on the matter of the security situation, pointing out that the Libyan security forces have intelligence indicating that, while the threats in Benghazi are very real, they do not involve a large scale attack similar to the In Amenas affair. Instead the Libyans expect that Ansar al Sharia's activities will continue to involve individual attacks, assassination attempts, and car bombings, adding that these threats can be addressed through strict security upgrades. According to this individual, Abdulaziz warned the Prime Minister that this was a dangerous strategy since it is not at all clear that Mangoush and Hassi can provide the necessary protection for foreign interests, even against these focused threats. In reply Zidan strongly expressed his concern that, if they must wait for the establishment of a completely secure environment the continuing departure of Western interests will destroy his government.)

- 5. In the opinion of this individual Abdulaziz will point out to Italian and other Western diplomats and businessmen that for the most part the violence in Benghazi has targeted individual foreign and Libyan personnel for assassination and other attacks, not the sort of large scale assault seen in Algeria. At the same time, he will point out that the new General National Council (GNC) government needs assistance and expressions of confidence from the Western nations to defeat the terrorist and radical shariaist groups operating in the country. In addition, according to this source, Zidan believes that the recent visit to Libya of British Prime Minister David Cameron's senior security advisers played an important role in Western governments reaching their decisions to withdraw Western business and diplomatic personnel from Benghazi. This source believes that Zidan is personally angry over this turn of events, although he intends to maintain a diplomatic demeanor, allowing Abdulaziz to express the government's frustration at the current state of matters in Libya. This individual also feels that Abdualaziz will be supported in this effort by Interior Minister Shuwail and his deputy Minister Omar al-Khadrawi, as they work to deal with the Benghazi situation.
- 6. (Source Comment: In the opinion of this individual Magariaf is carrying on discreet talks with tribal leaders in Cyrenaica (Eastern Libya-Barqa in Arabic) in an effort to gain their cooperation for the effort to control Ansar al sharia and the other independent militias operating in that area. In return the president is discussing potential plans for increased autonomy for Barqa, promising to work with Western and Southern parties in the GNC to find a solution that allows the Easterners a degree of independence while maintaining the integrity of the Libyan state. The president is convinced that finding a solution to the problems presented by the federalist movement in the East will lead to a settlement that will allow the GNC to disarm and gain control of the militias. He also believes that the serious discussion of this prospect may also help the government reduce the popular support for these militia and terrorist groups. An advisor to the president noted that more than 75 per cent of Libya's oil reserves are in the East, while the oil facilities are located a great distance from Benghazi, and the oil itself is pumped through pipelines that do not transit the Benghazi region. Magariaf feels that this situation affords the GNC an opportunity to give the Benghazi leaders something tangible in return for assistance in dealing with the militias; greater involvement of Benghazi in the oil industry.)
- 7. The Egyptian MI is, according to a sensitive source, reporting to their Libyan liaison partners that the French military operations against AQIM and other Islamists in Mali has driven a number of experienced fighters into the surrounding countries of the region, including Libya. In the opinion of this individual these Islamist fighters present a particular problem for the NLA. This is especially true since a number of these guerrillas/terrorists fought with the then revolutionary forces in the civil war that overthrew Dictator Muammar al Qaddafi in 2011; and are well acquainted with the officers and tactics of the NLA. At the same time Abdulaziz plans

to continue pressing the United Nations for an increased international military presence in Mali to control this situation. This source noted that General Hassi believes the Egyptian MI has very good reporting on this Sahel based Islamist activity, especially since there are a number of Egyptian Salafist fighters serving with Mukhtar bel Mukhtar and other guerrilla/terrorist groups.

8. (Source Comment: In reply to a specific question this individual added that Mangoush believes that the Ansar al sharia threat in Benghazi is not limited to Western diplomats and employees of foreign oil companies, rather the Islamist fighters and their allied militias will also focus on Western business interests in general, particularly if a high profile target is required to support their regional goals. Abdulaziz is particularly concerned that British Airways may cut off its flights into Libya, which they believe would be devastating psychological and economic blows for the GNC government.)