

CRISIS MANAGEMENT

CASE STUDY – THE LIBYA SITUATION

The Inkerman Group continues to work with clients in Libya and throughout the region, against a challenging and fluid situation in the country.

THE ISSUES

2011

An increasing number of demonstrations began to emerge in Libya's east, most of which were focussed around the historic neglect of Benghazi and other cities in Libya's Cyrenaica region. The demonstrations came to a head on 06 March 2012, when Libya set off a media firestorm after thousands of Benghazi-based tribal leaders and militia commanders (without seeking the approval of local citizens) called for increased "federalism" and subsequently declared Cyrenaica to be a semi-autonomous state. These protests posed a host of risks and challenges to companies operating in the region, including a threat to personnel, the obstruction of transport routes and the blockading of oil infrastructure.

Between 20 June and 10 July 2012

An increasingly aggressive federalist campaign impacted oil production as well as transportation in Cyrenaica. On 20 June 2012, federalist supporters in the area set up a road block along the coastal highway near Wadi Al Ahmar between Sirte and Ben Jawad. Hamed Al Hassi and his so-called "Cyrenaica Transitional Council" organised the road block in an attempt to draw attention to what they perceive to be an unfair distribution of seats in the national assembly.

Demonstrations

Also threatened to cut off oil production, as fifteen armed "pro-federalists" forced two oil terminals in Ras Lanuf to halt production, including the port of Al Sidra, as well as ports in Brega and Haruj. The closure of these ports impacted the production of several oil companies which use the port of Ras Lanuf, including Arabian Gulf Oil Company (AGOCO), which produces 55,000 barrels per day (bpd), Germany's Wintershall, and Al Haruj.

08 July 2012

Although the ports were later reopened following government intervention, the temporary halt to production at Ras Lanuf, Sidra and Brega resulted in a drop in Libya's total daily oil output by 300,000 barrels per day (bpd), a significant decrease for a country whose economy is almost entirely reliant on oil exportation.

Operations of international energy firms working in Libya were hampered

The temporary suspension of oil production impacted not only Libya's economy, but also hampered the operations of international energy firms working in Libya. Likewise, the pro-federalist roadblocks between Sirte and Ben Jawad, which ended on 10 July 2012, resulted in minor disruption as buses and transportation vehicles were forced to take an alternative route through Benghazi. Such transport disruptions may have had the knock on effect of limiting the ability of energy workers, security forces, and medical personnel from getting to and from work.

Outbreaks of violence

While protests in post-Gaddafi Libya have been largely peaceful, there have been outbreaks of violence, particularly over an issue as emotive as Federalism. This was illustrated on 17 March 2012, when armed men attacked a pro-Federalism demonstration in Benghazi, leaving two people dead. While foreign nationals have not been directly targeted during such instances, there remains a predominantly incidental risk that they may be "caught up" in outbreaks of violence, including those involving clashes between rival protesters, direct attacks, or clashes between the security forces and demonstrators.

CRISIS MANAGEMENT

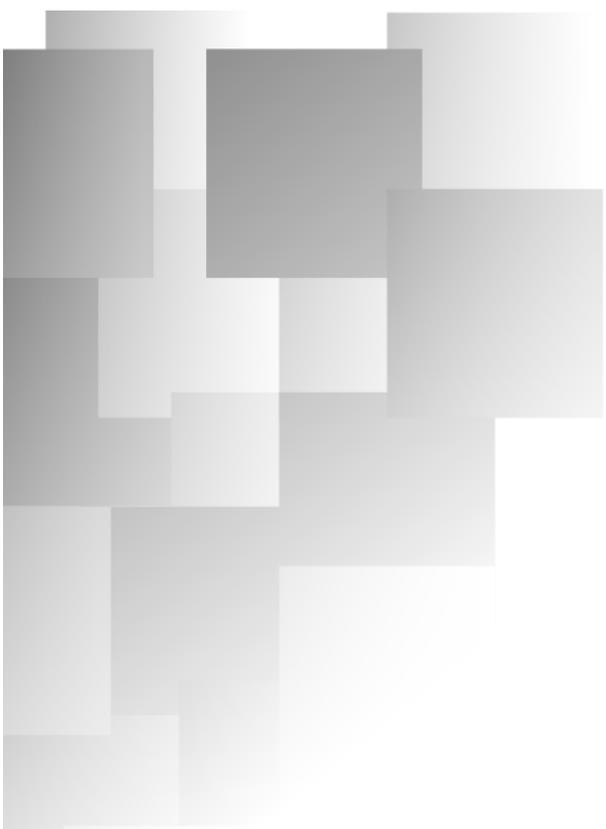
THE SOLUTION

The Inkerman Group continues to have operational teams in Libya, Egypt and throughout the World, advising and assisting clients and supported by The Inkerman Group's Operations Centre 24/7/365.

We have worked in-country supporting clients with a wide range of services, support and advice throughout this time period. Our clients have important and valuable assets, including people and resources in-country, all of which require protection of some kind.

Experience and qualified personnel have and continue to provide services on an ongoing basis, including:

- Crisis Management
- In-country Intelligence
- Close Protection
- Kidnap and Ransom
- Security Training
- Travel Safe Services



24/7

Business Risk and Intelligence