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# Malta Mediterranean Forum

*Libya: Regional Perspectives on Governance and Security Challenges*

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## FOREWORD FROM IPLI

It was an honor for IPLI to co-organize the December 2014 edition of the Malta Mediterranean Forum on Governance in cooperation with local Maltese partners, the Institute for Public Administration and Management at the University of Malta, and the Malta Chamber of Commerce, Enterprise and

Industry. This edition of the forum, focused on the growing Libyan conflict, was entitled: *Libya: Regional Perspectives on Governance and Security Challenges*. Given the close proximity of Malta and Libya, combined with the deep historical connections between the two countries, IPLI and Maltese partner institutions

assessed that it was critical to organize a forum on this topic in order to shed light on the growing unrest in the country and the potential ramifications it could have in the Mediterranean region and beyond. To this end, we were pleased to welcome a wide variety of policy makers, researchers and other stakeholders who

shared their valuable insights over the course of this event. The purpose behind the Malta Mediterranean Forum on Governance is to contribute meaningfully to the advancement of policy debates by serving as a forum that actively embraces contributions from a wide variety of actors. Given Malta's status as a crossroads of many influential

regional cultures and by virtue of its unique geostrategic location in the heart of the Mediterranean basin, Malta is ideally placed to serve as a focal point for discussion and debate on the major governance challenges facing countries in the Mediterranean area within the current geopolitical context. IPLI wishes to extend its thanks

to co-organizers and participants for taking part in this event. In particular, IPLI expresses its deep gratitude to the Honorable Dr. George W. Vella, foreign minister, for his support of this initiative.

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**Timothy Reno**  
*Director, IPLI Foundation*



# OPENING COMMENTS



MR. DAVID G. **CUMRI**

*President of the Malta Chamber of Commerce, Enterprise and Industry*

It is my great pleasure to welcome you all to the Malta Chamber of Commerce, Enterprise and Industry for today's Malta Mediterranean Forum on Governance. Today's subject is one that is affecting Malta in various ways, not only because of Malta's geographic proximity to Libya, but also because of the political and economic history it shares with this neighboring country, which has been one of Malta's closest trading partners over the past fifty years.

The Maltese business community is eager to see peace reestablished in Libya. In connection with the second Libyan crisis in the space of three years, the Chamber of Commerce has reinstated the Libya Action Committee, originally set up to assist Maltese companies in business in Libya that were affected by the revolution. With its vast resources and

rich history, Libya has the potential to become a regional leader and see its society and economy flourish, and Malta can and is willing to be part of the solution in the rebuilding of the country. Business can have a significant role in bridging the political, economic, and social divide that is a constant threat to peace. Our Chamber pledges its full support to the Libyan business community in order to achieve this goal without delay and with the least social cost possible.

On behalf of the Malta Chamber of Commerce, I would like to thank the Institute of Public Administration and Management, the International Policy and Leadership Institute, and the University of Malta for organizing this forum, which I am sure you will find informative and interesting.



H.E. DR. GODFREY **PIROTTA**

*Ambassador to the Czech Republic and Director of IPAM, University of Malta*

Welcome and thank you for coming to the Malta Mediterranean Forum on Governance. Now in its second year, we hope that this forum will continue to grow because we believe that Malta is the right place for dialogue and for debate on issues that concern the Mediterranean. I think that everyone in this chamber is aware that this year is the twenty-fifth anniversary of the meeting between Mikhail Gorbachev and George Bush in Malta that helped to bury the Cold War. Malta plays an important role in development despite its small size because it has a heart that wants to work for peace and development in the Mediterranean. We hope that this forum will continue to bring academics, practitioners, and people in current affairs together to debate and move forward towards a better

agenda for the Mediterranean. I wish to thank the Honorable Dr. George Vella, Minister of Foreign Affairs, for being here with us today; the speakers, who have traveled from various places to be here and to participate in this forum; and the Department of Public Policy at the University of Malta, which has been producing some of the leading administrators and politicians in Malta since its inception 35 years ago. I would also like to extend special thanks to his Excellency the Ambassador Antonio Martins da Cruz, who has been a supporter of this forum since its beginning, and Timothy Reno, director of the International Policy and Leadership Institute, which has been a partner of IPAM for four years now.



# INAUGURATION SPEECH

HON. GEORGE **VELLA**

*MD., M.P.,  
Minister of Foreign Affairs  
Republic of Malta*



Democracy, freedom, rule of law, and respect of human rights: these are the aspirations that led the Libyan people to rise up against dictatorship and to follow their neighbors in determining their future. As you very well know, the current situation is nowhere near this idealistic scenario. What we are facing nowadays is a clear and present threat of the collapse of the state and its institutions—a failed state in the making, right on Europe's doorstep. But this emergency is somehow being

missed, or, worse yet, underplayed, by the international community. One cannot stress enough the importance that events in Libya hold for the entire Mediterranean. We, as its neighbors, have a vested interest in seeing stability return to Libya; unless Europe and the international community seek ways to help the people of Libya to reestablish a legitimate government within their territory, the instability the Libyan people face today may soon

spread beyond its borders to other countries in the region. Moreover, the developments in Libya cannot be assessed in isolation. Security, political, economic, humanitarian, and migration considerations all contribute to the present problematic scenario. There can be little doubt, considering Malta's geographic proximity, that security is an overriding priority for us. As amply manifested when violence in Libya reached its peak during the revolution and earlier this year, Malta immediately feels the repercussions of turmoil on the ground. Our first priority remains that of securing the wellbeing of our nationals, and then standing ready to provide logistical assistance to countries that request our intervention to insure the safe departure of their nationals. The situation is such that I took the painstaking decision to call our two remaining diplomats in Tripoli back to safety, in view of the pressures they were exposed to as a result of the two parallel structures operating in Libya at the moment.

I have on various occasions, both locally and abroad, vividly spoken of the threat posed by the rise of extremist tendencies in Libya. Only a few months ago, the international community was laboring under the wrong impression that these trends were contained on the eastern side of the country. We are now facing a reality whereby radical and violent elements respect no borders and are increasingly successful in bring down the virtual safety net at an alarming pace. I need not elaborate on the

devastating effects that this growth of an extremist ideology will have on the Libyan people themselves, nor on the undeniable danger posed by extremists training in Libya to the country's neighbors and to the European Union itself. Regrettably, there is no hard and fast answer as to how this threat can effectively be addressed in the immediate term. A protracted conflict would only serve to escalate the humanitarian and migration problem and the likelihood of further entrenchment of radical groups. In the Libyan case, disarmament and national reconciliation, based on a dialogue that reflects all segments of society, are clear prerequisites if this web is to be untangled.

Purely from a human perspective, I wish that more attention would be paid to the difficult humanitarian situation that has resulted from months of violence, an aspect that is somewhat overshadowed by our focus on political developments. Most of the victims of violence in Libya are civilians, with thousands of others living as internally displaced persons. This is one of the most dramatic, yet least appreciated results of the attacks that continue to be carried out on a daily basis. One of the greatest challenges that must be addressed is the sense of retribution, if not revenge, that has taken hold among the population at a grassroots level. Once an agreement is hopefully reached by the political leaders, they will need to do their utmost to reach out to the people and start rebuilding a sense

of trust that has been destroyed. As with all other conflicts, this could very well make or break the deal in the long term.

In the present fragmented political scenario, the United Nations remains, in my view, the only body that can resolve the current stalemate. The situation does not allow for actors all working in different directions. Above all, we have to continue supporting the work of the United Nations and that of the Special Representative Bernardino León, particularly as he strives to bring the parties closer to an inclusive dialogue. We continue to follow his reconciliation efforts very closely and are fully appreciative of the difficulties he and his team continue to encounter at every step. We are well aware of the possibility that these efforts will not succeed, and we would do well to think about the eventuality of failure and what should be done. In other words, we have to start thinking also about a plan B. As a friend to Libya, Malta reaffirms its support and encouragement of all efforts directed toward the democratic process in Libya and believes that all sides should not only lay down their arms but work towards achieving national reconciliation. Above all, it remains our duty to reach out to the people of Libya and deliver to them a categorical message that they are not alone in these dire circumstances and that the intentional community is not abandoning them and their country to a bleaker destiny.



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# PANEL ONE

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## MALTESE PERSPECTIVES

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*Chaired by H.E. Antonio Martins da Cruz, former Foreign Minister of Portugal*

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H.E. DR. ALEX SCEBERRAS **TRIGONA**

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*Special envoy for the Prime Minister of Malta, former Minister of Foreign Affairs and Ambassador to the WTO*

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The main problem confronting us now is namely that there is no discernible, coherent international or regional will emerging regarding Libya. Without this unifying drive, we have a grab-as-grab-can situation, while the Libyans, who are struggling to organize their state, face great difficulties. Already, the fact that Syria is in such a disastrous, nearly apocalyptic condition is a stain on the international community's conscience—if one can speak in those terms. Are we going to let Libya go down the same road? Let us speak for a moment about the Brazilian position paper issued in the Security Council concerning “responsibility to protect.” The interesting point that the Brazilians are trying to put forward is that instead of only examining the

time slice of responsibility in order to protect, a second and third time slice should be taken into account: responsibility *whilst* protecting, and responsibility *after* protecting. This draft paper, which has been circulating since 2012, is a conceptual challenge to the international community and could be used to find a handle, as it were, on the situation. Moving from concepts to actual pragmatic plans: at the moment, the last democratically elected institution standing in Libya is the Constitutional Drafting Assembly (CDA), whose members represent in equal parts the three regions of Libya: Tripolitania, Cyrenaica, and Fezzan and the south. They have been working extremely well over the last several months to produce a

draft constitution with a declaration of principles, including chapters on the election of the president, the preservation of natural resources, and the entrenchment of authorities such as the central bank, the high election committee, etc. Once the document is finalized, in mid- or late January, it will be put to a referendum. But can such voting take place in the present conditions? What should come first, the referendum or the collection of weapons? Or does the holding of the referendum, in spite of the situation, contribute to building security? As the international community, we have the responsibility to assist in resolving these dilemmas, in particular by providing a contact group of countries than can act as

intermediaries between the CDA and the UN. The European Union specifically, many of whose member states have direct ties with Libya, could have a role to play, as might potentially Egypt, the United Arab Emirates, Qatar, and Turkey, who are all well-established inside Libya. So is there a discernible international will to close the Libya dossier and return the country to peace? Or is there an abandonment, wilful or not? The challenge to the international community is to take up its second responsibility *whilst* and *after* protecting and to fulfil these two other time slices to the best of its ability.



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H.E. DR. GEORGE **SALIBA**

*Former ambassador to Libya,  
special envoy to the  
Union for the Mediterranean*

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I personally have always considered Libya as a second home, and I am dismayed to see what has happened to the country. Looking at the history of the Middle East, each time there has been an outside intervention—Iraq, Syria, Libya, but also going back to the end of the Ottoman Empire and the Sykes-Picot Agreement—it has brought more conflict. Libya right now is in a tragic situation. There are more arms in Libya today than in the entire UK arsenal. The big mistake in Libya, from the very beginning of the unrest, was the government's decision to give money to militias to incorporate them, while allowing them to keep their arms. The other problem is that there is no unified authority amongst the militias, which makes it very difficult to broker any sort of agreement.

Where does Malta stand on the Libya question? Malta has a clear interest in Libya. It is one of the few countries with which we have always had a favorable trade balance. We have often been criticized for being friends of Libya, but one cannot choose one's neighbors; we have to live with Libya as it is. Of course, the commercial and economic interests we had are now suffering. On a social level, we also have to face the problem of immigration, of Libyans who are seeking to settle in Malta. There is also the issue of security and potential exposure of Malta to ISIL, but I don't consider this to be a real concern here, as we do not share a direct border with Libya. Several issues remain unresolved between Libya and Malta. When Muammar Gaddafi fell and the

General National Congress took over, many Maltese hoped that it would lead to a solution to the famous issue of the median line between Maltese and Libyan territorial waters, with its implications for oil exploration. Unsurprisingly, in my view, nothing has moved forward. Additionally, the clearing of the accusation of Malta's alleged implication in the Lockerbie incident has remained unresolved. Unfortunately, I am not optimistic about Libya. We can organize all the talks we want, but with the number of weapons in circulation and the growing hatred between Libyans, I do not see how peace can be reached.

***We have often been criticized for being friends of Libya, but one cannot choose one's neighbors; we have to live with Libya as it is.***





FRANK V. **FARRUGIA**

*Vice-President of Malta Chamber of Commerce, Enterprise and Industry*

Throughout the years, Malta and Libya have enjoyed good, well-established political and economic relations. And, despite several obstacles along the way, Libyans and Maltese remain close as people and as economic partners. Since the beginning of the revolution, Libyans see Malta as being a gateway to Europe. In 2013, the number of Libyan visitors to Malta stood at 34,621, double the number recorded in 2012. The purpose of their visits varies, from education to business as and tourism. Similarly, merchandise trade between Libya and Malta doubled in 2013 compared to pre-revolution levels. This is a positive sign for our partnership in the years ahead. Furthermore, according to our nationalization database, Libya

ranks fourth among countries where Maltese companies do business or wish to do business. In order to facilitate business with Libya and other North African countries, the Malta Chamber has set up a North African Business Council. Maltese companies must join forces if they hope to serve a market like Libya's, often presenting large-scale public-procurement projects for international bidders. Maltese firms must build on and learn from past successes in order to consolidate future contributions in the rebuilding of the physical infrastructure of our neighboring Libya. The destruction of infrastructure, including the Tripoli airport, has created significant problems on the ground, but it also affords important opportunities for Maltese businesses, especially in

construction, logistics, and related sectors. It is nonetheless clear that the revolution and current crisis have negatively affected the business community. Therefore it is crucial that we safeguard such businesses and assist in promoting jobs. I truly believe that if the Libyans embrace the rule of law, adopt human and civil rights, and implement a free market economy, Libya's future, and the region's, will be brighter.

**“The destruction of infrastructure, including the Tripoli airport, has created significant problems on the ground, but it also affords important opportunities for Maltese businesses.”**



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# PANEL TWO

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## REGIONAL PERSPECTIVES

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*Chaired by Mr. Timothy Reno, Director IPLI*



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DR. EDUARD **SOLER**

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*Coordinator of the Mediterranean  
and Middle East Programme  
at CIDOB Foundation*

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Europe is not surrounded by a ring of friendly and welcoming states as the European strategy and neighborhood policy envisaged ten years ago. We are surrounded by three regional crises: Ukraine, Syria and Iraq, and Libya. The question now is how important the crisis in Libya is, and for whom. The U.K. and France are heavily implicated because of the role they have played in the last four years; Italy, Malta, and Spain have an interest in ensuring the security of the Mediterranean; and Germany is involved, albeit unwillingly, because of its leadership position in Europe. Despite the different degrees of involvement, there is a clear, shared interest in working to avoid letting Libya fall into complete chaos—essentially like having a Somalia

next door in five years—and having to respond by a second military intervention. The strategy is first one of containment, then engagement to obtain de-escalation in the conflict. Issues related to governance and trade will come in a second step once basic stability has been reached.

And let's remember that Europe is only one of Libya's neighbors, and that other neighboring countries also have interests that we must take into account. Among countries to the west — Tunisia, Algeria, but also the EU — there seems to be a convergence of opinion about the de-escalation approach. Our core interest is not who rules in Tripoli but rather that the crisis does not spill over. When we look to the east, it seems that the approach is

interventionist, with the will to play a role inside Libya in order to move into what is perceived as the best direction.

The EU is perfectly aware that any successful strategy will require the involvement of regional actors, but Brussels sees some of these regional actors as part of the problem and not part of the solution. At this point, everyone is looking to the UN as the best interlocutor possible to unblock the situation, though certain actors would also like to see the involvement of regional organizations such as the African Union and the League of Arab States. Europeans are aware of the regional dimension and ramifications of the Libyan conflict. They know Libya is running out of time and that, compared to other crises,

Europeans have both responsibility and influence in Libya. If they want to avoid having the conflict deteriorate further and spill over into Tunisia, Algeria, and the Sahel—the number one priority—they need to work with neighbors but without subcontracting or externalizing the resolution of the crisis. In a dream scenario, we would have a successful national dialogue followed by reinforced operations under UN mandate with participation of regional organizations and a constructive involvement of regional players. Unfortunately, we seem quite far from that. What we need at this point is for the political leadership to bring forward new ideas for reasonable solutions in the short and medium term.



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MR. SELIM **GUEDOUAR**

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*Expert at Organization for Economic Cooperation and Development (OECD)*

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Libya and Tunisia, though very close, have entirely different development models and patterns. Tunisia is a non-exporting country, whereas Libya is rich in oil. Furthermore, their relation, though also close, has known ups and downs. When revolution broke out in Tunisia in 2011, Tunisians' first thought was, will Gaddafi meddle in Tunisian affairs? The Libyan revolution was therefore welcomed by the Tunisians. Unfortunately, what we see now is that Libya has become a factor that hampers the still-fragile transition in Tunisia. I am going to analyze the current situation according to four channels: security, trade, Libyans refugees and tourists in Tunisia, and finally Tunisians in Libya.

Regarding security, Tunisia is

being affected by the smuggling of weapons into the country from Libya, extremely problematic in a country that historically has few arms. In addition, training camps in Libya draw Tunisians, who then return to their country and pose a threat to national security. This tarnishes the reputation and image of Tunisia, which in turn impacts key sectors such as business and tourism. Although Tunisia's major trading partner is the EU (trade with Libya represents 5% of the country's total exchanges), trade with Libya was increasing 25% per year pre2011, and in key areas such as oil. Any interruption of this supply of oil is therefore catastrophic for Tunisia. Trade with Libya is also important in that it generates many jobs in poor regions of Tunisia. At the

macroeconomic level, the Tunisian situation is fragile, and any disruption causes an additional stress on the economy. On the plus side, Tunisia benefits from capital outflow from Libya, in part because of movement of Libyans to Tunisia. Since agreements between the two countries allow for the free passage of people between the two countries, it is difficult to distinguish between tourists, refugees, and those who have voluntarily settled. All told, Tunisia hosted 1.1 million Libyans in 2011, or 10% of the total population, and almost 2 million in 2014. This influx places pressure on the housing market and participates in inflation. There is also the risk of exporting the Libyan conflict to Tunisian soil, where both pro- and anti-Gaddafi Libyans

might find themselves. Historically, Tunisians went to Libya for trade and work, and Libyans used to come to Tunisia for tourism. Tunisian workers in Libya represented a significant economic slice, up to 0.6% of the GDP. Many of them fled Libya, 40,000 of them returning in 2012. That equals a destruction of 40,000 jobs and an increase of pressure on the job market, which further deteriorates the situation in Tunisia. The destiny of Tunisia depends very much on that of Libya. As the Tunisian Minister of Foreign Affairs said in 2014, "We consider the crisis in Libya as an internal problem in Tunisia, and we are addressing it as an internal problem because our security is Libya's security, Libya's stability means Tunisia's stability."



H.E. AHMET AYDIN **DOĞAN**

*Deputy Director of MENA affairs within  
the Turkish Ministry of Foreign Affairs*

Turkey has had very strong relations with Libya since the early 1970s, when Turkish companies started to work not only in the coastal cities but throughout the country. Around 20,000 Turks living in Libya had to be evacuated at the time of the revolution. During and after events, we actively supported the first transition council and then the government through financial and technical assistance, as well as with police and military training in Turkey at the request of the Libyan government. Given the current situation, however, all those efforts are essentially meaningless. If Bernardino León's initiative is successful next week, and if a national unity government can be created, international coalition efforts should continue, redoubled,

with this new government. Regarding the Turkish position on the crisis: it is absolutely in Turkey's interest for stability, security, and peace to return to Libya as soon as possible. The reasons are largely economic, to allow for the return of Turkish companies and an increase in trade between the two countries, but there are also strong cultural ties between the two peoples. These ties were further reinforced by visa-free travel, instated in 2006, and facilitated by the high number of flights between the two countries. The Special Representative of the President visited Libya in October, where we tried to deliver messages to both sides, which can be summarized in five points:

1. The crisis is a political one and should therefore have a

political solution, meaning that questions of legitimacy and constitutionality should be avoided.

2. We support Bernardino León's initiative and believe that the dialogue should include all parties, including civil society actors.
3. There must be a national unity government, bolstered by strong international support.
4. We need a cease-fire before negotiation between the political actors and the militias can take place. In parallel, there should be a security dialogue process.
5. There must be no intervention from outside of Libya. The only way to obtain a stable, peaceful, and democratic country is

political settlement among the Libyans with international support.

There are three main challenges moving forward in the months to come. If a unity government and a roadmap for completing the transition are created, the main challenge will of course be the adaptation of the constitution. There should then be a good, well-prepared referendum with an acceptable rate of participation in secure conditions. Another challenge is controlling and reducing the vast number of weapons in circulation (an estimated 20 million). Finally, there is the issue of border security, which necessitates a strong central government and a consensus among the different regions and tribes to monitor and control the borders.



# Partners

## **INSTITUTE FOR PUBLIC ADMINISTRATION AND MANAGEMENT AT THE UNIVERSITY OF MALTA**

The Institute of Public Administration and Management (IPAM) was established under the terms of an agreement between the Government and the University of Malta to foster the practice and study of administration and management in the public sector. In furtherance of this mission, the Institute's Statute empowers IPAM to carry out a wide range of scholarly activities, including the organisation of courses, public lectures and conferences, as well as research.

For more information please visit:  
[www.um.edu.mt/ipam](http://www.um.edu.mt/ipam)

## **IPLI FOUNDATION**

The IPLI Foundation is a philanthropic organization dedicated to the mission of supporting research initiatives related to ongoing security and development policy challenges in Europe, the Mediterranean region and Africa. With offices based in Brussels and Paris, the IPLI Foundation cooperates closely with its network of academic institutions and think tanks to support both educational and applied research in the fields of security and development capacity building.

For more information please visit:  
[www.ipli.eu](http://www.ipli.eu)

## **MALTA CHAMBER OF COMMERCE, ENTERPRISE AND INDUSTRY**

The Malta Chamber aims to provide enhanced "hands-on" services to individual members, to mobilise sectors, associations and other groupings to pursue common agendas, to effectively respond to current issues and protect members' interests; and—most fundamentally—to shape the policies which affect Maltese entrepreneurs. The Malta Chamber provides a visible, prominent, strong and single point of reference for the other stakeholders, including government, EU bodies, foreign business representatives in the sectors of trade, manufacturing and services.

For more information please visit:  
[www.maltachamber.org.mt](http://www.maltachamber.org.mt)

## **MALTA MINISTRY OF FOREIGN AFFAIRS**

The Honorable George W. Vella.

For more information please visit:  
[www.foreign.gov.mt](http://www.foreign.gov.mt)

## **SPECIAL THANKS**

### **BARCELONA CENTER FOR INTERNATIONAL AFFAIRS (CIDOB)**



