

RELEASE IN FULL

CONFIDENTIAL

November 27, 2011

For: HRC
From: Sid
Re: Inside Libyan cabinet

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

1. During the evening of November 21, and the morning of November 22, 2011, as he prepared to announce his new interim Cabinet under the National Transitional Council (NTC), Libya's interim Prime Minister Abdurrahim el-Keib was involved in increasingly contentious discussions with President Mustafa Abdel Jalil, and former Oil and Finance Minister Ali Tarhouni regarding the final assignment of Cabinet posts. According to a source with excellent access to the information, despite the fact that all three men are relatively restrained in nature, the conversation became unexpectedly heated, and in the end Tarhouni, having accepted that he would not have a role in the new government, left the meeting promising to speak his mind to the press.

2. According to this sensitive source, Jalil pressed el-Keib to appoint Tarhouni as Minister of Finance and Deputy Prime Minister, and even insisted that Tarhouni accompany them to Zintan, and take part in the press conference after the capture of Saif al Islam Qaddafi. In the opinion of this individual, Jalil believes that Tarhouni played an important part in the revolution; organizing the NTC into an effective body, while dealing with Western Governments regarding the disposition of Libyan Government funds held in foreign banks. Despite this, el-Keib insisted on including long time oil industry executives Abdulrahman Ben Yezza as the Minister of Oil, and Hassan Ziglam as Minister of Finance. El-Kieb not only has longstanding relationships with both men, but argued that their experience and professional connections would serve to reassure international oil firms regarding the stability of the new government. This

makes them ideal members of the interim Cabinet, which includes a significant number of technocrats.

3. As the debate went on, Jalil pressed el-Keib to name Tarhouni as the Deputy Prime Minister, but el-Keib resisted, stating that he felt this would undermine his authority. In the end the discussion stopped only shortly before el-Keib's press conference announcing the Cabinet. This source noted that, while Jalil was disappointed over the exclusion of Tarhouni, he was generally pleased with the makeup of the Cabinet. He and el-Keib believe that they can manage the expectations and complaints of the Amazigh Berbers and other groups who feel that the new Cabinet does not represent their interests. The President and Prime Minister are particularly satisfied with the decision of Islamist military leader General Abdel Hakim Alamin Belhaj to remain with his troops, and accept the appointment of General Osama al-Juwali as Minister of Defense.

4. (Source Comment: Tarhouni was surprised and angered by his exclusion from the Cabinet, having been told by Jalil on the evening of November 21 that he would be Minister of Finance and Deputy Prime Minister. In a private conversation Tarhouni pointed out that the idea separating the Oil and Finance Ministries had been his, and now he was excluded from the process. Tarhouni has not decided if he will remain as chairman of the NTC finance committee, or concentrate on private business, where his contacts, Western academic background, and government experience should make him invaluable to foreign firms looking to do business in Libya. In his frustration Tarhouni told another member of the NTC that he does not expect el-Keib's Cabinet of experts to weather the political pressure, as well as ethnic and religious rivalries that will appear as the national elections approach during 2012. He warned that Belhaj cannot be trusted and is only standing by waiting for an opportunity to increase his power.)

5. During the discussions regarding Tarhouni, el-Keib and Jalil were also forced to deal with serious complaints from the International Criminal Court (ICC) in the Hague regarding how best to deal with Saif al Islam Qaddafi, the former heir apparent to deposed ruler Muammar al Qaddafi. ICC chief prosecutor Luis Moreno-Ocampo traveled to Tripoli to express his disappointment that the new government does not intend to honor the promise made by el-Keib's predecessor, former interim Prime Minister Mahmoud Jibril, to turnover Saif al Islam to the ICC for trial on charges relating to human rights abuses during the revolution in the last year of Muammar al Qaddafi's rule in Libya. Jalil pointed out that Jibril had no authority to make such a promise, but agreed to consider allowing the ICC to play an advisory role in the trial of Qaddafi. Speaking in private after discussions with Moreno-Ocampo, Jalil stated that Belhaj and the other Islamist leaders would not accept extradition of Saif al Islam to The Hague, where, if convicted, he would spend time in a European prison. El-Keib agreed that it was important for the future stability of the country, and the authority of the interim government, that Saif al Islam receive a fair trial in Libya, after which, given the body of evidence against him, in all likelihood, he will be executed.

6. (Source Comment: According to a sensitive source, both el-Keib and Jalil realize that Moreno-Ocampo will continue to press for greater ICC participation in the trial of Saif al Islam, and that he will attempt to use Western governments to support this effort. They also realize that many Libyans view this as a matter of national sovereignty and are watching to see how the interim government deals with the situation.)