

RELEASE IN FULL

CONFIDENTIAL

July 28, 2012

For: Hillary
From: Sid
Re: Libyan leaders' plans

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 week of July 24, 2012 Libyan National Transitional Council (NTC) President Mustafa Abdel Jalil met privately with former interim Prime Minister Mahmoud Jibril to discuss the results of the early July elections for the 200-member General National Congress (GNC). Jibril, as the leader of the moderate/liberal National Forces Alliance (NFA), controls 39 seats in the GNC and is currently involved in an aggressive effort to recruit allies from among the 120 newly elected individual Members of Parliament (MP), who in the end hold the key to forming a new government by the mid-August 2012 date outlined in the 2011 national election law. According to a sensitive source with access to the NTC, Jibril is aware of the fact that Jalil intends to relinquish full power to a new government by the end of the year, and he hopes they can work together to help form an elected National Government that carries on the goals of the NTC, unifying the country while creating a secure business environment that allows the Libyan people to gain the greatest benefit from the activities of foreign businessmen seeking access to the country's mineral wealth.

2. In the opinion of this individual the personal relationship between Jalil and Jibril remains strained following the events that led to Jalil forcing out Jibril as interim Prime Minister in October 2011. That said, they do know each other well, and are pragmatic enough to work together at this important time. At this point they agree that Jibril, who did not stand for the GNC, should serve as the power behind the throne in the new administration, and they have tentatively agreed that he and Jalil will work together in this regard, particularly in dealing with foreign firms and banks. They have also agreed that most of the cabinet of the current interim Prime Minister Abdel Rahman el-Keib, whose administration has become, in Jibril's opinion, dangerously isolated and ineffective must be replaced. One exception to this move may be Minister of Defense Ousama al-Jouwali, who has important ties in the Misrata region, where the

new government, no matter who they are, will need to deal with heavily armed regional militias left over from the 2012 revolution against former dictator Muammar al Qaddafi.

3. The contact between Jalil and Jibril is also complicated by Jalil's plans to call for the election of a 60 member Constitutional Commission to draft the new constitution; a change from the original agreement to have the GNC carry out this task. This matter is under debate, and in the opinion of a knowledgeable individual, Jalil expects Jibril to compromise and accept the plan for the separate Constitutional Commission. For his part Jalil intends to compromise and support Jibril's plans to reach out to Mohamed el Magariaf, the leader of the National Front Party (NFP), and Ali Tarhouni, the former interim Minister of Oil and Finance under Jibril, who leads the National Centrist Part (NCP). Between them these two liberal parties control five (5) seats in the GNC, and although the leaders both have problematic histories with Jalil and the NTC, they are respected in the academic and professional community. El Magariaf and Ali Tarhouni also have excellent connections to the international business community, as well as long experience with the United States, which will be valuable for the new regime, no matter the makeup.

4. Jalil and Jibril were surprised that the Muslim Brotherhood's (MB) Justice and Construction Party (JCP) did not come up with a better result in the election, winning only seventeen (17) seats in the GNC. The JCP received considerable support from the Egyptian Muslim Brotherhood, and Jibril believes their poor showing relates primarily to regional issues in Libya and poor leadership from Mohamed Sowan. At the same time, the Islamist Homeland Party (HP), led by Ali al-Sallabi and Western Militia Commander General Abdelhakim Belhaj, carried only 2 seats in the GNC, but won those with large majorities in the important Misrata district. Jibril still fears, as he did while serving as interim Prime Minister, that Belhaj may be looking for an opportunity to seize power. Jalil does not share this opinion, pointing out that the situation in Tripoli and Western Libya has stabilized to a certain degree, and Belhaj's support is much narrower than it was when Jibril left office.

5. (Source Comment: In private conversation Jibril stated that he is also reaching out to Sowan and the JCP, drawing on the fact that he was a member of the MB in his student days, however, he has had little success to date. According to a very sensitive source, Jibril and Jalil realize that in the wake of the election, the next government of Libya will be a complex coalition, which may well include the JCP as well as the NCP and NFP. However, the deciding factor will lie with whichever party or individual has the ability to draw together a group of the 120 independent MPs to gain enough seats to elect a Prime Minister and form a new administration. Many of these independents were elected based on local rather than national issues and the governing process will be new to them. At the same time, while certain portions of the Eastern part of the country boycotted the election, Jibril believes a significant number of Eastern MPs are at least sympathetic to the federalist/separatist movement in that region. Their specific issues will have to be addressed as the coalition is formed. At the same time, Jalil is concerned by reports that certain members of the independent bloc have begun to surface the

idea of these MPs forming a new, loosely unified movement to improve their negotiating position in forming the new governing coalition.)

6. Jibril and Jalil will continue to work through late July and early August to form a coalition that will establish a moderate Islamic regime, one capable of disarming the revolutionary militias, while meeting their demands for medical and economic support. At the same time they want to insure that the regime is led by liberal forces, and can work effectively with foreign business and banking interests. In the opinion of a sensitive source, both men realize that this will be a difficult and complicated process, with no guarantee of success. There will now be a period of roughly two week for appeal of specific election results and then another two to three weeks of negotiation in an effort to form a new National Government by mid-August. At the same time, these negotiations will include a final decision on the election of a Constitutional Committee to draft a new governing document.