ECOFIN AGENCY · LIBYA · PIPELINE

Armed group cuts Zawiya refinery crude supply

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An armed group has shut down a pipeline supplying crude to Libya's Zawiya refinery, the National Oil Corporation (NOC) has reported, threatening to cut approximately 15,000 barrels of crude oil per day to the facility. The latest closure adds to a pattern of repeated supply disruptions that have already struck the same refinery in September and October of this year.

The Zawiya refinery is a critical downstream node in western Libya, and sustained pipeline shutdowns translate directly into reduced refined product output for a country that already struggles with chronic fuel shortages. The NOC's public disclosure of the incident follows its established practice of flagging force-majeure-level disruptions, though the corporation has not specified in this report which armed group is responsible or the precise location of the affected pipeline segment.

The recurrence of shutdowns — three incidents within a two-month window — points to a systemic security problem rather than isolated opportunism. Libya's oil infrastructure remains exposed to competing armed factions whose leverage over pipelines, terminals, and fields has historically been used as a political and economic bargaining tool. Each closure, even when measured in days, erodes NOC's ability to plan reliable crude throughput and compounds maintenance backlogs on ageing equipment that has seen insufficient investment since the 2011 conflict.

For international energy companies and service providers tracking Libya, the Zawiya situation underscores a familiar risk calculus: the country holds Africa's largest proven crude reserves and has demonstrated a capacity to recover output relatively

quickly after disruptions, but above-ground security risk remains the primary constraint on both production and infrastructure rehabilitation. Until political stabilisation creates durable security arrangements around key oil corridors, the cycle of shutdowns is likely to continue. The NOC has repeatedly called for international support in protecting oil infrastructure, framing it as a national economic priority, but concrete security frameworks have remained elusive.

Norwegian service companies evaluating Libya exposure should treat the Zawiya pipeline incident as a current-state risk indicator rather than a contracting opportunity. There is no open tender or signed contract associated with this event. The situation warrants close monitoring: if Libya advances any internationally backed infrastructure rehabilitation or pipeline integrity programme, Norwegian pipeline inspection, integrity management, and upstream well-services firms would be well positioned to engage — but the prerequisite is a security environment stable enough to permit sustained field operations.

Why this matters to partners and clients of Saga

This incident signals continued infrastructure fragility in Libya but carries no associated contract or tender, so procurement outreach is premature. Norwegian pipeline integrity and well-services companies should monitor NOC's project pipeline for any internationally supported rehabilitation programmes that may emerge if the security situation stabilises. Relationship-building with NOC's international partnerships office and with multilateral development finance institutions active in Libya is the appropriate step at this stage.

PARTNER ANGLES

- **Pipeline:** Repeated shutdown events point to deteriorating pipeline integrity as well as security risk — Norwegian pipeline inspection and corrosion-management firms should track any NOC rehabilitation tender that follows a future ceasefire or security agreement.
- **Subsea/FPSO:** Onshore supply disruptions to Zawiya may increase NOC's medium-term interest in offshore loading solutions that bypass vulnerable land corridors; worth monitoring as a structural opportunity.

- **Drilling/Well Services:** Sustained refinery feedstock shortfalls create pressure to maximise output from producing fields, which could eventually drive demand for well-intervention and production-optimisation services once security permits access.
- **Service:** Norwegian HSE and security-risk-management consultancies could support international operators or NOC in structuring safe re-entry protocols if a credible stabilisation framework emerges in western Libya.

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