



Global Situational Awareness

A Third Gulf War - Special Report

20 March 2026



28 February 2026 (A)

The war begins with the US and Israel launching airstrikes against Iran as part of Operation Epic Fury. Iranian Supreme Leader Ayatollah Ali Khamenei is killed. One missile hits a girls' school near an IRGC base in Minab, killing 170 people.

18 March 2026 (N)

Israel strikes the South Pars gas field, the largest in the world. US President Donald Trump attempts to distance himself from the attack. In response, Iran strikes Qatar's Ras Laffan Industrial City, causing extensive damage.

17 March 2026 (M)

Israeli airstrikes kill senior national security official Ali Larijani. US National Counterterrorism Center Director Joe Kent resigns over the war, posting on X that Iran posed "no imminent threat" to the US.

16 March 2026 (L)

A coordinated strike by Israeli F-35s and US B-2 bombers levelled the Iranian Ministry of Defence building in Tehran.

14 March 2026 (K)

US and Israeli forces launch strikes on the Fordo Enrichment Plant in Iran.

13 March 2026 (J)

Kharg Island is hit by a large-scale US bombing raid targeting military assets. Trump issues a request for countries to send ships to the Strait of Hormuz, naming China, France, Japan, South Korea and the UK.

11 March 2026 (I)

Israeli ground forces completed the encirclement of Beirut, cutting off all remaining land routes to the south and east. A missile strike on a US base in Al-Asad, Iraq, killing three American service members, the highest single-day loss of the war.

01 March 2026 (B)

The IDF mobilises 100,000 reservists. Iran fires two missiles towards Cyprus.

02 March 2026 (C)

Kuwaiti air defences mistakenly shoot down three US F-15E warplanes over al-Jahra. Cyprus is drawn into the conflict when an Iranian drone crashes at the British base of RAF Akrotiri. Hezbollah joins the conflict by launching drones and missiles at northern Israel in retaliation for the assassination of Khamenei. Saudi Aramco is forced to temporarily shut down the Ras Tanura oil facility after intercepted drone debris causes a fire.

03 March 2026 (D)

Israel formally authorises ground troops to seize territory in southern Lebanon. Iranian drones struck the US Consulate in Dubai and the US Embassy in Riyadh.

04 March 2026 (E)

An Israeli F-35I shoots down a Russian-made Iranian Yak-130 over Tehran, marking the first kill of a manned fighter jet by an F-35.

06 March 2026 (F)

US strikes targeted the Abadan Oil Refinery, Iran's largest, causing a massive fire that was visible from space.

07 March 2026

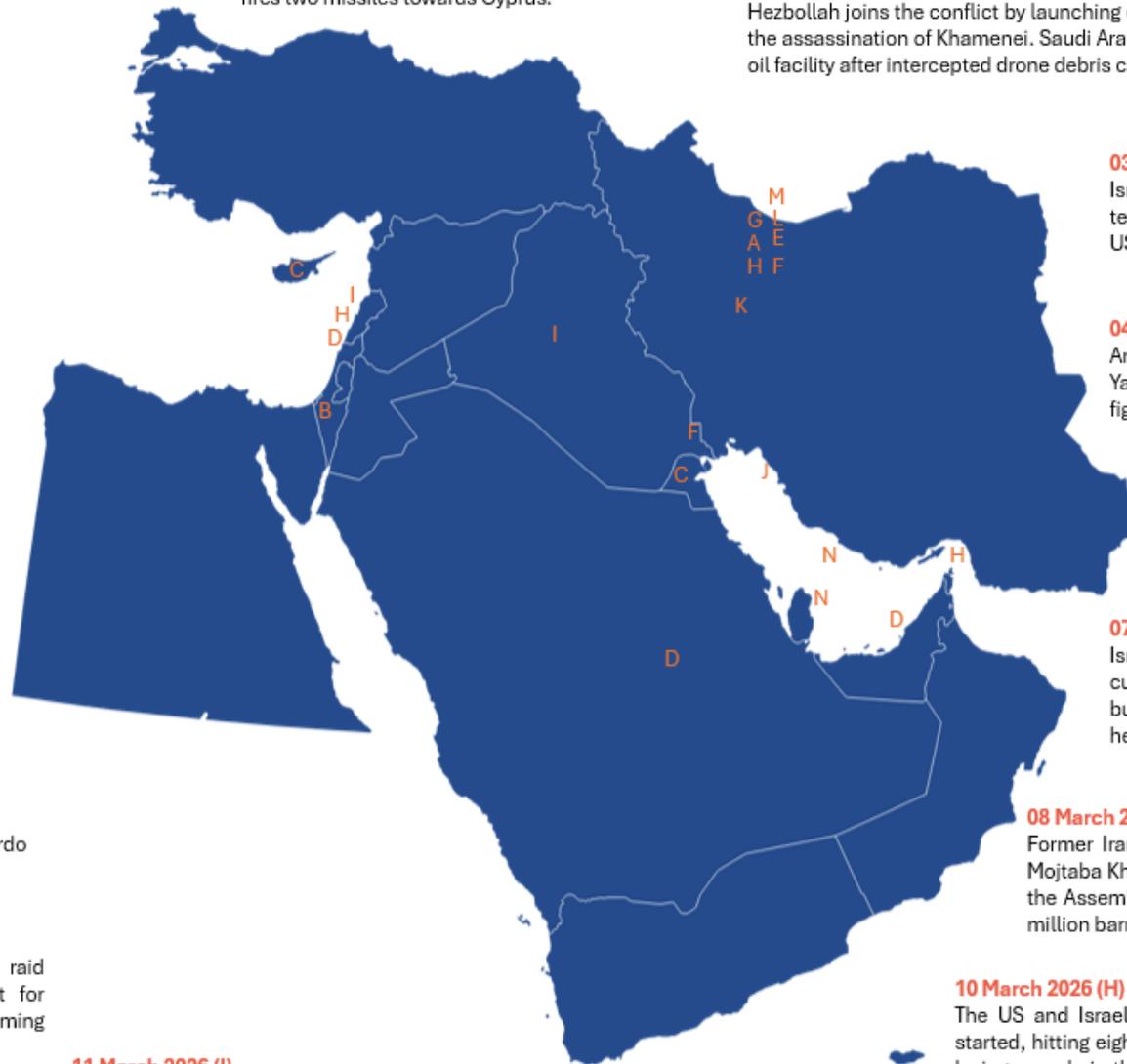
Israeli strikes targeted the Karaj and Latyan dams, cutting off the primary water supply to Tehran. A bunker-buster strike levelled the IRGC's intelligence headquarters at Imam Khomeini International Airport.

08 March 2026 (G)

Former Iranian Supreme Leader Ayatollah Ali Khamenei's son, Mojtaba Khamenei, is named the new Supreme Leader of Iran by the Assembly of Experts. The IEA announces the release of 400 million barrels of oil reserves, the largest release in history.

10 March 2026 (H)

The US and Israel launch the largest wave of attacks since the war started, hitting eight districts in Tehran. US forces sank 16 Iranian mine-laying vessels in the Strait of Hormuz. Hezbollah launched 29 separate attacks in 24 hours, its highest daily volume since the start of the war.



United Arab Emirates — SEVERE



Situation Update

Since 28 February 2026, the United Arab Emirates (UAE) has transitioned from a high-readiness posture into sustained crisis management as Iranian missile and drone attacks expanded into Gulf airspace, maritime corridors, and energy infrastructure. In the opening phase, the UAE intercepted incoming threats targeting civilian and strategic locations. Since then, multiple incidents have affected critical assets, including [disruptions](#) at Fujairah port, temporary suspension of operations at the Shah gas field, and pressure on refining and export infrastructure.

Aviation has remained operational but under sustained stress. Dubai and Abu Dhabi airports continue to function, fuel costs. The UAE has maintained continuity through rapid defensive responses and coordinated crisis management protocols. Maritime disruption has intensified, with vessel movements through the Strait of Hormuz significantly constrained. The UAE has supported regional coordination efforts, including proposals to facilitate the movement of stranded seafarers and stabilise shipping flows. More recent developments indicate continued exposure to regional energy strikes, including debris-related impacts within UAE territory, demonstrating the persistence of risk.

Assessment

Although the UAE remains one of the most resilient operating environments in the region, it is now fully exposed to direct and indirect risks associated with the conflict. Key concerns include further disruption to export infrastructure, sustained pressure on energy assets, intermittent aviation constraints and rising insurance and freight costs. While the UAE continues to function as a regional stabiliser, the repeated targeting of infrastructure could erode operational efficiency and investor confidence if escalation persists.

Saudi Arabia — SEVERE



Situation Update

As with the other Gulf states, Saudi Arabia's neutral stance in the conflict has failed to prevent it from being targeted by Iranian strikes. At the time of writing, Saudi Arabia has [intercepted](#) at least 438 hostile drones and 36 ballistic and cruise missiles since Iran began retaliatory attacks. Despite the country's defence network, which includes Patriot and THAAD systems, maintaining an interception [rate](#) of over 90%, a number of key targets have still been successfully hit. On 02 March 2026, a drone strike [caused](#) a fire at Ras Tanura Refinery, the largest in the country, resulting in a temporary halt in operations. One day later, the US Embassy in Riyadh was [struck](#) by two drones, causing a fire and some damage to the building. Additionally, on 19 March 2026, an Iranian drone [struck](#) the Saudi Aramco-ExxonMobil joint venture refinery in Yanbu on the Red Sea coast. While the interception rate has been impressive, damage caused by falling debris has been problematic across the Gulf. On 18 March 2026, four people were [injured](#) by debris from an intercepted ballistic missile in Riyadh.

Assessment

Rhetoric from Saudi leaders suggests that the country is losing patience with Iran. On 19 March 2026, Saudi Foreign Minister Prince Faisal bin Farhan Al-Saud [stated](#) that Riyadh "reserve(d) the right to take military actions if deemed necessary". He also asserted that "there will be almost nothing that can re-establish trust" if Iran failed to stop its attacks. With little reason to believe that Iran will suddenly stop targeting countries across the Gulf, Riyadh risks appearing to be a paper tiger if it fails to take more robust action when targeted in the future. Reports have suggested that Saudi Crown Prince Mohammed bin Salman has [encouraged](#) US President Donald Trump to keep escalating the US's efforts against Iran.

Israel — SEVERE



Situation Update

On 28 February 2026, Israel [launched](#) joint strikes with the US on Iran. The attacks first targeted key Iranian missile structures, military sites, and suspected leadership offices; Iranian Supreme Leader, Ayatollah Ali Khamenei, was killed. Israel's military stated that over a dozen more senior officers from the Islamic Revolutionary Guard Corps (IRGC) were killed in the strike. Further US-Israeli strikes targeted sites linked to the Iranian nuclear programme and key oil refineries. In retaliation, Iran launched airstrikes on Israel and targeted US assets and military infrastructures in the region. On 02 March, Iran-backed Hezbollah [fired](#) rockets at Israeli sites, claiming they were avenging Khamenei's death. In response, Israel launched mass attacks across southeastern Lebanon and central Beirut, aiming to displace and disrupt Hezbollah activities. The Lebanese health minister claimed the Israeli attacks killed over 900 people as of 18 March, as exchanges continue between Israel and Hezbollah. On 18 March 2026, Israel allegedly [launched](#) a strike on Iranian facilities in the South Pars gasfield. This has garnered significant diplomatic fallout from international actors, calling the strike an attack on global energy security.

Assessment

The 28 February 2026 strikes have had a significant impact on critical supply chains, humanitarian aid, energy security, and physical infrastructure. The conflict is not expected to end any time soon: The Israel Defence Forces (IDF) is expected to continue its strikes in Tehran, Shiraz, Tabriz, and Beirut, as well as push further into Lebanon. The [economic](#) impact of the war is also being felt domestically. Small businesses have been hit the hardest, especially as individuals are encouraged to stay at home. Businesses have noted considerable revenue losses, rising uncertainties, and government withdrawal.

Iran — SEVERE



Situation Update

Iran has remained the central driver of the conflict since 28 February 2026, responding to strikes on its territory with sustained missile and drone operations targeting Israel, US-linked assets, and Gulf states. The conflict has evolved beyond initial retaliation into a broader strategy combining military pressure, maritime disruption, and energy market leverage. Iran has contributed to a near-functional disruption of the Strait of Hormuz through laying [mines](#), threat signalling, and selective interference with vessel movements, significantly affecting commercial shipping and energy flows. At the same time, Tehran has escalated pressure on Gulf energy infrastructure, issuing warnings to evacuate facilities and expanding its targeting scope.

The situation intensified further in mid-March 2026 with [strikes](#) affecting major gas infrastructure, including the South Pars gas field. This marked a significant escalation, directly impacting global energy supply dynamics. Iran has also prioritised domestic energy needs, including suspending gas exports to neighbouring countries, reinforcing regional supply stress. Recent developments indicate continued strikes on energy infrastructure across the region, contributing to rising oil prices and reinforcing Iran's use of energy as a strategic lever.

Assessment

Iran's approach now integrates military escalation, maritime coercion, and energy disruption. For business, this represents a shift from geopolitical risk to direct operational exposure. Shipping, energy markets, insurance, and supply chains are all being impacted. Continued escalation is likely to sustain volatility, increase costs, and elevate risk across regional operations, particularly in the energy and logistics sectors.

Iraq — SEVERE



Situation Update

Iraq's divided political landscape, characterised by the presence of many different competing military factions, has made the country a primary target for both sides in the current conflict. The US and Israel have targeted the Iranian-backed Popular Mobilisation Forces (PMF) on multiple occasions. For instance, on 28 February 2026, airstrikes [targeted](#) the group's headquarters in Jurf al-Sakr, south of Baghdad, killing at least two fighters. Several similar strikes have occurred in the weeks since on targets in Mosul and the Nineveh Plains. On the other hand, the Iranian-aligned Islamic Resistance in Iraq (IRI) have conducted a number of [attacks](#) on US bases, including 21 in just 24 hours on 01 March 2026. Iraq's northern Kurdistan region has also faced cross-border strikes from Iran, including a [strike](#) against the headquarters of one Iranian Kurdish group on 05 March 2026.

Underscoring the scale of the threat, two oil tankers were [hit](#) by explosions near the Iraqi port of Umm Qasr after Iranian boats rigged with explosives targeted them on 12 March 2026. With the Strait of Hormuz effectively closed and the risk environment too significant, the incident prompted Iraqi authorities to suspend all oil terminal operations, halting most of the country's exports from Basra. The country, which depends on Iranian energy imports to power its national grid, is [suffering](#) from severe power shortages as a result of the war.

Assessment

History has consistently shown that power shortages in Iraq can lead to internal unrest. If the situation worsens, the risk of mass demonstrations will increase. However, it is the country's hosting of groups within Iran's Axis of Resistance, US military assets, and Kurdish insurgent groups that makes Iraq particularly vulnerable. At the time of writing, Kurdish forces have not launched a ground offensive into Iran and there have been conflicting reports regarding the extent to which the Trump administration wants them to get involved. Nevertheless, a number of Kurdish groups recently [established](#) an anti-Iranian coalition and one leader has stated that his troops were [prepared](#) to launch an attack if Trump promised support. Even if the Kurds do not intervene, events in the past three weeks have demonstrated that Iraq is still well within the firing line in the war.

Bahrain — SEVERE



Situation Update

Since 28 February 2026, Bahrain has remained exposed as a US-aligned Gulf state and a regional financial and aviation hub positioned close to key military and maritime infrastructure. In the opening phase of the conflict, Bahrain [intercepted](#) incoming Iranian missiles as part of a broader regional air defence response, with explosions reported over the kingdom. The war has prompted Bahrain to transition into a sustained precautionary posture. Civil defence systems have been activated at various points, including public alerts instructing residents to take shelter during periods of heightened threat. Additionally, aviation operations have been affected by wider Gulf airspace instability, with international carriers reducing services, rerouting flights, and repositioning aircraft to minimise exposure. This has impacted Bahrain's connectivity and passenger flows, particularly as regional air corridors remain volatile.

Financial-sector sensitivity has also increased. Bahrain's banking system remains operational, but the broader environment has raised concerns around liquidity, capital flows, and investor confidence, particularly given Bahrain's higher external exposure compared with some regional peers. Maritime disruption has further shaped Bahrain's operating environment. Vessel movements across the Gulf remain constrained, contributing to delays, higher insurance costs, and operational uncertainty. Bahrain has also been involved in regional coordination efforts aimed at stabilising maritime flows and addressing the growing number of stranded vessels and crews. While Bahrain has avoided the scale of direct infrastructure damage seen elsewhere, its exposure to regional escalation, aviation disruption, and financial market sentiment has increased steadily throughout the reporting period.

Assessment

Bahrain's primary risk is cumulative disruption rather than large-scale physical damage. Aviation instability, financial-sector sensitivity, and investor caution are likely to weigh on business activity and confidence. While core operations remain intact, sustained regional instability could increase pressure on the services economy, elevate funding costs, and require enhanced business continuity and risk mitigation measures across financial and transport sectors.

Qatar — SEVERE



Situation Update

Since 28 February 2026, Qatar has been one of the most economically exposed states in the conflict due to its central role in global liquefied natural gas (LNG) and helium supply, despite not being a direct combatant. In the opening phase, Qatar [intercepted](#) incoming missiles over its territory as part of a broader regional defence response, highlighting its inclusion within Iran's extended strike envelope.

The most significant impact has been on the energy sector. In early March 2026, LNG operations were halted, triggering force majeure declarations and disrupting global gas supply chains. This has had immediate implications for buyers in Asia and Europe, while also affecting helium production, where Qatar is a major global supplier. The shutdown has exposed vulnerabilities across multiple industries reliant on stable gas and helium flows, including the manufacturing, healthcare, and technology sectors.

The situation escalated further in mid-March 2026, with direct threats and subsequent impacts on key energy infrastructure, including the Ras Laffan industrial hub. This has prolonged disruption to export capacity and reinforced global concerns over sustained supply constraints. Maritime activity has also been affected, with reduced vessel movements and increased insurance costs linked to instability in the Strait of Hormuz. Aviation has faced continued pressure, with flight reductions, rerouting and operational adjustments affecting Doha's role as a major global transit hub. While Qatar has maintained domestic stability and operational continuity, the broader environment remains highly constrained by regional security dynamics and energy market disruption.

Assessment

Qatar's exposure is primarily driven by energy exports. Continued disruption to LNG production and infrastructure significantly impacts global gas markets, increases price volatility and places pressure on contractual obligations. Prolonged outages could tighten supply across Asia and Europe, increase reliance on alternative sources and elevate shipping and insurance costs. While domestic stability remains strong, external economic exposure will continue to shape Qatar's risk profile in the near term.

Kuwait — SEVERE



Situation Update

With Kuwait being an important US ally, the country hosts two primary American air bases: Ali Al Salem Air Base and Ahmad al-Jaber Air Base. Washington's military presence in Kuwait is a [legacy](#) of the 1990-1991 First Gulf War, which ended with the US and Kuwait signing a long-term defence agreement to deter future aggression. Due to Kuwait being located just 50 miles away from Iran at its closest point, the country is well within range of Iranian missiles. Tehran has repeatedly struck the two US military bases; in one incident on 15 March 2026, a drone struck the Ali Al Salem air base, [destroying](#) an aircraft shelter. On 14 March 2026, several Iranian drones [targeted](#) Kuwait International

Airport, damaging the airport's radar system. Additionally, the US Embassy in Kuwait was damaged by an Iranian missile strike that [caused](#) a fire on 02 March 2026.

The most economically damaging attacks have been on Kuwait's energy infrastructure. On 07 March 2026, Kuwait announced that it was [cutting](#) oil production due to the closure of the Strait of Hormuz. The decision was taken after repeated Iranian attacks. Considering that on 19 March 2026, drone attacks sparked fires at Mina Al Ahmadi Refinery and Mina Abdullah Refinery, the move was justified. The targeting of Kuwait's desalination infrastructure on multiple occasions is also particularly disconcerting, given the country's lack of strategic reservoirs and dependence on such infrastructure to [produce](#) 90% of the nation's drinking water.

Assessment

Out of the many threats Kuwait is facing, the strikes on its water infrastructure are the greatest concern. If enough damage is inflicted, there could be severe [humanitarian](#) consequences, necessitating a mass evacuation within days. With Iran facing its own drought, retaliatory attacks on the country's own water infrastructure could worsen Tehran's situation considerably. While Kuwait remains highly exposed to the economic consequences of the Strait of Hormuz closing, the country's large sovereign wealth fund offers an important [buffer](#) to mitigate the short-term impact.

Oman — HIGH



Situation Update

Since 28 February 2026, Oman has maintained its position as a regional mediator while increasingly absorbing direct spillover from the conflict. Before the escalation, Muscat was actively engaged in diplomatic efforts aimed at reducing tensions between Iran and Western counterparts. As the conflict intensified, Oman continued to support dialogue channels while simultaneously managing growing security and operational exposure.

Oman has experienced direct security incidents, including drone strikes [affecting](#) port infrastructure and nearby maritime areas. Facilities in and around Salalah and Sohar have faced disruption, including damage to storage and logistics assets, as well as reported casualties linked to maritime incidents off the Omani coast. These developments have highlighted Oman's vulnerability despite its neutral stance and distance from primary conflict zones.

At the same time, Oman's strategic importance has increased significantly as companies seek alternatives to the Strait of Hormuz. Ports such as Sohar and Duqm have become critical nodes for rerouted trade, particularly for metals, bulk cargo, and industrial inputs. This has positioned Oman as a key contingency corridor for supply chains adapting to disruption in the Gulf. Aviation and maritime operations continue under elevated risk conditions, with insurers classifying surrounding waters as higher risk and operators adjusting routing and scheduling accordingly. Oman is also being utilised as an evacuation and staging point for regional movements, reinforcing its dual role as both a logistics hub and diplomatic intermediary.

Assessment

Oman's strategic relevance is increasing, particularly as an alternative logistics and trade corridor. However, this comes with rising exposure to security risks, capacity constraints and higher insurance costs. While the country stands to benefit from increased throughput and regional reliance, sustained conflict could limit its ability to operate as a fully secure alternative, requiring careful risk management across ports, shipping and industrial operations.

Jordan — HIGH



Situation Update

Since 28 February 2026, Jordan has remained within the broader operational footprint of the conflict, reflecting its geographic position between Israel, Iraq, and Syria, as well as its role as a key Western security partner. In the opening phase, Jordan intercepted incoming missiles as Iran expanded its retaliation across the region, demonstrating that the kingdom is within range of regional strike activity even if it is not a primary target. Jordan has faced sustained indirect pressure rather than large-scale direct attacks. Its proximity to active theatres, combined with the presence of foreign military assets, has increased its strategic sensitivity and exposure to escalation. Reports of casualties among foreign personnel across the region, including within Jordan, underline its inclusion in the wider operational environment of the conflict.

Aviation disruption has been a consistent feature. Flight reductions, rerouting and airspace adjustments have affected connectivity through Amman, with international carriers reducing operations in response to regional instability. This has had a knock-on effect on tourism, passenger traffic and associated service sectors. Jordan has also been affected by broader regional economic pressures, including reduced investor confidence and heightened security requirements. While domestic stability has been maintained, the cumulative impact of regional uncertainty, transport disruption and security considerations has created a more constrained operating environment. Diplomatically, Jordan has remained engaged in regional consultations and de-escalation efforts, aligning with broader Arab and international calls for restraint, though without a clear breakthrough.

Assessment

Jordan's risks are primarily second-order, including aviation disruption, reduced tourism, investor caution and elevated security costs. While the country remains stable and operational, its proximity to multiple conflict zones and strategic role increases exposure to further escalation. Any deterioration in Iraq or Syria, or increased targeting of regional military assets, could quickly elevate risk levels and further affect economic activity and connectivity.

Syria — HIGH



Situation Update

Despite Syrian President Ahmed al-Sharaa maintaining neutrality in the conflict, the country's geographic location, situated between Iran and Israel, involved the country in the war. With both countries regularly using Syrian airspace to launch strikes against each other, falling debris has been an issue. While some instances of missile interceptions have resulted in debris falling at a location that [fails](#) to cause fatalities, in other cases, individuals have been [injured](#), as was the case on 02 March 2026, when remnants landed in Ain Tarma, east of Damascus.

There have been no confirmed reports of Tehran deliberately targeting Syria with missile strikes. However, Israel has militarily intervened in recent weeks with the stated aim of combatting any attempt by Iran to re-establish smuggling arms routes through the country to Hezbollah in Lebanon. Between 13 and 15 March 2026, the Israeli Defence Forces (IDF) [advanced](#) in the countryside of Quneitra Governorate in southern Syria and [entered](#) several villages in the western Daraa countryside. Damascus will also have to address challenges stemming from the roughly 140,000 people who have been [displaced](#) from Lebanon into Syria as a result of Israel's campaign against Hezbollah.

Assessment

Although Syria is not the most vulnerable country in the current conflict, there is still a lot for the Syrian government to consider. Although Syria's energy infrastructure has not been targeted like other countries in the region, it has suffered from the knock-on effects of the energy crisis. When Egypt [suspended](#) its gas exports on 01 March 2026,

Syria's ability to generate electricity was severely impacted, [forcing](#) Damascus to reduce electricity supply hours. Furthermore, with the country lacking basic infrastructure and attempting to rebuild after former President Bashar al-Assad's downfall, the influx of people from Lebanon is set to overwhelm the nation. This environment could trigger a resurgence of extremist insurgent groups.

Yemen — HIGH



Situation Update

Yemen has not yet become embroiled in the United States (US)-Israeli conflict with Iran. Thus far, the Houthis, which control Sanaa and much of northwestern Yemen, have [limited](#) their involvement to angry condemnations. On 04 March 2026, the group's Leader, Abdul-Malik al-Houthi [condemned](#) the US-Israeli war on Iran, describing it as "unjust, brutal, and criminal aggression". While the terrorist organisation has not yet decided to intervene, al-Houthi warned during a televised address on 05 March 2026 that "our fingers are on the trigger at any moment should developments warrant it". Although the extent to which the Houthis are prepared to follow through on such a threat in this instance remains unknown, their previous actions demonstrate that they are willing to take military action if they deem it to suit their interests. Analysts continue to speculate regarding whether their absence from the Iran war is deliberate or a sign of the group's current weakness. US and Israeli air strikes have degraded the Houthis' fighting capabilities in recent years.

Assessment

The Houthis' fiscal and military situation is likely acting as a deterrent against intervention. Nevertheless, with the closure of the upending global energy markets and triggering a spike in oil prices, the involvement of the Houthis could make the situation even worse. With the group's [history](#) of targeting ships near the Bab al-Mandeb waterway, another crucial shipping route in the Middle East, if the Houthis entered the conflict and opened a third front, an even greater disruption to maritime trade and energy markets could occur. If the economic ramifications were to escalate further, the situation could increase international pressure on the US and Israel to conclude the conflict. With the Houthis retaining greater autonomy compared with Iran's other proxy groups, it is unlikely that they will be pressured by Tehran into action.

Azerbaijan — HIGH



Situation Update

Directly following the US-Israeli joint strikes on Iran on 28 February 2026, hundreds of people were [evacuated](#) from Iran via Azerbaijan. A significant portion of the evacuees includes Russian nationals following Moscow's calls for citizens to leave Israel and Iran. On 5 March, Azerbaijan saw a direct spillover of the Iran conflict. Four Iranian drones were seen crossing the border, [injuring](#) four people as one drone fell on the terminal building of Nakhchivan International Airport. The incursion prompted Azerbaijan officials to call for the [withdrawal](#) of their nationals and diplomats working in Tehran, citing safety concerns. They also temporarily closed border crossings into Azerbaijan as well as the territory's airspace, vowing to retaliate against Iran.

On 07 March 2026, Azerbaijan stated it had [thwarted](#) an attempted "terrorist" act of sabotage from the IRGC on a major oil pipeline, an Israeli embassy, and an Ashkenazi synagogue. The oil pipeline, called the

Baku-Tbilisi-Ceyhan (BTC), travels through Georgia and Turkey to send oil to Europe, accounting for a third of Israeli oil imports.

Situation Update

The US-Israeli-Iranian war has had a significant impact on Azerbaijani travel. The country's southern airspace was closed for 12 hours after the drone incursion. Not only does this impact Azerbaijani transit, trade, and industries, but it also extends to Russia, as it essentially relies on Azerbaijan for Iranian shipments and exports.

The targeting of Azerbaijani oil infrastructures could also have an important impact on global energy prices. Azerbaijan is a major oil and gas producer, and exports massively to Turkey and Europe. Destruction of key oil facilities and transport infrastructures could further drive up international oil prices. A major consideration arising from the conflict is the prospect of a mass exodus of refugees and migrants to and through Azerbaijan as a "middle" country. While migration outside of Iran has so far remained conservative, experts warn of mass displacements from Iran to its neighbouring countries.

Cyprus — HIGH



Situation Update

Cyprus became involved in the conflict following a 02 March 2026 Iranian drone [attack](#) on the United Kingdom (UK) Royal Air Force (RAF) base of Akrotiri in Cyprus. The attack was launched after UK Prime Minister Keir Starmer stated the UK would allow the US to use British bases for defensive purposes in its war with Iran.

Akrotiri, located in Cyprus' south, has long been used for military operations in Iraq, Syria, and Yemen. As a member of the European Union (EU), the attack marked an escalation in the conflict for European countries. European Commission President Ursula von der Leyen [reiterated](#) the organisation's support for its member states against external threats. Indeed, the attack prompted the UK to deploy a warship and helicopters to Cyprus, citing security concerns as the US and Israel ramped up their attacks on Iran. French President Emmanuel Macron echoed the sentiment, ordering France's nuclear-powered aircraft carrier, the Charles de Gaulle, to be deployed to the Mediterranean. Macron later stated that Cyprus and France had signed a strategic partnership agreement, leading him to send additional air defence assets to Cyprus and the Middle East.

Assessment

The conflict has had a notable impact on domestic political and civil mobilisation. Following the attack on the RAF base, mass [protests](#) occurred throughout the islands, calling for the removal of UK military bases. Flights in and out of Cyprus were cancelled following the attack. If conflict were to spill over into Cyprus again and if its territory and exclusive economic zone were to be increasingly used by allies for military operations, the likelihood of Iran targeting assets on its territory rises. Tourism, civil unrest, and government legitimacy could grow unstable.



Situation Update

At the beginning of the regional conflict, Turkey positioned itself as a neutral party, [engaging](#) with countries to end the conflict. As a North Atlantic Treaty Organisation (NATO) member and neighbour of Iran, Turkey had urged the US and Iran to agree to negotiated terms, warning that the region is too unstable to sustain a transnational conflict. According to Turkish officials, achieving peace in the region would have to come from establishing stability with Iran.

On 04 March, Turkey released a statement disclosing that NATO air defences [destroyed](#) an Iranian ballistic missile headed to Turkish airspace. This was the first time Turkey became formally involved in the conflict. On 09 and 13 March, NATO air defences [intercepted](#) two other ballistic missiles in the eastern Mediterranean. Shot from Iran and headed towards Turkey, they were seen as the US-Israeli-Iran war reverberating further west. In response, NATO decided to [deploy](#) a US Patriot missile system to Adana, a southern province of Turkey, on 18 March 2026. The move is set to boost the country's air defences against Iranian missile threats as German and Spanish military capabilities are mobilised in the region.

Assessment

The issue of migration is also a pressing worry for Turkey. The country has a history of hosting sizeable refugee populations. While the [migration](#) of Iranian individuals remains largely domestic for now, there is set to be a mass influx of Iranian migrants to Turkey in the near future. Contingency plans are being developed to address this in terms of humanitarian aid, public measures, migration reception, and infrastructure openings. Public funds are likely to take an additional hit from the [loss](#) of oil revenues. As the Strait of Hormuz is locked down and key oil pipelines from Azerbaijan, Turkey is losing revenue as a transit hub for energy exports to Europe.

What Comes next? - A Look Ahead:

Concerning what to expect next in the Middle Eastern conflict, there are a number of uncertain variables set to play an influential role in how the conflict plays out. Experts continue to debate exactly what Washington's objectives are and how long United States (US) President Donald Trump is prepared to keep the US in the war with midterm elections scheduled for November 2026. US Secretary of War Pete Hegaeth claims his forces have struck over 7,000 targets across Iran and its military infrastructure. While Israeli Prime Minister Benjamin Netanyahu will be lobbying Trump to stay in the conflict for as long as it takes, others in the Trump administration will be concerned about the political implications. Polls have shown that a majority of Americans disapprove of the war; the number is likely to increase if the war is prolonged and its impacts intensify. Other factors, such as the potential for the Houthis to intervene, the Gulf countries to lose their patience with Tehran and take retaliatory action, Kurdish militants to launch a ground offensive, and domestic unrest within Iran to escalate, could also be influential. At present the Houthis remain a strategic reserve for Iran. Hezbollah, its Levant proxy is heavily active in a ground within Lebanon, whilst the IDF maintains air superiority over that territory, illustrating some of the most intense airstrikes on the Lebanese capital in decades whilst encircling Beirut. However, the political wing of Hezbollah is seeing its support dwindle in predominantly Shiite areas that it controls. So far, over 1 million people have fled Lebanon since the war began, fearing the country could be reduced to rubble by fighting. With a multitude of variables that could influence the next chapter in the conflict, analysts are facing significant challenges when attempting to forecast the upcoming stages of the war.

All regional energy infrastructure seems within the crosshairs for active battlespace. Which has resulted in the majority of GCC states hardening their individual and collective red lines as a result. Qatar expels Iranian attaches;

UAE closes Iranian cultural, diplomatic and healthcare facilities and Saudi Arabia warns Tehran after strikes near key facilities.

The current spokesman for the Iranian Government Foreign Minister Araghchi's statement as of 18 March 2026, remains a game-changer as it publicly commits Iran to an escalation threshold. It also removes ambiguity about Iranian restraint and as a result shifts initiative to Israel/US – the next move is theirs in that it creates an immediate war risk if infrastructure is struck again. We assess that if Netanyahu tests the red line, regional war is all but certain. If Israel refrains, Iran claims victory and emerges with enhanced deterrence.

Meanwhile, global airlines not just those based in the Middle East, remain braced for disruptions as the Strait of Hormuz closure could trigger cancellations and jet fuel shortages next month. Long-haul routes expected to face the biggest impact.

There is deep uncertainty regarding whether the US-Israeli air campaign will be sufficient to lead to the collapse of the Iranian regime. The Islamic Revolutionary Guard Corps (IRGC) has demonstrated that it can remain intact, even after the country's top leaders have been assassinated. However, as more leaders are removed, the regime's ability to exert control will erode. What remains uncertain is how many decision-makers the regime can afford to lose while still maintaining power. Those asymmetric capabilities are far harder to eliminate and mean the conflict could drag on well beyond any formal end to the war. And the consequences may be broader than anticipated: persistent disruption in the Strait of Hormuz, cyberattacks on Western infrastructure, and long-term instability across the region. Ultimately, how the war proceeds will be a complex balancing act for all sides involved, as social, economic, military, and political pressures weigh on participants

Middle East Risk Table

Factor	Risk Rating	Factor	Risk Rating
Political	SEVERE	Business	SEVERE
Economic	SEVERE	Conflict	SEVERE
Civil Unrest	SEVERE	Environmental	SEVERE
Crime	SEVERE	Legal	SEVERE

Global SA Risk Methodology

THREAT LEVEL RATING	
SCORE	LEVEL
5	SEVERE
4	HIGH
3	MODERATE
2	LOW
1	MINIMAL



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