

SITUATION OVERVIEW

Energy disruption intensifies as maritime security measures expand

Regional hostilities escalated overnight with continued Iranian missile and drone attacks targeting Gulf infrastructure and transport corridors. The United States introduced a federal insurance backstop for shipping in the Gulf and signalled potential naval escorts for oil tankers transiting the Strait of Hormuz to stabilise energy flows. Israel partially evacuated embassy staff from the UAE following two suspected Iranian-linked plots targeting diplomatic personnel. The Pentagon said U.S. forces have struck more than 1,700 targets in Iran during the first three days of operations. Meanwhile, Iraqi oil output at Rumaila and West Qurna 2 is declining due to storage shortages and tanker constraints.

KEY DEVELOPMENTS

Security

U.S. Central Command reports more than 1,700 strikes on Iranian military targets, including missile infrastructure, naval assets and IRGC command facilities as part of the joint U.S.–Israel campaign.

Aviation

International airlines continue rerouting or suspending flights across Middle Eastern airspace, while evacuation and repatriation flights operate intermittently amid rolling airspace closures.

Maritime

The United States has ordered a federal insurance backstop for Gulf shipping and is considering naval escorts for oil tankers through the Strait of Hormuz.

Diplomatic / Political

Gulf states continue coordinating defensive posture; evacuation and shelter-in-place messaging continues overnight; US and several European governments are organising evacuations for citizens

RISK INDICATORS

Security Risk

- Continued U.S.–Iran strike cycle increases risk of regional escalation and proxy involvement.
- Ongoing missile and drone activity across the Gulf targeting infrastructure and bases.

HIGH

Aviation Risk

- Rolling airspace closures continue to disrupt major Gulf aviation hubs.
- Evacuation flights and rerouting increasing operational pressure on regional airports.

HIGH

Maritime Risk

- Hormuz traffic remains sharply reduced amid tanker threats and insurance constraints.
- Potential introduction of naval escorts signals sustained security risks for shipping.

HIGH

Energy Risk

- Iraqi production disruptions and LNG outages tightening global supply.
- Continued threats to energy infrastructure and export routes sustain price volatility.

CRITICAL

OPERATIONAL IMPACT

Aviation

- Qatar Airways has been unable to move roughly 13 tonnes of daily cargo capacity due to suspended operations
- Rerouted flights are adding 30 to 90 minutes to routes, increasing fuel use and operating costs.
- More than 21,000 flights into major Middle Eastern hubs have been cancelled since the conflict began

Logistics & Supply Chain

- Freight rates and cargo delays are rising as shipping companies reroute vessels and insurers withdraw war-risk coverage for Gulf transits.
- Iraqi crude production at Rumaila and West Qurna 2 is declining due to tanker shortages and storage congestion linked to the Hormuz disruption.

Maritime

- Four confirmed vessel strikes and one near-miss reported across the Gulf of Oman, UAE waters and Bahrain since 01 March.
- The United States is preparing insurance support and possible naval escorts for tankers to stabilise shipping and energy flows.

Energy Markets

- Supply shocks spreading across petrochemicals, fertilisers and metals linked to energy infrastructure.
- Drone strikes on energy infrastructure in Fujairah and Duqm and halted LNG production in Qatar are amplifying global supply risks.

OUTLOOK (NEXT 72–96 HOURS)

- Iran's leadership transition remains unresolved following the killing of Supreme Leader Ali Khamenei, with a temporary three-member leadership council currently governing while the Assembly of Experts considers a successor; Continued military operations and internal political uncertainty are likely to delay a formal leadership announcement.
- Expect elevated cyber/ICT and financial services disruption risk linked to cloud outages and information controls.
- Operational disruption across maritime transit, aviation and energy infrastructure is expected to persist in the near term.
- Reduced shipping volumes through the Strait of Hormuz, insurance restrictions and ongoing missile and drone threats suggest elevated risk to global oil and LNG.

ADVISORY NOTE

Organisations and personnel operating across the Gulf should expect continued disruption to aviation, maritime transit and energy infrastructure. Individuals should closely follow official government instructions, including potential shelter-in-place guidance or movement restrictions. Companies should maintain coordination with local authorities and logistics partners, monitor aviation and maritime advisories, and ensure contingency plans are in place for personnel safety and supply chain continuity while the regional security environment remains volatile.