

Global Situational Awareness Global Weekly Review

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Global Situational
Awareness

Executive Summary



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Pezeshkian apologises for attacks across the Gulf, but strikes continue

Iran/Gulf Cooperation Council - Risk Rating: SEVERE

Situational Update:

On 07 March 2026, Iranian President Masoud Pezeshkian apologised for Iranian retaliatory attacks on regional countries across the Gulf and beyond, promising that they will no longer be targeted unless an attack originates from there. His comments came as United States (US) President Donald Trump promised to escalate the bombing of Iran. Despite Pezeshkian's promise, just hours earlier, a wave of missiles and drones disrupted flights at Dubai International Airport, targeted a major Saudi oil facility, and sent people fleeing for cover multiple times in Bahrain. Additionally, attacks have been observed across the Gulf in the days since he made the promise. These include an Iranian drone strike on a water desalination plant in Bahrain, fuel tanks at Kuwait International Airport, and a barrage of ballistic missiles and drones heading towards Abu Dhabi and Dubai in the United Arab Emirates. Both Saudi Arabia and Qatar have also reported fresh Iranian strikes and interceptions.

Assessment and Impact Update:

The disparity between Pezeshkian's promise and Iran's military actions points towards a rift in the country's leadership. Analysts say that Pezeshkian is not in a position to dictate strategic affairs, which are instead decided by the Islamic Revolutionary Guard Corps (IRGC). The powerful sect subsequently warned neighbouring countries that Tehran would continue attacks if the US and Israel used their territory to strike Iran. This is despite the fact that the Gulf states have refused to allow the US to use their territory or airspace to launch offensive strikes against Iran. The mixed messages coming from Tehran's leadership could be a reflection of the fact that the country's Supreme Leader, Ayatollah Ali Khamenei, was killed by a joint US-Israeli operation on 28 February 2026. With his son, Mojtaba Khamenei, named as the country's new supreme leader by the Assembly of Experts, the country may gain a clearer direction moving forward. However, the Israeli military has threatened to kill any replacement for Khamenei, while Trump has said that the war may only end once Iran's military and leaders have been wiped out. The selection of Mojtaba, who is considered to be even more radical than his father, demonstrates defiance from the Iranian regime and suggests that the conflict is not likely to end soon.

After issuing the apology, Pezeshkian published a post on X claiming that Iran had only "targeted US military bases, facilities, and installations in the region". Evidence from the ground has otherwise corroborated that Iran has struck civilian infrastructure, economic assets, and residential areas across the Gulf states. The nations targeted have expressed frustration and believe they will continue to be targeted by Iranian attacks. Iran appears to be strategically hoping that by bringing the consequences of the conflict to the Gulf nations, the countries will increase pressure on Washington to conclude it. However, this also risks having the opposite effect by provoking them into offensive retaliation.



Iranian warship IRIS Dena sunk by US torpedo attack off Sri Lanka's coast

Iran - Risk Rating: SEVERE

Situational Update:

On 04 March 2026, United States (US) Defence Secretary Pete Hegseth announced that a US submarine had sunk an Iranian warship, the IRIS Dena, in international waters off Sri Lanka's coast. The incident occurred just outside of the country's territorial waters, approximately 40 nautical miles off Galle, between 0600hrs and 0700hrs GMT. Sri Lankan officials have said that at least 87 bodies were recovered and 32 sailors were rescued by the recovery effort, which involved ships and air force planes being mobilised. There had been a total of 180 crew members on board the IRIS Dena.

The Iranian frigate was returning after participating in the 2026 International Fleet Review between 18 and 25 February 2026 in eastern India's coastal city of Vishakapatnam. Sri Lanka's navy and air force refrained from releasing footage of the rescue because it involved the military of another state. However, declassified footage released by the US Department of War has shown the moment the torpedo exploded into the ship, lifting part of the vessel out of the water. One day later, on 05 March 2026, Sri Lanka evacuated over 200 crew members from a second Iranian naval vessel off its coast. Sri Lankan President Anura Kumara Dissanayake announced that his navy would take custody of the second ship and move it to the northeastern port of Trincomalee for safekeeping, amid fears it could be targeted.

Assessment and Impact:

A senior Sri Lankan defence source has said that it appeared the vessel's defence and counterattack capabilities were disabled by electromagnetic means before the attack. The apparent use of electromagnetic disruptions by the US submarine is illustrative of the technological superiority of US naval assets compared with those of Iran. This advantage is likely to prove key in determining the outcome of the war.

The IRIS Dena was the latest addition to the Iranian naval fleet and was equipped with surface-to-air missiles, anti-ship missiles, cannons, machine guns, and torpedo launchers. As such, its loss constitutes another strategic blow for Iran, as well as an escalation in hostilities. US Central Command (CENTCOM) has reported that more than 30 Iranian naval vessels have been sunk or destroyed. Analysts believe the conventional Iranian surface fleet has been effectively dismantled.

The incident demonstrates Washington's preparedness to target Iranian assets outside of the Middle East, broadening the scale of the conflict as far as the Indian Ocean. Sri Lanka's response has also highlighted the country's preparedness to honour its maritime obligations as a signatory to the International Convention on Maritime Search and Rescue. The country has remained neutral and repeatedly urged dialogue to resolve the conflict.



Israel expands war with first direct strikes on Iranian oil infrastructure

United States/Israel/Iran- Risk Rating: SEVERE

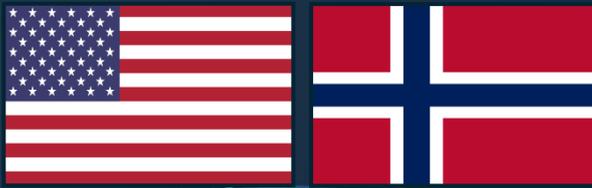
Situational Update:

Israel has conducted its first confirmed strikes on Iranian oil infrastructure since the start of the war, marking a significant escalation. According to regional reporting, Israeli aircraft targeted oil facilities linked to Iran's energy sector, signalling a shift from primarily military and nuclear-related targets to strategic economic assets. The strikes reportedly affected infrastructure associated with oil production and storage, raising concerns about potential disruption to Iran's ability to export crude and maintain domestic fuel supply. The attacks occurred amid ongoing Israeli and United States (US) operations targeting Iranian military infrastructure, missile sites, and command facilities across multiple cities, including Tehran, Isfahan, and Bushehr. Iran has continued retaliatory missile and drone launches against regional targets, including US military installations and infrastructure in Gulf states. The Iranian leadership has framed the war as an existential confrontation and warned that energy infrastructure, shipping routes, and coalition-aligned economic assets could become legitimate targets. The decision to strike oil infrastructure represents a notable expansion of Israel's operational strategy. Iran's oil sector remains the backbone of the country's economy and a key source of revenue supporting both domestic governance and regional proxy networks. Any sustained degradation of production or export capacity would therefore have both economic and political implications for Tehran.

Assessment and Impact:

The targeting of oil facilities marks a strategic shift toward economic warfare. By striking energy infrastructure, Israel appears to be attempting to impose longer-term economic costs on Iran, while undermining the financial resources used to sustain its military and proxy operations across the Middle East. Such strikes also carry broader implications for global energy markets, given Iran's role as a significant regional oil producer. The escalation increases the risk of retaliatory attacks on energy infrastructure across the Gulf. Iran and its proxy groups have previously demonstrated the capability to strike oil facilities, pipelines, and shipping assets in the region. Gulf states hosting US military installations may face an elevated risk of missile or drone attacks targeting refineries, desalination plants, or export terminals.

In the maritime domain, the conflict heightens risks around the Strait of Hormuz and nearby shipping lanes. Iran has threatened to disrupt maritime traffic; the expansion of strikes against energy assets may increase the likelihood of asymmetric responses targeting commercial tankers or offshore infrastructure. More broadly, the shift toward economic targets indicates that the conflict is entering a more prolonged and strategically complex phase. Rather than remaining limited to military exchanges, the war increasingly involves economic pressure, energy disruption, and regional infrastructure vulnerabilities. This raises the probability of wider spillover across Gulf states and global energy markets.



Explosion at US embassy in Oslo highlights spillover security risks

Norway - Risk Rating: MODERATE

Situational Update:

Norwegian authorities are investigating an explosion that occurred outside the United States (US) Embassy in Oslo during the early hours of 08 March 2026. The blast took place near the embassy's consular entrance, causing minor structural damage to the building and scattering debris across the surrounding area. No injuries were reported. The police quickly cordoned off the site and launched an investigation involving Norway's Police Security Service (PST) and forensic teams. Initial assessments indicate that the explosion was likely caused by an improvised explosive or incendiary device placed near the embassy entrance. Surveillance footage reportedly shows an unidentified individual near the building shortly before the blast; authorities have launched a search for suspects. Investigators have not confirmed a motive but have stated that the incident could be terror-related. Norwegian officials emphasised that the country's national threat level has not been raised and there is currently no evidence of an immediate wider threat to the public. The incident occurs amid heightened geopolitical tensions linked to the expanding conflict between Israel, the US, and Iran. Security authorities across Europe have increased monitoring of potential retaliatory threats targeting Western diplomatic facilities and government buildings. Diplomatic missions, particularly those associated with the US and Israel, remain high-visibility targets during periods of international crisis.

Assessment and Impact:

Although the Oslo explosion caused limited damage and no casualties, the incident highlights the vulnerability of diplomatic missions to small-scale attacks intended to be politically symbolic rather than cause mass casualties. Embassies represent visible symbols of state presence abroad and are frequently targeted during periods of geopolitical tension. The use of a suspected improvised device points to a low-cost, opportunistic tactic that can be carried out by lone actors or small groups without extensive planning. Such attacks present a persistent challenge for European security services as diplomatic compounds are located in dense urban areas and remain difficult to fully secure against individuals approaching on foot.

The timing of the explosion raises the possibility that global geopolitical tensions may inspire retaliatory or copycat incidents outside of the immediate conflict zone. European intelligence agencies have previously warned that international crises can motivate ideologically driven individuals to target symbolic institutions linked to perceived adversaries. As a precaution, security around US diplomatic facilities and other Western government sites in Europe is likely to increase in the near term. While the operational impact of the Oslo explosion remains limited, the incident illustrates how international conflicts can generate security repercussions far beyond the primary theatre of war.



“Shield of the Americas” states meet to establish military coalition against the cartels

Latin America - Risk Rating: SEVERE

Situational Update:

On Saturday 07 March 2026, United States (US) President Donald Trump met with Latin American leaders in Florida. The meeting established a military coalition between the leaders on addressing drug cartels. This meeting, launched as the “Shield of the Americas” summit by Trump, was attended by a dozen leaders from Central America, the Caribbean, and South America. This is in line with Trump’s reinforced policy on fighting drug trafficking to the US from Latin America. He cited the primary reason for the US’s intervention in Venezuela in January 2026, which resulted in the abduction of former Venezuelan President Nicolas Maduro, as being cartel activity. In a statement, Trump said: “we must smash the grip of the cartels and criminal gangs and horrible organisations run by, in some cases, absolute animals and truly liberate our people.”

Assessment and Impact:

The “Shield of the Americas” gathering allows Trump to project control and power in a region closer to the US as the war with Iran verges on its second week. The conflict has so far led to broad consequences, such as rising oil and gas prices, which Trump is not entirely able to control. The meeting also presents an opportunity for the Trump administration to garner additional influence in the region as it aims to counter growing Chinese influence. Years of rising trade, loans, and infrastructure investments between China and the region are seen as a weakness by Washington. The meeting gathered mainly conservative leaders, allowing an opening for the Trump administration to strengthen ties on aligned topics, such as security, immigration, and economics. The cartel-related violence and clashes that erupted in Mexico following El Mencho’s killing in February 2026 were the result of joint US-Mexican intelligence sharing and operational efforts to address drug trafficking. Ecuador’s President Daniel Noboa also recently announced joint operations with the US in a military crackdown on drug trafficking, reflecting a growing trend of US joint efforts in the region. Regional leaders are growing more right-wing and adopting hardline views on crime and immigration, favouring robust military measures over social and private investments.

As defence relations grow between the US and Latin American nations, Washington is likely to also push for closer economic ties. While China invests massively across the region, hitting a record trade of US\$518 billion in 2024, the US is likely to leverage its shared conservative values and military relations to counteract Beijing’s influence. This may manifest itself most noticeably in projects relating to the energy sector, ports, and investment, among others. China has already partially withdrawn economically from Venezuela following the US intervention and the Panamanian authorities' rejection of a Hong Kong firm operating the Canal.



Balendra Shah likely to see a landslide victory in Nepal's general elections

Nepal - Risk Rating: LOW

Situational Update:

Balendra Shah has defeated former Nepalese Prime Minister Sharma KP Oli in his parliamentary constituency, bringing the former rapper exponentially closer to becoming the country's next prime minister. On 07 March 2026, the Election Commission confirmed that Shah had received 68,348 votes compared to Oli's 18,734. This marks the first general election since the violent, Gen-Z-led protests that toppled the Nepali government in September 2025, as they advocated for change and an end to corruption. The protests resulted in Oli resigning from his position as prime minister and temporarily stepping down from his leadership of the Communist Party.

Shah and his Rastriya Swantantra Party (RSP) are set to win the general election, with the results expected to be released by the end of the week. The veteran parties and their leaders have already lost a significant number of seats, pushing Shah even closer towards securing a landslide victory. Nepal noted 800,000 first-time voters, many of them Gen-Z, indicating a potential domestic shift away from the previously dominating communist parties.

Assessment and Impact:

Shah released his manifesto in February 2026. In it, he pledged to create 1.2 million jobs for the Nepalese as well as reduce forced migration, as frustration over low wages and rising unemployment has grown in recent years. The RSP also emphasises social policy, safety nets such as healthcare, and GDP growth as key pillars of its projects. One of the key tasks Shah will have to manage is the expectations of the younger generation. The youth support that provoked his success saw him make campaign promises on investigating and prosecuting the previous leaders who were accused of corruption. Leveraging youth-led public support and reconciling it with successful policies against corruption is likely to be the main challenge of his term.

Additional policy issues Shah will have to contend with include Nepal's foreign policy, particularly regarding India and China. Competing interests between the countries mean that Shah is likely to be pressured to "pick a side". However, with China and India having recently enjoyed a rapprochement after years of border conflict and diplomatic tension, the situation between them is better than at previous times. Nevertheless, high unemployment rates and frustration over corruption may see Shah push for more economic, development, and investment relationships with both countries while maintaining diplomatic and military neutrality. The United States (US)-Israeli war against Iran could also impact Nepal's relations with China and India. If either country were to become implicated in the conflict, Shah may have to revise Nepal's security posture due to the fear of potential measures being taken by the US.