

# SITUATION REPORT (SITREP)

## MIDDLE EAST CONFLICT – SPV MILITARY EXPORT SHIPPING RISK ASSESSMENT

Reporting Period: 28 February – 6 March 2026

DATE PREPARED:	6 March 2026
OVERALL THREAT LEVEL:	<b>CRITICAL</b>

### 1. EXECUTIVE SUMMARY

On 28 February 2026, the United States and Israel launched coordinated strikes on Iran under Operation Epic Fury, targeting leadership, military, and nuclear sites. Iranian Supreme Leader Ali Khamenei was killed in the opening salvo. Iran has responded with sustained missile and drone barrages against Israel, US military installations across the Gulf, and civilian/energy infrastructure in Bahrain, Qatar, Kuwait, the UAE, and Saudi Arabia. As of 6 March (Day 7), the conflict is ongoing with no ceasefire in sight.

**The Strait of Hormuz is effectively closed.** Iran's Revolutionary Guard formally declared the strait closed on 2 March and has threatened any vessel attempting transit. Only 5 vessel crossings were recorded on 4 March versus normal baseline traffic. *Eight commercial vessels have been confirmed struck since hostilities began.* **All major ocean carriers have suspended bookings to Upper Gulf ports and implemented emergency surcharges.** The Houthi movement in Yemen has threatened to resume Red Sea attacks, further threatening Suez Canal routing.

Impact to SPV military export food shipments is **CRITICAL**. Booking acceptance has been suspended to all relevant destination ports (Dubai/Jebel Ali, Bahrain, Qatar, Kuwait). Exceptions for critical foodstuffs and medicine may apply on a case-by-case basis with select carriers, but operational access remains severely constrained. *Djibouti remains operationally accessible but faces elevated risk.*

### 2. RISK SUMMARY MATRIX

LOCATION	RISK LEVEL	PORT STATUS	KEY CONCERN
Dubai (Jebel Ali)	<b>CRITICAL</b>	Ops partially suspended	Debris from intercepts caused fire on berth 1 Mar; DP World halted all terminals temporarily; airspace closed; carrier bookings suspended
Bahrain	<b>CRITICAL</b>	Port suspended	US 5th Fleet HQ struck multiple times by Iranian missiles; port worker killed by projectile; US-flagged Stena Imperative struck at port; US Embassy operations affected
Qatar	<b>CRITICAL</b>	Severely disrupted	Iranian drones struck Mesaieed industrial zone; QatarEnergy declared force majeure on LNG; 3 missiles and 15 drones impacted territory; evacuations near US Embassy in Doha
Kuwait	<b>CRITICAL</b>	Partially operational	Iranian strikes on US facilities; 6 US soldiers killed; tanker explosion near Kuwait on 4 Mar (northernmost vessel attack); friendly fire incident involving Kuwaiti F/A-18; US Embassy closed; Shuwaik operational, Shuaiba partially resumed
Djibouti	<b>MODERATE</b>	Operational	No confirmed strikes or direct threats; false reports of Iranian attack debunked; CMA CGM ECS surcharge applies; Houthi threat to resume Red Sea attacks elevates Bab el-Mandeb risk; Camp Lemonnier potential target if conflict widens

### 3. CONFLICT STATUS UPDATE (28 FEB – 6 MAR 2026)

**Operation Epic Fury / Operation Roaring Lion:** US-Israeli joint strikes commenced 28 Feb targeting Iranian leadership, IRGC facilities, missile production sites, and air defense networks. As of Day 7, the US reports approximately 2,000+ targets struck. Israel claims near-complete air superiority and destruction of 80% of Iran's air defense systems and 300+ missile launchers.

Iran's Response (Operation True Promise IV): Iran launched missile and drone barrages against Israel and US military bases across the Gulf. Iranian ballistic missile attacks have decreased 90% and drone attacks 83% from Day 1 levels per CENTCOM, suggesting significant degradation of capability. However, attacks continue, and **Hezbollah entered the conflict on 2 March with strikes on Israel from Lebanon.**

**Strait of Hormuz:** IRGC formally closed the strait on 2 March. Transit traffic collapsed to approximately 5 crossings/day from normal baseline levels. Eight commercial vessels struck since 28 Feb. Over 150 tankers anchored outside the strait. War-risk insurance has been withdrawn for the corridor.

**Houthi Threat:** On 28 Feb, Houthi officials announced intent to resume Red Sea attacks on commercial shipping. As of 4 March, no confirmed new maritime strikes have occurred, but Houthi leadership is reportedly debating the scope and timing of renewed operations. **BIMCO has warned that vessels with US or Israeli business connections may be unable to obtain insurance for Red Sea transits.**

### 4. COUNTRY-SPECIFIC UPDATES

#### 4.1 DUBAI (UAE)

- **Port Status:** Jebel Ali port temporarily halted all terminal operations on 1 Mar after debris from an aerial intercept caused a fire on a berth. DP World subsequently resumed partial operations, but disruptions persist. Khalifa Port also showing elevated exception indicators including late departures, rollovers, and transshipment delays.
- **Military Situation:** UAE has absorbed 174 ballistic missiles and 689 drones since 28 Feb per UAE Ministry of Defense. 161 missiles and 645 drones intercepted; 13 missiles and 44 drones impacted UAE territory. UAE airspace closed.
- **Carrier Impact:** All major carriers have suspended bookings to/from UAE. Maersk warehousing facilities in UAE closed. Maersk ME1 service dropping Jebel Ali call. Critical foodstuff/medicine exceptions may be reviewed case-by-case.
- **SPV Shipping Risk: CRITICAL. No viable ocean shipping path to Dubai at this time.** Landside services (trucking, rail, warehousing) remain operational within UAE but subject to security delays.

#### 4.2 BAHRAIN

- **Port Status:** Port of Bahrain has suspended operations per Maersk operational advisory (4 Mar). The US-flagged tanker Stena Imperative (part of MARAD's Tanker Security Program) was struck while moored at Khalifa Bin Salman Port on 2 Mar, killing one port worker and injuring two.
- **Military Situation:** US Navy 5th Fleet HQ in Juffair struck multiple times by Iranian missiles. Bahrain international airport targeted by drone causing material damage. Residential buildings in Manama struck. 73 Iranian missiles and 91 drones intercepted, with additional impacts confirmed. Iran struck Aluminum Bahrain industrial complex in Riffa on 2 Mar.
- **SPV Shipping Risk: CRITICAL. Port suspended. Active combat zone around US naval facilities. No carrier accepting bookings to Bahrain.**

#### 4.3 QATAR

- **Port/Energy Status:** QatarEnergy declared force majeure following Iranian attacks on two main LNG facilities, halting LNG production. Mesaieed industrial zone struck by Iranian drone. Qatar shot down 2 Iranian Su-24 bombers. Government evacuating residents near US Embassy in Doha.
- **Military Situation:** 101 ballistic missiles detected; 98 intercepted (3 impacts). 39 drones detected; 24 intercepted (15 drone impacts). Qatar FM engaging Iran FM urging immediate halt to attacks. Qatar has vigorously denied reports of conducting strikes against Iran.
- **SPV Shipping Risk: CRITICAL. All carrier bookings suspended. Airspace closed. Active missile/drone threat environment.**

#### 4.4 KUWAIT

- **Port Status: *Port of Shuwaik is fully operational.*** Port of Shuaiba has partially resumed operations per Maersk (4 Mar). However, a Bahamas-flagged crude tanker suffered a large explosion while anchored SE of Kuwait on 4 Mar – the northernmost vessel attack of the conflict. A small craft was sighted leaving the area.
- **Military Situation:** 6 US soldiers killed from Iranian strikes on regional facilities in Kuwait. Kuwaiti F/A-18 shot down 3 US F-15Es in a friendly fire incident on 2 Mar (crews survived). US Embassy in Kuwait closed by order of Secretary Rubio. 384 Iranian drones detected and intercepted per Kuwait Defense Ministry. Airspace closed.
- **SPV Shipping Risk: CRITICAL.** While ports show partial operational capacity, **all major carriers have suspended bookings.** *Vessel attacks expanding northward into Kuwaiti waters.* Critical foodstuff exception requests may be considered.

#### 4.5 DJIBOUTI

- **Port Status:** Port of Djibouti remains operational. No confirmed Iranian strikes or direct military action against Djibouti. False reports circulating on social media claiming Iranian missile attacks on Camp Lemonnier have been debunked by AFP Fact Check.
- **Threat Environment:** Djibouti's role as a logistics hub increases its strategic profile as the conflict expands. Camp Lemonnier (primary US base in Africa) could become a target if Iran escalates to broader anti-US infrastructure strikes. Houthi threat to resume Red Sea attacks elevates risk to Bab el-Mandeb transit. CMA CGM Emergency Conflict Surcharge applies to Djibouti-bound cargo.
- **SPV Shipping Risk: MODERATE.** **Currently the most accessible of the five monitored destinations.** Surcharges apply. Transit times extended due to Cape of Good Hope rerouting. Monitor Houthi activity closely – any resumption of Bab el-Mandeb attacks would elevate to HIGH.

### 5. OCEAN CARRIER STATUS UPDATES

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#### 5.1 MAERSK (MAEI)

- Issued 5 operational updates between 1–5 Mar. On 6 Mar, suspended FM1 (Far East–Middle East) and ME11 (Middle East–Europe) services entirely. Gulf region shuttle services suspended.
- Suspended all cargo booking acceptance to/from UAE, Oman (except Salalah), Iraq, Kuwait, Qatar, Bahrain, and Saudi Arabia (Dammam/Jubail). Exceptions for critical foodstuffs, medicine, and perishable goods reviewed case-by-case.
- **All Strait of Hormuz vessel crossings suspended. Bab el-Mandeb transits paused;** ME11 and MECL services rerouted around Cape of Good Hope. **ME1 service dropping Jebel Ali call.**
- Implemented Strait of Hormuz Closure Emergency Freight Increase for all affected Gulf destinations. Existing unbilled bookings to suspended ports being cancelled.
- UAE warehousing closed. Landside services (trucking, rail) remain operational but subject to border congestion and customs delays.
- **SPV Impact: CRITICAL.** Maersk is effectively unable to deliver to any SPV-relevant Gulf port. Salalah (Oman) and Jeddah (Saudi) remain open as potential alternative staging points.

#### 5.2 HAPAG-LLOYD (HLUS)

- Suspended all Strait of Hormuz transits effective 28 Feb. IMX service rerouted via Cape of Good Hope (1 Mar). Suspended AGX and IMX services. IOS service dropping Jebel Ali call.
- Suspended all bookings to/from Upper Gulf, including reefer bookings. Contingency procedures implemented for in-transit shipments to UAE, Saudi Arabia, Kuwait, Qatar, Bahrain, Iraq, Oman, and Yemen.
- Implemented War Risk Surcharge (WRS): \$1,500/TEU for standard containers, \$3,500/container for reefer and special equipment, effective for all bookings on or after 2 Mar.
- Introducing new SE4 service (Tianjin–Mediterranean–Jeddah loop) as alternative routing. First vessel: Maersk Elba, ETA 13 Mar at Tianjin.
- **SPV Impact: CRITICAL.** **No Upper Gulf delivery capability.** WRS significantly increases cost for any future bookings once services resume.

#### 5.3 AMERICAN PRESIDENT LINES (APL)

- APL HOLLAND is the only CMA CGM/APL vessel still reporting a Gulf port as its next destination as of 4 Mar per vessel tracking data – likely awaiting updated routing instructions.
- APL Logistics advisory warns: **war-risk insurance premiums expected to increase 200–500% in the near term.** Customers advised to confirm bookings early, adjust safety stock, and consider alternative routing.
- **SPV Impact: CRITICAL.** **Follows CMA CGM suspension; no Gulf bookings accepted.**

## 5.4 CMA CGM

- Instructed all vessels inside or bound for the Gulf to proceed to shelter on 28 Feb. Suspended Suez Canal passage; all vessels rerouted via Cape of Good Hope.
- Suspended all bookings effective 3 Mar for: Bahrain, Kuwait, Qatar, UAE (except Fujairah/Khor Fakkan), Saudi Arabia (except Jeddah/King Abdullah/Yanbu/NEOM), and Iraq (Umm Qasr). All reefer and dangerous goods bookings also suspended across the wider region including Djibouti.
- Implemented Emergency Conflict Surcharge (ECS): \$2,000/20' dry, \$3,000/40' dry, \$4,000/reefer or special equipment. Applies to bookings issued on or after 2 Mar, including cargo already afloat. Scope includes Djibouti, Sudan, and Eritrea in addition to Gulf states.
- Emergency measures invoke Force Majeure provisions under CMA CGM Bill of Lading Clause 10, enabling vessel deviations to contingency ports.
- **SPV Impact: CRITICAL. Full booking suspension for Gulf ports.** ECS significantly increases costs for any Djibouti-bound shipments. Fujairah and Khor Fakkan remain open as potential UAE alternatives (outside Hormuz).

## 6. DEFENSE LOGISTICS AGENCY (DLA) UPDATES

As of writing, no public announcements, advisories, or operational directives have been identified from the Defense Logistics Agency specifically addressing the 2026 Iran conflict's impact on SPV military export shipping or food supply operations. DLA's public news portal (dla.mil) contains no conflict-specific guidance for this reporting period.

NOTE: DLA Troop Support historically maintains contingency working groups for major conflict scenarios and has forward-deployed capabilities in Kuwait, Jordan, and Djibouti per its FY2024 historical report. **It is likely that internal DLA contingency planning is underway but has not been made publicly available.**

## 7. RISK ASSESSMENT – SPV MILITARY EXPORT FOOD SHIPMENTS

RISK CATEGORY	SEVERITY	ASSESSMENT
Port Inaccessibility	CRITICAL	4 of 5 monitored destinations have suspended or severely curtailed port operations. All carriers have halted bookings to Gulf ports. Only Djibouti remains accessible.
Vessel/Cargo Loss	CRITICAL	8 vessels struck. Attacks expanding geographically (northward to Kuwait). Iranian IRGC continues to threaten all vessels in Hormuz corridor. US-flagged vessel struck at port in Bahrain.
Shipping Cost Escalation	HIGH	Emergency surcharges of \$2,000–\$4,000/container. War-risk insurance premiums expected to increase 200–500%. Cape of Good Hope rerouting adds 10–14 days transit and ~\$1M/voyage in fuel. Oil prices up 24–31% this week.
Transit Time Delays	HIGH	Cape of Good Hope rerouting adds 10–14 days. Port congestion and backlogs expected once services resume.
Red Sea / Houthi Resumption	HIGH	Houthis have publicly threatened resumption. Internal debate ongoing per reporting. Carriers have preemptively rerouted away from Bab el-Mandeb. BIMCO warns US-linked vessels may be uninsurable.
Reefer/Perishable Risk	HIGH	All carriers have suspended reefer bookings to Gulf. Extended transit times via Cape routing threaten perishable cargo integrity. Cold chain disruptions likely.
Conflict Escalation	MODERATE	Hezbollah has entered the conflict. Iran's missile capability is degrading but attacks continue. Risk of conflict spreading to Djibouti/Camp Lemonnier cannot be ruled out. Ground invasion warnings from Iranian officials.

**NEXT SITREP: 13 MARCH 2026 (or sooner if conditions materially change)**

END OF REPORT