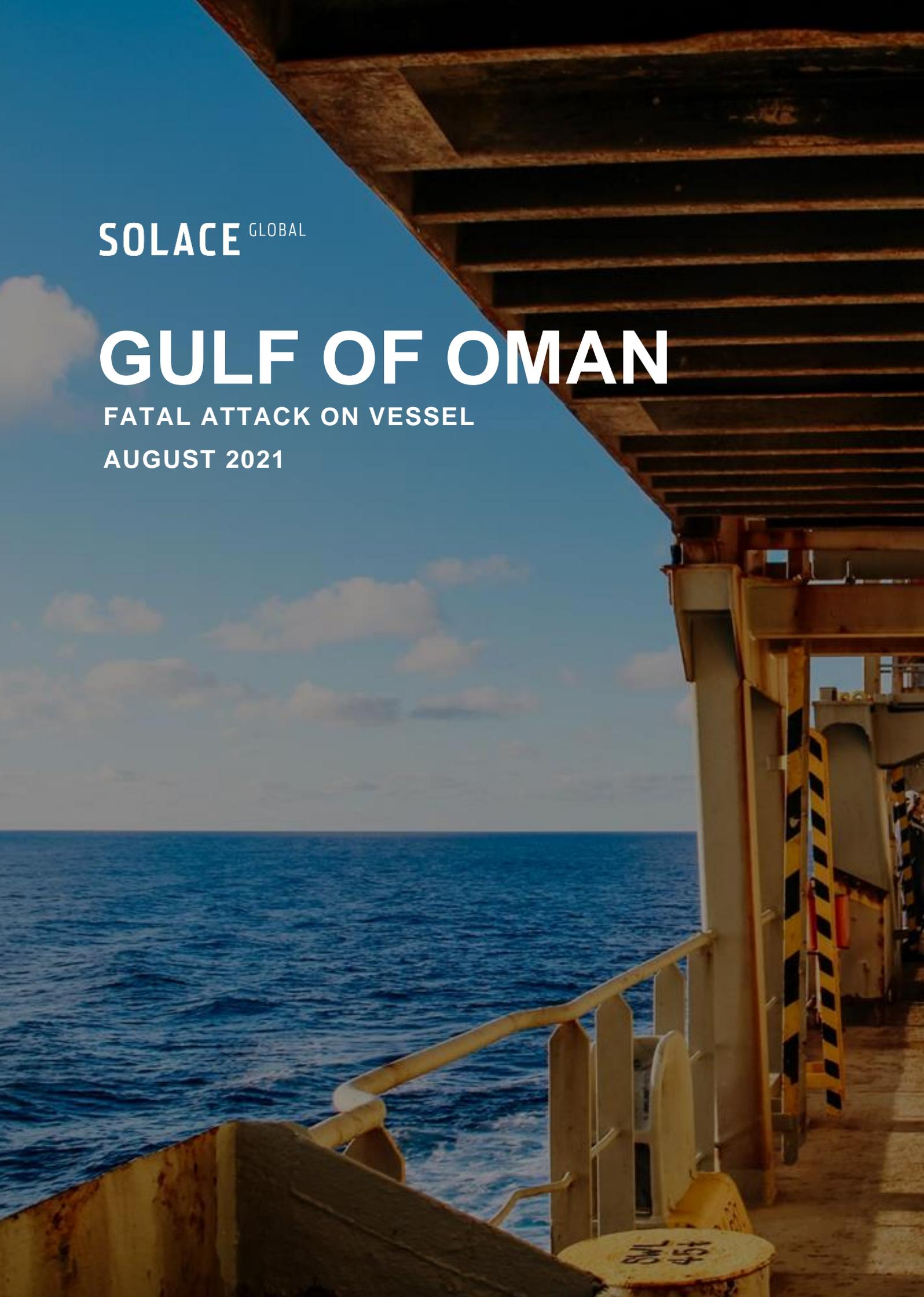


**SOLACE** GLOBAL

# GULF OF OMAN

FATAL ATTACK ON VESSEL

AUGUST 2021



# Gulf of Oman

## Fatal Attack on Vessel

### Executive Summary

- Two people were left dead after a drone strike on a Liberia flagged tanker with Israeli links in the Gulf of Oman.
- There have now been over an estimated 150 attacks, or attempted attacks, on shipping in the region since 2019 as part of the ongoing shadow war between Iran and Israel, Saudi Arabia and the United States.
- In response to the two fatalities from the attack, there is likely to be a robust retaliation from Israel, and potentially the United States, that may be escalatory in nature.
- The incident also serves to only further undermine the complex negotiations currently ongoing to try and restore the Iran Nuclear Deal.

On 29 July 2021, two crew members were killed when the medium-sized tanker, the *Mercer Street*, was attacked whilst steaming in the Gulf of Oman. The attack represents the worst attack on shipping in the region since 2019. The *Mercer Street* is a Liberian flagged, Japanese owned ship managed by London-based Zodiac Maritime, part of Israeli billionaire Eyal Ofer's Zodiac Group.

As a result of the connection to Israel, it is widely assumed that the attack was perpetrated by Iran. While not confirming that they were behind the attack, Iran's Arabic-speaking Al-Alam News Network cited sources who claim the attack was a response to an Israeli strike on Dabaa airport in Syria. Should this be the case, it would mark an escalation in the ongoing shadow war in the region between the two countries.

The incident also comes just days before a new hard-line Iranian president assumes power amid stalled discussions on the Iran Nuclear Deal. Not long before the attack, the United States had announced its frustration with the slow progress of the talks. The incident may also be seen as a "warning shot" as to what to expect from the new administration in Tehran.

The fact that two people have died as a result of the attack is likely to force a notable escalation in the coming weeks. While it is unlikely that Tehran will carry out any further attacks, a more robust response from Israel, the UK or the US can be expected compared to if the incident had only caused material damage.

### The *Mercer Street* Attack

At the time of the attack, the *Mercer Street* was travelling from Dar es Salaam in Tanzania to the UAE bunkering port and oil terminal in Fujairah with no cargo or product onboard. The attack occurred around 152 nautical miles off the Omani coast to the northeast of the Omani port of Duqm.

The vessel has previously made the voyage between Fujairah and Dar es Salaam a number of times and is also not the first time that a ship with links to the billionaire Mr Ofer has been targeted. In early July, the CSAV *Tyndall*, which too is Liberian flagged, suffered an unexplained explosion whilst in the northern Indian Ocean. The CSAV *Tyndall* had only recently just been sold by the Zodiac Group at the time of the incident.

According to a number of early reports, the *Mercer Street* was actually the subject of two attacks. The first attack apparently caused no damage and occurred several hours prior to the second attack. This second attack hit the bridge, creating a hole and resulted in the two fatalities. In this first, unsuccessful attack, the drone apparently didn't hit the target, and instead fell into the water.

After the second attack, the vessel put out an emergency distress call in which it stated that it had been the victim of a drone attack. As a result, the US Navy's *USS Ronald Reagan* and the *USS Mitscher* responded and escorted the vessel to a safe port. Additionally, US Navy personnel boarded the *Mercer Street* to ensure that there were no unexploded devices onboard and that the ship and its superstructure were safe.

The international condemnation of the attack has been strong due to the two fatalities caused. As one of the fatalities was British, the British Foreign Secretary announced that they were working in consultation with their allies on a proportionate response to the Iranian aggression. In the immediate aftermath of the attack,

Israel announced that they “know how to convey the message to Iran in our own way.” Al Alam TV, which is an Iranian Arabic TV station, stated that the attack on the ship came as retaliation for a suspected Israeli attack on Dabaa airport. If this was the case then this attack, apart from the fatalities, would be typical of the cycle of tit-for-tat attacks the region has seen in the ongoing shadow war between Iran and Israel over the last 18 months or so. This would, however, be the first time that fatalities have occurred following an attack on international shipping by Tehran in the conflict.

## Shadow War

The attack is typical of the ongoing shadow war between Iran and rival Middle Eastern countries, notably Israel and the Gulf States, as well as the US. Additionally, at least three other ships linked to Israel have been targeted in recent months, with Israeli officials publicly stating that Iran was behind the attacks. Israel is widely assumed to be behind a series of major attacks and assassinations which have all targeted the Iranian nuclear programme. Iran’s largest warship recently caught fire and sank under mysterious circumstances in the Gulf of Oman, though no claim of responsibility or accusation has been made. It has not just been ships linked to Israel that have been targeted, in 2019, [four vessels](#), including two Saudi Arabian oil tankers were attacked, with many pointing the finger at Iran.

There have now been over 150 plus attacks on maritime shipping in the last three years around the Arabian Peninsula and even into the Mediterranean. The vast majority of these attacks have not been officially acknowledged by the perpetrator or the victim. Most are acts of harassment or low-level sabotage, with there often being little serious attempt to badly damage or sink the ship, or harm crew members. This is largely because such a serious attack would almost certainly take away any plausible deniability and would likely lead to a cycle of escalation in retaliation.

Increasingly, the main weapons being used in this shadow war are drones. Previously, mines and even small rockets had been used, but drones now seem to be the most utilised weapon of choice. Both Iran and Iranian aligned groups, such as the Yemeni based Houthi rebels, have extensively used single use drones laden with explosives which then detonate on impact with the selected target. The most successful example of such an attack is likely to be the 2019 drone attacks on Saudi Arabia. These attacks resulted in around fifty per cent of Saudi Arabia’s total oil supply being taken offline for around a one-week period.

Large scale use of cheap drones was also seen by Hamas in the recent Gaza war of 2021 as a tactic to try and overwhelm the Israeli Iron Dome air defence system. As drone technology becomes cheaper and more commercially available, and as they are less costly and more deniable than human operatives, it is likely that tactical drone use will only continue to increase in usage both by countries such as Iran, but also by a wide range of non-state actors such as the Houthis, and Hezbollah.

## What Next?

It is widely believed that Iran was behind the attack. It is possible that the fatalities were not intended despite the drone striking the vessel’s bridge. Tehran, and especially Iranian backed media channels, have not been as vocal regarding the attack as in previous instances. This is most likely due to the fatalities caused, which would put more of a focus on Tehran’s involvement internationally. The country’s foreign ministry has called the accusations baseless.

Notably, the attack is also the first as both Israel and Iran welcome new administration, with it being the first incident involving Israeli interests that new Israeli Prime Minister Naftali Bennett has had to face. Bennett took over as Prime Minister in June, after the new coalition reached a deal to unseat the long-serving Benjamin Netanyahu. The new prime minister has previously spoken of the need to attack the “head of the octopus” in Tehran directly.

This hawkish stance, plus the need to politically prove himself, and the fact that this attack has led to two deaths, are all likely to see Bennet and Israel look to find a major way to retaliate, possibly in an escalatory fashion, as a statement of intent. It is likely that Jerusalem will look to carry out a notable attack, one that would be beyond the current tit-for-tat exchanges. In the coming weeks an attack on Iran, or Iranian interest can be expected.

The impact of the fatalities, however, means that the attack is now the worst instance of maritime violence so far in the region since the attacks began in 2019. It is widely believed that the attacks began as a way for Iran to try and gain leverage with Western powers as the Iranian Nuclear Deal began unravelling under the Presidency of Donald Trump.

The US has been negotiating indirectly with Iran, whilst the UK, France, Germany, Russia and China have all also been involved in talks aimed at trying to revive the deal. These hopes, which had initially risen with the election of President Joe Biden, were dealt a blow however when the Iranian presidential election saw, Ebrahim Raisi win. The new Iranian president is due to take office this week, replacing Hassan Rouhani, a pragmatist who helped to broker the nuclear deal and who has just come to the end of his second and final term.

As a result of this election, the nuclear talks were effectively put on hold. Though, despite this delay, Raisi has said that he will continue negotiations. However, it is likely that with the hardliners, who are sceptical of the west and in control of all branches of the government, the Iranian negotiating position will be much tougher. The fact that a likely Iranian attack has now resulted in two fatalities is only likely to further complicate the negotiations on behalf of the western powers with neither side willing to reach any sort of compromise.

The attack itself, meanwhile, highlights the continual dangers that the shadow war has for maritime traffic in the region. Around one-third of the world's oil supplies pass through the region each day. Whilst the direct risk to general commercial vessels in the region is low and unlikely to impact normal operations, any vessel that can be linked to Israel or Iran is likely to have a heightened risk profile going forward. Whilst commercial vessels not linked to Iran and Israel, are unlikely to be directly targeted, if they are transiting the region when an attack occurs, there is a risk of incidental damage.



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