



Red Sea update: Cautious optimism after Gaza truce?

The Houthi militia in Yemen has announced a conditional pause in their threats against shipping in the Red Sea, aligning it with the recent ceasefire agreement in Gaza.

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The declaration, of 19 January 2025, by the Humanitarian Operations Coordination Center (HOCC), allows for the resumption of trade for all vessels except those flagged or owned by Israeli individuals or entities. However, this pause in hostilities is contingent upon the Houthis' assessment of Israel's actions in the coming days and weeks. Below, you can find the latest threat update and mitigation measures as advised by Ambrey.

Threat update

This constitutes the Houthi intent at least until Israel and Hamas reach agreement on the terms of 'Phase 2' of the ceasefire and commence its implementation. 'Phase 1' is set to last 42 days from the 19 January 2025, with an agreement on 'Phase 2' to be reached by week 5. The coming weeks will provide the proof of whether the Houthi follow suit with their stated intent.

During this period, the threat to all shipping is reduced apart from Israel-owned and -flagged vessels. However, this is subject to flashpoint escalation if the Houthi consider Israel to be in breach of the ceasefire agreement. Ambrey assesses shipping with links to Israel and Israeli trade to be at greater risk than US- and UK-owned shipping as the ceasefire remains fragile and secondary negotiations continue. Houthi military action in response to a perceived breach of the ceasefire agreement by Israel remains possible and would highly likely impact Israel-affiliated shipping first. The original US and UK response on the 11 January 2024 was preceded by attacks on shipping trading with Israel and could well lead to further US and UK military operations against the Houthi.

The Houthi did not specify how they intend to prevent an Israel-owned or -flagged vessel from transiting the Bab el-Mandeb. The attack on such a vessel, or a flashpoint escalation, is assessed possible to result in an Israeli airstrike against the Houthi.

There is a probability for the US to launch airstrikes in response to Houthi military action against merchant shipping or naval assets, raising the risk for US and UK-owned shipping. The Joint Maritime Information Centre (JMIC) issued the warning: "Maritime industry should be skeptical of recent Houthi claims." The JMIC further stated that the threat to shipping associated with Israel, the US, or UK would "remain high". The US has not yet offered statements of intent in response to the Houthi declaration. The threat to US and UK shipping originated as a stated consequence of joint US/UK airstrikes on Houthi military positions. These airstrikes, in turn, were initiated in response to the rising threat to maritime trade through the southern Red Sea. If the Houthi were to completely cease their operations, the US may no longer assess a requirement for airstrikes. However, any further US or UK military action against the Houthi would highly likely cause the re-emergence of the threat to US- or UK-owned vessels.

A return of shipping to the region is almost certain to occur gradually, provided the ceasefire holds. The threat to shipping in the Red Sea and Gulf of Aden continues to be conditional and future escalation beyond the present conditionality of the ceasefire may occur.

Mitigation measures

Affiliation checks against the Houthi target profile: Ambrey recommends a thorough affiliation check as part of a transit risk assessment is performed for Red Sea and Gulf of Aden voyages. Ambrey has adjusted this to reflect the stated intent.

Ship Security Assessments: Merchant shipping assessed to be at heightened risk is advised to carry out Ship Security Assessments tailored to the threat, and to implement recommended and proportionate ship protection measures before sailing.

Physical security: Private Armed Security Teams can be highly effective against certain threat vectors. Ambrey continues to recommend considering increased team sizes with appropriate armament.

Bridge support: Private Armed Security Teams to prepare and reassure crew and assist with military liaison. Digital operations can also support with route planning and keep the bridge and shore staff informed of any changes in risk while enroute.

Conclusion

In conclusion, both the Houthis and Israel have considerable leeway in interpreting events, creating a significant risk of renewed hostilities. While the shipping industry welcomes this development, a return to normalcy remains uncertain. Sustained restraint by all parties – the Houthis, Israel, and Hamas – is crucial, along with favourable political conditions in Yemen to maintain the cessation of Houthi maritime attacks. Past events, such as alleged Israeli ceasefire violations in Lebanon prior to the Gaza agreement, demonstrate the potential for the Houthis to exploit such incidents as justification for resuming their campaign. In a speech delivered on 20 January 2025, Houthi leader Abdul-Malik al-Houthi stated that the Houthi movement remains "in constant readiness for immediate intervention" should Israel resume any escalation of hostilities.

We therefore advise both shipowners and charterers to continue to monitor the situation in the region and conduct a voyage specific risk assessment when considering whether to transit this region. For any specific queries and advice, please feel free to contact us.

We would like to thank Ambrey for sharing their threat assessment with us and for their recommendations to our Members and clients.

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