

Ship damaged as ceasefire talks are discussed around the Middle East

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Royal Navy

A Barbados-flagged, United Kingdom-owned general cargo ship incurred physical damage from a drone hit in between Eritrea and Yemen just after midnight. According to security consultant Ambrey, the ship incurred minor damage on its port side but was able to continue on its voyage. No injuries were reported. The United

Kingdom Maritime Trade Operations (UKMTO) agency said a projectile was fired at its port side and a small craft was seen on its port side. The projectile passed over the deck and caused slight damage to the bridge windows.

More than 40 merchant ships have been targeted by Iranian-backed Houthis from Yemen in the past three months leading to a severe contraction in marine traffic across the Red Sea. The Houthis have stated they will target ships with links to Israel, the US and the UK.

The world's leading global shipping associations including BIMCO, INTERCARGO, INTERTANKO and the International Chamber of Shipping issued a joint statement yesterday in which they advised that the accuracy of information used by the Houthi forces is uncertain, and links between attacked vessels and the states they claim to target is unclear.

"All ships transiting this area should remain vigilant, as there is potential for collateral damage from unintended strikes," the shipping bodies stated, adding that military sources have warned that Houthi forces may also masquerade as Yemeni Coastguard officials.

The advisory also discussed automatic identification systems (AISs), noting that ships with AIS powered on, as well as off, have been attacked.

"Turning off AIS makes it marginally more difficult to track a ship but may also hinder the ability of the military to provide support or direct contact," the advisory pointed out, suggesting: "Limiting AIS data to the mandatory fields and omitting the next port of call could be considered."

In related news, analysts at TankerTrackers.com have advised subscribers that the *St Nikolas* tanker, [hijacked by Iran](#) in international waters last month, is not in the Bosphorus Strait. It is still being held by Iran, and this is an AIS spoof.

Turning to container shipping, the sector most affected by the dire security situation in the Red Sea, French liner CMA CGM has confirmed it has now joined the rest of the top global liners in suspending voyages that transit the region.

The move en masse to reroute containerships via the southern tip of Africa has seen total containership capacity deployed on Asia to Europe routes surge to a record high of 6.44m teu, up 23.3% compared to the same time last year, according to data from Linerlytica. Over 700,000 teu of additional capacity has been added to the trade in the last two months alone.

Liner earnings have shot up in the past three months, and bullish carriers clearly believe the newly elevated freight rate environment is here to stay for a while with Linerlytica noting how some carriers are willing to commit up to six months ahead of vessel delivery in a show of confidence.

US secretary of state Antony Blinken, meanwhile, is heading to Egypt after starting a diplomatic push in the Middle East on Monday for a deal that would pause the war in the Gaza Strip and release the hostages there.

On Monday, the secretary of state met Saudi Arabia's crown prince, Mohammed bin Salman, in Riyadh in the first stop on a trip that will also include meetings in Egypt, Qatar, Israel and the West Bank.

A release from the State Department said they discussed "an enduring end to the crisis in Gaza that provides lasting peace and security for Israelis and Palestinians alike."

Salvatore Mercogliano, an associate professor of history at Campbell University, told *Splash* last week that the ultimate solution for the Red Sea shipping crisis lies on land.

"The underlying solution remains the resolution of the conflict in Gaza," he said, pointing out how the anti-piracy patrols against Somalia in the first two decades of the century demonstrated that while naval forces can minimise threats, they cannot totally eliminate them.

"Any potential ceasefire could help ease the geopolitical tension in the region and restore smooth trade flow in the Red Sea," a freight market update from HSBC yesterday noted.