

Houthi Ship Attacks Are Affecting Red Sea Trade Routes

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Brief Analysis

Industry figures are already rerouting some Israeli-linked ships and expressing concern about the increased attacks, but much wider economic repercussions could unfold if Houthi antishipping activity continues indefinitely or escalates.

According to recent maritime data, Houthi attacks on commercial vessels in the Red Sea, particularly those with Israeli links, have led some companies to reroute their ships away from the Suez Canal and the strategic Bab al-Mandab chokepoint. Such vessels have been observed taking the longer route around the Cape of Good Hope to reach Europe and Asia, increasing their transit time. Although attacks emanating from Houthi-controlled areas of Yemen have been contained so far, the risk of major disruption to global trade will remain high as long as commercial ships operated by various nationalities are being targeted.

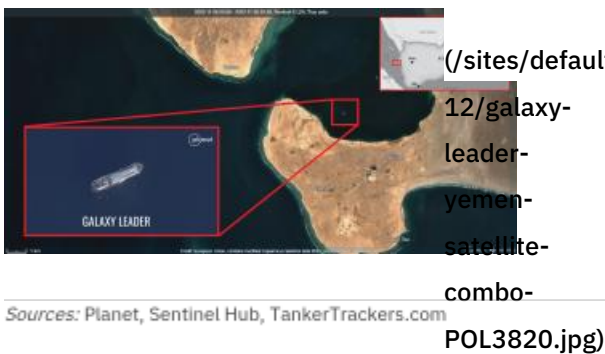
Attacks Before and Since the Gaza War

The threat to local maritime security has been growing over the past few years, and the Hamas-Israel war has magnified it. Previously, the Houthis targeted ships linked to countries involved in the Saudi-led coalition war in Yemen. In 2018, for instance, they set their sights on crude oil tankers belonging to Bahri, Saudi Arabia's national shipping carrier, attacking the vessels as they sailed through the Bab al-Mandab Strait either en route to or returning from the Red Sea and Suez Canal. In response, the Saudi Energy Ministry [suspended oil shipments \(https://www.meed.com/saudi-arabia-resumes-oil-shipments-bab-al-mandeb/\)](https://www.meed.com/saudi-arabia-resumes-oil-shipments-bab-al-mandeb/) through the chokepoint for around twelve days (apparently not long enough to make shippers pursue alternate routes, though they might do so in the event of a lengthier disruption).

The current wave of attacks is more focused on ships with Israeli links, but even this phenomenon is not new. Between 2021 and early 2023, [drone attacks blamed on Iran \(https://www.tradewindsnews.com/tankers/israel-s-pm-blames-iran-for-zodiac-maritime-tanker-attack/2-1-1406682\)](https://www.tradewindsnews.com/tankers/israel-s-pm-blames-iran-for-zodiac-maritime-tanker-attack/2-1-1406682) targeted a few ships connected to Israeli

entities, including in the Arabian Sea near Oman. The Gaza war has taken such threats to a higher level, however, with the Houthis employing new methods to target commercial vessels. (Detailed analysis of these methods and associated weapons systems [is provided in PolicyWatch 3821 \(/node/18521\).](#))

In a November 14 speech, the movement's leader, Abdul-Malik al-Houthi, [warned \(https://www.reuters.com/world/middle-east/yemens-houthis-leader-says-group-will-target-israeli-ships-red-sea-2023-11-14/\)](#), "Our eyes are open to constantly monitor and search for any Israeli ship in the Red Sea, especially in Bab al-Mandab, and near Yemeni regional waters." Five days later, Houthi forces used a helicopter to board and seize the vehicle carrier *Galaxy Leader* (IMO 9237307)—[owned by \(https://www.loydlist.com/LL1147314/Houthis-hijack-Israeli-owned-car-carrier-Galaxy-Leader\)](#) Israel-based Ray Shipping Limited—as it transited the Red Sea from Turkey en route to India. According to data from TankerTrackers.com, the hijacked ship was first taken to the Yemeni port of Hodeida, then moved to an area further north (see satellite map). As of this writing, the vessel remains in Yemen along with its crew.



Other commercial ships with reported Israeli links were attacked on November 24 and November 26, one in the Indian Ocean and one in the Red Sea. No serious damage was reported in either case. In the November 26 incident, the chemical tanker *Central Park* (IMO 9725823) issued a distress call in the Red Sea, requiring [intervention \(https://www.centcom.mil/MEDIA/PRESS-RELEASES/Press-Release-View/Article/3600004/us-coalition-reacts-to-distress-call/\)](#) by the USS *Mason*. It remains unclear whether this was a piracy attack or a Houthi attack. After the incident, however, at least one missile was fired from Houthi territory toward the general direction of the *Mason*.

On December 3, Houthi forces directly struck at least two ships in the southern Red Sea using missiles and drones: a bulk carrier and a container ship. The Houthis claimed that both ships were Israeli, while the Israel Defense Forces [denied \(https://www.reuters.com/world/middle-east/two-ships-struck-red-sea-sunday-had-no-link-israel-military-spokesman-says-2023-12-03/\)](#) this connection. One of the vessels, the *Unity Explorer* (IMO 9726035), is [managed by \(https://www.tradewindsnews.com/bulkers/unity-maritime-says-ultramax-bulker-undamaged-in-houthi-attack/2-1-1565733\)](#) Britain-based Unity Maritime; according to [one report \(https://apnews.com/article/red-sea-houthi-yemen-ships-attack-israel-hamas-war-gaza-strip-716770f0a780160e9abed98d3c48fbde\)](#), the company's officers include Dan David Ungar, a resident of Israel and son of an Israeli shipping magnate. As in the previous incidents, the targeted ships were not sailing to or from Israel on the day of the attacks, based on data from MarineTraffic.

Impact on Israeli-Linked Trade

Initial reactions by marine insurance underwriters and shipping companies indicate that the recent Houthi attacks are affecting the industry's decisionmaking about vessels with Israeli links. Last month, the risk management firm Ambrey [reportedly advised \(https://www.tradewindsnews.com/casualties/shipowners-urged-to-check-vessels-previous-israeli-links-after-houthi-car-carrier-seizure/2-1-1558216\)](#) ship owners to check whether their vessels

have been owned or managed by companies with Israeli links in the past year. Yet tracking the management details of a particular ship is not always a smooth process, and a vessel with Israeli links may not necessarily be registered in Israel, flying the Israeli flag, or operated by an Israeli entity all the time.

Take the *Galaxy Leader*—according to data from Lloyd’s List Intelligence, the ship is flagged to the Bahamas, while its registered owner, Galaxy Maritime Limited, is based in the Isle of Man. On the day it was hijacked, the ship was **chartered and operated (<https://www.japantimes.co.jp/news/2023/11/20/japan/society/houthi-seizes-nippon-yusen-cargo-ship/>)** by Japan’s Nippon Yusen Kabushiki Kaisha (NYK) Group. In the shipping industry, open registry systems allow owners to register vessels in countries other than their own—something they often do to avoid taxes and minimize regulatory obstacles. Hence, a vessel’s complete ownership is not always easy to trace without details about the beneficial owner, registered owner, commercial operator, third-party operator, and other data.

The Houthis’ use of a helicopter to board the *Galaxy Leader* was especially unsettling to some insurance underwriters. Initial reports suggested that Israeli-affiliated vessels were likely to face **higher insurance rates (<https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/oil/112123-israeli-tankers-exposed-to-high-insurance-rates-less-competitive-in-spot-trade>)** if trading in the Persian Gulf and Red Sea, which are now seen as higher-risk regions.

In addition, data from MarineTraffic suggests that some ships with Israeli connections have been avoiding the Red Sea since the *Galaxy Leader* incident. On November 16, the *Guardian Leader* (IMO 9388716)—a Bahamas-flagged vehicle carrier linked to Ray Shipping, according to Lloyd’s List Intelligence—left Laem Chabang port in Thailand bound for Spain. Instead of sailing to Europe via the Suez Canal, the ship took the longer route around the Cape of Good Hope, indicating that it may have changed course mid-voyage due to the troubling news from the Red Sea. Given its average speed (tracked at around 16 knots as of November 27), the vessel will need around thirty-one days to reach Spain’s port of Malaga via the Cape of Good Hope, compared to around nineteen days had it traversed Bab al-Mandab.



(/sites/default/files/2023-12/attacks-redsea-trade-routes-map-POL3820.jpg)

Another Bahamas-flagged vessel, the vehicle carrier *Glovis Sigma* (IMO 9736810)—which is linked to Ray Shipping, according to the Equasis database and Lloyd’s List Intelligence—changed its destination this week after departing from Germany. On December 5, it was seen sailing off the coast of Spain while signaling for the Suez Canal. That same day, however, it changed its destination to Singapore and was seen altering its direction toward Africa instead of Gibraltar, based on data from MarineTraffic—changes that could reflect the risks in the Red Sea.

Another example is the Liberia-flagged container ship *ZIM Pacific* (IMO 9440837), linked to the Israel-based firm ZIM Integrated Shipping Services. On December 4, MarineTraffic data showed it sailing around the Cape of Good Hope instead of the Red Sea while en route from Malaysia to Turkey’s Mersin port. The company **previously stated (<https://investors.zim.com/news/news-details/2023/ZIM-Announces-Measures-in-Response-to-Threats-in-the-Arabian-and-Red-Seas/default.aspx>)** that recent events in the Red Sea had led it to change the course of some of its ships.

These longer transit times create additional costs, including more fuel burned. Such costs can affect sellers and buyers alike, depending on the type of [shipping agreement](#) (<https://www.investopedia.com/ask/answers/020215/what-difference-between-cif-and-fob.asp#:~:text=Under%20a%20CIF%20agreement%2C%20the,loaded%20onto%20the%20shipping%20vessel.>) they have established.

Avoiding Wider Disruption

If Houthi attacks escalate and Red Sea maritime traffic experiences a major disruption as a result, both global energy security and [dry cargo trade](#) (<https://www.tradewindsnews.com/bulkers/grain-most-likely-dry-commodity-to-be-affected-by-any-disruption-to-red-sea-shipping/2-1-1566619?abtest=b>) would suffer another blow—particularly in Europe, which is still recovering from the massive impact of the Ukraine war. According to the U.S. Energy Information Administration (EIA), northbound crude oil transfers through two key routes to the Mediterranean—the Suez Canal and the Sumed pipeline in Egypt—increased [by more than 60 percent](#) (<https://www.eia.gov/todayinenergy/detail.php?id=61025>) during the first half of this year compared to 2020, as demand recovered in Europe and the United States following the COVID-19 pandemic. The EIA also noted that Western sanctions on Russia’s energy industry had led Europe to import more oil from certain Middle Eastern producers. For example, data from Kpler shows that Iraq has exported an average of 743,000 barrels per day to Europe via the Suez Canal this year, compared to 629,000 during the same period last year.

Thus, while the impact of the Red Sea attacks appears to be limited so far, one cannot dismiss the risk of an escalation or miscalculation that creates deeper commercial shockwaves. Safeguarding the [freedom of navigation](#) (<https://www.washingtoninstitute.org/policy-analysis/containing-houthis-yemen-issues-and-options-policy-review>) in this waterway is therefore vital for energy security and the overall global economy.

Noam Raydan is a senior fellow at The Washington Institute. ❖

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