

# Situation in the Red Sea and the Horn of Africa: Addressing Escalating Maritime Security Threats and Regional Instability

## Executive Summary

The Red Sea and Horn of Africa region has emerged as one of the world's most critical security hotspots, with escalating maritime threats and deepening regional instability creating far-reaching implications for global trade, security, and humanitarian conditions. The convergence of Houthi attacks on commercial shipping, resurgent piracy, ongoing conflicts in Sudan and Ethiopia, terrorism by al-Shabab, and climate-induced resource conflicts has transformed this strategically vital region into a complex web of interconnected crises that demand comprehensive international attention and coordinated responses.

## I. Maritime Security Threats in the Red Sea

### Houthi Campaign Against Shipping

Since October 2023, Iran-backed Houthi forces have fundamentally altered the security landscape of the Red Sea through systematic attacks on commercial vessels. The crisis began when the Houthis launched missiles and armed drones at Israel following the outbreak of the Gaza war, subsequently expanding their campaign to target merchant vessels in the Red Sea and Gulf of Aden.

### Scale and Impact of Attacks:

- Over 100 commercial vessels have been targeted by Houthis since November 2023, with 48 vessels struck and 6 incapacitated
- More than 190 attacks documented by October 2024
- The campaign has resulted in the sinking of multiple vessels, including the MV Magic Seas and MV Eternity C in July 2025
- At least 15 people have been confirmed killed in these attacks, with crew members from the Philippines, Greece, India, and Russia among the casualties

### Operational Capabilities:

Recent intelligence indicates that Houthi forces have developed sophisticated capabilities with Iranian support, including:

- Advanced weaponized drones and ballistic missiles
- Anti-ship cruise missiles such as the Ghadir and Sejl
- One-way attack drones (Shahed-107)
- Counter-drone missiles (Qaem-118)
- Electro-optical seekers for anti-ship ballistic missiles

### Economic Disruption to Global Trade

The attacks have caused massive disruption to one of the world's most critical shipping routes. The Red Sea normally handles approximately 12-15% of global maritime trade and 30% of global containerized traffic.

### Trade Volume Impacts:

- Suez Canal traffic dropped by 50% in the first two months of 2024 compared to the previous year
- Since November 2023, there has been a 90% decrease in cargo vessels transiting the Red Sea
- Trade volume through the Cape of Good Hope surged by 74% as vessels rerouted around Africa

### Cost Implications:

- Shipping costs from Asia to Europe increased nearly five-fold on some routes
- The cost of shipping between Shanghai and Rotterdam doubled
- Freight rates from Shanghai to Genoa rose by 350% in early 2024
- Additional sailing time adds as much as 30% to overall shipping costs, with rerouting alone costing companies an additional \$1 million per voyage

## II. International Naval Response

### Operation Prosperity Guardian

The United States launched Operation Prosperity Guardian in December 2023 as a multinational maritime security coalition to protect Red Sea shipping. The operation currently involves more than 20 countries, including the UK, Bahrain, Canada, France, Italy, Netherlands, Norway, Seychelles, and Spain.

#### Operational Structure:

- Managed by Combined Task Force 153 under the Combined Maritime Forces framework
- Functions as a defensive coalition providing "highway patrol" services for commercial vessels
- Coordinates with other international naval forces and the European Union's Operation Aspides

#### Military Actions:

As of January 2025, coalition forces have conducted over 931 airstrikes against Houthi positions in Yemen, resulting in 106 deaths and 314 injuries according to Houthi reports. The intensity of operations increased significantly in March 2025 under Operation Rough Rider, with the United States conducting over 1,000 airstrikes.

#### Limitations and Challenges

Despite significant international military presence, the coalition has been unable to ensure safe passage through the Red Sea. The attacks demonstrate the limitations of conventional naval deterrence against asymmetric threats, particularly when adversaries are willing to accept significant losses to maintain their campaign.

### III. Resurgence of Maritime Piracy

#### Somali Piracy Revival

The diversion of naval resources to counter Houthi threats has contributed to a resurgence of Somali piracy in the Indian Ocean. After nearly a decade of successful suppression, piracy activity has increased dramatically since late 2023.

#### Recent Incidents:

- In December 2023, Somali pirates hijacked MV Ruen, marking the first successful hijacking of a merchant ship since 2017
- In March 2024, the Bangladeshi-flagged MV Abdullah carrying coal was hijacked with 23 crew members
- From January to September 2024, three vessels were successfully hijacked
- Since November 2023, approximately 25 cases of piracy-related attacks have been reported

#### Operational Patterns:

Pirates are adapting their tactics by using larger vessels as motherships and employing dinghies to navigate deeper waters. The increased commercial traffic rerouting around the Cape of Good Hope has provided more targets in previously less-patrolled areas.

### IV. Regional Instability in the Horn of Africa

#### Sudan's Civil War

Sudan has become embroiled in a devastating civil war since April 2023 between the Sudanese Armed Forces (SAF) led by General Abdel Fattah al-Burhan and the paramilitary Rapid Support Forces (RSF) commanded by Mohamed Hamdan Dagalo. The conflict has transformed into a trans-regional crisis with significant implications for Horn of Africa stability.

#### Humanitarian Crisis:

- Nearly 25 million Sudanese civilians require urgent humanitarian assistance
- Estimated death tolls suggest as many as 150,000 people may have been killed since the conflict began
- 14.5 million people have been displaced - 10.5 million internally and 4 million to neighboring countries including Egypt, South Sudan, Chad, Ethiopia, Libya, and the Central African Republic

#### Regional Spillover Effects:

The conflict has attracted multiple foreign actors, making it one of the region's many proxy wars. Countries involved include Egypt, Saudi Arabia, Iran, Qatar, Algeria, Libya, the UAE, Turkey, Ethiopia, Eritrea, Russia, China, Chad, and

South Sudan. The war poses significant threats to regional stability, particularly affecting Chad's eastern region, which hosts over 930,000 refugees.

### Ethiopia-Eritrea Tensions

Relations between Ethiopia and Eritrea have deteriorated significantly, raising fears of renewed conflict between two of Africa's largest armies. The tensions center on Ethiopia's renewed push for access to the Red Sea, which Eritrea views as a threat to its sovereignty.

#### Key Flashpoints:

- In October 2023, Ethiopian Prime Minister Abiy Ahmed declared Ethiopia's intent to secure direct access to the Red Sea as an "existential" necessity
- Ethiopia signed a controversial Memorandum of Understanding with Somaliland in January 2024, reportedly granting Ethiopia coastal access in exchange for recognizing Somaliland's sovereignty
- Eritrea has accused Ethiopia of "overt and covert acts of subversion" and has allegedly ordered nationwide military mobilization

#### Border Militarization:

Both countries have deployed troops toward their shared border, with Ethiopia's Defense Minister and Ambassador issuing warnings that "continued violations cannot be tolerated indefinitely". The situation has prompted international concern about the potential for another regional war.

### Somalia's Security Challenges

Somalia faces extraordinary challenges from multiple terrorist threats, primarily from al-Shabab and Islamic State-Somalia (ISS). Despite nearly three years of government offensive operations launched in 2022, the security situation remains precarious.

#### Al-Shabab Resurgence:

- The group has resurged and is advancing closer to Mogadishu, with some analysts warning about the possibility of encircling or overrunning the capital

- In March 2025, al-Shabab attempted to assassinate President Hassan Sheikh Mohamud with an improvised explosive device attack on his convoy
- The group controls swaths of central and southern Somalia, where it implements governance and collects taxes

#### International Collaboration:

Intelligence reports indicate growing collaboration between al-Shabab and Yemen's Houthis, which is heightening risks to maritime security in the Red Sea and Western Indian Ocean. This cooperation includes arms trade, training exchanges, and coordinated operations that strengthen both groups' disruptive capacities.

#### Kenya-Ethiopia Border Conflicts

The Kenya-Ethiopia border region has experienced recurring violent clashes, most recently in February 2025 when over 20 people were killed in fighting between Kenyan fishermen and Ethiopian communities. The conflicts stem from competition over scarce water and grazing resources, exacerbated by climate change and population growth.

#### Root Causes:

- Lake Turkana receives 90% of its water from Ethiopia's Omo River, and climate change has caused the lake to retreat into Kenya
- Ethiopian tribes have followed the receding water, leading to territorial disputes and resource competition
- The Ethiopia-Kenya border stretches 861 kilometers through remote areas with poor infrastructure and limited government presence

### V. Climate Change as a Security Multiplier

#### Environmental Pressures

Climate change is exacerbating existing vulnerabilities and conflicts throughout the Horn of Africa. The region has experienced rising temperatures of almost 2°C since 1960, with droughts occurring every two to three years instead of every ten to eleven years.

### Security Implications:

- Increased competition for limited water and arable land has deepened tensions among communities and across borders
- Climate-induced migration and resource scarcity contribute to both local conflicts and broader regional instability
- The interplay between resource scarcity and conflict highlights the urgent need for integrated approaches to address root causes of insecurity

### Cross-Border Dynamics:

Climate pressures are interacting with existing conflict dynamics, such as the tense Nile water sharing negotiations between Ethiopia, Sudan, and Egypt, which are being complicated by climate impacts that make water supply more erratic.

## VI. Strategic Importance of Djibouti

### Geopolitical Significance

Djibouti has emerged as a critical strategic hub in the region, hosting military bases from multiple global powers including the United States, China, France, Japan, Italy, and others. The country's location at the entrance to the Bab el-Mandeb Strait makes it vital for monitoring and securing global shipping routes.

### Military Presence:

- The United States operates Camp Lemonnier, its only permanent base on the African continent
- China established its first overseas military installation in Djibouti
- Between 8 and 11 foreign military bases are located in the small nation
- The country generates approximately \$70 million annually from leasing land to foreign militaries

### Regional Security Role:

Djibouti serves as a launching platform for counterterrorism operations, peacekeeping missions, and humanitarian efforts across the Horn of Africa and Middle East. Its stable government relative to regional neighbors has made it an attractive partner for foreign powers seeking reliable operational bases.

## VII. International Humanitarian Law Considerations

### Maritime Warfare Legal Framework

The ongoing conflicts in the Red Sea raise significant questions about the application of international humanitarian law to maritime warfare. The targeting of civilian merchant vessels by Houthis violates fundamental principles of distinction and proportionality under international law.

#### Legal Protections:

- International humanitarian law requires combatants to distinguish between civilian and military objectives
- Civilian seafarers are protected persons under the Geneva Conventions and must be treated humanely
- Attacks on merchant vessels carrying civilian crews may constitute violations of the laws of armed conflict

#### Enforcement Challenges:

The complexity of determining vessel status, the presence of civilian crews, and the application of proportionality principles in naval warfare creates significant challenges for legal accountability and protection of maritime workers.

## VIII. Economic and Humanitarian Implications

### Global Economic Impact

The disruptions in the Red Sea have far-reaching economic consequences beyond immediate shipping costs:

#### Inflationary Pressures:

- J.P. Morgan Research estimates disruptions could add 0.7 percentage points to global core goods inflation and 0.3 percentage points to overall core inflation
- A 100% increase in freight rates could raise annual import price inflation by close to 5 percentage points, adding 0.4 percentage points to consumer price inflation after about a year

#### Supply Chain Disruptions:



- European automotive plants have announced temporary production shutdowns due to delays in obtaining car parts from Asia
- The additional transit time of 10-14 days has created delays in shipments, particularly affecting time-sensitive goods and just-in-time delivery models

### Humanitarian Crisis

The combined effects of multiple conflicts have created one of the world's worst humanitarian crises:

#### Displacement and Food Insecurity:

- The Horn of Africa currently hosts nearly 2.9 million refugees and asylum seekers and over 12 million internally displaced persons
- In August 2022, 22 million people in Ethiopia, Kenya, and Somalia were highly food insecure, with some facing famine conditions

#### Healthcare and Infrastructure:

Sudan's conflict has triggered a regional health crisis, with healthcare systems overwhelmed by the influx of refugees and internally displaced populations. The breakdown of essential services has created conditions for disease outbreaks and malnutrition.

## IX. Key Actors and Proxy Networks

### Iran's Regional Network

Iran has built an extensive proxy network across the Middle East and increasingly into the Horn of Africa. The Islamic Republic provides arms, training, and financial support to various groups, including the Houthis, with recent intelligence indicating continued weapons shipments despite international sanctions.

#### Axis of Resistance:

- Iran's support network includes Hezbollah in Lebanon, various groups in Iraq and Syria, Hamas and Palestinian Islamic Jihad in Gaza, and the Houthis in Yemen
- A recent interdiction in June 2025 revealed 750 tons of Iranian weapons en route to Houthi-controlled ports
- The weapons included advanced systems such as land-attack cruise missile engines, anti-ship ballistic missile components, and various drone

technologies

### Regional Power Competition

The Horn of Africa has become an arena for competing regional and global powers:

#### Middle Eastern Involvement:

- Saudi Arabia and the UAE are on opposing sides of the Sudan conflict, with Saudi Arabia supporting the SAF while the UAE backs the RSF
- Turkey has emerged as a significant mediator, particularly in Somalia-Ethiopia tensions
- Egypt maintains strategic interests in denying Ethiopian access to the Red Sea as part of its broader dispute over Nile water rights

### X. Future Security Implications

#### Escalation Risks

The interconnected nature of conflicts in the region creates significant risks for escalation:

#### Potential Flashpoints:

- Ethiopia-Eritrea border tensions could reignite into full-scale war between two of Africa's largest armies
- Sudan's conflict risks spreading to Chad, Central African Republic, and other neighboring countries
- The growing collaboration between terrorist groups across maritime boundaries could create new security challenges

#### Maritime Security Degradation:

The combination of Houthi attacks, resurgent piracy, and state conflicts threatens to create a permanent state of insecurity in critical shipping lanes. This could force a fundamental restructuring of global trade routes with lasting economic implications.

#### Climate Security Nexus

Climate change will continue to act as a threat multiplier, exacerbating existing conflicts and creating new sources of instability:

Long-term Projections:

- Increasing temperatures and changing precipitation patterns will intensify competition for water and arable land
- Climate-induced migration will place additional stress on already fragile state structures
- The intersection of environmental degradation and conflict will require comprehensive, multi-sectoral responses

## Conclusion

The situation in the Red Sea and Horn of Africa represents a complex convergence of maritime security threats, regional conflicts, climate pressures, and humanitarian crises that demands immediate and sustained international attention. The interconnected nature of these challenges requires coordinated responses that address both immediate security concerns and underlying structural causes of instability.

The failure to effectively address the current crisis risks permanent damage to critical global trade routes, regional state collapse, massive humanitarian suffering, and the emergence of new terrorist sanctuaries. Success will require unprecedented levels of international cooperation, substantial resource commitments, and innovative approaches that integrate security, development, and climate adaptation strategies.

The stakes extend far beyond the immediate region, with implications for global economic stability, energy security, food systems, and international order. The Red Sea and Horn of Africa have become a test case for the international community's ability to manage complex, interconnected crises in an increasingly multipolar world.