



Daily

09

MAY

14:18 UTC

MAX - MENA Region Daily Summary - May 9, 2021

The following report reviews current events in the MENA region and their possible effect on business continuity and security.

Highlights of the Day

- **MENA:** US Navy seizes illicit weapons shipment in Northern Arabian Sea, per May 8 statement; shipment likely destined for Houthis
- **Iraq:** Explosive-laden UAV targets Anbar's Ain al-Asad Air Base during overnight hours of May 7-8; indicates emerging trend
- **Israel & Palestinian Territories:** Israel Police, local Arab residents clash at Jerusalem's Damascus Gate on May 8; further violence expected
- **Saudi Arabia & Iran:** Riyadh confirms bilateral talks, per May 7 reports; unlikely to yield major breakthrough
- **Syria:** Explosion reported on May 9 on oil tanker located off coast of Tartus' Baniyas Port; similar incidents possible over coming months

Notable Events

MENA: US Navy seizes illicit weapons shipment in Northern Arabian Sea, per May 8 statement; shipment likely destined for Houthis

According to the US Navy, the weapons were discovered in a vessel during a "routine flag verification" operation on May 6-7. Advanced anti-tank guided missiles, as well as rifles, machine guns, RPG launchers, and advanced optical equipment, were seized. The origin and intended destination of the shipment are currently under investigation.

Cross-border arms smuggling is a wide phenomenon as transnational smuggling networks capitalize upon porous border regions and gaps in governance throughout the Middle East. The latest discovery is slightly notable given the US Navy's indication that the arms seized were relatively advanced. This, as well as picture material indicating that the arms were new and not used points towards the likelihood that a state actor is behind the shipment. Given precedent and the incident's location, it is possible that it was an Iranian

shipment destined for Tehran's major regional ally, the Yemen-based Houthis, as both parties continuously attempt to circumvent the Saudi-led coalition's naval blockade over Houthi-controlled territories, to bolster the latter's capabilities. Despite the current seizure, similar sea-based smuggling operations will persist over the coming months.

Algeria: Thousands gather in 'Hirak' protest in Algiers on May 7; tensions to remain elevated ahead of legislative elections

The protesters marched along Didouche Mourad Street in central Algiers. They chanted the slogan "No elections with the mafia." Unconfirmed reports from May 7 indicate that the Justice Minister, Belkacem Zeghmami, submitted a draft bill that if passed will criminalize "obstructions" to the upcoming legislative elections with up to a 20-year jail term.

This comes amid growing indications in recent weeks that Algerian authorities are bolstering efforts to clamp down on the weekly anti-government "Hirak" protesters in Algiers, including arrests of demonstrators and attempts to block the protesters from launching their marches in Algiers. The scale of mobilization in the latest demonstration highlights that they are not deterred by the authorities and continue to be disillusioned with the government. If a motion by Zeghmami is indeed passed, it would represent another measure by the government to strengthen the legal framework against protesters, as demonstrations may be regarded by authorities as an obstruction to the elections process. Regardless, as protesters will continue their movement, tensions between activists and the authorities will increase in the run-up for the legislative elections.

Iran: Parties on May 7 agree to 'intensify' talks amid fourth round of JCPOA negotiations in Vienna; challenges to persist in coming weeks

Iranian reports indicated that working groups will begin "expert and technical consultations" regarding a draft agreement.

This round of negotiations comes amid indications that the revived indirect US-Iran negotiations in Vienna to reinstate the nuclear deal, the Joint Comprehensive Plan of Action (JCPOA), are making progress. The indication that Western powers have agreed to "intensify" talks shows their overall willingness to facilitate an agreement. An Iran-International Atomic Energy Agency (IAEA) agreement is set to expire on May 22, following which IAEA's oversight over some of Iran's nuclear facilities will be suspended. Secondly, Iran's Presidential elections are slated for June 18, and there are concerns among some in the West that a more hardline government may arise. In this context, international stakeholders are likely to continue attempts to reach an agreement. With that being said, Iran's demands for a complete lifting of US sanctions before a return to compliance remain the primary point of contention as Washington likely seeks to preserve this bargaining chip and get significant concessions from Tehran. Challenges amid the negotiations will likely persist over the coming weeks.

Iraq: Explosive-laden UAV targets Anbar's Ain al-Asad Air Base during overnight hours of May 7-8; indicates emerging trend

According to Iraq's Security Media Cell, a "booby-trapped" unmanned aerial vehicle (UAV) targeted the base. The Operation Inherent Resolve spokesperson, Wayne Marotto, confirmed the incident and stated that a hangar at the base was damaged. "Liwa Muntaqamun [Avengers Brigade]" claimed the incident but stated that they used rockets.

This incident comes amid an uptick in attacks against two bases that host US personnel over the past weeks, namely, Anbar's Ain al-Asad Air Base and Salahuddin's Balad Air Base. These attacks are predominantly conducted with rocket fire. Only in recent weeks have UAV attacks against these locales been reported and the current incident therefore points to an emerging trend. The official statements also make the incident notable, as they confirm the use of UAVs in such attacks, although no further information regarding the type of weapon has currently been released. The development suggests that Iran-backed Shiite militias are in possession of and are willing to use such arms in their attacks. Iran-backed Shiite militias will continue to conduct aerial attacks against bases that host US personnel over the coming weeks.

Iraq: Unrest recorded in Karbala after assassination of prominent activist on May 8; unruly protests to continue over coming days

The assassinated anti-government activist, Ehab al-Wazni, was killed by unidentified gunmen. Groups affiliated with the anti-government protest movement allege that he was killed by Iran-backed Shiite militiamen. Protests were recorded in the city following the incident, during which protesters burned tires.

This incident comes amid a prolonged anti-government protest movement in central and southern Iraq against the backdrop of socio-economic hardships. Some individuals within this movement are considered prominent activists as they take part in the coordination of the movement's activities and presenting the movement's demands to the Iraqi authorities, such as al-Wazni. The assassination of such activists is not unprecedented and is typically considered by protesters to be orchestrated by Iran-backed militias that are part of the Popular Mobilization Units (PMU). In this context, the latest assassination and subsequent unrest highlight the tensions that exist between the two parties. The unrest further shows that the activists, as a whole, remain undeterred by targeted assassinations. Over the coming days, unrest will likely persist in Karbala, especially as the protesters will try to push the Iraqi government to investigate al-Wazni's killing.

Israel & Palestinian Territories: Israel Police, local Arab residents clash at Jerusalem's Damascus Gate on May 8; further violence expected

Nearly 90,000 Muslim worshippers reportedly attended Laylat al-Qadr prayers at Jerusalem's Temple Mount/al-Aqsa Mosque Compound, marking the holiest night of

Ramadan. Nearby, at least 80 were wounded during clashes with Israeli police. Meanwhile, one rocket was launched from the Gaza Strip toward southern Israel on May 8-9. The Ramallah-based Fatah movement called for an escalation of unrest across Jerusalem, the West Bank, and the Gaza Strip.

These developments come amid elevated tensions between Palestinians and Israeli security forces since the beginning of Ramadan on April 12. An escalation in attacks emanating from the Gaza Strip has also been recorded, primarily manifesting the form of explosive-laden balloons and sporadic rocket launches. The current events signal the intensification of unrest in Jerusalem likely against the backdrop of the symbolism of Laylat al-Qadr. The Jerusalem Day celebrations, slated for May 9-10, will commemorate the establishment of Israeli control over the Old City after the 1967 Six-Day War and will thus serve as another symbolic trigger for unrest. Further incidents of violence are expected in Jerusalem's Old City over the coming days.

Jordan: Mass demonstration recorded in Amman on May 7 to support Palestinians amid tensions in Jerusalem; further protests likely

Thousands of protesters participated in the protest that took place in front of the Grand Hussein Mosque in central Amman. The demonstration was in response to daily clashes in Jerusalem involving Palestinians and Israeli security forces since the beginning of Ramadan.

This incident shows how developments in Jerusalem trigger events in other countries in the Middle East. This was also manifested by several Arab governments officially condemning and accusing the State of Israel of the violence. Demonstrations of support for the Palestinians in Amman are not unprecedented and given that a large segment of the Jordanian population is of Palestinian origin, similar demonstrations are liable to be recorded in the kingdom as long as tensions in Jerusalem persist. Given the sensitivity of the issue, the Jordanian authorities will likely not attempt to disperse such protests as a means to show support for the movement. Furthermore, these protests will unlikely turn unruly given their symbolic nature and that they are unrelated to incidents within the kingdom. Similar large-scale protests will likely be recorded in central Amman over the coming days.

Saudi Arabia: Government issues decree to 'Saudize' some educational jobs on May 7; effort to increase job opportunities for Saudi citizens

The Saudi Minister of Human Resources and Social Development, Ahmed Al-Rajhi, decided to localize jobs in private and international schools. This will be implemented in phases over a period of three years. The decree aims at providing 28,000 jobs in the education sector for Saudis.

This development is consistent with the Saudi government's sustained "Saudization" policy, which entails the prioritization of Saudi nationals over expats in several sectors thus increasing job opportunities for Saudi nationals. This policy is based on the Saudi

leadership's understanding that the country's revenues from oil derivatives will not be able to sustain the current quality of life of the Saudi populace, as the population grows. As private and international education institutions are considered lucrative, the growing availability of jobs in this sector will likely make the education sector more attractive to Saudi graduates. However, as it will only make available 28,000 job opportunities over a three-year period, its impact on the Saudi labor force will likely be limited overall. Additional "Saudization" measures are likely to be initiated over the next months.

Saudi Arabia & Iran: Riyadh confirms bilateral talks, per May 7 reports; unlikely to yield major breakthrough

According to a Saudi Foreign Ministry official, ongoing Saudi-Iranian talks aim to reduce regional tensions. Further reports indicate that discussions focused on the war in Yemen, as well as the Joint Comprehensive Plan of Action (JCPOA).

The development constitutes the first public Saudi acknowledgment of diplomatic engagement with Iran. The countries cut diplomatic ties in January 2016 after protesters stormed the Saudi Embassy in Tehran. The fact that Riyadh and Tehran are conducting negotiations indicates both parties' interest in reducing the negative fallout of conflicts between different regional actors and their respective backers. This particularly pertains to the protracted proxy war in Yemen, as well as President Joe Biden's declared objective to rejoin the JCPOA. Overall, Riyadh's readiness to diplomatically engage suggests that Saudi Arabia faces growing pressure due to a recent increase in Yemen's Iranian-backed Houthi attack against Saudi interests. It may also constitute a Saudi concession to the Biden administration. Regardless, given the depth of the disagreements between Riyadh and Tehran, it remains less likely that the talks will result in a major breakthrough in the immediate term.

Syria: Explosion reported on May 9 on oil tanker located off coast of Tartus' Baniyas Port; similar incidents possible over coming months

Syria's official news agency stated that the explosion was due to a technical failure of the oil tanker's engine and that the crew managed to extinguish the flames, with no damage was caused.

The development follows a similar incident on April 24, wherein Syrian authorities reported a fire on an oil tanker anchored off the coast of Baniyas Port. While Syria's official news agency reported that the incident was suspected to be an unmanned aerial vehicle (UAV) attack, a Syrian official reportedly later stated that the incident was an accident. As oil tankers operated by Syrian and Iranian-linked entities are often poorly maintained, it is plausible that the current explosion was due to a technical failure. However, given Israel's long-term objective to hinder Iranian supply lines into Syria, it cannot be entirely excluded that the incident occurred due to a deliberate attack targeting suspected Iranian oil shipments. Overall, further security incidents affecting oil tankers anchored off-coast Syria are possible over the coming months due to either deliberate kinetic attacks against Syrian interests or technical faults emerging from

improper infrastructural maintenance.

Syria: Fire reported at state-owned Homs Petroleum Refinery in Homs on May 9; points towards gaps in maintenance of critical infrastructure

Syria's official news agency reported that a fire broke out in a distillation unit due to a leak from a pump. The fire was extinguished without human losses. The government did not provide information on any ramifications to refining operations. Homs' Petroleum Refinery is one of only two operating refineries in government-held territory.

This development comes amid long-standing fuel shortages across government-controlled areas, which overall increased the importance of, and potentially burden on, the scarce refining facilities the government currently maintains, including Homs Refinery. As reports indicated that the fire resulted from a technical malfunction, the incident points towards gaps in maintenance in this government-controlled refining facility. This likely emanates from the government's insufficient funds and inability to properly implement safety and security protocols at the site, which may lead to further similar accidents. While the government did not report on disruptions to refining operations, such disruptions cannot be ruled out as the government may have censored them. In such a case, partial disruptions to fuel distribution in government-held areas may be experienced over the coming hours and days.

Upcoming Notable Dates

April 12-May 13

- **MENA:** Ramadan

May 9-10

- **Israel:** Jerusalem Day

May 12-13

- **MENA:** Eid al-Fitr

May 17

- **Israel:** Shavuot

May 19

- **Turkey:** Ataturk Memorial, Youth and Sports Day

May 25

- **Yemen:** Unification Day
- **Lebanon:** Resistance and Liberation Day
- **Jordan:** Independence Day

May 26

- **Syria:** Presidential Elections