

## Global Mobility – Executive Bulletin

### Middle East Conflict – Operational & Employee Impact | March 2026



#### **Executive Summary**

Ongoing conflict in the Middle East continues to **disrupt** global transport corridors, reduce cargo capacity and extend relocation timelines. Mobility leaders should anticipate shipment delays, increased freight costs, administrative slowdowns and heightened employee wellbeing considerations.

#### **As it stands...**

The conflict in the Middle East is continuing to affect transportation networks, regional business activity, and mobility services. The situation remains highly dynamic, with frequent changes to travel routes, logistics availability and costs. As a result, employee mobility and relocation timelines are impacted.

#### **Air Freight and Passenger Travel**

Airspace closures across Iran, Iraq, Israel, Qatar, Bahrain, Kuwait and the UAE are causing widespread flight cancellations and route diversions.

Several airlines including Emirates, Etihad and Qatar Airways have suspended selected services. These disruptions have reduced global air cargo capacity by approximately 22%, delaying time sensitive goods such as fresh produce and aircraft components. Given the region's role as a major transit hub, an estimated 21% of global air cargo flows has been affected.

#### **Ocean Freight**

Major carriers including MSC, ONE, CMA CGM, Maersk and Hapag-Lloyd have suspended transits through the Strait of Hormuz and parts of the Red Sea due to security concerns. Many vessels are now rerouting via the Cape of Good Hope which is significantly extending transit times.

Carriers have also introduced conflict-related surcharges, including War Risk and Emergency Conflict charges.

#### **Port Operations**

Regional port activity is also being affected. At Jebel Ali, infrastructure damage and security risks have resulted in operational disruption.

#### **Assignment and Relocation Timelines**

Government offices across parts of the region are operating with reduced staffing and enhanced security protocols, with some public sector employees working remotely.

As a result, processes requiring government interaction including customs clearance, relocation documentation and residence permit processing may experience delays.



Air Freight and Passenger Travel



Ocean Freight



Port Operations



Impact on Mobility & relocation timelines

## Regional Risk Overview

The below RISK overview provides context for deployment planning and short-term assignment approvals. Risk levels remain fluid and should be aligned with corporate security guidance.

### Middle East Conflict: Risk Levels for Employee Deployments



#### Airfreight rates

Asia–Europe routes have already increased by approximately 5–6%, and further increases remain likely as capacity remains constrained.

#### Ocean freight

costs are also rising, largely due to longer sailing routes, higher fuel usage and additional conflict-related charges.

#### Conflict-Related Surcharges

Several carriers have introduced additional surcharges, including:

##### War Risk Surcharge (WRS)

- Hapag-Lloyd:
  - USD 1,500 per 20' container
  - USD 3,000 per 40' container

##### Emergency Conflict Surcharge (ECS)

- CMA CGM:
  - USD 2,000 per 20' container
  - USD 3,000 per 40' container

### » Cost Implications

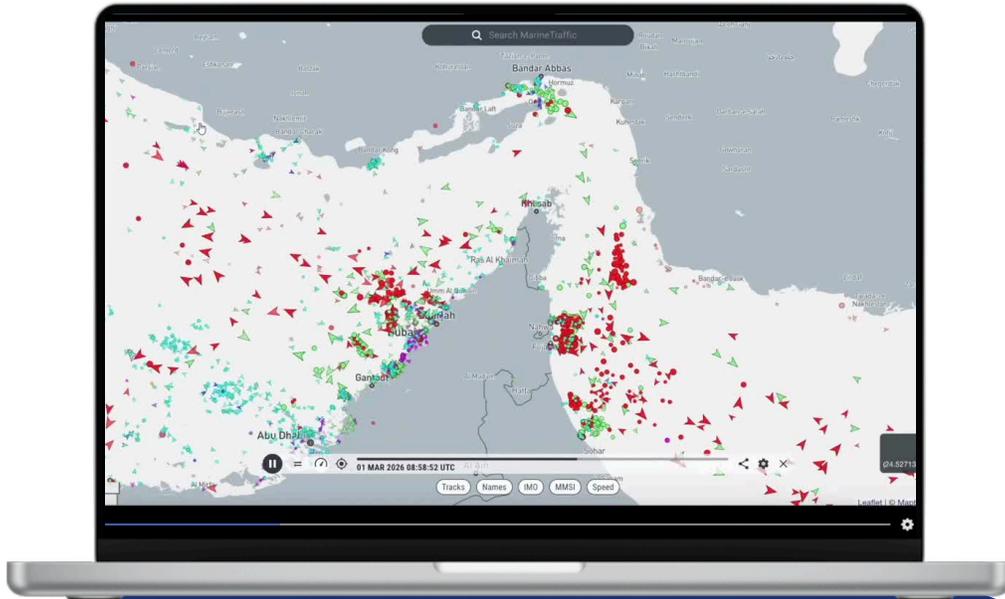
Mobility teams should be aware that due to above perceived risk in region, charges may change quickly.

Costs quoted at the start of a shipment may differ from final billing if new surcharges are introduced at short notice. ✓

### » Impact on Mobile Employees

- Travel and Immigration
  - Employees travelling in and out of, or transiting through the region may encounter flight cancellations, diversions or longer travel routes.
  - Administrative processes such as work permits, visa renewals and residency documentation may also be delayed due to reduced government staffing levels.
  - In some countries, remote-working directives for public sector staff are slowing services that normally require in-person processing.

## Shipment Delays



<https://www.marinetraffic.com>

The latest #MarineTraffic playback shows visibly reduced transit density, alongside holding patterns, slower speeds, and vessels remaining outside the strait as operators reassess risk.



Relocation shipments are likely to experience **delays** due to several factors, including:

- Vessel rerouting around the Cape of Good Hope.
- Flight cancellations and diversions.
- Longer ocean transit times.
- Congestion and equipment shortages as carriers adjust routes and reposition vessels.



Household goods shipments may be affected by:

- Longer shipping lead times.
- Slower customs processing.
- Rerouting requirements or temporary storage if port operations are suspended.



**Mobility teams should factor in longer timelines for move-in, move-out and settling-in services.**

## Recommended Actions for Mobility Teams



Given the ongoing uncertainty, mobility teams are encouraged to consider these following **six steps**:

01 Set clear expectations with employees around potential delays and rising costs

02 Build additional lead time into services that require government interaction

03 Prepare contingency options such as alternative shipping routes, temporary accommodation or short-term storage.

04 Monitor developments in the region, particularly airspace restrictions, port operations and new freight costs and surcharges.

05 Maintain close communication with relocation partners and carriers, as routing and capacity are changing frequently.

06 Review mobility budgets for surcharge exposure.

## Quick Summary

### 1. Transport & Logistics Disruption

- Airspace closures reducing global air cargo capacity by approximately 22%.
- Asia–Middle East–Europe air cargo capacity reduced by approximately 39%.
- Vessel rerouting via Cape of Good Hope increasing ocean transit times.
- War Risk & Emergency Conflict surcharges introduced by major carriers.
- Port disruptions including operational impact at Jebel Ali.

### 2. Impact on Assignment & Relocation Timelines

- Extended customs clearance and relocation documentation processing.
- Residence permits, work permits and visa renewals experiencing delays.
- Longer household goods shipping lead times and temporary storage requirements.
- Potential need for temporary accommodation extensions.

### 3. Cost Exposure & Budget Considerations

- Extended customs clearance and relocation documentation processing.
- Residence permits, work permits and visa renewals experiencing delays.
- Longer household goods shipping lead times and temporary storage requirements.
- Potential need for temporary accommodation extensions.

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# Thank you



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