An Iranian suicide drone attack near Oman against the Israeli-operated MT Mercer Street killed two crewmembers on July 29, marking the most significant escalation in Tehran’s aggression at sea since 2019. The attack is an alarming convergence of two dangerous trends in Iran’s aggressive activities: its maritime harassment and increasing use of drones. This year, Iran and its proxies are increasingly using drones to strike U.S. service members, partners, and interests in Iraq, Syria, Saudi Arabia, and Yemen, with limited U.S. response to date.

Now, Tehran is signaling its willingness and ability to apply the lessons it has learned about drones—including its relative impunity—to its maritime aggression. Shortly after the Mercer Street attack, reports indicate that Iranian hijackers took control of the MV Asphalt Princess, a Panama-flagged tanker, in the Gulf of Oman on August 3. To deter future Iranian naval and drone aggression, the United States needs a forceful, persistent, and integrated response, alongside its partners, that disrupts Tehran’s ability to mount such attacks and instills fear of future U.S. reactions. Otherwise, Iran is likely to only escalate its attacks, as it did in 2019.

What Happened?

- The United States, United Kingdom, Israel, and Romania have alleged that multiple Iranian unmanned aerial vehicles (UAVs) attacked the MT Mercer Street near Oman on July 29, killing the Romanian captain and one British crew member.
  - The Mercer Street is a Liberian-flagged ship, owned by a Japanese company, and operated by the Israeli-owned Zodiac Maritime.
    - A projectile attacked a ship previously owned by Zodiac Maritime in the Indian Ocean on July 3.
  - The USS Ronald Reagan aircraft carrier and the USS Mitscher destroyer escorted the Mercer Street to port.
According to a statement released by U.S. Central Command (CENTCOM), the *Mercer Street* was targeted by two unsuccessful explosive UAV attacks and an “investigative team determined that the extensive damage to the *Mercer Street*... was the result of a third UAV attack on July 30. This UAV was loaded with a military-grade explosive, and caused the death of two crewmembers.”

CENTCOM assessed that “the explosive detonation following the UAV impact created an approximately 6-foot diameter hole in the topside of the pilot house and badly damaged the interior. Explosive chemical tests were indicative of a Nitrate-based explosive and identified as RDX, indicating the UAV had been rigged to cause injury and destruction.... Explosives experts were able to recover several pieces of this third UAV....which were nearly identical to previously-collected examples from Iranian one-way attack UAVs.”

Iran’s Press TV reported that the attack was retaliation for an alleged Israeli airstrike near Homs, Syria on July 22.

U.S. Secretary of State Antony Blinken issued a statement on August 1 that “we are confident that Iran conducted this attack.... There is no justification for this attack, which follows a pattern of attacks and other belligerent behavior. These actions threaten freedom of navigation through this crucial waterway, international shipping and commerce, and the lives of those on the vessels involved. We are working with our partners to consider our next steps and consulting with governments inside the region and beyond on an appropriate response, which will be forthcoming.”

On August 3, Israeli Prime Minister Naftali Bennett responded to the attack by declaring that “Iran knows the price we exact from anyone threatening our security....The Iranians need to understand that they cannot sit peacefully in Tehran and ignite the whole Middle East from there. That is over.”

Israeli Defense Minister Benny Gantz said on August 4 that Israel is prepared to attack Iran and “we are at a point where we need to take military action against Iran.... The world needs to take action against Iran now.”

On August 3, reports indicate that Iranian-backed gunmen seized the Panama-flagged tanker, *MV Asphalt Princess*, off the coast of the United Arab Emirates, with the British navy warning that there is a “potential hijack” incident.

At least five oil tankers in the area announced through their Automatic Identification System that they were “not under command.”

Iranian sources have rejected claims that they are behind the hijacking of the *Asphalt Princess*, with some hinting at a possible cyberattack.

On August 4, the British navy reported that the hijackers left the ship.
Why Is It Important?

- Iran’s attack on the Mercer Street represents a growing tendency by Iran and its proxies to use drones, particularly armed suicide drones, against U.S. personnel, partners, and interests across the Middle East, as JINSA has previously detailed.

  - Iran has designed and proliferated a variety of drones to its proxies, including kamikaze UAVs used by Shia militias in Iraq, Hamas in Gaza, and the Houthis in Yemen.

  - The reported use of several drones to strike the Mercer Street bridge could indicate an increase in Iranian surveillance, intelligence, and precision capabilities.

- Hitting a ship is a difficult task that requires the precise ability to target a constantly moving object. Striking the bridge compounds this challenge by shrinking the target zone to a subsection of the vessel.
Using surveillance drones to improve the accuracy of kamikaze UAVs could have enabled Iran to hit the bridge accurately.

- In 2021, Iran launched more maritime attacks using sea- and air-launched munitions, like limpet mines and drones, than in 2019, with no such attacks occurring in 2020.

- Since February 2021, there have been five such attacks on Israel-linked vessels.

- The increasing use of kamikaze drones signals Tehran’s willingness to kill those on board, not just harass crew, steal cargo, or damage ship hulls through limpet mines.

- If there is no military response to Iranian maritime aggression, Iran will likely conclude there is no resolve to confront them. In that case, Tehran is likely to broaden its attacks and escalate further, as it has in the past when not confronted directly.

- After a series of attacks on commercial ships in mid-2019, and without a robust response from the United States or other nations, Iran escalated its aggression by attacking major Saudi energy facilities at Abqaiq and Khurais in September 2019.

- This round of Iranian aggression kept escalating, leading to the December 2019 death of an American contractor as a result of Iranian-linked rocket fire on U.S. personnel in Iraq, until the Trump administration’s airstrike that killed Iranian Quds Force commander, Major General Qassem Soleimani, in January 2020.

- Tehran may be calculating that the maritime domain in nearby waterways is the best location to retaliate against Israel’s “Campaign Between the Wars” or deter further Israeli military action in Syria, Lebanon, or at sea.

- Skirmishes between Israel and Iran escalated in April with alleged Iranian attacks on Israeli-owned cargo ships and Israeli retaliations against Iranian military vessels.

- Israel primarily targeted ships illicitly transporting oil. There have also been at least a dozen Israeli attacks on Iranian ships bound for Syria over the previous few years.

- Iran’s attack on the Mercer Street shows it does not feel constrained or deterred on the seas in the same way that it seems to be deterred against attacking Israel directly.

- Besides deploying submarines, Israel has little ability to unilaterally project power into the critical waterways near the Arabian Peninsula, where Iran launches its maritime attacks and harassment.

- This is creating a security gap that the United States, the United Kingdom, and Arab states could help alleviate through joint maritime cooperation.

- Rapid claims by the U.S., U.K., Israeli, and Romanian governments that Iran was responsible for the attack on the Mercer Street indicate that there will likely be a response to the attack. Still, it is not clear what it will be or who will initiate it.
U.S. Secretary of State Blinken told reporters on August 2 that the U.S. government is “in very close contact, in coordination, with the United Kingdom, Romania and other countries. And there will be a collective response.”

The public statements from the American and British governments are likely to signal support for future Israeli military retaliation.

Arab Gulf states have intensified their requests for a military response against Iran in response to the Mercer Street incident, signaling there may be room for the Biden administration to push its partners to bolster and better coordinate their naval operations.

- With hardliner Ebrahim Raisi taking over the Iranian presidency shortly after the Mercer Street attack, Iran may be testing the redlines of the new Israeli government, as well as the U.K. and U.S. governments’ willingness to use military force in the Middle East.

- Yet, the U.S. military, and particularly its maritime services, are increasingly focused on competing against China.
- Given flat U.S. defense budget projections, the Pentagon will have to choose between deploying assets to the Middle East or Indo-Pacific, allowing Iran to exploit America’s absence.

What Can the United States Do Next?

- The President, Secretary of Defense, Chairman of the Joint Chiefs of Staff, and CENTCOM Commander should clarify to Tehran, the IRGC, and Iranian naval captains that the United States will not let provocative naval or drone activities become the norm.
  - This should include a strong commitment to upholding global norms of travel in international waterways and maintaining a consistent level of freedom of navigation voyages alongside regional partners.
  - While statements attributing Iran to the Mercer Street attack may have been a green light for Israel to take military action, the United States should publicly back Israel’s interdiction efforts and “Campaign Between the Wars.”

- Independent of any unilateral military action that Israel takes, the United States, the United Kingdom, and Israel should retaliate jointly against Iranian attacks that endanger these countries’ vessels and the freedom of navigation.
  - The Biden administration should make clear that Israel is free to respond as it chooses irrespective of any joint action.

- Building off the Abraham Accords, the United States should push for Israel’s inclusion in the International Maritime Security Construct (IMSC), which has escorted ships in the Gulf since 2019, while ensuring that joining does not restrict its freedom of action against the Iranians.
Minimally, the Israelis should have a presence at the IMSC’s headquarters in Bahrain, but Israel also has significant intelligence resources and naval capabilities that could bolster the coalition’s effectiveness.

The Biden administration should halt nuclear negotiations with Tehran if the Iranian military continues to harass and endanger the lives of American service members, hinders safe passage through international waterways, or fuels regional conflicts by smuggling advanced arms to its terrorist proxies.

The U.S. Department of Defense should press the Gulf states for faster and more extensive naval modernization and expansion.

In coordination with its partners, the United States needs a comprehensive approach to defend against and deter Iranian naval attacks or drone strikes that should include:

- Fully leveraging international law in defending U.S. forces and maritime traffic, as existing rules of engagement (ROE) permit much more forceful responses to Iranian naval forces’ demonstrated hostile intent than the current U.S. restraint suggests, including disabling fire and deadly force;
- Consistent, forceful military responses against the perpetrators of attacks;
- Increasing the scope of naval activities around the Arabian Peninsula via the IMSC;
- The United States and the United Kingdom should devote more maritime vessels to the IMSC and seek to expand its membership, which currently also includes Saudi Arabia, the United Arab Emirates, Bahrain, Albania, Estonia, and Lithuania;
- More comprehensive, frequent, and visible U.S. military exercises with Israel and Arab partners focused on addressing Iranian naval attacks using drones, missiles and mines;
- Leading an effort among its partners to establish a regional missile defense and shared early-warning network, which JINSA has recommended since 2018;
- Promoting interoperability for the intelligence, surveillance, and reconnaissance (ISR) assets of America’s Gulf State partners, such as radars, communication systems, early-warning aircraft, and patrol boats;
- Developing joint contingency plans with Arab nations and Israel to target key military assets of Iran and its proxies;
- Joint research and development efforts to improve existing air defenses and create new land- and sea-based counter-drone systems;
- Israel’s Iron Dome system, which intercepted drones during the conflict with Gaza in May, has a sea-based variant that the Pentagon should acquire.

DISCLAIMER
The findings and recommendations contained in this publication are solely those of the authors.
<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Incident Description</th>
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<tbody>
<tr>
<td>5/12/19</td>
<td>The Gulf of Oman off the coast of Fujairah, UAE</td>
<td>Two Saudi Arabian oil tankers, a Norwegian oil tanker, and a UAE oil tanker were damaged by limpet mines.</td>
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<td>6/13/19</td>
<td>The Gulf of Oman off the coast of Bandar-e-Jask, Iran</td>
<td>A Panamanian-flagged oil tanker operated by a Japanese company and a separate oil tanker flagged in the Marshall Islands and operated by a Norwegian company were attacked with limpet mines and a torpedo.</td>
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<tr>
<td>7/8/19</td>
<td>The Persian Gulf</td>
<td>Saudi forces intercepted and destroyed a suicide drone boat as it was targeting a commercial vessel.</td>
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<tr>
<td>7/11/19</td>
<td>The Persian Gulf off the coast of the UAE, near Iranian-controlled Abu Musa Island</td>
<td>Three IRGC boats attempted to seize control of a British oil tanker; the attempt was foiled by the intervention of the U.K. Royal Navy.</td>
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<tr>
<td>7/20/19</td>
<td>The Strait of Hormuz</td>
<td>IRGC forces seized two British-flagged oil tankers, releasing one but keeping the other, the Stena Impero, and its crew in custody; they were released later in the month.</td>
</tr>
<tr>
<td>8/4/19</td>
<td>Farsi Island</td>
<td>The IRGC intercepted an Iraqi oil tanker operating in the Persian Gulf under the pretense that the vessel was smuggling oil for unnamed Arab countries. Iran seized the ship and arrested seven crew members temporarily.</td>
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<tr>
<td>9/16/19</td>
<td>Greater Tunb Island, Ras al-Khaimah</td>
<td>IRGC forces seized a vessel en route to the UAE and arrested its crew members.</td>
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<tr>
<td>12/30/19</td>
<td>Abu Musa island</td>
<td>A ship was seized in the Persian Gulf, and its crew members were detained on accusations of fuel smuggling.</td>
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<tr>
<td>4/14/20</td>
<td>Near the Strait of Hormuz in the Gulf of Oman off the coast of Hormozgan Province, Iran</td>
<td>Armed men briefly seized a Hong Kong-flagged ship and released the ship later that day.</td>
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<tr>
<td>4/15/20</td>
<td>The northern part of the Persian Gulf off the coast of Iran</td>
<td>11 IRGC vessels spent roughly an hour making repeated approaches and circling around American ships, including two Navy vessels and two Coast Guard vessels conducting joint operations in the Persian Gulf.</td>
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<tr>
<td>8/12/20</td>
<td>Off the coast of Khor Fakkan, UAE</td>
<td>Iran briefly seized a Liberian-flagged oil tanker.</td>
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<tr>
<td>8/20/20</td>
<td>The Persian Gulf near UAE</td>
<td>Iran seized a UAE-flagged ship in the Persian Gulf and detained its crew members in response to UAE, killing two Iranian fishermen.</td>
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<tr>
<td>1/4/21</td>
<td>The Strait of Hormuz</td>
<td>The IRGC seized a South Korean oil tanker en route to the UAE from Saudi Arabia and held the ship until April 9, after South Korea unfroze over $1 billion in Iranian assets.</td>
</tr>
<tr>
<td>2/26/21</td>
<td>The Gulf of Oman</td>
<td><em>MV Helios Ray</em>, an Israeli-owned and Bahamas-flagged cargo ship en route to Singapore from Saudi Arabia, was struck with several explosions which caused damage to its hull.</td>
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<tr>
<td>3/25/21</td>
<td>The Arabian Sea</td>
<td>An explosive caused by either a missile or a limpet mine struck the side of an Israeli-owned ship and Liberian-flagged ship traveling through the Arabian Sea to India.</td>
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<tr>
<td>4/2/21</td>
<td>The Persian Gulf near the UAE</td>
<td>Three IRGC fast-attack boats and a larger vessel made maneuvers within 100 yards of two U.S. coast guard ships in the southern Persian Gulf.</td>
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<tr>
<td>4/14/21</td>
<td>The Persian Gulf off the coast of Fujairah, UAE</td>
<td>Iran fired a projectile, either a missile or a drone, at an Israeli-owned and Bahamas-flagged cargo ship stationed in the Persian Gulf off the coast of Fujairah, UAE.</td>
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<tr>
<td>4/28/21</td>
<td>The Strait of Hormuz</td>
<td>Three IRGC naval vessels approached a U.S. Navy vessel and a Coast Guard vessel in the Persian Gulf, backing off only when an American naval vessel fired warning shots.</td>
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<tr>
<td>5/10/21</td>
<td>The Strait of Hormuz</td>
<td>13 IRGC fast-patrol boats approached a fleet of six Naval ships, two Coast Guard vessels, and a submarine and conducted unsafe maneuvers, backing off after warning shots were fired by the American naval vessel.</td>
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<tr>
<td>7/3/21</td>
<td>The Persian Gulf</td>
<td>A Liberian-flagged commercial vessel previously owned by an Israeli firm was en route to the UAE when a projectile struck it.</td>
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<tr>
<td>7/29/21</td>
<td>Northeast of Oman’s Masirah Island in the Indian Ocean</td>
<td>Iranian drone targeted the Israeli-operated <em>MT Mercer Street</em> tanker, killing 2 crewmembers.</td>
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<tr>
<td>8/3/21</td>
<td>The Persian Gulf off the coast of Fujairah, UAE</td>
<td>Iranian-backed forces are believed to have seized control of the <em>MV Asphalt Princess</em> off the coast of the UAE, and at least five ships in the area issued “Not Under Command” warnings on their AIS tracking systems.</td>
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