YEMEN

Latest escalation, possible trajectories, and their impacts

ACAPS ANALYSIS HUB MIDDLE EAST
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OVERVIEW

Yemen's conflict is escalating on two fronts. Since July, the de-facto authority (DFA) in the north of Yemen (also known as the Houthis), which controls much of the country's mountainous northwest, has launched a series of cross-border attacks on Saudi oil and gas infrastructure and sought to impose a de facto blockade on Red Sea oil exports from Saudi Arabia. Starting in August, the DFA began a cross-line missile and drone campaign, as well as probing ground attacks, against military and civilian infrastructure in areas under the control of the Internationally Recognized Government of Yemen (IRG), which responded with attacks of its own, including using newly acquired drone capabilities, and is seeking Saudi and broader international support for a campaign against DFA positions. In early September, the situation entered a new, dangerous phase as fighting erupted at several strategic positions along the frontlines.

At the time of writing, the outcomes of these battles are inconclusive. If the situation escalates, the next phase will be marked by the DFA or IRG capturing rival territory along one or several key flashpoints. Any redrawing of the map could set the stage for the next chapter of the war, as the winning side looks to press its new advantage. There is still an opportunity and rationale for Saudi Arabia to seek a diplomatic solution, but the DFA is likely to make maximalist demands in the event that bilateral negotiations resume.

Because the conflict incorporates local and regional rivalries and the weaponisation of international trade routes, escalation would have significant implications for Yemen's humanitarian situation and overall critical humanitarian operations. These developments would carry major domestic and global implications and present new significant challenges for international humanitarian and development operations in Yemen. If fighting is not soon contained, there is serious risk that this next phase of the 12-year war could extend several months, delaying the hopes of recovery for the 22 million Yemenis already in need.

ABOUT THIS REPORT

Aim

Since July 2026, Yemen has been caught in a sharp escalatory cycle that risks pushing the country back into full-scale, regionalised civil war. This paper unpacks the current volatile moment, looking at the overlapping dynamics driving the conflict trajectory. It provides a brief overview of the conflict and the drivers behind the escalation, examines the key local and international parties and their motives, assesses the major conflict flashpoints, and provides an analysis of where the situation may be headed and the potential humanitarian implications.

Methodology

This analysis is based on a structured secondary data review of humanitarian, media, and social media reporting, complemented by key expert interviews with Yemen and regional analysts. Sources were reviewed to identify reported changes in the scale, geographic distribution, and nature of hostilities, as well as emerging trends and potential areas of escalation. Findings were triangulated across available sources where possible, with particular attention to consistency between independent reporting and expert assessments.

Limitations

The rapidly evolving nature of the current escalation limits the ability to establish a comprehensive and fully verified picture of events. Information on individual incidents can be incomplete, delayed, or contradictory, particularly in areas with limited access. Reports from conflict parties and social media sources may also reflect competing narratives and are not always independently verifiable. The analysis reflects the information available at the time of writing and may be subject to revision as further evidence emerges.

BACKGROUND: THE YEMEN WAR

The roots of Yemen's war lie in the September 2014 Houthi seizure of Sana'a, Yemen's capital, which collapsed the country's UN-overseen political transition and drew a Saudi-led coalition into the conflict from March 2015. Over the next decade, the war hardened into a territorial stalemate (BBC 27/09/2014; The Guardian 26/03/2015). In 2022, after two years of heavy fighting in Ma'rib and neighbouring Shabwah governorate, the DFA and the IRG, overseen by then-President Abed Rabbuh Mansour Hadi, signed an ostensibly UN-brokered truce that was in reality negotiated between the DFA and Saudi Arabia with the help of Omani mediators. Over the course of 2023, the Saudis and the DFA engaged in talks over a 'road map' to implement a more sustainable ceasefire and lay the groundwork for national peace talks backstopped by economic confidence-building measures (South24 09/04/2023). In parallel, a DFA missile and drone campaign targeting southern Yemeni oil terminals from October 2022 halted IRG crude exports, locking it in a fiscal squeeze that shaped the leverage on both sides of the road map track (Sana'a Center 14/11/2022; FES 20/07/2022).

But the talks stalled and were overtaken by regional events. Hamas's October 2023 attacks on Israel sparked a complex regional conflict between the US and Israel, on the one hand, and Iran and its regional allies on the other. The DFA entered the fight with strikes on Red Sea shipping and Israeli territory that the group claimed were in solidarity with Palestine, but which expert observers read as an effort to signal their new capabilities to domestic and international audiences. The DFA was further emboldened when a direct 52-day confrontation with the US military in the spring of 2025 ended in an Oman-brokered US–DFA ceasefire in May 2025 (CTC 06/2025; Reuters 06/05/2025). In the same year, Washington designated the Houthis as a Foreign Terrorist Organization (FTO), complicating future efforts to implement the road map, which includes Saudi salary payments and transfers of oil revenues to the DFA administration – initiatives that the FTO implicitly prohibits (USC accessed 09/09/2026). DFA attacks on Israel and Red Sea shipping paused when the Gaza ceasefire took effect on 10 October 2025, ending the longest continuous phase of the group's regional campaign and leaving the group on advanced war footing without an active external front (LWJ 16/10/2025).

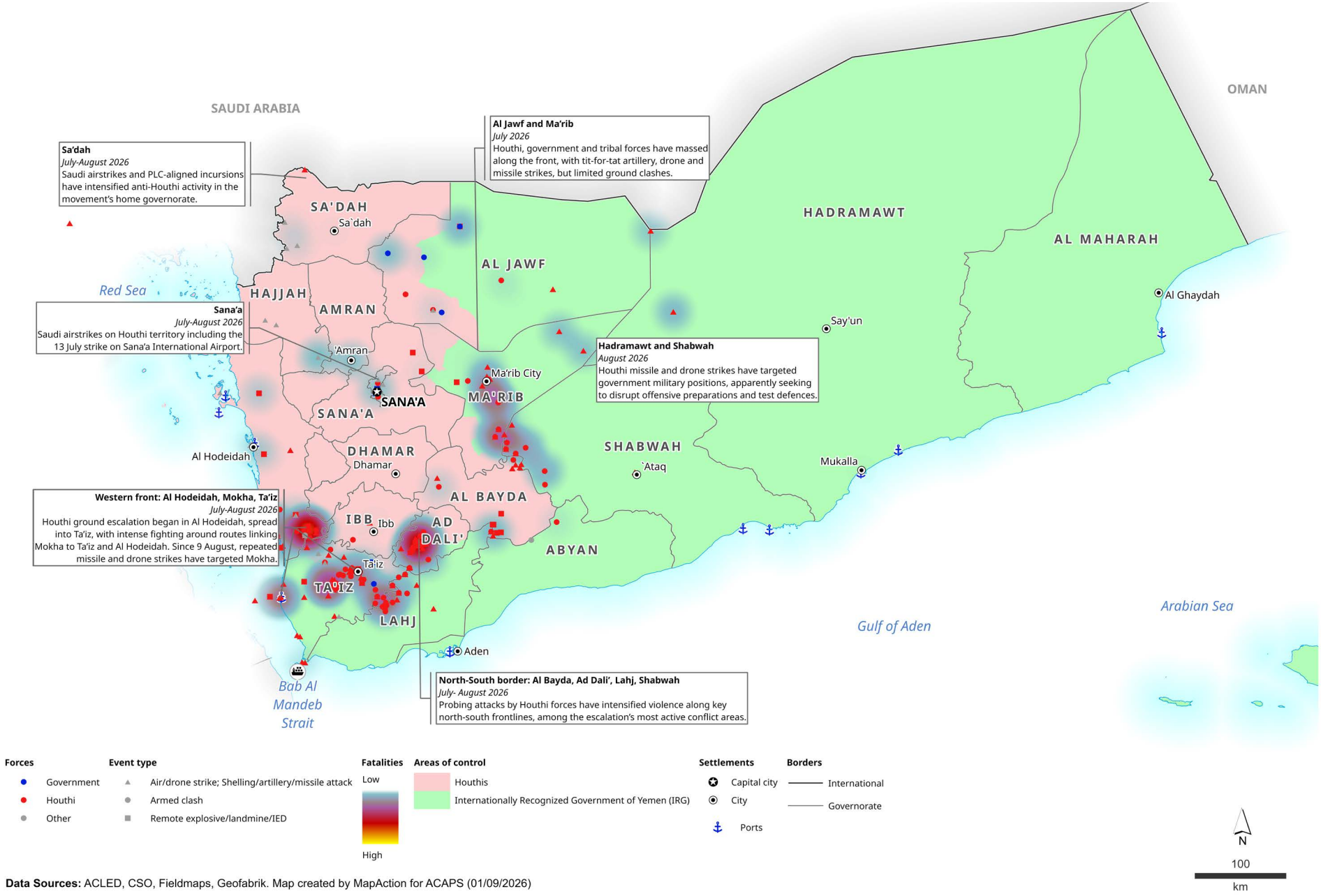
PRELUDE TO THE ESCALATION

A convergence of different events in the first half of 2026 increased the likelihood of a return to intense internal and cross-border conflict. In January, Saudi Arabia and Yemen's Presidential Leadership Council (PLC) seized significant territory from the Southern Transitional Council (STC), a political-military faction aligned with the United Arab Emirates (UAE) and also part of the PLC that had, in December 2025, moved to take full control of Yemen's south (MEI 25/02/2026; The Guardian 08/12/2025). Many STC-aligned forces subsequently transferred their loyalties to Saudi Arabia. Yemeni government officials, working with Saudi Arabia, then began to restructure military and security forces in Yemen to bring them under a single command and control structure for the first time. This was formalised in January 2026 through PLC President Rashad Al Alimi's announcement of a Supreme Military Committee that folded formerly UAE-aligned formations into a single Riyadh-overseen command (Sana'a Center 31/07/2026).

Saudi officials presented the unification of military and security forces as an opportunity to increase leverage with the DFA in future negotiations, but it led a number of people in the government camp to predict a concerted, multi-front campaign against DFA control of the north (MEI 25/02/2026). Then, in February 2026, the US and Israel launched a major new military offensive on Iran that saw the Islamic Republic launch retaliatory attacks on US military bases and naval assets and Gulf countries' infrastructure, as well as severely constrain trade flows through the Strait of Hormuz (AP 01/03/2026; BBC 06/06/2026). DFA forces largely remained on the sidelines of this round of conflict, launching limited strikes on Israel, showing a more restrained involvement relative to the 2023–2025 period (TNA 28/03/2026).

By mid-2026, Yemen's fragile de facto truce was giving way to renewed mobilisation on both sides. The DFA announced in June that they were institutionalising their General Mobilization programme, which they claim trained more than a million Yemenis as irregular fighters, creating a General Mobilization Force to manage and oversee this group of reservists (YM 02/07/2026). At the same time, in IRG-controlled areas, Pakistani forces replaced UAE contingents securing oil infrastructure in Hadramawt, with key expertsexperts indicating advisers embedded near front lines despite no official confirmation from Islamabad (Al Araby 02/06/2026).

Map 1. Security incidents and fatalities across Yemen, June–August 2026



Data Sources: ACLED, CSO, Fieldmaps, Geofabrik. Map created by MapAction for ACAPS (01/09/2026)

THE CURRENT ESCALATION: KEY INTENSIFYING EVENTS

The escalation intensified progressively over time. **DFA rhetoric towards Saudi Arabia hardened in June 2026,** when DFA leadership called for renewed general mobilisation and DFA-affiliated forces announced readiness to reinforce front lines. DFA officials subsequently threatened Saudi airports, banks, and oil assets should Riyadh continue to delay what the DFA says are core prerequisites for peace, including ending restrictions on seaport and airport access and paying salaries in areas under the group's control. **This coincided with a Saudi-backed restructuring of IRG forces and limited clashes along several domestic front lines.** Between 3–6 July, fighting south of Al Hodeidah, a critical, DFA-controlled Red Sea port city, became one of the most significant confrontations on the front line in recent years, killing 15 IRG-aligned soldiers, albeit without producing significant territorial changes (Sana'a Center 31/07/2026; ICG 17/07/2026). These escalations were, in the view of key experts, designed to pressure Saudi Arabia into renewed negotiations over the road map under terms more favourable to the DFA in the wake of the signing of the US–Iran Memorandum of Understanding.

Political and military pressure increased from mid-July. The IRG said its forces struck the airport runway to prevent an unauthorised Iranian Mahan Air flight carrying a DFA delegation from landing; the aircraft subsequently diverted to Al Hodeidah. The DFA attributed the strike to Saudi Arabia and responded within hours with missiles and drones targeting Abha International Airport, marking their first claimed attack on Saudi territory since the post-2022 de-escalation. DFA officials framed the attack as renewed Saudi aggression and linked their response to demands to lift restrictions on Sana'a airport, calling for a "lifting of the siege" of north Yemen, by which they meant the restrictions on seaports and airports under their control (AP 10/08/2026; Sana'a Center 31/07/2026; Reuters 13/07/2026).

DFA pressure subsequently broadened. On 20 July, the DFA declared a maritime blockade on Saudi-linked shipping in the Red Sea. They claimed repeated attacks on tankers, airports, naval assets, and Saudi energy infrastructure, including facilities in Jizan, Najran, and Yanbu, the critical terminal for Saudi's East–West pipeline that handles 75% of Saudi's crude output since the closure of Hormuz. Saudi Arabia has so far responded more selectively, including strikes against DFA positions and efforts to strengthen maritime protection. This marked a significant shift from the mutual restraint that had largely characterised direct DFA–Saudi relations since 2022 (Reuters 20/08/2026 and 13/07/2026; Sana'a Center 31/07/2026; CNBC 20/07/2026).

A 24 August attack on the Saudi-flagged tanker Amzan near Yanbu marked a significant expansion of the DFA pressure campaign, with the Houthis attempting to halt Saudi Red Sea oil exports. The tanker was struck approximately 63 nautical miles west of Yanbu, causing a fire but no reported crew casualties. The DFA claimed responsibility, while maritime authorities independently confirmed that the vessel had been struck without attributing responsibility. The location matters because Yanbu has become increasingly important to Saudi oil exports amid continuing insecurity around the Strait of Hormuz. The attack demonstrated that the DFA maritime campaign can extend well beyond the southern Red Sea and Bab Al Mandab towards critical Saudi export infrastructure (Reuters 24/08/2026; Euronews 24/08/2026).

DFA forces also escalated against the IRG. On 6 August, DFA missile and drone attacks struck IRG military positions in Ma'rib and Hadramawt, killing at least 30 soldiers according to government sources cited by Reuters. The DFA said the strikes targeted Saudi-backed forces and followed what they described as military preparations for an offensive. Saudi-backed forces had also been reinforced along several front lines, with reporting in August indicating preparations for possible ground operations. Repeated missile attacks on Mokha between 9–15 August killed civilians and military personnel and led the port to suspend commercial and maritime operations after more than 25 missiles struck the area. On 11 August, DFA missiles hit the Tihamah in the Bab Al Mandab Strait, killing six people, including two Yemeni rescuers. The DFA said the vessel was carrying Saudi military equipment, although this has not been independently verified. These attacks increasingly connect the domestic confrontation with the maritime pressure campaign and demonstrate the DFA's capacity to impose costs on both IRG-controlled infrastructure and Red Sea traffic (Reuters 15/08/2026 and 11/08/2026; AP 14/08/2026).

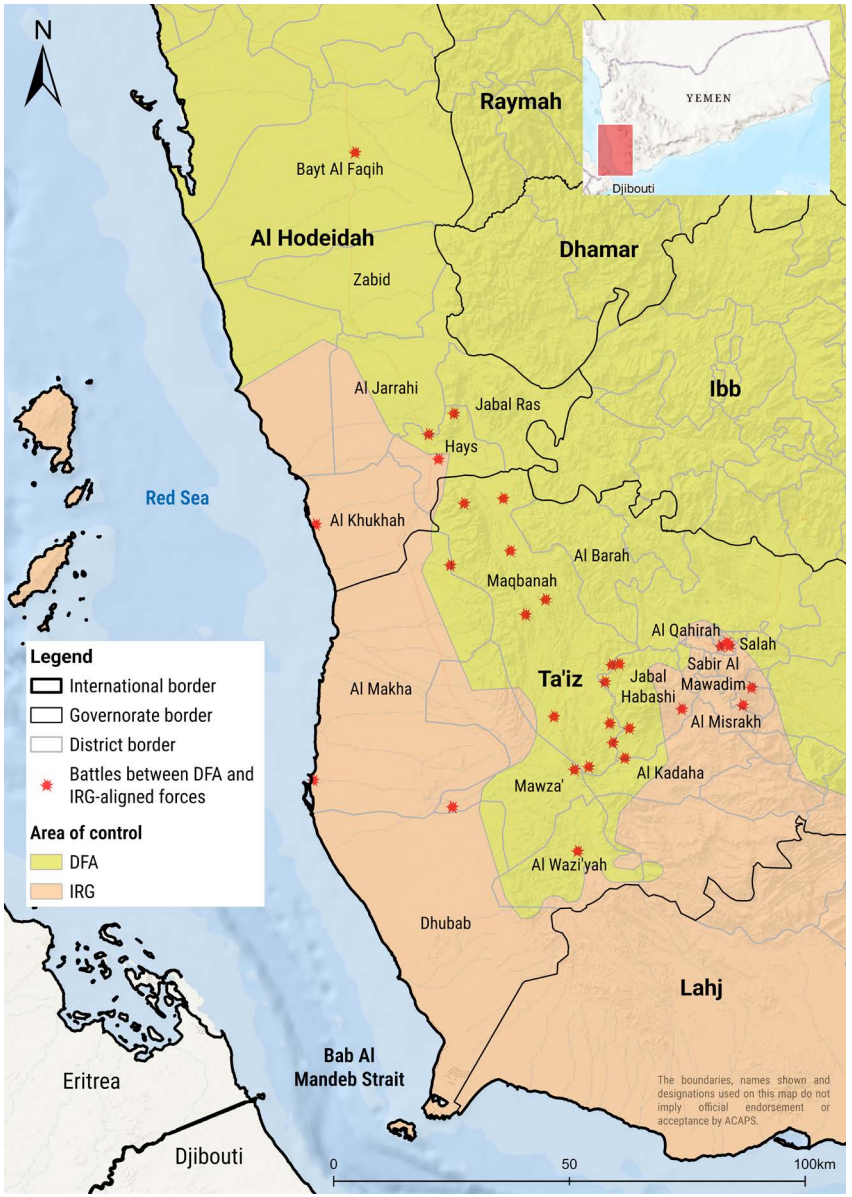
Additional missile attacks on Mokha and Al Khawkhah on 26 August signalled DFA pressure on the western coast is being sustained. According to the IRG-run Saba News Agency, four ballistic missiles were launched from DFA-held territory east of Ta'iz; three reached the Port of Mokha while a fourth fell inside Al Khawkhah in neighbouring Al Hodeidah. No casualties or significant damage were immediately reported. Coming after repeated attacks on Mokha earlier in August and simultaneous ground fighting around Ta'iz, **the strikes reinforce the assessment that the western front currently represents one of the most active and strategically consequential areas of escalation** (TNA 27/08/2026; Yeni Safak 27/08/2026; Saba News Agency 26/08/2026).

The IRG responded with its own escalating series of attacks, demonstrating new drone and other military capabilities. On 8 August, the Yemeni armed forces announced a counteroffensive against DFA "capabilities and forces [along] multiple axes and along the line of contact", including attacks on command centres and fortifications in southern Al Hodeidah, which, within a week, had extended to strikes on troop positions, weapons depots, and launch sites across seven governorates, conducted with drones, artillery, and rocket launchers (AJ 18/08/2026 and 08/08/2026; Yemen Monitor 16/08/2026; CGTN 16/08/2026). The IRG heavily publicised its attacks, releasing footage of drones striking targets along the front lines and issuing daily operation counts of up to 181 in one 24-hour period (YM 11/08/2026; Arab News 16/08/2026). The attacks also involved precision artillery fire directed by surveillance drones and, from the third week of August, the first IRG use of one-way attack drones against DFA weapons depots in Ma'rib (Capsulaa 21/08/2026; Al-Quds Al-Arabi 12/08/2026; Al Hadath 16/08/2026).

On 3 September, the conflict entered a new phase when DFA ground forces attempted to seize several strategic positions along the western coast. The DFA initially made localised advances in western Ta'iz, seeking to pressure IRG-held areas critical for the defense of Mokha and the IRG-held areas of the Red Sea coast. IRG forces mounted counterattacks, eventually regaining full control of the pivotal Hays district in southern Al Hodeidah and several strategic supply line positions in western Ta'iz, including the Al Khazan and Al Makahna Hills, plus areas around Al Barh. After the first 72 hours of the escalation, fighting remained active around Al Jarrahi in southern Al Hodeidah, but there was no indication of a major change in control there.

The apparent objective of the DFA campaign is to advance to the Port of Mokha to gain a deeper strategic foothold on the Red Sea Coast adjacent to the Bab Al Mandab Strait. Within 48 hours, a coalition of IRG-aligned forces successfully repelled the initial DFA advances, but at the time of writing, the situation remains in flux (AJ 05/09/2026; Arab News 04/09/2026; AA 04/09/2026). IRG forces also conducted air strikes and other military operations against DFA positions in Ad Dali', Al Bayda, Al Jawf, and Ma'rib. The movement of IRG forces towards Al Jawf governorate may indicate preparations for further ground operations, although this could not yet be independently confirmed (AA 07/09/2026; CNN Arabic 07/09/2026). By 4 September, at least 12 civilian casualties had been reported, while OCHA estimated around 1,790 households had fled Maqbanah and Jabal Habashi districts in Ta'iz governorate,

Map 2. Clashes between DFA and IRG-aligned forces on 3-4 September in Al Hodeidah and Ta'iz



Source: ACAPS with data from ACLED and Liveuamap

with several IDP sites emptied and further secondary displacement underway. In southern Al Hodeidah, more than 50 households have fled Al Jarrahi, Hays, and Jabal Ras districts (CIMP 04/09/2026; OCHA 04/09/2026). Protection risks increased further on 5 September when a missile strike on passenger buses on the Heijah Al Abd Road killed four civilians and injured nine (AA 05/09/2026).

FLASHPOINTS: SIX KEY AREAS WHERE CONFLICT IS FOCUSED

Sporadic fighting across several locations characterises the escalation since July 2026, but current activity is concentrated along a number of identifiable fronts in western Yemen. The most significant has been in southern Al Hodeidah and western Ta'iz, where ground offensives and artillery, missile, and drone attacks have taken place concurrently. Other incidents and troop movements have been reported elsewhere, indicating that the escalation extends beyond these two main areas. The key flashpoints and fronts identified to date are outlined below.

The western front: Al Hodeidah, Mokha, and Ta'iz

The DFA ground escalation started in Al Hodeidah, the site of some of the war's fiercest battles during a 2018 UAE-backed push to seize the governorate. The recent fighting has spread into neighbouring Ta'iz governorate, with the DFA apparently targeting key road routes connecting the strategically significant port city of Mokha with both Ta'iz city and the coastal road to Al Hodeidah port. Since 9 August, the Houthis have launched multiple waves of missile and drone strikes on Mokha and its environs. Armed Conflict Location & Event Data shows that this front line has been the site of the most intense violence during the escalation.

The northern front: Al Jawf and Ma'rib

Both the DFA and the IRG and its allied tribal groups have all massed forces around Al Jawf and Ma'rib governorates, the site of the most recent episode of major conflict between 2020–2022. The rival forces have launched tit-for-tat artillery, drone, and (in the case of the DFA) missile strikes on each other, with the DFA being the primary attacking force. To date, there have been limited ground clashes around Ma'rib.

Cross-line strikes: Remote attacks on Hadramawt and eastern Shabwah

Since early August, the DFA has launched multiple missile and drone strikes against IRG military encampments in Hadramawt and Shabwah governorates, primarily focusing on forces closely aligned with President Rashad Al Alimi. These strikes appear to have been designed to disrupt preparations for a ground offensive and test defences around the bases.

The north–south border: Frontline ground pressure in Ad Dali', Al Bayda, Lahj, and Shabwah

Local news reports suggest that DFA forces have launched a series of probing ground attacks against rival forces in Ad Dali', Al Bayda, Lahj, and Shabwah governorates, the key southern provinces along the old north–south border and important dividing lines between IRG and DFA forces. While dispersed, seen collectively, the north–south border is among the most intensive sites of violent conflict during the escalation period.

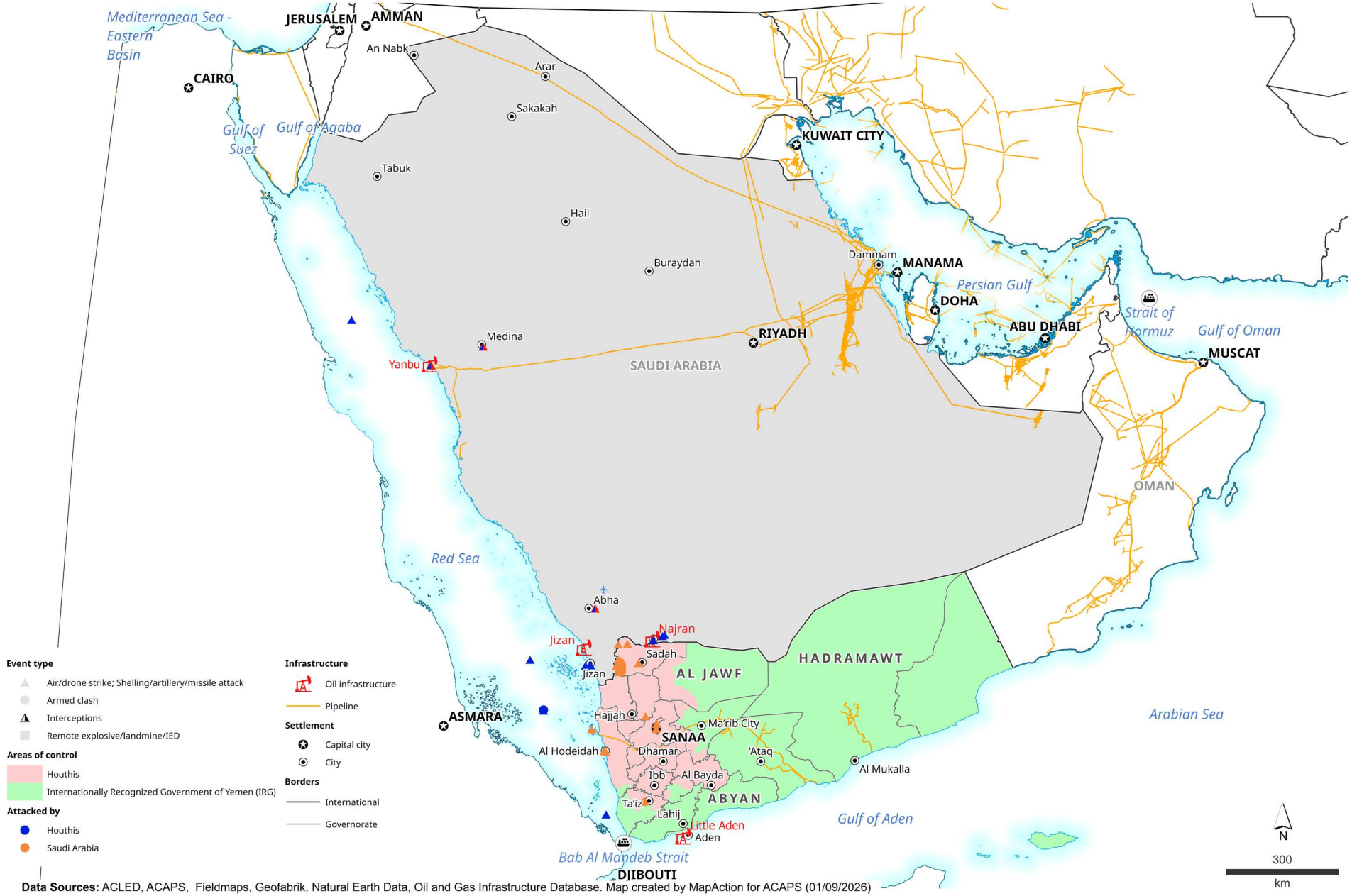
Sa'dah

The Houthi movement's home governorate has become a locus for anti-Houthi activity, with Saudi air strikes accompanied by probing attacks by PLC-aligned forces entering the governorate from Saudi Arabia's Najran governorate.

Cross-border DFA attacks on Saudi Arabia (and limited reciprocal Saudi strikes)

Since air strikes against Sana'a International Airport in mid-July, which the DFA believed were carried out by Saudi forces, the DFA has initiated an intensifying cross-border missile and drone campaign against Saudi oil exports and oil and gas production infrastructure, with Saudi responding with limited reciprocal strikes. DFA attacks have hit Abha International Airport, several Saudi oil tankers, and Aramco facilities in Jizan, Najran, and Yanbu. Saudi strikes have targeted Sana'a International Airport and military sites in Al Jawf, Al Hodeidah, Ma'rib, and Sa'dah governorates, including telecommunications equipment at Al Hodeidah port and the nearby island of Kamaran.

Map 3. Situational overview between Saudi Arabia and Yemen, June–August 2026



Data Sources: ACLED, ACAPS, Fieldmaps, Geofabrik, Natural Earth Data, Oil and Gas Infrastructure Database. Map created by MapAction for ACAPS (01/09/2026)

CONFLICT TRAJECTORIES

The section below charts three basic conflict trajectories, and their implications, through the end of 2026.

Escalation

A significant escalation would be marked by either the DFA or the IRG gaining control of rival territory. At the time of publication (9 September), DFA efforts were focused on key front lines and infrastructure around Ta'iz city, southern Al Hodeidah front lines, and Mokha city, leading expert observers to speculate that the group is undertaking an offensive to try to seize the strategically important city to the north of the Bab Al Mandab Strait. This territory has regional strategic importance as it overlooks a critical chokepoint in Red Sea shipping, but capturing this territory would also carry internal significance, as the DFA would further encircle Ta'iz and threaten Aden from the west.

The western front is the most active flashpoint to date, but this does not mean it will be the only focus of further escalation. The DFA has often launched major new offensives along apparently quiet fronts when IRG focus is seemingly elsewhere, as happened in Al Jawf and Ma'rib in 2020 and Al Bayda and Shabwah in 2021. Ma'rib, the Hadramawt desert strip, and the north–south border would also be candidates for a shift from shaping to seizing territory. It is equally possible that events in each region may lead to another front to escalate first. If one front does experience a significant intensification in ground warfare, the IRG or the DFA may choose to escalate in others to force the rival group to redirect resources.

If the IRG were to launch its own offensive, it could also consider a Red Sea push to regain control of Al Hodeidah; in 2018, UN mediation prevented a battle for the city to avoid severe humanitarian consequences. Equally, Saudi Arabia could attempt an assault into the DFA heartland of Sa'dah governorate to pressure the group into a truce. The DFA is likely to escalate its attacks on Saudi Arabia and Red Sea shipping if the conflict escalates, and especially if Saudi Arabia becomes more heavily involved with air and other support to Yemeni forces.

De-escalation

A breakthrough in addressing the core drivers of Yemen's conflict is unlikely in the outlook period, but de-escalation is possible. Key experts report that Saudi Arabia and the DFA have continued with indirect diplomacy throughout the escalation period. A breakthrough would likely mean Riyadh agreeing, at a minimum, to allow flights to enter Sana'a airport and easing restrictions on DFA-controlled ports at Al Hodeidah and nearby Saleef port, along with paying some public salaries in DFA-controlled areas. The precedents would be the 2022 truce, which followed DFA setbacks at Ma'rib and Saudi conflict fatigue, and the May 2025 US–DFA ceasefire.

New 'no war, no peace' baseline

Rather than a resumption of full-scale conflict or de-escalation, the situation would be marked by on-again-off-again attacks and frontline skirmishes that keep both sides on an advanced war footing without leading to a sharp escalation. This would include periodic missile and drone strikes on Ma'rib and Mokha, artillery duels along the Ad Dali', Al Hodeidah, and Ta'iz lines, maritime attacks timed to maintain the threat to Saudi shipping, and tit-for-tat cross-border strikes. The pattern would likely be volatile, with spikes in attacks and retaliations followed by lulls in activity. Both sides have reasons to tolerate such a status quo; the DFA would retain coercive leverage without the risks of an offensive, and the IRG would not risk a war that some in its camp worry it is not prepared to wage. But this new status quo would be fraught with risk. One well-timed missile or drone strike, or sudden shift in frontline control, could cause a chain reaction, pushing the internal conflict to an intensity level not seen in the past half decade, while increasing pressure on the Red Sea and international commodity prices and potentially drawing the US back into the conflict.

IMPLICATIONS OF THE TRAJECTORIES

Yemen remains one of the world's largest humanitarian crises, with renewed conflict likely to compound displacement, access, and funding constraints while increasing pressure on global commodity prices. The main anticipated implications across the three trajectories, outlined in more detail in Table 1, are as follows.

Escalation

Renewed conflict would drive primary and secondary displacement and further restrict humanitarian access, while worsening household purchasing power and placing additional pressure on already-weak governance and services. It would also increase risks to Red Sea shipping, raise transport and commodity costs, and heighten the likelihood of further Saudi/DFA confrontation and sanctions. A significant change in the country's front lines could also set the stage for the next phase of the civil war.

De-escalation

A sustained halt in fighting would reduce immediate displacement and access constraints and allow public institutions to return to pre-escalation operating conditions. It would also ease pressure on shipping and import costs and create greater space for Saudi, DFA, and Omani diplomacy, although the underlying humanitarian funding gap, weak household incomes, and existing sanctions would remain.

New 'no war, no peace' baseline

Intermittent conflict would sustain low-level displacement and unstable humanitarian access while keeping household incomes, services, and currency conditions fragile. It would continue to disrupt shipping and drive volatility in transport and commodity costs, while negotiations would remain focused on containing rather than resolving the conflict.

Table 1. Main anticipated domestic and global implications across the three conflict trajectories

IMPACTS		TRAJECTORY 1: ESCALATION	TRAJECTORY 2: DE-ESCALATION	TRAJECTORY 3: NEW 'NO WAR, NO PEACE' BASELINE
Domestic / Humanitarian impacts	**Displacement**	Full-scale conflict between IRG and DFA forces especially into Al Hodeidah, Ma'rib, or Mokha could trigger mass primary and secondary displacement from IDP camps already at capacity.	A halt to active fighting would remove the direct trigger for secondary displacement, returning conditions to the pre-July 2026 pattern where camps are not under missile and drone attack.	Displacement would continue at a low, unstable rate as intermittent strikes keep hitting the same areas without a full offensive.
	Currency/imports	Conflict risks reversing the 2025–2026 currency stabilisation and deepening the existing liquidity crunch.	Currency conditions would return to the same fragile stabilisation seen in April 2026, without the added war-risk premium active fighting adds to shipping, insurance, and trade routing.	Currency conditions would likely remain fragile, with periodic shocks tied to flare-ups followed by partial recovery.
	Household income	Household incomes would come under further pressure as salary payments grow more irregular and import-driven price rises erode purchasing power.	Household incomes would stabilise at their already-depressed pre-escalation level rather than improve.	Household incomes would stay depressed by chronic salary irregularity and eroded purchasing power throughout.
	Governance / service delivery	A multi-front campaign could strain the IRG political restructuring undertaken in January 2026, and service delivery in frontline governorates would deteriorate further as personnel and resources are diverted towards the fighting.	Governance would return to the low-stress conditions of January–June 2026, letting the Supreme Military Committee focus on administration rather than combat. Service delivery is stable at its pre-escalation (still limited) level.	PLC cohesion would hold at current levels as the unresolved DFA threat persists without full-mobilisation stress, while service delivery continues its gradual, uneven decline in contested governorates regardless of frontline status.

IMPACTS		TRAJECTORY 1: ESCALATION	TRAJECTORY 2: DE-ESCALATION	TRAJECTORY 3: NEW 'NO WAR, NO PEACE' BASELINE
Domestic / Humanitarian impacts	Humanitarian operations	Active fighting would expand no-go zones and raise detention risk as the DFA tightens wartime access controls.	Physical access would return to pre-July conditions: no active-conflict no-go zones or checkpoint proliferation, though the underlying DFA bureaucratic and detention risk that predates the escalation would not disappear.	Access would likely stay unstable, easing and tightening as fighting flares and recedes across the frontline governorates.
	Humanitarian funding	Escalation would draw short-term emergency pledges but is unlikely to close the structural funding gap.	Funding levels would likely stay at the same critically low share seen before the escalation since the shortfall reflects donor fatigue rather than conflict intensity.	Funding would likely stay at current critically low levels, generating neither a crisis-driven spike nor the stability that lets donors move on.
	Sanctions risks	Continued fighting raises the likelihood of further US Treasury designations against Houthi financial and logistics networks.	The immediate trigger for new sanctions rounds would recede, FTO designation against the Houthis and prior sanction rounds imposed before June 2026 would remain fully in force since they are not tied to the current escalation.	The FTO designation against the Houthis and existing sanctions would stay unchanged, with continuing attacks likely to justify incremental new designations.
Global impacts	Energy prices	Energy prices face upward pressure, especially if Saudi exports are disrupted.	Yemen-related risk premium declines.	Price volatility is intermittent.
	Shipping / Cargo	Rerouting and insurance and freight costs increase.	Red Sea traffic gradually normalises.	Elevated risk and periodic rerouting continue.
	Commodity Costs	Food, fuel, and import costs increase.	Some transport-related price pressures ease.	Prices remain elevated and volatile.
	Regional negotiations	Positions harden; crisis mediation intensifies.	Saudi–DFA/Omani talks gain momentum.	Talks continue mainly to contain escalation.

KEY STAKEHOLDERS

A diverse cast of local, regional, and international parties will make the decisions that will either lead to further escalation, mediation, or a holding pattern. The principal stakeholders are as follows.

DFA/Houthis

The DFA's control of the Red Sea Coast and growing arsenal of precision, longer-range weapons, including missiles and drones, give the group leverage over the Bab Al Mandab Strait and international shipping. The DFA seeks to preserve and expand its territorial and political position while using pressure on Saudi interests and Red Sea access for leverage. Observers assess that alignment with Iran provides additional political and technical support. Further Saudi strikes, restrictions affecting DFA-held seaports or airports, a major government advance, or direct US/Israeli attacks would increase the likelihood of intensified escalation. The DFA must also engage in a delicate internal balancing act, including friction with some tribes, and are influenced in their thinking by Iranian counterparts (Reuters 13/08/2026; AP 10/08/2026). For this reason, regional developments will inform their approach in the coming months.

IRG and allies

The IRG, through the PLC and aligned forces, controls most government-held territory and is reorganising Yemen's security and military under a single chain of command (AJ 14/01/2026). The IRG seeks to preserve the Yemeni state, recover leverage against the DFA, and prevent renewed southern fragmentation. Some

officials believe they can defeat the DFA militarily with the right level of international support. A sustained DFA push into IRG-held territory, attacks on IRG-controlled ports or energy infrastructure, or renewed southern mobilisation would push the IRG towards greater military mobilisation. But the IRG remains financially and politically dependent on Riyadh, and its forces are still fragmented both politically and institutionally. Former UAE-backed units retain separate loyalties and agendas and could also undermine a military push, as has happened in the past (Sana'a Center 31/07/2026; AJ 27/07/2026).

STC

The STC is a UAE-backed southern separatist political and security movement seeking an independent South Yemen (AJ 14/01/2026). The STC is no longer the dominant southern military-political bloc it was until 2025. Its position was weakened after Saudi-backed forces displaced it and Riyadh began absorbing former STC units (Sana'a Center 31/07/2026). That said, southern grievances remain unaddressed, and the loyalties of many formerly STC-led military formations are opaque. The group could act as a spoiler in any future military push or political process.

Saudi Arabia

Saudi Arabia is the main external security party in government-held Yemen and has also begun building a multinational maritime framework to protect shipping through the Bab Al Mandab Strait, Red Sea, and Gulf of Aden. Riyadh seeks to prevent a hostile Houthi authority on its border, protect energy exports and maritime routes, and contain southern fragmentation without becoming embroiled in another prolonged war. Sustained DFA attacks on Saudi territory, energy infrastructure, or Saudi-linked shipping would increase pressure for military action; repeated attacks on commercial vessels or disruption around the Bab Al Mandab Strait would increase the importance of the maritime coalition. Riyadh still faces the burden of integrating Yemeni forces previously supported by the UAE, and its maritime coalition also depends on member-state contributions and does not by itself resolve the land-based DFA threat (Reuters 30/07/2026). Many expert observers believe that Riyadh will only act if it is confident of US and wider international support for an offensive against the DFA.

Iran

Iran is the principal external political backer of the DFA and retains leverage through their regional alignment. The confrontation between Iran and US/Israel heavily influences Yemen's wider strategic environment. Tehran seeks to preserve a regional pressure network, raise the cost of future US or Israeli attacks, and retain influence over Red Sea security without assuming full control of DFA decision-making. Tehran already backs the DFA with weapons, military technology, and finance. US or Israeli attacks on Iranian interests, a major Saudi campaign against the DFA, or renewed US or Israeli threats to Iran's regional stakeholders could increase Iranian political or technical support to the DFA.

UAE

The UAE withdrew its remaining military personnel from Yemen in January 2026 but retains political and economic influence through southern networks and former partner forces (Sana'a Center 24/04/2026). As such, it is positioned to undermine or bolster a future war effort against the DFA, with its approach likely to be shaped by often-fractious relations with Riyadh.

US

Washington's documented objectives are to protect US trade, preserve freedom of navigation and the flow of commerce, reduce DFA capabilities, and constrain Iranian support to the movement (US DoW 04/02/2024; US DOS 20/01/2025). A mass-casualty attack on US personnel, sustained attacks on US-linked shipping, or a major DFA campaign against regional energy infrastructure would increase pressure for direct US action against the DFA. The wider US–Iran war constrains US decision-making, as it has absorbed regional attention and created simultaneous demands for maritime protection, air defence, and force posture management.

Israel

Israel is a major external military party with a clear security interest in preventing DFA attacks on Israeli territory, Israeli-linked shipping, and strategic or commercial infrastructure. Israel has repeatedly used air power against DFA targets in Yemen after attacks from Yemen, including strikes on ports, a power plant, and other facilities in July 2025 (Reuters 07/07/2025). Israel's immediate agenda in Yemen is to reduce the DFA missile and drone threat, protect Israeli territory and maritime links, and deter attacks on Israeli-associated shipping. Repeated DFA attacks on Israel, Israeli-linked shipping, or strategic sites would increase the likelihood of Israeli military action. But Israel has no durable political stakeholder inside Yemen comparable to Saudi Arabia's relationship with the PLC, and military pressure alone has limited ability to alter DFA governance or local political authority.

Oman

Oman remains an important mediation channel between the DFA, Saudi Arabia, and the US. Oman's Foreign Ministry says that Omani discussions and contacts with Washington and the relevant authorities in Sana'a produced the May 2025 US–DFA ceasefire, including an undertaking not to target US vessels in the Red Sea and Bab Al Mandab Strait (Oman FM 06/05/2025). In July 2026, Oman said it was coordinating with Saudi Arabia, Yemeni parties, and the UN Special Envoy to resume the political track (Arab New 23/07/2026). That said, Omani officials are pessimistic around the chances of a diplomatic resolution to the current crisis, per key experts.

Pakistan

Pakistan remains a peripheral party. Pakistani personnel have appeared in Hadramawt alongside Saudi and IRG forces, including at Al Rayyan airport and near oil facilities, but Islamabad has not confirmed a deployment. The reported role appears linked to Saudi efforts to fill security gaps following the UAE withdrawal. Yemeni sources describe possible functions, including training government forces, assessing security arrangements, and protecting energy infrastructure (Al Araby 02/06/2026). A Saudi request under the Mecca defence agreement could lead to a larger Pakistani role; direct threats to Saudi territory or strategic infrastructure would provide an additional trigger (Reuters 13/08/2026; Arab News 07/08/2026). The deployment remains unverified by Pakistani authorities, with Pakistani defence officials publicly describing reports of a Yemen deployment as speculation; this means the scale and mandate of any personnel in Hadramawt are unclear. Given Pakistan's role as a key mediator between the US and Iran, it is unclear why the country would participate in a major armed conflict involving a critical Iranian ally.